

**PORT OF TACOMA COMMISSION**  
**ACTION ITEM MEMO**



Item No: 3A  
Meeting Date: 4/14/2023

**DATE:** April 14, 2023  
**TO:** Port of Tacoma Commission  
**FROM:** Eric Johnson, Executive Director  
Sponsor: Erin Galeno, Chief Financial and Administrative Officer  
Project Manager: Michael Dehner, Sr. Manager, Labor and Employee Relations  
**SUBJECT:** Port of Tacoma/ILWU Local 22 Port Patrol Labor Agreement Ratification

**A. ACTION REQUESTED**

Authorize the Executive Director or his delegate to enter into a five-year labor agreement with the ILWU Local 22 (Port Patrol group) for the period October 1, 2022 through September 30, 2027.

**B. BACKGROUND**

The Port of Tacoma is party to a collective bargaining agreement (CBA) with Local 22 Port Patrol group which governs the wages, hours, and working conditions for 16 Regular and 12 Relief Patrol Officers. Beginning in August 2022, the parties undertook negotiations for a successor agreement to the CBA set to expire on September 30, 2022.

On January 12, 2023, the parties reached a tentative agreement for a successor agreement, and on April 12, 2023, the Port Patrol bargaining unit voted to ratify the tentative agreement. The Commission is now asked to authorize the Executive Director or delegate, on behalf of the Port of Tacoma, to approve and sign the CBA in its entirety.

**C. KEY CONTRACT PROVISIONS**

- Duration: October 1, 2022 through September 30, 2027
- Eliminated restrictions on hiring that required Regular Officer vacancies to be filled internally
- Improved compensatory time off to clarify and streamline accrual and usage
- Created an alternative benefit for those precluded from PERS participation due to participation in other public pensions such as LEOFF
- Increased minimum hours required for Relief Officers, coupled with a \$600 incentive payment for every six-month period when minimums are met
- Eliminated the VEBA 5 benefit for new hires
- Added Juneteenth as a paid holiday

- Improved miscellaneous language including seniority, recognized holidays, and alternative work schedules
- Annual across-the-board wage increases on April 1 (except as noted):
  - Year 1 (2023): 3.25% (effective upon ratification)
  - Year 2 (2024): 3%
  - Year 3 (2025): 3%
  - Year 4 (2026): 2.5%, with a wage reopener (if the annual CPI-U increase exceeds five percent (5%), either party may reopen the contract to negotiate wage rates).
  - Year 5 (2027): 2.5%, with a wage reopener (if the annual CPI-U increase exceeds five percent (5%), either party may reopen the contract to negotiate wage rates).
- Ratification bonus of \$5,000 for those employed on 1/12/2023

**D. FINANCIAL SUMMARY**

CONTRACT COSTS								
Description	Base Year	Year 1	Year 2	Year 3	Year 4	Year 5 - 6 months	Total for 5 Year Contract	Compound Annual Growth Rate
Total Wages	3,224,498	3,302,273	3,282,495	3,380,574	3,464,758	1,775,524	15,205,623	1.9%
Payroll Taxes	261,674	268,074	267,024	275,005	281,937	144,522	1,236,562	2.0%
Pension	279,665	285,947	282,177	290,601	297,832	152,622	1,309,179	1.8%
Medical	420,859	423,035	423,035	497,020	540,653	294,812	2,178,555	7.0%
All Other Benefits	201,944	217,403	217,403	224,733	227,324	114,931	1,001,795	2.6%
<b>CBA - Total</b>	<b>\$4,388,641</b>	<b>\$4,496,731</b>	<b>\$4,472,134</b>	<b>\$4,667,933</b>	<b>\$4,812,504</b>	<b>\$2,482,410</b>	<b>\$20,931,713</b>	<b>2.5%</b>
<b>Year over Year Annual Increase</b>		<b>\$289,875</b>	<b>\$(19,151)</b>	<b>\$201,423</b>	<b>\$149,392</b>	<b>\$78,626</b>		
<b>Total Five Years</b>							<b>\$700,166</b>	

The financial impact of this agreement is in alignment with the 2023 budget and plan of finance.

**E. NEXT STEP**

Authorize the Executive Director or his delegate to enter into a five-year labor agreement with the ILWU Local 22 (Port Patrol group) for the period October 1, 2022 through September 30, 2027.