



Item No.: 5B

Date of Meeting: September 20, 2018

# Overview of ILWU 22 Port Workers Tentative Agreement



## Action Requested

Request the Commission to authorize the Executive Director or delegate, on behalf of the Port of Tacoma, to enter into a five-year labor agreement with ILWU, Local 22 (Port Workers) for the period of April 1, 2018 to March 31, 2023.

## Background

- The current ILWU Local 22 contract expired on March 31, 2018.
- Negotiations began on January 31, 2018 with the ILWU 22 Port Workers, consisting of the Port's Equipment Maintenance, Facilities Maintenance, Office/Clerical, and Administrative Assistant employees.
- On July 31, the parties reached a tentative agreement for a successor agreement.
- On September 13, the Port Workers ratified the tentative agreement.

## Non-Economic Changes

- The parties agreed to a five-year contract, expiring March 31, 2023.
- The scope of the contract was expanded to include the Maintenance Planner and Administrative Assistant positions (6 FTEs in total)
- Union security language was adjusted to comply with new requirements imposed by the US Supreme Court decision in *Janus v. AFSCME Council 31*

## **Non-Economic Changes (continued)**

- Thirty minutes of paid time for union orientation was added to the Port's New Employee Orientation
- A pre-negotiation status conference was created to be held at least 180 days prior to contract expiration

## Economic Changes

- The Port Workers will receive the same Paid Parental Leave benefit as non-represented staff.
- Sick leave will be paid at the applicable shift rate (rather than day shift rate).
- Wage increase will be paid retroactively at 3% effective 4/1/2018

## **Economic Changes (continued)**

Wage increases (except as noted in next slide):

- 3% in Year One
- 3% in Year Two
- 3% in Year Three
- 3.25% in Year Four
- 3.5% in Year Five

## Economic Changes (continued)

- Administrative Assistants' new wage rate will be \$29.00 per hour; those already above this rate will receive a one-time lump-sum payment of \$1,000 and will not receive wage increases until scheduled raises exceed their current rate
- Railcar Coordinators will receive a 7% increase in Year One

# Port Workers TA Overview



## Financial Impact

	Current	Year 1	Year 2	Year 3	Year 4	Year 5	Total for Contract
<b>Total Wages</b>	\$11,214,805	\$11,589,230	\$11,936,906	\$12,295,014	\$12,694,602	\$13,138,913	\$61,654,664
<b>Payroll Taxes</b>	907,933	936,576	963,173	990,569	1,021,137	1,055,127	4,966,582
<b>Pension</b>	1,424,280	1,491,534	1,536,280	1,582,368	1,633,795	1,690,978	7,934,955
<b>Health Benefits</b>	2,937,048	3,083,900	3,238,095	3,400,000	3,570,000	3,748,500	17,040,496
<b>All Other Benefits</b>	515,149	547,296	563,328	579,843	597,378	615,996	2,903,841
<b>Grand Total</b>	<b>\$16,999,215</b>	<b>\$17,648,536</b>	<b>\$18,237,783</b>	<b>\$18,847,794</b>	<b>\$19,516,912</b>	<b>\$20,249,514</b>	<b>\$94,500,538</b>
<b>Year over Year Annual Increase</b>		<b>\$649,321</b>	<b>\$589,247</b>	<b>\$610,011</b>	<b>\$669,118</b>	<b>\$732,602</b>	

Compound annual growth rate = 3.6% per year

(This includes wages, payroll taxes, pension, healthcare benefits, and all other benefits)

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