



TO: Elizabeth Pauli, City Manager
FROM: Dylan Carlson, Labor Relations Division Manager
Karen Short, Senior Human Resources Consultant
Shelby Fritz, Director, Human Resources
Kari Louie, Assistant Director, Human Resources
COPY: City Council and City Clerk
SUBJECT: Resolution – Authorize execution of a Collective Bargaining Agreement as negotiated with the District Lodge #160, on behalf of Local Lodge #297 of the International Association of Machinists and Aerospace Workers, Yard Clerk Unit – March 26, 2024
DATE: March 1, 2024

SUMMARY AND PURPOSE:

A resolution authorizing the execution of a Collective Bargaining Agreement as negotiated with the District Lodge #160, on behalf of Local Lodge #297 of the International Association of Machinists and Aerospace Workers, Yard Clerk Unit.

BACKGROUND:

The resolution will authorize the execution of a Collective Bargaining Agreement (CBA) as negotiated with the District Lodge #160, on behalf of Local Lodge #297 of the International Association of Machinists and Aerospace Workers, Yard Clerk Unit. The CBA has been scheduled for consideration by the Public Utility Board as a resolution on March 13, 2024, and scheduled for consideration by the City Council as a resolution on March 26, 2024.

The three-year agreement covers approximately 6 budgeted, full-time equivalent positions located within Tacoma Public Utilities. It includes a wage increase in each year of the agreement. Retroactive to January 1, 2024, an increase of 4 percent will be provided; effective January 1, 2025, an increase of 4 percent will be provided; and effective January 1, 2026, an increase of 2 percent will be provided. In addition, each Yard Clerk employed on the date of union ratification will receive a lump sum payment of \$2000.

Other changes to the agreement include: The addition of Juneteenth as a City holiday; language to provide that a Yard Clerk promoted from a from a position that has the provision of City paid retiree medical will carry that benefit forward with them to the Yard Clerk classification; a change to the method for an annual PTO cash out to be consistent with TMC 1.12.248.B.5(e); and the addition of a Voluntary Employee Beneficiary Association (VEBA) for eligible Yard Clerk employees. Eligible Yard Clerk employees are those that do not have the provision of City paid retiree medical coverage. The employer will provide a lump sum payment for the eligible employees to VEBA based on the employee’s years of aggregate service multiplied by the 2024 monthly medical reported plan value. Employees will also make a bi-weekly contribution of \$100 to the VEBA and contribute the value of unused PTO upon retirement. The Union can change the amount of the employee contributions to VEBA no more than once per year, with 30 days’ notice..



COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

The agreement has been reached with the District Lodge #160, on behalf of Local Lodge #297 of the International Association of Machinists and Aerospace Workers, Yard Clerk Unit and has been bargained in good faith.

2025 STRATEGIC PRIORITIES:

Economy/Workforce: Moderate Opportunity

Explain how your legislation will affect the selected indicator(s).

This legislation supports the responsible and sustainable management of City funds.

ALTERNATIVES:

Presumably, your recommendation is not the only potential course of action; please discuss other alternatives or actions that City Council or staff could take. Please use table below.

Alternative(s)	Positive Impact(s)	Negative Impact(s)
Do not approve execution of the Collective Bargaining Agreement	N/A	unknown

EVALUATION AND FOLLOW UP:

STAFF/SPONSOR RECOMMENDATION:

Authorization from the City Council by resolution is required to execute the Letter of Agreement with the District Lodge #160, on behalf of Local Lodge #297 of the International Association of Machinists and Aerospace Workers, Yard Clerk Unit.

FISCAL IMPACT:

Fiscal impact information is provided by the Budget Office. Department Directors are responsible for adhering to their overall levels of appropriation.

What Funding is being used to support the expense?

Are the expenditures and revenues planned and budgeted in this biennium’s current budget?

Yes

Are there financial costs or other impacts of not implementing the legislation?

No

Will the legislation have an ongoing/recurring fiscal impact?

YES

Will the legislation change the City’s FTE/personnel counts?

No

ATTACHMENTS:

Letter of Agreement

Fiscal Impact Memorandum(s)