



TO: T.C. Broadnax, City Manager
FROM: Joy St. Germain, Director, Human Resources
Karen Short, Human Resources Senior Analyst
COPY: City Council and City Clerk
SUBJECT: Resolution authorizing execution of a collective bargaining agreement with the Tacoma Joint Labor Committee – November 18, 2014
DATE: November 12, 2014

SUMMARY:

A resolution authorizing execution of a collective bargaining agreement negotiated between the City of Tacoma and the Tacoma Joint Labor Committee, effective January 1, 2015 through December 31, 2016.

STRATEGIC POLICY PRIORITY:

The requested resolution aligns with the City Council’s Strategic Policy Priority to encourage and promote an open, effective, results-oriented organization by providing for employee benefits as negotiated in good faith with the Tacoma Joint Labor Committee.

BACKGROUND:

This resolution will authorize the execution of a proposed two-year agreement with the Tacoma Joint Labor Committee, effective January 1, 2015 through December 31, 2016. The agreement is scheduled for consideration by the Public Utility Board as a Resolution on November 19, 2014.

The Unions which comprise the Tacoma Joint Labor Committee are: Professional & Technical Employees, Local 17; Tacoma Firefighters, Local 31; Teamsters Local Union No 117; Washington State Council of County and City Employees, Local 120; International Association of Machinists & Aerospace Workers, Local 160; Teamsters Local 313; and International Brotherhood of Electrical Workers, Local 483.

The proposed collective bargaining agreement will provide for continuation of employee benefits with modest plan design changes in 2015 and 2016. For the term of the Agreement, the City will continue to pay the full premium cost for dental and vision insurance, and employee contributions toward medical insurance coverage will remain unchanged. On June 25, 2014, Washington State Insurance Commissioner Mike Kreidler sent a letter to all health insurers, reminding them that exclusions and denials of coverage on the basis of gender identity are against the Washington Law Against Discrimination (“WLAD”) (Chapter 49.60 RCW) and the federal Affordable Care Act (“ACA”) (Section 1557). Beginning in 2015, and in congruence with the City of Tacoma’s Equity and Empowerment Initiative, medical plans will be amended to include benefits for gender dysphoria. In 2016, employees will have an additional choice to enroll in a high deductible health plan (HDHP), and receive employer contributions to a health savings account (HSA).

A Wellness Committee is in place to coordinate wellness activities for City employees, and beginning in 2015, employees may be eligible for financial incentives for their participation in the Wellness Program. Grievance language was rewritten and clarifies the definition of a grievance to be an alleged violation of a specific Article of the Agreement, or a specific provision of the City’s Compensation Plan or Personnel Rules. Language for the Personal Time Off plan, as well as language regarding up to two unpaid holidays per calendar year to be granted to an employee for a reason of faith or conscience per RCW 1.16.050 was added to the agreement.

ISSUE:

Authorize execution of the agreement to provide benefits for employees represented by the unions that comprise the Tacoma Joint Labor Committee. An agreement is needed to proceed with employee open enrollment processes, and plan design changes.

RECOMMENDATION:

It is recommended that the City Council take the necessary action to approve the execution of this agreement.

FISCAL IMPACT:

Fiscal impact information is provided by the Office of Management and Budget.

Due to lower than anticipated costs and changes to the City's health care plans included in the 2015-2016 collective bargaining agreement between the City of Tacoma and the Tacoma Joint Labor Committee, staff has budgeted \$136,047,188 in expenses for the Health Care Trust Fund in 2015-2016, which is an approximate 1 percent increase from the 2013-2014 Adopted Budget. The Health Care Trust Fund budget includes medical, vision, Employee Assistance Program (EAP), flexible spending, and wellness initiative funding. Additionally, the City is planning to spend \$12,539,439 in dental benefits through both dental providers.