



To: Elizabeth Pauli, City Manager

From: Katie Johnston, Budget Officer

Date: February 27, 2024

Subject: Fiscal Impact - Joint Labor Standby Pay LOA

Overview

The City of Tacoma and the Tacoma Joint Labor Committee have reached a tentative agreement for a Letter of Agreement to add a new section to the 2023-2024 Joint Labor Agreement: Section 6.17 Standby Rates.

Through applicable Collective Bargaining Agreements with individual Joint Labor member unions, the City has long provided employees assigned to “Standby” responsibility with additional compensation in recognition of the inconvenience of this responsibility. In Q3 and Q4 of 2023, the Parties met and expressed a shared desire to:

1. Ensure consistency and standardization of Standby rates of pay across all Joint Labor member unions.
2. Delegate specific work rules (such as the assignment procedures, frequency, duration, and obligation of standby assignments) to individual collective bargaining agreements.
3. Increase Standby rates of pay to meet the business needs of City Departments and compensate employees for the responsibility/inconvenience of serving on standby.
4. Provide those bargaining units with closed collective bargaining agreements the opportunity to access this standardized Standby rate of pay prior to the re-opening of their CBAs.

NEW SECTION: 6.17 Standby Rates

Standby Pay may be paid to employees pursuant to TMC Section 1.12.180 and the applicable collective bargaining agreement covering an individual member union of the Joint Labor Committee. Those bargaining units who, through their individual collective bargaining agreement, have elected the standby rate provided for by this Section shall receive three dollars (\$3.00) for each hour so assigned.

Effective and retroactive to January 1, 2024, the Standby rate shall increase to three dollars and seventy-five cents (\$3.75) for each hour so assigned.

Effective January 1, 2025, the Standby rate shall increase to four dollars and fifty cents (\$4.50) for each hour so assigned. The parties agree not to re-open or make proposals regarding the 2025 Standby rate of pay during successor negotiations to the 2023-2024 Tacoma Joint Labor Agreement. The parties further acknowledge that changes to the 2026 Standby rate of pay are a mandatory subject of bargaining during successor negotiations to the 2023-2024 Tacoma Joint Labor Agreement.

Joint Labor Unions:

<ul style="list-style-type: none"> • Local 17 PROTEC • Local 31 IAFF • Local 117 Teamsters • Local 120 WSCCCE 	<ul style="list-style-type: none"> • Local 313 Teamsters • Local 483 IBEW • District 160
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The standby rates in 2023, 2024, and 2025 are \$3.00, \$3.75, and \$4.50, respectively, resulting in the following incremental costs:

Fiscal Area	FTE	2024 Incremental Cost	2025 Incremental Cost	Total Cost
General Fund	31	\$32,000	\$66,000	\$98,000
General Fund Supported	31	\$10,000	\$21,000	\$31,000
All Other General Government	64	\$35,000	\$72,000	\$107,000
Environmental Services	72	\$60,000	\$123,000	\$183,000
Tacoma Public Utilities	65	\$31,000	\$63,000	\$94,000
Total Cost	263	\$168,000	\$345,000	\$513,000

The incremental increases are partially budgeted in the Adopted 2023-2024 Budget and will be incorporated into the 2025-2026 Proposed Biennial Budget. The affected department will be responsible for adhering to their overall level of appropriation.

CC:

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- Karen Short, Senior Human Resources Consultant
- Jen Watts, Labor Relations Analyst
- Reid Bennion, Financial Services Manager
- Brian Schwall, Financial Services Analyst
- Mayra Wheelock, Financial Services Analyst