



To: Elizabeth Pauli, City Manager

From: Katie Johnston, Budget Officer

Date: February 27, 2024

Subject: Fiscal Impact - IBEW 483 Water Pollution Control Unit 2023-2025 CBA (TA)

OVERVIEW

The City of Tacoma and the IBEW 483 Water Pollution Control bargaining unit have reached a tentative agreement for a successor collective bargaining agreement (CBA) effective January 1, 2023, through December 31, 2025.

WAGES

General Wage Increases

Effective and retroactive to January 1, 2023: All classifications shall receive a general wage increase of two and a half percent (2.5%). This increase shall apply retroactively to all employees employed on or after January 1, 2023.

Effective January 1, 2024: All classifications shall receive a general wage increase of two- and three-quarter percent (2.75%).

Effective January 1, 2025: All classifications shall receive a general wage increase of two- and three-quarter percent (2.75%).

Market-Based Increases

In addition to the General Wage Adjustments described above, as indicated in the table below, effective January 1, 2023, January 1, 2024, and January 1, 2025, respectively, the bargaining unit classifications listed will receive the one-time adjustments indicated, to address market and compression factors:

Market-Based Increases 2023-2025			
Classification	January 1, 2023	January 1, 2024	January 1, 2025
Environmental Systems Tech	1.75%	2.50%	2.50%
Landfill Gas Systems Operator	1.75%	2.50%	2.50%
WWTP Electrician/Instrumentation Tech	3.00%	5.00%	2.75%
WWTP Operator	3.50%	4.00%	3.00%
WWTP Operator, Senior	4.00%	4.50%	2.50%

Financial Impact of Wages

The financial impact shown includes base wage increases retroactive to January 1, 2023, through December 31, 2026, and applicable market/compression adjustments as described above. Of note, the adjustments to the Biosolids Coordinator are not included in the below fiscal impact. The Biosolids Coordinator fiscal impact is addressed in the “Biosolids Coordinator” section.



Fiscal Area	FTE	2023 Incremental Cost	2024 Incremental Cost	2025 Incremental Cost	Total Cost
Environmental Services	48.0	\$284,900	\$657,400	\$970,200	\$1,912,500
Total	48.0	\$284,900	\$657,400	\$970,200	\$1,912,500

OTHER ADJUSTMENTS

Biosolids Coordinator

The City shall pay the testing fee for employees who take and complete the Master Gardener Certification and the Washington Organic Recycling Compost Certification, which are required certifications. Effective January 1, 2024, employees who do not have those Certifications at the time of hire, or promotion, must have them completed prior to advancing to Step 5. The Master Gardener Certification pay at two- and one-half percent (2.5%) and the Washington Organic Recycling Compost Certification pay at two- and one-half percent (2.5%) will no longer apply beginning 2025. Currently, only Biosolids Coordinators receive this pay.

In acknowledgement of, 1) making the Certifications into the Biosolids Coordinator’s base rate of pay; 2) incorporating certification pay from the Certifications into the Biosolids Coordinator’s base rate of pay; and 3) eliminating certification pay described in Section 14.1.C; the City will provide additional increases to the Biosolids Coordinator rate of pay as described below.

The compensation changes for incumbent Biosolids Coordinators are summarized below:

Biosolids Coordinator 2023-2025 Compensation Change Summary			
	January 1, 2023	January 1, 2024	January 1, 2025
General Wage Increase	2.50%	2.75%	2.75%
Additional Increase	1.75%	2.50%	2.50%
Certifications (5.0%)	Active – Paid	Eliminated	Eliminated
Base Pay Increase (5.0%)	None	One-time 5.0% Increase	None

The financial impact shown includes the General Wage Increase, additional increases and base pay increases, and the certification pay reduction retroactive to January 1, 2023, through December 31, 2026. Due to the base pay increase which will replace the certification pay rate and will match the previously combined amount that included the certification pay rate and the base pay rate, the change will have a net neutral fiscal impact.



Department/Fund	FTE	2023 Incremental Cost	2024 Incremental Cost	2025 Incremental Cost	Total Cost
Biosolids Coordinator	2	\$10,200	\$22,900	\$36,800	\$69,800
Total Cost	2	\$10,200	\$22,900	\$36,800	\$69,800

Holidays

A. Employees working overtime on the actual hours of Thanksgiving Day or December 25th shall be compensated at two (2) times the regular rate, instead of time and one-half, in addition to receiving holiday pay if the day is also a City recognized holiday.

The financial impact shown shows an average number of employees assigned to work on either Thanksgiving Day or December 25th.

Fiscal Area	FTE	2024 Incremental Expense	2025 Incremental Expense	Total Cost
Environmental Services	19	\$4,300	\$4,500	\$8,800
Total Cost	19	\$4,300	\$4,500	\$8,800

B. As an exception to (A) above, for WWTP Operators and WWTP Operator, Seniors, working 12-hour operational shifts as described in Article 13.0 of the Agreement, and scheduled to work any of the following five (5) holidays, the holiday premium pay will be paid for the following dates and not the City recognized holiday:

New Year’s Day – January 1st of each year

Juneteenth – June 19th of each year

Independence Day – July 4th of each year

Veteran’s Day – November 11th of each year

Christmas Day – December 25th of each year

This change only affects the date on which employees are paid and has no fiscal impact.

Standby

Standby pay shall be compensated at the standby rate prescribed by the Joint Labor Agreement. The Joint Labor Committee Standby Pay Letter of Agreement is scheduled for City Council review on March 26, 2024, and April 2, 2024. The rates are as follow:

Effective and retroactive to January 1, 2024: The Standby rate shall increase to \$3.75 per hour.



Effective January 1, 2025: The Standby rate shall increase to \$4.50 per hour.

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 Expense	2025 Incremental Expense	Total Cost
Environmental Services	14	\$16,000	\$33,000	\$49,000
Total Cost	14	\$16,000	\$33,000	\$49,000

Higher Certification Incentive-Treatment Plant Operator

Any Treatment Plant Operator or Senior Treatment Plant Operator who receives the Wastewater Treatment Plant Operator 2 Certification shall receive a two percent (2%) certification pay. Wastewater Treatment Plant Operator 3 and 4 currently receive a six percent (6%) and seven percent (7%) certification pay.

The financial impact assumes that all potential members who are eligible for the two percent (2%) certification pay will receive the pay. However, it is not likely that all members will receive this certification pay.

Fiscal Area	FTE	2024 Incremental Expense	2025 Incremental Expense	Total Cost
Environmental Services	14	\$30,400	\$32,300	\$62,700
Total Cost	14	\$30,000	\$32,300	\$62,700

Wastewater Operator In Training - LOU

Selected Operator-in-Training candidates will be subject to a two-year probation period, during which regular evaluations and feedback will be provided. Candidates must pass the Wastewater Treatment Plant Operator tests, as experience builds and is credited toward meeting minimum experience requirements for Wastewater Treatment Plant Operator 1 Group 1 within 24 months.

Candidates selected for this opportunity will be placed in the Wastewater Treatment Plant Operator-in-Training classification and paid at the following rates:

- Step 1 85% of WWTP Operator Step 1 at time of appointment
- Step 2 90% of WWTP Operator Step 1 after passing the OIT examination
- Step 3 95% of WWTP Operator Step 1 (New) after obtaining WWTP Group 1 License
- (New) Step 4 100% of WWTP Operator Step 1 after twenty-four (24) months in classification and Group 1 License

An Operator in Training may be upgraded to an Operator position in accordance with the provisions set forth in Section 10.4 of the agreement.



This addition is largely dependent on the discretion of the departmental supervisors and the progression of the employee. Ultimately, the departments will be responsible for adhering to their overall level of appropriation.

The cost of the negotiated wage increase is partially budgeted in the Adopted 2023-2024 Budget and will be included in the 2025-2026 proposed biennial budget. Departments will be responsible for adhering to their overall level of appropriation.

CC: Dylan Carlson, Labor Relations Division Manager
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



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
---	---



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:

- Dylan Carlson, Labor Relations Division Manager
- 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



TACOMA PUBLIC UTILITIES
3628 South 35th Street
Tacoma, Washington 98409-3192

To: Katie Johnston, Budget Officer
From: Alex Yoon, Utilities Deputy Director, Management Services
Date: February 26, 2024
Subject: Fiscal Impact of District Lodge #160 Yard Clerk Unit Rail Division Wage Increases for 2024-2026

Background

A tentative agreement between the City of Tacoma and the District Lodge #160 Yard Clerk bargaining unit has been reached for the contract period of January 1, 2024 through December 31, 2026.

Wages

- Effective January 1, 2024, the hourly rate for the Railway Yard Clerk (7101) classification shall be \$42.12.
- Effective January 1, 2025, the hourly rate for the Railway Yard Clerk (7101) classification shall be \$43.80.
- Effective January 1, 2026, the hourly rate for the Railway Yard Clerk (7101) classification shall be \$44.68.

One-Time Lump Sum

Each Yard Clerk employed on the date of union ratification of this Agreement will receive a one-time lump sum payment of two thousand dollars (\$2,000).

PTO Cash-Out

PTO cash-out shall be administered consistent with TMC 1.12.248.B.5(e).

VEBA - One Time Payment

Effective as soon as administratively practicable following City Council ratification of this 2024-2026 Collective Bargaining Agreement, each VEBA-eligible Yard Clerk will receive a one-time lump sum payment into their individual VEBA account in an amount equal to the employee's years of aggregate service at Tacoma Rail (calculated on the date of City Council ratification and rounded to the nearest whole number) multiplied by the 2024 monthly premium (\$1,980.71) of the City's Regence PPO plan.





TACOMA PUBLIC UTILITIES
 3628 South 35th Street
 Tacoma, Washington 98409-3192

Note: There are two Yard Clerks who are eligible for the one-time lump sum payment. For the purpose of calculation, their years of service are follows:

Employee 1 – 38 years of service

Employee 2 – 16 years of service

VEBA One-Time Lump Sum Payment	
Employee 1	\$75,266.98
Employee 2	\$31,691.36

Fiscal Impact

Incremental Impact of Wage Increases				
Department/Fund	Budgeted FTE	2024	2025	2026
4500 Tacoma Rail	5.00	\$ 30,473	\$ 11,072	\$ 11,079

Summary

These wage adjustments are covered in the 2023-2024 Adopted Biennial Budget.

Concur:

Jackie Flowers, Director of Utilities, CEO





To: Elizabeth Pauli, City Manager
From: Katie Johnston, Budget Officer
Date: February 27, 2024
Subject: Request for Fiscal Impact – District Lodge #160 General Unit 2024-2026 CBA (TA)

Overview

The City of Tacoma and the District Lodge #160 General bargaining unit have reached a tentative agreement for a successor collective bargaining agreement (CBA) effective January 1, 2024, through December 31, 2026.

Wages – Appendix A

Effective January 1, 2024: Bargaining unit employees who are employed as of the date of ratification by the Union of this Agreement, and employees who retired from this bargaining unit for the time they were in the bargaining unit in 2024, will receive a base wage increase of two-and three-quarter percent (2.75%), retroactive to January 1, 2024.

Effective January 1, 2025: Base wage rates will be increased by two- and three-quarter percent (2.75%).

Effective January 1, 2026: Base wage rates will be increased by three percent (3.0%).

Other Salary Adjustments - Appendix A

In addition to the General Wage Annual Adjustments described in Section B above, as indicated in the table below, effective retroactive to January 1, 2024, on January 1, 2025, and on January 1, 2026, respectively, the bargaining unit classifications listed will receive the one-time adjustments indicated, to address market and/or compression factors:

Market/Compression Adjustments				
Code	Job Title	Jan. 1, 2024	Jan. 1, 2025	Jan. 1, 2026
5332	Equipment Mechanic, Heavy	5.00%	8.00%	3.25%
5310	Fabrication Welder	5.00%	0.25%	--
5335	Fire & Marine Diesel Mechanic	5.90%	8.00%	3.25%
5336	Fire & Marine Shop Supervisor	6.00%	8.00%	3.25%
5312	Machinist	5.00%	8.00%	2.25%
5338	Solid Waste Mechanic	5.00%	2.00%	--
5330	Vehicle & Equipment Shop Attendant	2.00%	--	--
5334	Vehicle & Equipment Shop Supervisor	5.00%	1.00%	--
5099	WWTP Assistant	2.00%	--	--
5105	WWTP Maintenance Machinist	5.00%	1.50%	--
5106	WWTP Maintenance Machinist, Senior	5.00%	1.50%	--
5111	WWTP Maintenance Technician	4.10%	1.50%	--



Fiscal Area	FTE	2024 Incremental Expense	2025 Incremental Expense	2026 Incremental Expense	Total Cost
General Fund	3.5	\$39,000	\$74,000	\$100,000	\$213,000
All Other General Government	37.5	\$359,000	\$658,000	\$890,000	\$1,907,000
Environmental Services	26	\$261,000	\$355,000	\$450,000	\$1,066,000
Tacoma Public Utilities	24	\$223,000	\$411,000	\$557,000	\$1,191,000
Total Cost	91	\$728,000	\$1,378,000	\$1,900,000	\$4,377,000

Application of Rates

- A. Heavy Equipment Mechanic assigned to General Government Fleet Annex Shop with a NGVi CNG Fuel System Inspector certification will receive an applied rate of three percent (3%) above their base rate of pay when performing an inspection requiring such a certification. It will be Management’s sole discretion to approve the required training for an employee to obtain the certification and to subsequently assign such an inspection to an employee.

- B. Except for employees receiving Premium Pay pursuant to Section 3, Paragraph N below, a WWTP Maintenance Technician, WWTP Maintenance Machinist, and Solid Waste Mechanic with a valid Crane Operators Certification will receive an applied rate of three percent (3%) above their base rate of pay when operating a boom truck. Priority will be given to employees with a valid Class B CDL. It will be Management’s sole discretion to approve the required training for an employee to obtain the certification and to subsequently assign such work to an employee. Employees will be offered the opportunity to train and test based first on classification seniority, then shop seniority within a classification. An employee will have one opportunity to pass the training and test before another employee is provided the opportunity.

These additions are likely to cause minimal fiscal impact and are largely dependent on the discretion of the supervisors in the respective departments. Ultimately, the departments will be responsible for adhering to their overall level of appropriation.

Premium Pay

- A. A Heavy Equipment Mechanic shall receive a certification premium of three percent (3%) above their base rate of pay for holding five (5) ASE certifications in either the Automotive or Truck Series, or five percent (5%) above their base rate of pay for holding either an ASE Master Automobile Technician or Master Medium/Heavy Truck Technician certification.



Fiscal Area	FTE	2024 Proposed Incremental Expense	2025 Proposed Incremental Expense	2026 Proposed Incremental Expense	Total Cost
All Other General Government	17	\$53,000	\$59,000	\$62,000	\$174,000
Tacoma Public Utilities	10	\$33,000	\$37,000	\$39,000	\$109,000
Total Cost	27	\$86,000	\$96,000	\$101,000	\$283,000

B. A Heavy Equipment Mechanic shall receive a certification premium of five percent (5%) above their base rate of pay for holding an International Organization for Fluid Power and Motion Control Professionals (IFPS) Mobile Hydraulics certification.

Fiscal Area	FTE	2024 Proposed Incremental Expense	2025 Proposed Incremental Expense	2026 Proposed Incremental Expense	Total Cost
All Other General Government	22	\$115,000	\$128,000	\$136,000	\$379,000
Tacoma Public Utilities	15	\$82,000	\$91,000	\$97,000	\$270,000
Total Cost	37	\$197,000	\$219,000	\$233,000	\$649,000

C. A Fire and Marine Diesel Mechanic shall receive a certification premium of five percent (5%) above their base rate of pay for holding an International Organization for Fluid Power and Motion Control Professionals (IFPS) Mobile Hydraulics certification (an increase of 3%).

Fiscal Area	FTE	2024 Proposed Incremental Expense	2025 Proposed Incremental Expense	2026 Proposed Incremental Expense	Total Cost
General Fund	2	\$12,000	\$13,000	\$14,000	\$39,000
All Other General Government	4	\$21,000	\$23,000	\$24,000	\$68,000
Total Cost	6	\$33,000	\$36,000	\$38,000	\$107,000

The above fiscal impacts assume that all potential members who are eligible for the certification premium pays receive the premium pay. However, it is not likely that all members will receive this premium pay.

Standby – Sect 15.5.B

Standby pay shall be compensated at the standby rate prescribed by the Joint Labor Agreement. The Joint Labor Committee Standby Pay Letter of Agreement is scheduled for City Council review on March 26, 2024, and April 2, 2024. The rates are as follow:

Effective and retroactive to January 1, 2024: The Standby rate shall increase to \$3.75 per hour.

Effective January 1, 2025: The Standby rate shall increase to \$4.50 per hour.



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 Proposed Incremental Expense	2025 Proposed Incremental Expense	Total Cost
General Fund	3	\$2,000	\$3,000	\$5,000
All Other General Government	4	\$3,000	\$6,000	\$9,000
Environmental Services	13	\$12,000	\$3,000	\$5,000
Total Cost	20	\$17,000	\$33,000	\$50,000

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

- Cc: Dylan Carlson, Labor Relations Manager
- 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



TACOMA PUBLIC UTILITIES
 3628 South 35th Street
 Tacoma, Washington 98409-3192

To: Katie Johnston, Budget Officer
 From: Alex Yoon, Utilities Deputy Director, Management Services
 Date: February 26, 2024
 Subject: Fiscal Impact of District Lodge #160 Mechanics Unit Rail Division Wage Increases for 2024-2026

Background

A tentative agreement between the City of Tacoma and the District Lodge #160 Mechanics bargaining unit has been reached for the contract period of January 1, 2024 through December 31, 2026.

Wages

Effective and retroactive to January 1, 2024: Hourly rates for all bargaining unit classifications will increase by 2.75% plus an additional market adjustment of 2.25% for a total increase of 5.0%:

Code	A	Job Title	1	2	3	4	5
7140		Locomotive Mechanic 1	36.19	38.00	39.90	41.89	43.98
7141		Locomotive Mechanic, Senior	47.90				
7142		Railway Shop Worker	29.09	30.55	32.08	33.68	35.36

Effective January 1, 2025: Hourly rates for all bargaining unit classifications will increase by 2.75% plus an additional market adjustment of 2.25% for a total increase of 5.0%:

Code	A	Job Title	1	2	3	4	5
7140		Locomotive Mechanic 1	38.00	39.90	41.89	43.98	46.18
7141		Locomotive Mechanic, Senior	50.30				
7142		Railway Shop Worker	30.55	32.08	33.68	35.36	37.13





TACOMA PUBLIC UTILITIES
3628 South 35th Street
Tacoma, Washington 98409-3192

Effective January 1, 2026: Hourly rates for all bargaining unit classifications will increase by 3.00% plus an additional market adjustment of 2.0% for a total increase of 5.0%:

Code	A	Job Title	1	2	3	4	5
7140		Locomotive Mechanic 1	39.90	41.89	43.98	46.18	48.49
7141		Locomotive Mechanic, Senior	52.81				
7142		Railway Shop Worker	32.08	33.68	35.36	37.13	38.99

Boot Allowance

Employees will receive a boot allowance of four hundred dollars (\$400) annually toward this purchase on the first pay date in January of each year. (This is an increase from \$350)

Prescription Safety Eyewear

Employees may receive reimbursement for prescription safety eyewear up to two hundred and twenty-five (\$225) dollars upon presentation of receipt. With prior approval and at the exclusive determination of management, employees may receive reimbursement for replacement prescription safety eyewear after a change of prescription or significant damage that renders the glasses unfit for use.

Standby

Employees assigned to standby shall receive three dollars (\$3.00) per hour for those hours so assigned, or the standby rate in the Joint Labor Agreement, whichever is higher.

*Note: JLC Standby Pay LOA scheduled for City Council March 26/April 2, rates as follows:
Effective and retroactive to January 1, 2024: Standby rate shall increase to \$3.75 per hour.
Effective January 1, 2025: Standby rate shall increase to \$4.50 per hour.*





TACOMA PUBLIC UTILITIES
3628 South 35th Street
Tacoma, Washington 98409-3192

Fiscal Impact

Incremental Impact of Wage Increases				
Department/Fund	Budgeted FTE	2024	2025	2026
4500 Tacoma Rail	15.00	\$ 79,673	\$ 82,165	\$ 86,480

Summary

These wage adjustments are covered in the 2023-2024 Adopted Biennial Budget.

Concur:

Jackie Flowers, Director of Utilities, CEO





To: Elizabeth Pauli, City Manager

From: Reid Bennion, Budget Officer

Date: December 11, 2023

Subject: Fiscal Impact of Local 6 Police I.U.P.A 2024-2026 Collective Bargaining Agreement

Overview

The following provides an estimated fiscal impact of an agreement between the City of Tacoma and the Tacoma Police Local 6 I.U.P.A. for the terms of the 2024-2026 Collective Bargaining Agreement.

General Wage Adjustments

- Retroactive to January 1, 2024, wages shall be increased by six and five-tenths percent (6.5%).
- Effective January 1, 2025, wages shall be increased by seven percent (7%)
- Effective January 1, 2026, wages shall be increased by the amount resulting from CPI/1st place market ranking calculation as defined in Appendix A, Paragraph B.

Local 6 Wages:

Fund/Department	2024 Budgeted FTE	2024 Proposed Incremental Expense	2025 Proposed Incremental Expense	2026 Proposed Incremental Expense
General Fund	320	\$5,073,000	\$8,432,000	\$10,998,000
General Fund Supported	8	\$129,000	\$215,000	\$280,000
Total	328	\$5,202,000	\$8,647,000	\$11,278,000

The Local 6 proposal would contractually increase Local 26 and PPSMA Wages:

Fund/Department	2024 Budgeted FTE	2024 Proposed Incremental Expense	2025 Proposed Incremental Expense	2026 Proposed Incremental Expense
General Fund	24.75	\$631,000	\$1,054,000	\$1,377,000
General Fund Supported	0.25	\$7,000	\$11,000	\$15,000
Total	25	\$638,000	\$1,065,000	\$1,392,000

Voluntary Employee Beneficiary Association (VEBA)

Effective January 1, 2024, the City’s monthly contribution made into approved retirees’ VEBA accounts will be \$597.

This increase in monthly contributions is likely to result in an additional cost of about \$13,000 in 2024, \$27,000 in 2025, and \$43,000 in 2026. The approximate total cost of the change will be about \$83,000.



Deferred Compensation

Effective upon ratification by the City Council, the city will match an employee's contribution deferred compensation to a maximum contribution of \$238 per pay period. (An increase from \$211.)

This increase in deferred contribution is likely to result in an increase of \$230,000 per year.

Sick Leave Cash-Out – Section 10.2

Effective upon City Council ratification, an employee separated from service due to death or retirement for disability or length of service retirement shall have their sick leave cashed out and deposited into the employee's PORAC – RMT account according to the following tiers:

- At the rate of twenty – five percent (25%) for hours 1 through 400
- At the rate of thirty-three percent (33%) for hours 401 through 800
- At the rate of fifty percent (50%) for the hours of 801 and above

Given the unpredictable nature of when and how people separate from the City, we cannot accurately determine the specific annual costs in 2024, 2025, and 2026. Based on historical data from 2020 to 2023, staff projects that this proposal may result in \$272,000 in additional costs over the course of this agreement.

One-time Contribution – Section 10.6.1

Effective upon ratification by City Council, the City will make a one-time contribution of \$500 on behalf of each LEOFF II employee of the bargaining unit to each employee's individual PORAC RMT account.

This is expected to result in \$177,000 in additional costs in 2024.

Application of Rate

- Section 23.4: Eliminate the Police Patrol Specialist (PPS) program (5% AOR) through attrition and create a full-time Police Training Officer (PTO) program 4% AOR for all hours worked.
- 23.20: Add Marine Services Unit (MSU) to 5% AOR. Employees assigned to the Search and Rescue (SAR), Dive and/or MSU teams will only be eligible for one application of rate under this section.



For Local 6, eliminating the PPS program through attrition and creating a full-time PTO will likely result in cost savings each year from 2024 to 2026:

Fund/Department	2024 Budgeted FTE	2024 Proposed Incremental Expense	2025 Proposed Incremental Expense	2026 Proposed Incremental Expense
General Fund	34	(\$55,000)	(\$58,000)	(\$60,000)
Total	34	(\$55,000)	(\$58,000)	(\$60,000)

For Local 6, adding MSU to 5% AOR will likely result in additional costs each year from 2024 to 2026:

Fund/Department	2024 Budgeted FTE	2024 Proposed Incremental Expense	2025 Proposed Incremental Expense	2026 Proposed Incremental Expense
General Fund	15	\$120,000	\$129,000	\$133,000
Total	15	\$120,000	\$129,000	\$133,000

Tuition Reimbursement – Article 32

Increase tuition reimbursement to \$35,000 per year. (An increase from \$25,000.)

This is expected to result in \$30,000 in additional costs over the course of this agreement.

Funding for 2024-2026

The incremental increases are partially budgeted in the Adopted 2023-2024 Budget and will be incorporated into the 2025-2026 Proposed Biennial Budget.

CC:

- Dylan Carlson, Lead Labor Negotiator
- Karen Short, Senior Human Resource Analyst
- Jen Watts, Labor Relations Analyst
- Michelle Woodrow, Public Safety Labor Negotiator
- Brian Schwall, Management and Budget Analyst