City of Tacoma **City Council Action Memorandum**

TO: **Hyun Kim, City Manager**

FROM: **Linnaea Jablonski, Director, Human Resources**
Kari Louie, Assistant Director, Human Resources
Karen Short, Senior Human Resources Consultant

COPY: **City Council and City Clerk**

SUBJECT: **Pay and Compensation Ordinance – June 9, 2026**

DATE: **May 20, 2026**

SUMMARY AND PURPOSE:

An ordinance amending Chapter 1.12 of the Municipal Code, relating to the Compensation Plan, to implement rates of pay and compensation for employees represented by the Brotherhood of Locomotive Engineers and Trainmen.

BACKGROUND:
The ordinance provides for the implementation of provisions of the Collective Bargaining Agreement (CBA) as negotiated with the Brotherhood of Locomotive Engineers and Trainmen. The agreement covers 19 full time equivalent (FTE) employees and has been scheduled for consideration by the Public Utility Board as a resolution on May 27, 2026, and by the City Council as a resolution on June 9, 2026.

The ordinance provides for the following wage changes and increases retroactive from July 1, 2021, through July 1, 2029. Increases are retroactive for all Engineers employed at Tacoma Rail as of the date of City Council approval of the agreement.

Previous Hourly Rate Paid	Effective July 1	Wage Increase
42.11	2021	1.0%
42.95	2022	4.0%
43.81	2023	3.1%
44.69	2024	2.1%
45.58	2025	2.2%
	2026	2.1%
	2027	3.5%
	2028	3.3%
	2029	3.0%

The ordinance also provides language for a City employer match to 457(b) deferred compensation contributions of employees up to three percent (3%) of base salary; the elimination of eligibility for employees hired after July 24, 2024, to participate in the longevity program; a one-time, lump sum payment equal to two basic days' wages for the elimination of a historic "Wellness" program which rewarded employees for the non-use of sick leave; and a one-time, lump sum payment of $5,000 in exchange for the Union's prejudicial withdrawal of disputed time claims with "working off bid assignment" and the removal of related seniority rights and penalty provisions in the collective bargaining agreement.

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:
The agreement has been reached with the Brotherhood of Locomotive Engineers and Trainmen and 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 the legislation	N/A	Unknown

EVALUATION AND FOLLOW UP:

STAFF/SPONSOR RECOMMENDATION:
Authorization from the City Council by ordinance is required to implement provisions of the Collective Bargaining Agreement with the Brotherhood of Locomotive Engineers and Trainmen.

FISCAL IMPACT:
Fiscal impact information is provided by the Management Services 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:
Fiscal Impact Memorandum