



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

To: Andy Cherullo, Finance Director
 From: Alex Yoon, Utilities Deputy Director, Management Services
 Subject: Fiscal Impact for BLET Tacoma Rail Wage Increases for 2017-2030
 Date: May 5, 2026

Background:

A Tentative Agreement has been reached between the City of Tacoma and the Brotherhood of Locomotive Engineers and Trainmen (BLET) bargaining unit for a successor Collective Bargaining Agreement (CBA) effective July 1, 2017 to June 30, 2030.

Rates of Pay – Article 30, Section 1

1. The Locomotive Engineer hourly base wage will increase by the amounts referenced in the table below. **These wage increases will be applied retroactively to July 1 of the relevant year** for all Engineers employed at Tacoma Rail as of the date of City Council approval:

Hourly Rate Previously Paid	July 1st of Year	New Hourly Rate
38.90	2017	38.90
39.68	2018	39.68
40.47	2019	40.47
41.28	2020	41.28
42.11	2021	42.52
42.95	2022	44.65
43.81	2023	45.99
44.69	2024	47.37
45.58	2025	49.26
	2026	51.11
	2027	52.90
	2028	54.62
	2029	56.26

2. At the end of the contract term, the City and union will meet to negotiate wage rates to become effective July 1, 2030. If an agreement is not reached by July 1, 2030, the basic daily rate will increase by 2.5% effective July 1, 2030.





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Longevity Pay – Article 30, Section 3

- Current Engineers will continue to participate in and progress through the longevity pay program in accordance with the current percentage factors for continuous years of employment.
- **(NEW)** Engineers (or Conductors who promote to Engineer) hired after July 24, 2024, will not be eligible or participate in the longevity program.

Deferred Compensation – Article 30, Section 4

(NEW) 457(b) Deferred Compensation matching program, up to 3% of base salary, following City Council ratification.

One Time Compensation – Article 30, Section 5

- In exchange for elimination of the historic “Wellness” program which rewarded employees for non-use of sick leave, **the Carrier will pay a one-time lump sum payment equal to two (2) basic days’ wages to each Engineer who earned one (1) or more Wellness Day between January 1, 2020 and the date of Council approval of this Agreement.** Employees who received a one-time payment in 2024 pursuant to Article 4.1 Section 2.A of the 2021-2027 SMART-TD Conductor CBA shall be ineligible for this payment.
- In exchange for the union’s prejudicial withdrawal of all disputed time claims associated with “working off bid assignment” (WOBA) and the removal of related seniority rights and penalty provisions in the CBA, **the Carrier will make a one-time payment of five thousand dollars (\$5,000) to each Locomotive Engineer employed on the date City Council approval of this Agreement.** Employees who received a one-time payment in 2024 pursuant to Article 4.1 Section 2.B of the 2021-2027 SMART-TD Conductor CBA shall be ineligible for this payment.

Personal Protective Equipment Allowance – Article 34, Sect. 1

Employees will be granted a \$400 boot allowance payable on the second paycheck in January of each calendar year.

Holidays – Article 20, Section 1

(NEW) Additional paid holiday each year, “Juneteenth” observed on June 19th.





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Fiscal Impact:

Incremental Impact of Wage Increases										
Dept/Fund	Budgeted FTE	2021	2022	2023	2024	2025	2026	2027	2028	2029
4500 Tacoma Rail	19.00	\$21,137	\$87,304	\$106,357	\$131,756	\$353,150	\$450,323	\$546,369	\$633,386	\$716,321

The impact of the 2025-2026 increases is included in the current biennial budget. The retroactive payment for wage increases prior to 2025 is an additional expense to be paid in 2026 and the department will absorb those costs.

Concur:

Jackie Flowers, Director of Utilities, CEO

