



## RESOLUTION NO. U-11491

1 A RESOLUTION relating to collective bargaining; authorizing the execution of a  
2 Letter of Agreement between the City of Tacoma and the Tacoma Joint  
3 Labor Committee regarding the continuation of health and welfare  
4 benefits for 2025.

5 WHEREAS the City of Tacoma ("City") and the Tacoma Joint Labor  
6 Committee negotiated a Letter of Agreement ("LOA") regarding the health and  
7 welfare benefits for the calendar year 2025, and

8 WHEREAS the Tacoma Joint Labor Committee is comprised of the  
9 following Unions: Professional & Technical Employees, PROTEC Local 17;  
10 Tacoma Firefighters, Local 31; Teamsters Local Union No. 117; Washington  
11 State Council of County and City Employees, Local 120; International  
12 Association of Machinists & Aerospace Workers, District 160; Teamsters Local  
13 313; and International Brotherhood of Electrical Workers, Local 483, and

14 WHEREAS the City and the Tacoma Joint Labor Committee have met  
15 and expressed a shared desire for the following plan changes in the LOA:

- 17 • The City will maintain current benefit levels and employee  
18 premium shares for 2025; and
- 19 • The City will implement state-mandated changes to the Kaiser  
20 Insurance plan; and
- 21 • The City will adjust the deductible and HSA contributions on the  
22 Regence HDHP Plan as follows:
  - 23 1. 2025 HDHP Deductible raised to \$2,000  
24 individual/\$4,000 family; and
  - 25 2. 2025 Health Savings Account contribution with  
26 Wellness Credit: \$1,650/\$3,300; and
  3. 2025 Health Savings Account Contribution without  
Wellness Credit: \$825/\$1,650.



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

WHEREAS it now appears in the best interest of the City that the proposed LOA negotiated by the City and the Tacoma Joint Labor Committee be approved; Now, therefore,

BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

That said proposed Letter of Agreement regarding health and welfare benefits for 2025, between the City of Tacoma and the Tacoma Joint Labor Committee is approved, and the Council of the City of Tacoma is requested to concur in the approval and authorize the proper officers of the City to execute said Letter of Agreement substantially in the form on file with the Clerk of the Board, with the final form approved by the City Attorney's Office.

Approved as to form:

_____	_____
/s/	Chair
_____	_____
Chief Deputy City Attorney	Secretary
_____	Adopted _____
Clerk	



## Board Action Memorandum

**TO:** Jackie Flowers, Director of Utilities

**COPY:** Charleen Jacobs, Utilities Director and Board Offices

**FROM:** Karen Short, Senior Human Resources Consultant  
Dylan Carlson, Labor Relations Division Manager  
Chris Bacha, City Attorney

**MEETING DATE:** November 13, 2024

**DATE:** October 31, 2024

---

### **SUMMARY:**

A resolution recommending approval of a Letter of Agreement as negotiated with the Tacoma Joint Labor Committee, regarding continuation of health & welfare benefits for 2025.

### **BACKGROUND:**

The resolution recommends approval of a Letter of Agreement (LOA) as negotiated with the Tacoma Joint Labor Committee. The Letter of Agreement will provide for the continuation of employee health and welfare benefits for the calendar year 2025. The Letter of Agreement has been scheduled for consideration by the City Council as a resolution on November 5, 2024.

The agreement will provide for the following plan changes:

1. The City will maintain current benefit levels and employee premium shares for 2025.
2. The City will implement state-mandated changes to the Kaiser insurance plan.
3. The City will adjust the deductible and HSA contributions on the Regence HDHP Plan as follows:
  - 2025 HDHP Deductible raised to \$2,000 individual / \$4,000 family
  - 2025 Health Savings Account contribution with Wellness Credit: \$1,650/\$3,300
  - 2025 Health Savings Account contribution without Wellness Credit: \$825/\$1,650

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.

### **ATTACHMENTS:**

Letter of Agreement  
Fiscal Impact Memorandum

### **CONTACT:**

Karen Short, Senior Human Resources Consultant, (253) 254-8506  
Presenter: Dylan Carlson, Labor Relations Division Manager, (253) 591-5609



**To:** Elizabeth Pauli, City Manager  
**From:** Katie Johnston, Budget Officer  
**Date:** October 24, 2024  
**Subject:** Fiscal Impact – Continuation of Employee Health and Welfare Benefits 2025

**Overview**

The City of Tacoma and the Tacoma Joint Labor Committee (JLC), Local 6 Commissioned and Local 6 Community Service Officers (CSO) bargaining units have reached tentative agreements for Letters of Agreement (LOA) effective January 1, 2025, through December 31, 2025. The LOAs as negotiated with the Tacoma JLC and Local 6 provide for the continuation of employee health and welfare benefits for 2025 which will be extended city-wide, including JLC represented members, Local 6 (Commissioned unit and CSO unit) represented members, and non-represented employees.

**Agreement**

1. The City will maintain current benefit levels and premium shares for 2025.
2. The City will implement state-mandated changes to the Kaiser insurance plan.
3. The City will adjust deductible and Healthcare Savings Account (HSA) contributions on the Regence High Deductible Health Plan (HDHP) as follows:
  - 2025 HDHP Deductible raised to \$2,000 individual / \$4,000 family
  - 2025 Health Savings Account contribution with Wellness Credit: \$1,650/\$3,300
  - 2025 Health Savings Account contribution without Wellness Credit: \$825/\$1,650

**Financial Impact of Agreement**

The City estimates that maintaining benefit levels and premium shares through 2025 and implementing the state mandated changes to the Kaiser insurance plan will increase healthcare costs by approximately \$6M compared to 2024 (largely due to rising health care costs).

The fiscal impact of the change in the deductible and HSA contribution on the Regence HDHP Plan is approximately \$60,000 based on active participating employees as of May 2024.

The cost of the health care adjustments will be included in the 2025-2026 Proposed Budget. Departments will be responsible for adhering to their overall level of appropriation.

CC: Dylan Carlson, Labor Relations Division Manager  
Mark Johnson, Labor Negotiator  
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

**Letter of Agreement  
by and between  
City of Tacoma  
and  
Tacoma Joint Labor Committee**

**Subject: Agreement to Maintain Tacoma Joint Labor Agreement Through 2025**

**Effective Date: January 1, 2025**

This Letter of Agreement ("LOA") is entered into between the City of Tacoma and the Tacoma Joint Labor Committee ("Union") (collectively "the Parties").

The Parties hereby enter into a Letter of Agreement to maintain all terms and conditions of the current Tacoma Joint Labor Agreement currently in effect for one year through December 31, 2025 with the exception of the following changes to be effective January 1, 2025:

1. The Parties agree to implement carrier-directed plan design changes to the Kaiser Permanente HMO health plan in response to carrier requirements and state mandates.
2. The Parties agree to adjust the deductible and employer Health Savings Account (HSA) contributions to the Regence High Deductible Health Plan as follows:
  - 2025 HDHP deductible will change to \$2,000 individual / \$4,000 family.
  - 2025 Health Savings Account contribution with Wellness Credit: \$1,650/\$3,300.
  - 2025 Health Savings Account contribution without Wellness Credit: \$825/\$1,650.

This LOA shall incorporate all Memorandums of Understanding, Letters of Agreement, or similar supplemental agreements to the Tacoma Joint Labor Agreement which remain in effect, but shall not serve to alter or extend the timelines or expiration dates of those supplemental agreements.

The Parties commit to continue bargaining a successor Tacoma Joint Labor Agreement CBA to be effective January 1, 2026.

Except as expressly incorporated herein, this LOA shall not establish precedent for the parties hereto, nor for any other collective bargaining units or departments of the City.

EXECUTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2024

CITY OF TACOMA

JOINT LABOR COMMITTEE

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
County & City Employees Local 120

\_\_\_\_\_  
Director of Public Utilities

\_\_\_\_\_  
District Lodge 160 IAM & AW

\_\_\_\_\_  
Human Resources Director

\_\_\_\_\_  
Firefighters Union Local 31

\_\_\_\_\_  
Finance Director

\_\_\_\_\_  
International Brotherhood of  
Electrical Workers Local 483

\_\_\_\_\_  
PROTEC Local 17

\_\_\_\_\_  
Teamsters Local 313

\_\_\_\_\_  
Teamsters Local Union 117

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

Attest:

\_\_\_\_\_  
City Clerk