

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
Seattle Department of Human Resources	Jana Sangy/684-7912 Debra Hillary/256-5236 Karina Bull/386-0078	Jennifer Alsawadi/684-5292

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to City employment; authorizing execution of collective bargaining agreements between The City of Seattle and certain City unions; authorizing execution of a memorandum of agreement between The City of Seattle and The International Association of Machinists and Aerospace Workers District Lodge 160, Local 289; and ratifying and confirming certain prior acts.

Summary and background of the Legislation:

This legislation authorizes the Mayor to execute 16 collective bargaining agreements between the City of Seattle (“City”) and the following unions (or federations of unions):

- Joint Crafts Council
- PROTEC17 Probation Counselors
- PROTEC17 Professional, Technical, Administrative and Business units
- Public, Professional & Office-Clerical Employees and Drivers Local Union No. 763 (Municipal Court)
- Public, Professional & Office-Clerical Employees and Drivers Local Union No. 763, Supervisory unit (Municipal Court)
- Seattle Municipal Court Marshals’ Guild
- Seattle Police Dispatchers’ Guild
- Teamsters Local Union No. 117, Evidence Warehouser and CSO unit
- Teamsters Local Union No. 117, Guest Services
- Washington State Council of County and City Employees, AFSCME, Local 21
- Washington State Council of County and City Employees, AFSCME, Local 21C
- Washington State Council of County and City Employees, AFSCME, Local 21PA
- Washington State Council of County and City Employees, AFSCME, Local 21Z
- International Association of Machinists and Aerospace Workers District Lodge 160, Local 289
- Pacific Northwest Regional Council of Carpenters
- Public Service and Industrial Employees, Local 1239

The collective bargaining agreements are three-year agreements on wages, benefits, hours, and other working conditions for the time period of January 1, 2019 through December 31, 2021. This legislation affects approximately 5,500 regularly appointed City employees.

The collective bargaining agreements provide for wage adjustments of 4 percent in 2019 and 3.6 percent in 2020. For the 2020 contract year, the City and unions agreed to additional base wage adjustments to 30 titles ranging from 2.27 to 31.33 percent. In 2021, wages for all titles will increase by 1 percent plus 100 percent of the annual average growth rate of the bi-monthly Seattle-Tacoma-Bellevue Area Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), with a 4 percent maximum and 1.5 percent minimum increase. Shift differentials will increase to \$1.00/hour for swing shift and \$1.50/hour for graveyard shift effective December 25, 2019. Upon execution of the agreements, overtime meal compensation will increase to \$20 and employees assigned to perform certain language services will be paid a \$200/month premium.

The City and unions agreed to continue health care cost sharing as follows: the City will pay up to 7 percent of the annual health care cost increases and then additional costs will be covered by the Rate Stabilization Fund. Once that Fund is exhausted, the City will pay 85 percent and employees will pay 15 percent of any additional costs.

The collective bargaining agreements provide for other working conditions. Employees will pay the employee premium for the Washington State Paid Family Medical Leave Program effective December 25, 2019. Employee parking rates will increase from \$7 per day to \$10 per day for the Commute Trip Reduction Program benefit. Additionally, bereavement leave will increase from one or two days (depending on the distance travelled by employees) to five days for close relatives regardless of distance travelled, among other items. The Mayor is only authorized to execute each agreement after it has been ratified by union membership.

This legislation also authorizes a memorandum of understanding (“MOU”) between the City of Seattle and International Association of Machinists and Aerospace Workers District Lodge 160, Local 289. The MOU establishes a new wage classification series retroactive to February 2018 and provides for implementation of the new job titles.

2. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes ___X___ No

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

Labor Relations developed the estimate below to approximate the costs of ratifying the agreements along with other employee groups who receive the same increases. Costs for the collective bargaining agreement – which include City contributions to retirement, social security and Medicare – were included in the cost of the 2019-2020 biennial budget. Separate legislation will be forwarded by the City Budget Office in 2019 to authorize appropriation of funds to departments.

The aggregate costs of wages for the agreements (and for similarly classified non-represented employees, which have historically received the same wage increases) is estimated to grow from \$977 million in 2018 to \$1,106 million in 2021.

The cost of establishing new classifications as provided in the MOU is expected to be approximately \$15,000 annually, subject to annual wage adjustments. The cost will be absorbed by the Department of Finance and Administrative Services.

Is there financial cost or other impacts of *not* implementing the legislation?

If the contracts and the MOU are not legislated, employees will continue to receive the same wages that became effective on December 27, 2017.

3. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

Yes; there are financial and operational impacts to 25 departments with employees who belong to these unions.

b. Is a public hearing required for this legislation?

No.

c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?

No.

d. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No.

e. Does this legislation affect a piece of property?

No.

f. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?

These collective bargaining agreements include enhancements to working conditions that could improve the work/life balance for employees. The agreements also include a language premium pay for employees who provide language services on the job, which will benefit non-English speaking City customers.

g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).

Not applicable.

List attachments/exhibits below:

Summary Attachment 1 – Bill Draft Joint Crafts Agreement

Summary Attachment 2 – Bill Draft PROTEC17 Agreement

Summary Attachment 3 – Bill Draft Probation Counselors Agreement

- Summary Attachment 4 – Bill Draft Municipal Court Agreement
- Summary Attachment 5 – Bill Draft Court Supervisors Agreement
- Summary Attachment 6 – Bill Draft Court Marshals Agreement
- Summary Attachment 7 – Bill Draft Dispatchers Agreement
- Summary Attachment 8 – Bill Draft Evidence Warehouse/CSO Agreement
- Summary Attachment 9 – Bill Draft Guest Services Agreement
- Summary Attachment 10 – Bill Draft Local 21 Agreement
- Summary Attachment 11 – Bill Draft Local 21C Agreement
- Summary Attachment 12 – Bill Draft Local 21PA Agreement
- Summary Attachment 13 – Bill Draft Local 21Z Agreement
- Summary Attachment 14 – Bill Draft Local 289 Agreement
- Summary Attachment 15 – Bill Draft Carpenters Agreement
- Summary Attachment 16 – Bill Draft Local 1239 Rec Agreement