

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
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** 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 the execution of a collective bargaining agreement between The City of Seattle and the International Brotherhood of Electrical Workers Local Union No. 77 Power Marketers Unit to be effective January 1, 2017 to December 31, 2020; and ratifying and confirming certain prior acts.

Summary and background of the Legislation:

This legislation authorizes the Mayor to implement a collective bargaining agreement between The City of Seattle (“City”) and the International Brotherhood of Electrical Workers Local Union No. 77 Power Marketers Unit (“Local 77”), collectively referred to as “the Parties.” This is a new collective bargaining agreement. Power Marketers certified Local 77 as their bargaining agent in May of 2016.

The collective bargaining agreement is a four-year agreement on wages, benefits, hours, and other working conditions from January 1, 2017 through December 31, 2020. This legislation affects approximately 15 regularly appointed City employees.

The collective bargaining agreement provides for wage adjustments of a pooled distribution of 8 percent in 2017; this is reflective of wage increases for Coalition of City Unions in recent years. Union members will receive a wage increase of 3 percent in 2018, 3.6 percent in 2019 and in 2020, 100 percent of the increase in the Seattle CPI-W (Consumer Price Index) for June 2019 over June 2018, with a “floor” of 1.5 percent and a “ceiling” of 4 percent. The agreement also provides for a new performance pay incentive pilot program for team performance in 2020. The parties agreed to continue the individual pay performance incentive as authorized by Ordinance 119351.

Upon full execution of the agreement, union members will be salaried employees and thus eligible to be considered for exempt status under the Fair Labor Standards Act. Union members will continue to be exempt from the civil service system.

For calendar years 2017, 2018, 2019 and 2020 the City shall pay up to one hundred seven percent (107%) of the average City cost of medical, dental, and vision premiums over the prior calendar year for employees whose health care benefits are governed by the Labor-Management Health Care Committee. Costs above 107% shall be covered by the Rate

Stabilization Reserve dollars and once the reserves are exhausted, the City shall pay eighty-five percent (85%) of the excess costs in healthcare and the employees shall pay fifteen percent (15%) of the excess costs in healthcare. This is consistent with the Coalition of City Unions and “most” City employees.

The Parties agreed that union members will be eligible to participate in the Seattle City Employees Retirement System.

2. SUMMARY OF FINANCIAL IMPLICATIONS

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

Cost impacts to City Light were already appropriated in the 2015, 2016, 2017, 2018 and 2019 Adopted and Endorsed Budgets. Funding in 2020 will be appropriated through the annual budget process.

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?

No.

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

If the contract is not legislated, employees will continue to receive the same wages that became effective on January 1, 2014.

3. OTHER IMPLICATIONS

- a. **Does this legislation affect any departments besides the originating department?**
Yes, there are cost impacts to City Light.
- 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?

N/A

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).

N/A

List attachments/exhibits below: None