

SUMMARY and FISCAL NOTE*

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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 and also a Memorandum of Agreement between The City of Seattle and the International Brotherhood of Electrical Workers Local Union No. 77; 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 No. 77, Material Controllers Unit and Apprenticeship Coordinators Unit (“Local 77”). The collective bargaining agreement is a four-year agreement on wages, benefits, hours, and other working conditions for the time period of January 1, 2019 through December 31, 2022. This legislation affects approximately 10 regularly appointed City employees.

The collective bargaining agreement provides for wage adjustments of 4 percent in 2019 and 3.6 percent in 2020. In 2021, wages 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). In 2022, wages will increase by 100 percent of the same bi-monthly CPI-W measure. For all years, base wage adjustments shall not be greater than 4 percent or less than 1.5 percent. Shift differential will increase from \$0.75 to \$1.00/hour for swing shift and \$1.00 to \$1.50/hour for graveyard shift effective December 25, 2019. Overtime meal compensation will increase from \$10 to \$20 for the term of the agreement.

The City and union 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 agreement provides for other working conditions. The employee 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, among other items.

This legislation also authorizes the execution of a Memorandum of Agreement (“MOA”) between the City of Seattle and Local 77. The MOA establishes wage rates for Telecom System Installers, who are covered by a separate Local 77 collective bargaining agreement for the Information Technology Professionals. This title was accreted to the bargaining unit in 2018, but the rates of pay were inadvertently left out of the 2019 -2022 collective bargaining agreement. The annual wage adjustments are consistent with other annual increases to titles in the bargaining unit. This MOA impacts two regularly appointed City employees.

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 Local 77 agreement. 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 Local 77 Material Controllers and Apprenticeship Coordinators agreement is estimated to grow from \$738,000 in 2018 to \$856,000 in 2022. Costs for wage increases to the Telecom System Installers authorized by the MOA were included in legislation for the Local 77 Information Technology Professionals agreement.

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

If the collective bargaining agreement and MOA 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 Seattle 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? What is the Language Access plan for any communications to the public?

No.

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 Version of Material Controllers and Apprenticeship Coordinator Agreement