

**SUMMARY and FISCAL NOTE\***

<b>Department:</b>	<b>Dept. Contact:</b>	<b>CBO Contact:</b>
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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 execution of a collective bargaining agreement between The City of Seattle and the United Association of Journeymen and Apprentices of the Plumbing & Pipe Fitting Industry Local 32; 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 United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry Local 32 (“Local 32”). The collective bargaining agreement is a three-year agreement on wages, benefits, hours, and other working conditions for the period of January 1, 2022, through December 31, 2024. This legislation affects approximately 170 regularly appointed City employees.

The collective bargaining agreement provides for a 4 percent wage adjustment in 2022 and a 2.5 percent wage adjustment and a 1.5 percent market rate adjustment in 2023. In 2024, wages will increase by 100 percent of the annual growth rate of the Seattle-Tacoma-Bellevue Area Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the period of June 2022 through June 2023, with a minimum increase of 1 percent and a maximum increase of 2.5 percent. Employees will also receive a 1.5 percent market rate adjustment in 2024. In addition to these annual wage adjustments, employees in the Water Pipe Worker Series (benchmarked to Water Pipe Worker) and Water Treatment Operator Series (benchmarked to Water Treatment Operator) will receive a wage equity and market adjustment of a 3.5 percent wage increase. Effective in 2023, shift differential will increase from \$1.00 to \$1.25/hour for swing shift and \$1.50 to \$1.75/hour for employees in the Water Operations and Water Quality units of the Seattle Public Utilities. Employees who obtain Hazwoper certification will be paid an additional \$5.00/hour while assigned to work that requires such certification. Overtime meal payments will increase from \$20.00 to \$25.00.

The City and Local 32 agreed to continue health care cost sharing as follows: the City will pay up to 107 percent of the average City cost of medical, dental, and vision premiums over the prior calendar year. Costs above 107 percent will be covered by the Rate Stabilization Reserve. Once that Reserve is exhausted, the City will pay 85 percent and the employee will pay 15 percent of any excess health care costs.

The collective bargaining agreement provides for other working conditions. The mileage reimbursement rate in 2022 is fifty-eight point five cents per mile for all miles driven in the course of City business on that day, and, in 2023, is sixty-five point five cents per mile for all

miles driven in the course of City business on that day. City departments will pay an allowance of three hundred dollars on the first paycheck of each contract year to be used for the purchase of required footwear and other appropriate work clothing. Additionally, Juneteenth, observed on June 19, and Indigenous Peoples’ Day, observed on the second Monday in October, will be recognized as paid holidays, among other items.

The increased labor costs due to the collective bargaining agreement do not require any departments to increase their 2023 appropriations. Seattle Public Utilities (“SPU”) is the department with the biggest impact, estimated at \$1,350,000 for 2023, which can be absorbed by the Water Fund and the Drainage and Wastewater Fund without any additional appropriation. The ongoing costs of \$1,850,000 will be built into the 2024 Proposed Budget for SPU. The ongoing costs for the other departments are minimal and will be absorbed by their budgets in 2024.

2022-2024 AWI	2023 One-Time	2024 Ongoing
SPU	1,350,000	1,850,000
<b>Other Funds:</b>		
FAS	70,999	108,284
CEN	26,593	40,558
SCL	15,196	23,176
SPR	183,209	279,420
<b>Total All Other Funds:</b>	<b>295,996</b>	<b>451,438</b>

**2. CAPITAL IMPROVEMENT PROGRAM**

Does this legislation create, fund, or amend a CIP Project?       Yes  No

**3. SUMMARY OF FINANCIAL IMPLICATIONS**

Does this legislation amend the Adopted Budget?       Yes  No

Appropriation change (\$):	General Fund \$		Other \$	
	2023	2024	2023	2024
				\$1,850,000
Estimated revenue change (\$):	Revenue to General Fund		Revenue to Other Funds	
	2023	2024	2023	2024
Positions affected:	No. of Positions		Total FTE Change	
	2023	2024	2023	2024

**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?**

SDHR Labor Relations estimates the aggregate costs of wages for the Local 32 contract is estimated to grow to \$10,142,000 in 2024.

**Are there financial costs or other impacts of *not* implementing the legislation?**

If the contract is not legislated, employees would continue to receive the same wages that became effective on January 6, 2021.

**4. OTHER IMPLICATIONS**

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

Yes, there are financial and operational impacts to Seattle Center, Seattle City Light, Seattle Department of Transportation, Department of Financial and Administrative Services, Seattle Parks & Recreation, and Seattle Public Utilities.

**b. Is a public hearing required for this legislation?**

No.

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

No.

**d. Does this legislation affect a piece of property?**

No.

**e. 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/not applicable.

**f. Climate Change Implications**

**1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**

No/not applicable.

- 2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle’s resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

No/not applicable.

- 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.

**Summary Attachments:**

Summary Attachment A – Bill Draft Version of Local 32 Agreement