

## **SUMMARY and FISCAL NOTE**

<b>Department:</b>	<b>Dept. Contact:</b>	<b>CBO Contact:</b>
Seattle Department of Human Resources	Jana Weaver	Candice Foote

### **1. BILL SUMMARY**

**Legislation Title:** AN ORDINANCE relating to City employment; authorizing the execution of a Memorandum of Understanding between The City of Seattle and the International Brotherhood of Electrical Workers Local No. 77, Construction Maintenance Equipment Operator (CMEO) Unit for the period effective from January 1, 2025, through December 31, 2025; and ratifying and confirming certain prior acts.

**Summary and Background of the Legislation:** This legislation authorizes the Mayor to implement a Memorandum of Understanding (“MOU”) between The City of Seattle (“City”) and the International Brotherhood of Electrical Workers Local No. 77, Construction Maintenance Equipment Operator (CMEO) Unit (“Local 77 CMEO”). The MOU extends the collective bargaining agreement that expired on December 31, 2024. This legislation affects 44 regularly appointed City employees.

The MOU is an agreement on wages, benefits, hours, and other working conditions from January 1, 2025, through December 31, 2025. It provides for a 4 percent annual wage increase effective January 1, 2025. The City will continue to pay up to 7 percent of annual health care cost increases and additional costs will be covered by the Rate Stabilization Fund (Fund). Once the Fund is exhausted, the City will pay 85 percent and employees will pay 15 percent of any additional costs.

All other terms and conditions of the collective bargaining agreement that expired on December 31, 2024, will remain in effect during the one-year term of the MOU.

### **2. CAPITAL IMPROVEMENT PROGRAM**

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

### **3. SUMMARY OF FINANCIAL IMPLICATIONS**

**Does this legislation have financial impacts to the City?** ☒ Yes ☐ No

Labor Relations developed the below estimate for year 2025 to approximate the costs of ratifying the agreement and City Budget Office confirmed these estimates are within the reserves for this unit:

	2022 (Baseline)	2023 (Year 1)	2024 (Year 2)	2025 (Year 3)	3 Year Total
Wages <sup>1,2</sup>					
2022 - Baseline	\$2,540,453				
2023 - <b>5.0%</b> (one-time) equity adj.		\$127,023			
2023 - <b>4.0%</b>		\$2,774,175			
2024 - <b>4.0%</b>			\$2,885,142		
2025 - <b>4.0%</b>				\$3,000,548	
<b>3 year total</b>					<b>\$8,659,865</b>
FICA/Medicare/WA FML - 7.87%	\$199,934	\$228,324	\$227,061	\$236,143	\$691,528
<b>Total</b>	<b>\$2,740,387</b>	<b>\$3,129,522</b>	<b>\$3,112,203</b>	<b>\$3,236,691</b>	<b>\$9,351,393</b>
<b>Cost over baseline</b>		<b>\$389,135</b>	<b>\$371,816</b>	<b>\$496,304</b>	<b>\$1,257,254</b>
<b>Cost over baseline as percentage</b>		<b>14.20%</b>	<b>13.57%</b>	<b>18.11%</b>	<b>45.88%</b>

<sup>1</sup> Wages are based on actual demographics as of 12/15/2022 (46 regular and temporary employees) and regular pay only. OT and Compensatory pay calculated separately.

<sup>2</sup> 2023-2025 AWI figures are based on June over June CPI-W forecasts from CBO dated 11/3/2022. Union proposes 20.5% + 100% CPI-W for 2023, and 100% CPI-W for 2024 and 2025 (with 2% minimum floor).

Separate, future legislation, as required, will be forwarded by the City Budget Office to authorize additional appropriations for City departments.

### 3.d. Other Impacts

**Does the legislation have other financial impacts to The City of Seattle, including direct or indirect, one-time or ongoing costs, that are not included in Sections 3.a through 3.c? If so, please describe these financial impacts.**

No.

**If the legislation has costs, but they can be absorbed within existing operations, please describe how those costs can be absorbed. The description should clearly describe if the absorbed costs are achievable because the department had excess resources within their existing budget or if by absorbing these costs the department is deprioritizing other work that would have used these resources.**

N/A

**Please describe any financial costs or other impacts of *not* implementing the legislation.**

Legislation is required to implement bargained-for wage increases in 2025. If the collective bargaining agreement is not legislated, employees would continue to receive the same wages that were effective as of January 1, 2024. There may be other implications and legal risks for not authorizing this legislation.

**Please describe how this legislation may affect any City departments other than the originating department.**

This agreement impacts three City departments with employees in the CMEO and CMEO Sr. classifications. These three departments are Seattle Department of Transportation, Seattle Public Utilities and Seattle Parks and Recreation.

#### **4. OTHER IMPLICATIONS**

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

No.

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

No.

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

No.

**d. Please describe any perceived implication for the principles of the Race and Social Justice Initiative.**

- i. How does this legislation impact vulnerable or historically disadvantaged communities? How did you arrive at this conclusion? In your response please consider impacts within City government (employees, internal programs) as well as in the broader community.**

This MOU includes enhancements to pay and working conditions for union members, which include BIPOC and women employees.

- ii. Please attach any Racial Equity Toolkits or other racial equity analyses in the development and/or assessment of the legislation.**

N/A

- iii. What is the Language Access Plan for any communications to the public?**

N/A

**e. Climate Change Implications**

- i. Emissions: How is this legislation likely to increase or decrease carbon emissions in a material way? Please attach any studies or other materials that were used to inform this response.**

N/A

- ii. 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.**

N/A

- f. 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)? What mechanisms will be used to measure progress towards meeting those goals?**

N/A

- g. Does this legislation create a non-utility CIP project that involves a shared financial commitment with a non-City partner agency or organization?**

No.

## 5. ATTACHMENTS

**Summary Attachments:** None