

**SUMMARY and FISCAL NOTE\***

| <b>Department:</b>                    | <b>Contact Person/Phone:</b>                      | <b>Executive Contact/Phone:</b> |
|---------------------------------------|---|---------------------------------|
| Seattle Department of Human Resources | David Bracilano/684-7874<br>Sarah Butler/684-7929 | Jessica Wang/685-1759           |

*\* 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 International Association of Fire Fighters, Local 27 AFL-CIO-CLC, for the time period of January 1, 2015, through December 31, 2018; amending Ordinance 124927, which adopted the 2016 Budget, by increasing appropriations to the Seattle Fire Department for providing the 2015 and 2016 payments therefor; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

**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 Association of Fire Fighters, Local 27 (“Local 27”). The collective bargaining agreement is a four-year agreement on wages, benefits, hours and other working conditions for the time period January 1, 2015 through December 31, 2018. This legislation affects up to approximately 950 regularly appointed City employees.

The collective bargaining agreement provides for wage adjustments of 2.2 percent for 2015, 1.1 percent for 2016, 3.5 percent for 2017, and 100 percent of the increase of the Seattle-Tacoma-Bremerton Consumer Price Index for Urban Wage Earners and Clerical Workers (“CPI-W”) June over June increase in 2018, with a “floor” of 1.5 percent and a “ceiling” of 4 percent.

The collective bargaining agreement provides other working conditions. Effective September of 2016, certain ladder trucks that probationary fire fighters are assigned to shall receive 72 hours of 5-person staffing. Effective October 2016, assignment pay is established for paramedic students in at 8.5 percent premium pay while in the program. Also, effective upon signature of the agreement, the parties will establish the Seattle Fire Fighters Health Care Clinic to encourage proactive medical management and early detection and prevention of injury, illness and disease for fire fighters. This ordinance provides budget authority for retroactive wage adjustments for 2015 and 2016, and also provides budget authority for partial year implementation of the assignment pay for paramedic students and the additional staffing of ladder trucks.

The collective bargaining agreement also provides for working conditions that will be effective in January of 2017. These costs will be reflected in the 2017-2018 Proposed Budget, and include the following items. Effective January of 2017, assignment pay<sup>1</sup> will increase from 15 percent to 17 percent for Paramedics, and from 5 percent to 6 percent for members of the Dive Team.

<sup>1</sup> Assignment and longevity pay is paid as a percentage of the top step of the Fire Fighter monthly wage rate.

Assignment pay is established for Dive Masters at 8 percent, and uniform allowance will be increased by \$100 for employees assigned to divisions other than operations. Additionally, employees who have completed more than 20 years of service will receive an additional 0.5 percent longevity pay effective at year-end of 2017.

The City will continue to contribute to Local 27 members' healthcare plan, which is administered outside of and separate from the City's self-insured and HMO plans. The City will contribute 107% of the previous year's cost base plus 85% of the difference between 7% and the average national healthcare trend increase, provided that the total increase paid by the City shall not equal an amount greater than 10% of the previous year's cost. Effective January of 2017, the City will increase contributions from \$50 per month to \$75 per month to a medical expenses reimbursement plan ("MERP") for post-retirement health care costs.

Additionally, the City may survey employees to determine the education level of Seattle fire fighters during the term of the agreement, among other items.

**2. SUMMARY OF FINANCIAL IMPLICATIONS**

**X This legislation has direct financial implications.**

Changes to the Seattle Fire Department's 2015 and 2016 appropriations are shown in the table below. Funding in future years will be appropriated through the annual budget process.

| Item  | Fund            | Department              | Budget Control Level                    | Amount      |
|-------|-----------------|-------------------------|---|-------------|
| 2.1   | General Subfund | Seattle Fire Department | Administration<br>(00100-F1000)         | \$9,213     |
| 2.2   | General Subfund | Seattle Fire Department | Resource Management<br>(00100-F2000)    | \$298,430   |
| 2.3   | General Subfund | Seattle Fire Department | Operations<br>(00100-F3000)             | \$6,096,585 |
| 2.4   | General Subfund | Seattle Fire Department | Fire Prevention<br>(00100-F5000)        | \$199,733   |
| 2.5   | General Subfund | Seattle Fire Department | Grants & Reimbursables<br>(00100-F6000) | \$7,412     |
| Total |                 |                         |   | \$6,611,373 |

**3. OTHER IMPLICATIONS**

a) **Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above?**  
 No.

b) **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. There may be other legal risks associated with not implementing the legislation.

**c) Does this legislation affect any departments besides the originating department?**

The originating department is the Seattle Department of Human Resources. The collective bargaining agreement is directly related to costs at SFD. There are costs and operational impacts to the Seattle Fire Department as a result of this.

**d) Is a public hearing required for this legislation?**

No.

**e) Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?**

No.

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

No.

**g) Does this legislation affect a piece of property?**

No.

**h) Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?**

No.

**i) If this legislation includes a new initiative or a major programmatic expansion: What are the long-term and measurable goals of the program? Please describe how this legislation would help achieve the program's desired goals.**

Not applicable.

**j) Other Issues: None**

**List attachments/exhibits below:**

Summary Attachment 1 – Bill Draft Version of Local 27 Agreement