

**SUMMARY and FISCAL NOTE\***

| <b>Department:</b>                       | <b>Dept. Contact/Phone:</b>                   | <b>CBO Contact/Phone:</b> |
|------------------------------------------|-----------------------------------------------|---------------------------|
| Seattle Department of<br>Human Resources | Jana Sangy/684-7912<br>Debra Hillary/256-5236 | Arushi Kumar/684-0225     |

*\* 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 International Association of Machinists and Aerospace Workers, District Lodge 160, Local 79; and ratifying and confirming certain prior acts.

**Summary and background of the Legislation:**

This legislation authorizes an agreement between the City of Seattle (“the City”) and the International Association of Machinists and Aerospace Workers, District Lodge 60, Local 79 (“Local 79”). It is a three-year agreement on wages, benefits, hours, and other working conditions for the time period of January 1, 2019 through December 31, 2021. This legislation affects approximately 40 regularly appointed City employees.

The collective bargaining agreement provides for wage adjustments of 4 percent in 2019 and 3.6 percent in 2020. The City may utilize a one-time reopener to bargain an annual wage increase for 2021. Shift differentials will increase to \$1.00/hour for swing shift and \$1.50/hour for graveyard shift effective December 25, 2019. Upon execution of the agreements, overtime meal compensation will increase to \$20, and employees assigned to complete certain language services will receive \$200/month.

The City and Local 79 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. Employees will pay the employee premium for the Washington State Paid Family Medical Leave Program. 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 regardless of distance travelled, among other items.

## 2. SUMMARY OF FINANCIAL IMPLICATIONS

**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 agreement along with other employee groups (Coalition and non-represented employees) who receive the same increases. 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. Ordinance 126012 provided department budget appropriation authority to cover compensation items authorized in the Local 79 bargaining agreement in 2019. The aggregate costs of wages for the Local 79 agreement and Coalition agreements (as well as similarly classified non-represented employees, which have historically received the same wage increases) is estimated to grow from \$977 million in 2018 to \$1,106 million in 2021.

## 3. OTHER IMPLICATIONS

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

Yes; there are financial and operational impacts to City Light and Seattle Public Utilities where Local 79 members are employed.

**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?**

This collective bargaining agreement includes enhancements to working conditions that could improve the work/life balance for employees, such as expansion of bereavement leave. This agreement also provides a language premium for employees performing certain language services.

- 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 – Local 79 Agreement – Bill Draft Version