

CITY COUNCIL AGENDA TOPIC

Resolution authorizing execution of a labor agreement between the City of Bellevue and the Teamsters Local Union No. 763, representing Review and Inspection Supervisors employed in the Building Division of the Development Services Department for a four-year contract period starting January 1, 2024, and expiring December 31, 2027. The executed agreement shall be substantially in the form of the agreement in the Council Library.

Joy St. Germain, Director, 452-4581
Matt C. Smith, Assistant Director, 452-7936
Human Resources

Rebecca Horner, Director, 452-6045
Development Services Dept.

EXECUTIVE SUMMARY**ACTION**

This Resolution authorizes execution of a four-year labor agreement between the City of Bellevue and Teamsters Local 763, representing Review and Inspection Supervisor employees in the Development Services Department.

RECOMMENDATION

Move to adopt Resolution No. 10386

BACKGROUND/ANALYSIS

The Teamsters Local 763 (Union) currently represents eight fully-benefitted employees in the Review and Inspection classification, and is approximately 0.54 percent of the City's regular full-time workforce.

The parties' collective bargaining agreement expired on December 31, 2023. The City and the Union began negotiations for a successor agreement November 28, 2023, and reached a tentative agreement on April 30, 2024, after seven bargaining sessions. In negotiations, the parties dealt with several issues including how to address high inflation and salary compression. The tentative agreement was ratified by the employees in the bargaining unit on May 16, 2024. The unit-ratified tentative agreement is now subject to Council approval.

Key Terms of Agreement

Wages: The parties bargained a four-year contract with the following wage adjustments:

- 2024: The wage schedule in effect on December 31, 2023 will be increased by 7.8 percent and such increase will be made retroactive to January 1, 2024 for employees in the bargaining unit as of the date the agreement is executed.
- 2025: Effective January 1, an increase equal to 90 percent of CPI-W, with a minimum increase of 1.5 percent and maximum of 5 percent.
- 2026: Effective January 1, an increase equal to 90 percent of CPI-W, with a minimum increase of 1.5 percent and maximum of 5 percent.

- 2027: Effective January 1, an increase equal to 90 percent of CPI-W, with a minimum increase of 1.5 percent and maximum of 5 percent.

Other Changes

- Increase annual protective footwear allowance by \$25.
- Increase the holiday accruals to reflect the addition of Juneteenth as a paid holiday for employees.
- Allow participation in the City's Special Recognition program, as applicable to non-represented employees.
- Allow participation in the City's Shared Leave program for employees who face catastrophic events/circumstances as defined in the Human Resources Policies and Procedures Manual.
- Establish a Health Reimbursement Account Voluntary Employees' Beneficiary Association (HRA VEBA) medical spending account to provide payout of 20 percent of accrued sick leave upon normal service retirement or upon separation of service with at least 20-years of City employment.
- Require bargaining unit employees to pay the same premium rates and share for Washington Paid Family Medical Leave (PFML) as other employees, which are set by the Washington State Employment Security Department.
- Establish premium pay for employees maintaining a certification as a certified building official, licensed architect, masters ME01 electrical certification, licensed engineer in training, or licensed engineer (PE).

There are other clarifications and agreements on a variety of non-economic and non-substantive issues included in the proposed contract.

POLICY & FISCAL IMPACTS

Policy Impact

RCW 41.50.152 requires disclosures of "excess compensation" costs to avoid the unknowing acceptance of significant future liability. The provisions of this contract will not increase estimated future V2 DRS retirement billings because this requirement applies to PERS 1 employees only and the individuals affected by this agreement participate in PERS 2 or 3.

Fiscal Impact

Assuming current staffing, the agreement reached with the Union will result in a net increased cost to the City of approximately \$146,000 over the term of the four-year contract (January 1, 2024 – December 31, 2027), including wage adjustments. Sufficient funds are available within the 2023-2024 budget to fund the costs for those years. The costs for 2025 and 2026 will be included in the 2025-2026 budget proposals.

OPTIONS

1. Adopt the Resolution authorizing execution of a labor agreement between the City of Bellevue and the Teamsters Local Union No. 763, representing Review and Inspection Supervisors employed in

the Building Division of the Development Services Department for a four-year contract period starting January 1, 2024, and expiring December 31, 2027. The executed agreement shall be substantially in the form of the agreement in the Council Library.

2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS

Proposed Resolution No. 10386

AVAILABLE IN COUNCIL LIBRARY

2024-2027 Agreement between the City of Bellevue and Teamsters Local Union No. 763, representing the Review and Inspection Supervisors in the Building Division of the Development Services Department