

**CITY COUNCIL REGULAR SESSION**

Resolution authorizing execution of (1) a successor labor agreement by and between the City and the Public, Professional & Office-Clerical Employees and Drivers Local Union No. 763, affiliated with the International Brotherhood of Teamsters and representing Inspectors, Plans Examiners, Structural Plans Examiners, and Clearing and Grading Reviewers employed by the Building Division in the Department of Development Services (Union), for the contract period January 1, 2019 - December 31, 2022; and (2) a Memorandum of Understanding (MOU) between the parties agreeing to establish a new classification subject to certain terms for the duration of the contract and providing for a lump sum payment to eligible members of the bargaining unit.

Joy St. Germain, Director, 452-4581

Matt C. Smith, Manager, 452-7936

*Human Resources*

**EXECUTIVE SUMMARY**

This Resolution authorizes the execution of a four-year collective bargaining agreement (CBA) between the City and the Union representing certain employees of Development Services for the contract period January 1, 2019 - December 31, 2022, as well as a MOU between the parties agreeing to establish a new classification under certain terms and a lump sum payment to eligible employees.

**RECOMMENDATION**

Move to adopt Resolution No. 9723.

**BACKGROUND/ANALYSIS**

The Union represent 47 employees (as of December 31, 2019) working in the positions of Inspectors, Combo Inspectors, Plan Examiners, Clear and Grade Reviewers, and Structural Plan Examiners.

The City and the Union reached a tentative agreement on December 2, 2019, following two days of mediation with the Public Employment Relations Commission. The tentative agreement was ratified by the employees on January 21. The ratified tentative agreement is now subject to Council approval.

**Key Terms of Successor CBA**

Base Wages: The parties bargained a three-year contract with the following wage adjustments for all classifications except for the Structural Plan Examiner:

- 2019: 4 Percent
- 2020: 3 Percent
- 2021: 90 percent of the CPI-W Bellevue/Seattle/Tacoma (June)
- 2022: 90 percent of the CPI-W Bellevue/Seattle/Tacoma (June)
- A reclassification of the Structural Plans Examiner to a Structural Engineer, effective January 1, 2019, with the top wage rate of 10,000 per month. Increase for Structural Engineers will be:
  - 2020: 90 percent of the CPI-W Bellevue/Seattle/Tacoma (June)
  - 2021: 90 percent of the CPI-W Bellevue/Seattle/Tacoma (June)

- 2022: 90 percent of the CPI-W Bellevue/Seattle/Tacoma (June)

#### Other Significant Changes:

- Changes in union membership and dues deduction pursuant to *Janus* decision.
- Changes in sick leave pursuant to I-1433 and addition of Washington State Paid Family and Medical Leave.
- Deletion of language providing the option for the employees to enroll in a Teamsters' pension plan and Teamsters' retiree health and welfare Insurance coverage.
- Deletion of language that prohibited the City from applying the HRPPM to represented employee.
- Increasing compensatory time accrual to 40 hours per year, which is the same as most represented units and the non-represented city staff.
- Addition of access to 10 percent of accrued sick leave at termination of employment after 20 years of employment.

#### Health & Welfare Insurance:

- Elimination of eligibility to enroll in the Core Plan for new hires in 2021.
- Alignment of premium contribution percentages in 2021.
- Elimination of the medical waiver rebate in 2021.
- Elimination of the dental waiver rebate in 2021.
- Agreement by the Union to defer to the City's definition of domestic partner for benefit eligibility.

Other clarifications and agreements on a variety of issues brought forward by both the City and the Union.

#### **Key Terms of MOU**

Agreement to establish a new classification, Building Technical Specialist, to be paid at 85 percent of the Plan Examiners rates and subject to the other terms and conditions of the CBA.

Agreement to provide a lump sum payment of \$1,850 to those employees actively on the payroll as of the date of ratification by the bargaining unit.

### **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 retirement billings because this requirement applies to Public Employees' Retirement System Plan 1 (PERS 1) employees only and the individuals covered by this agreement participate in Public Employees' Retirement System Plan 2 (PERS 2) or Public Employees' Retirement System Plan 3 (PERS 3).

#### **Fiscal Impact**

The agreement reached with the Union will result in a cost to the City of approximately \$1.6 million dollars over the term of the four-year contract (January 1, 2019 – December 31, 2022), including the 2019 and 2020 wage adjustments, projection for the 2021-2022 Cost-of-Living Adjustment (COLA), and

other changes. Costs do not include any savings from the elimination of the Core plan after 2021. Sufficient funds are available within the 2020 budget to fund the 2020 contract costs; and costs for 2021 and 2022 will be included in the development of the 2021-2022 budget.

## **OPTIONS**

1. Adopt the Resolution authorizing execution of (1) a successor labor agreement by and between the City and the Public, Professional & Office-Clerical Employees and Drivers Local Union No. 763, affiliated with the International Brotherhood of Teamsters and representing Inspectors, Plans Examiners, Structural Plans Examiners, and Clearing and Grading Reviewers employed by the Building Division in the Department of Development Services (Union), for the contract period January 1, 2019 - December 31, 2022; and (2) a Memorandum of Understanding (MOU) between the parties agreeing to establish a new classification subject to certain terms for the duration of the contract and providing for a lump sum payment to eligible members of the bargaining unit.
2. Do not adopt the Resolution and provide alternative direction to staff.

## **ATTACHMENTS & AVAILABLE DOCUMENTS**

Proposed Resolution No. 9723

## **AVAILABLE IN COUNCIL LIBRARY**

2019-2022 successor labor agreement and Memorandum of Understanding substantially in the form of the final agreements.