# Ordinance No. 123174

# Council Bill No. 116713

CF No

AN ORDINANCE relating to City employment; authorizing the Mayor to execute a memorandum of understanding between the City of Seattle and certain individual unions in the Coalition of City Unions, a memorandum of understanding between the City of Seattle and the Pacific Northwest Regional Council of Carpenters, and a memorandum of understanding between the City of Seattle and the International Association of Machinists and Aerospace Workers District Lodge 160, Local 289, all amending collective bargaining agreements expiring December 31, 2010.

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Date Introduced:     Z-09	
Date 1st Referred:	To: (committee)
Date Re - Referred:	To: (committee)
Date Re - Referred:	To: (committee)
Date of Final Passage:	Full Council Vote:
Date Presented to Mayor:	Date Approved:   7-   -09
Date Returned to City Clerk:	Date Published: T.O
Date Vetoed by Mayor:	Date Veto Published:
Date Passed Over Veto:	Veto Sustained:

w Department Law Dept. Review	OMP	City Clerk	Electronic	Indexed
This file is complete and	ready for presental	ion to Full Council.	Committee:	(initial/date)
11-23-09	Passed	90		
11-10-09		nmittee Act		R
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Mark McDermott/David Bracilano/sb PERS Coalition 2011 Rollover ORD October 13, 2009 Version #2

## ORDINANCE 123174

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NC	ORDINANCE relating to City employment; authorizing the Mayor to execute a
	memorandum of understanding between the City of Seattle and certain individual unions
	in the Coalition of City Unions, a memorandum of understanding between the City of
	Seattle and the Pacific Northwest Regional Council of Carpenters, and a memorandum of
	understanding between the City of Seattle and the International Association of Machinist
	and Aerospace Workers District Lodge 160, Local 289, all amending collective
	bargaining agreements expiring December 31, 2010.

WHEREAS, the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, Local 104; the International Union of Painters and Allied Trades District Council #5; the International Association of Machinists and Aerospace Workers, Lodge 160, Local 289; the Inlandboatmen's Union of the Pacific; the International Federation of Professional and Technical Engineers, Local 17; the International Brotherhood of Teamsters, Local 117; the International Brotherhood of Electrical Workers, Local 46; the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry, Local 32; the International Brotherhood of Teamsters, Local 763; the International Union of Operating Engineers, Local 286; the Seattle Police Dispatchers' Guild; the UNITE Hotel Employees & Restaurant Employees, Local 8; the Public Service & Industrial Employees, Local 1239; the Washington State Council of County and City Employees, Local 21; the Joint Crafts Council; the International Alliance of Theatrical Stage Employees and Moving Picture Technicians, Artists and Allied Crafts of the United States and Canada, Local 15; the Sheet Metal Workers International Association, Local 66; the Pacific Northwest Regional Council of Carpenters; and the Seattle Municipal Court Marshals' Guild, International Union of Police Associations, Local 600 formed a coalition, herein referred to as the "Coalition of City Unions" to collectively negotiate wages, health care, retirement and other conditions of employment with the City of Seattle; and

WHEREAS, Ordinance 122551 authorized the October 3, 2007 Tentative Agreement between the City and the Coalition of City Unions for the period of January 1, 2008 through December 31, 2010; and

WHEREAS, the City of Seattle and those same unions came to an agreement on employee contribution rate increases to the City retirement system, and agreed that wages, employment benefits, and all other terms of those collective bargaining agreements expiring December 31, 2010 would extend an additional year through December 31, 2011; NOW, THEREFORE,

#### BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

(CERTAL)

Form Last Revised on December 17, 2008

Section 1. As requested by the Personnel Director and recommended by the Mayor, the Mayor is authorized on behalf of the City of Seattle to execute a memorandum of understanding between the City and certain individual unions belonging to the Coalition of City Unions, substantially in the form attached to this ordinance as Attachment 1, and identified as "Memorandum of Understanding by and between the City of Seattle and the Coalition of City Unions."

Section 2. As requested by the Personnel Director and recommended by the Mayor, the Mayor is authorized on behalf of the City of Seattle to execute a memorandum of understanding between the City and the Pacific Northwest Regional Council of Carpenters, substantially in the form attached to this ordinance as Attachment 2, and identified as "Memorandum of Understanding by and between the City of Seattle and the Pacific Northwest Regional Council of Carpenters (Coalition of City Unions Member)."

Section 3. As requested by the Personnel Director and recommended by the Mayor, the Mayor is authorized on behalf of the City of Seattle to execute a memorandum of understanding between the City and the International Association of Machinists and Aerospace Workers

District Lodge 160, Local 289, substantially in the form attached to this ordinance as Attachment 3, and identified as "Memorandum of Understanding by and between the City of Seattle and the International Association of Machinists and Aerospace Workers District Lodge 160, Local 289 (Coalition of City Unions Member)."

Section 4. This ordinance shall take effect and be in force thirty (30) days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.



Mark McDermott/David Bracilano/sb PERS Coalition 2011 Rollover ORD October 13, 2009

Version #2 Passed by the City Council the  $\frac{23}{4}$  day of November, 2009, and 1 signed by me in open session in authentication of its passage this 2 3 4 of the City Council President 5 6 Approved by me this \\ day of 7 8 9 Gregory J. Nickels, Mayor 10 Filed by me this 3rd day of December 11 12 13 14 (Seal) 15 16 17 Attachment 1: Memorandum of Understanding by and between the City of Seattle and the Coalition of City Unions 18 Attachment 2: Memorandum of Understanding by and between the City of Seattle and the 19 Pacific Northwest Regional Council of Carpenters (Coalition of City Unions Member) 20 Attachment 3: Memorandum of Understanding by and between the City of Seattle and the 21 International Association of Machinists and Aerospace Workers, District Lodge 160, Local 289 22 (Coalition of City Unions Member) 23 24 25 26



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#### by and between

#### THE CITY OF SEATTLE

#### and the

#### **COALITION OF CITY UNIONS**

(Amending certain existing collective bargaining agreements expiring December 31, 2010)

WHEREAS, certain unions representing employees at the City of Seattle have formed a coalition (herein referred to as the "Coalition of City Unions") to collectively negotiate wages, health care, retirement and other conditions of employment with the City of Seattle (herein referred to as "the City;" together the City and the Coalition of City Unions shall be referred to as "the Parties"); and

WHEREAS, the Coalition of City Unions for the purpose of this Memorandum of Understanding shall include the following individual unions, provided that named unions are also signatory to this Memorandum of Understanding: the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, Local 104; the International Union of Painters and Allied Trades District Council #5; the Inlandboatmen's Union of the Pacific; the International Federation of Professional and Technical Engineers, Local 17; the International Brotherhood of Teamsters, Local 117; the International Brotherhood of Electrical Workers, Local 46; the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry, Local 32; the International Brotherhood of Teamsters, Local 763; the International Union of Operating Engineers, Local 286; the UNITE Hotel Employees & Restaurant Employees. Local 8; the Public Service & Industrial Employees, Local 1239; the Washington State Council of County and City Employees, Local 21; the Joint Crafts Council; the International Alliance of Theatrical Stage Employees and Moving Picture Technicians, Artists and Allied Crafts of the United States and Canada, Local 15; the Sheet Metal Workers International Association, Local 66; and the Seattle



Municipal Court Marshals' Guild, International Union of Police Associations, Local 600; and the Seattle Police Dispatchers' Guild; and

WHEREAS, Ordinance 122551 authorized the October 3, 2007 Tentative Agreement between the Parties, and certain additional ordinances authorized collective bargaining agreements consistent with the Tentative Agreement between the Parties for the period of January 1, 2008 through December 31, 2010; and

WHEREAS, Seattle Municipal Code 4.36, as amended by ordinance, provides for the administration and funding of the Seattle City Employees' Retirement System; and

WHEREAS, the Parties have voluntarily entered into negotiations on wages, health care, retirement and other conditions of employment and have come to the following agreement:

- 1) Existing collective bargaining agreements between the parties shall be amended so that the term of the agreement covers the time period of January 1, 2008 through December 31, 2011;
- 2) All wages, hours, and working conditions shall continue as expressed in the labor agreements between the Parties, with the exception of the following items:
  - A) Effective January 5, 2011, the wages of all job titles represented by the Coalition of City Unions signatory to this Memorandum of Understanding shall be increased by 100% of the annual average growth rate of the bi-monthly Seattle-Tacoma-Bremerton Area Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the period August 2008 through June 2009 to the period August 2009 through June 2010, provided however, said percentage increase shall not be less than two percent (2%) nor shall it exceed seven percent (7%).
  - B) The parties agree that the Seattle Municipal Code regarding the funding of the Seattle City Employees' Retirement System (hereinafter, "System") shall be amended consistent with the following language:

If a year-end actuarial study commissioned by the System finds that the amortization period for the System's unfunded actuarial liability exceeds thirty (30) years, based on the



current contribution rate of 8.03% to the System that the City and employee(s) each pay, and the City determines that an increase in contribution rates to the System is necessary, the City and employees shall equally increase contribution rates. Such increases shall not result in employees paying greater than a 10.03% contribution rate.

The required contribution rate increases, if necessary, shall take effect no sooner than the beginning of the first pay period of the year following completion of the actuarial study. For example, if the actuarial study for the System as of December 31, 2008 was presented to the Retirement Board in June 2009, and if that study showed an amortization period for the unfunded liability in excess of thirty (30) years that the City determined required a total increase in contributions of one percent (1%) to meet the System's unfunded liability threshold, the City's contribution rate would increase by one-half of one percent (.5%) resulting in an 8.53% City contribution rate and the employee contribution rate would increase by one-half of one percent (.5%) resulting in an 8.53% employee contribution rate as soon as the beginning of the first pay period of 2010.

- C) All conditions of employment specific to calendar year 2010 as provided in existing labor agreements shall be extended through calendar year 2011. All provisions pertinent to and referencing a three year contract shall extend to a four year contract expiring December 31, 2011.
- D) Unions shall vote a Voluntary Employee Benefits Association (VEBA) benefit among their membership consistent with the VEBA language in their existing contracts to determine union members' participation in a VEBA for calendar year 2011.

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Authority		

Attachment 1



FOR THE CITY OF SEATTLE

Gregory J. Nickels, Mark M. McDermott Mayor Personnel Director Edsonya Charles, David Bracilano, Labor Relations Director Presiding Judge Seattle Municipal Court SIGNATORY UNIONS Steve Bloom, Business Representative Diana Douglas, Union Representative I.F.P.T.E., Local 17 I.U. Painters and Allied Trades, District Council #5 PTA Dean Calhoun, Business Representative Ethan Fineout, Staff Representative Boilermakers Union, Local 104 W.S.C.C.C.E., Local 21Z Marty Fox, Business Representative Dennis Conklin, Regional Director Inland Boatmen's Union of the Pacific Sheet Metal Workers, Local 66 David A. Grage, Secretary-Treasurer Bill Dennis, Staff Representative W.S.C.C.C.E., Locals 21 and 21P Teamsters, Local 763 (JCC) and Municipal Court



Rick Sawyer, Secretary, Treasurer Tara Heinecke, Business Representative H.E.R.E., Local 8 I.A.T.S.E., Local 15 Guadalupe Perez, Union Representative Patti Kieval, Union Representative I.F.P.T.E., Local 17 I.F.P.T.E., Local 17 PTA IT, PTA Adrienne Thompson, Union Representative Janet Lewis, Business Representative I.F.P.T.E., Local 17 I.B.E.W., Local 46 PTA, Probation Counselors Tracey A. Thompson, Secretary-Treasurer Rodney Mesa, Business Representative I.U. Operating Engineers, Local 286 Teamsters, Local 117 JCC Unit, Admissions Unit, Community Service Officers & Evidence Warehousers Marty Yellam, Business Representative John L. Masterjohn, Business Manager U.A. Plumbers and Pipefitters, Local 32 P.S.I.E., Local 1239 and Local 1239 Security Officers (JCC); Local 1239 Recreation Unit Scott Best, President Christopher Hamlin, President Seattle Municipal Court Marshals' Guild Seattle Police Dispatchers' Guild I.U.P.A., Local 600

(CUNCIL)

#### by and between

#### THE CITY OF SEATTLE

#### and the

# THE PACIFIC NORTHWEST REGIONAL COUNCIL OF CARPENTERS (COALITION OF CITY UNIONS MEMBER)

(Amending certain existing collective bargaining agreements expiring December 31, 2010)

WHEREAS, certain unions representing employees at the City of Seattle have formed a coalition (herein referred to as the "Coalition of City Unions") to collectively negotiate wages, health care, retirement and other conditions of employment with the City of Seattle (herein referred to as "the City;" together the City and the Coalition of City Unions shall be referred to as "the Parties"); and

WHEREAS, the Coalition of City Unions for the purpose of this Memorandum of Understanding shall include The Pacific Northwest Regional Council of Carpenters; and

WHEREAS, Ordinance 122551 authorized the October 3, 2007 Tentative Agreement between the Parties, and certain additional ordinances authorized collective bargaining agreements consistent with the Tentative Agreement between the Parties for the period of January 1, 2008 through December 31, 2010; and

WHEREAS, Seattle Municipal Code 4.36, as amended by ordinance, provides for the administration and funding of the Seattle City Employees' Retirement System; and

WHEREAS, the Parties have voluntarily entered into negotiations on wages, health care, retirement and other conditions of employment and have come to



#### the following agreement:

- 1) Existing collective bargaining agreements between the parties shall be amended so that the term of the agreement covers the time period of January 1, 2008 through December 31, 2011;
- 2) All wages, hours, and working conditions shall continue as expressed in the labor agreements between the Parties, with the exception of the following items:
  - A) Effective January 5, 2011, the wages of all job titles represented by the Coalition of City Unions signatory to this Memorandum of Understanding shall be increased by 100% of the annual average growth rate of the bi-monthly Seattle-Tacoma-Bremerton Area Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the period August 2008 through June 2009 to the period August 2009 through June 2010, provided however, said percentage increase shall not be less than two percent (2%) nor shall it exceed seven percent (7%).
  - B) The parties agree that the Seattle Municipal Code regarding the funding of the Seattle City Employees' Retirement System (hereinafter, "System") shall be amended consistent with the following language:

If a year-end actuarial study commissioned by the System finds that the amortization period for the System's unfunded actuarial liability exceeds thirty (30) years, based on the current contribution rate of 8.03% to the System that the City and employee(s) each pay, and the City determines that an increase in contribution rates to the System is necessary, the City and employees shall equally increase contribution rates. Such increases shall not result in employees paying greater than a 10.03% contribution rate.

The required contribution rate increases, if necessary, shall take effect no sooner than the beginning of the first pay period of the year following completion of the actuarial study. For example, if the actuarial study for the System as of December 31, 2008 was presented to the Retirement Board in June 2009, and if that study showed an amortization period for the unfunded liability in excess of thirty (30) years that the City determined required a total increase in



contributions of one percent (1%) to meet the System's unfunded liability threshold, the City's contribution rate would increase by one-half of one percent (.5%) resulting in an 8.53% City contribution rate and the employee contribution rate would increase by one-half of one percent (.5%) resulting in an 8.53% employee contribution rate as soon as the beginning of the first pay period of 2010.

- C) All conditions of employment specific to calendar year 2010 as provided in existing labor agreements shall be extended through calendar year 2011. All provisions pertinent to and referencing a three year contract shall extend to a four year contract expiring December 31, 2011.
- D) Unions shall vote a Voluntary Employee Benefits Association (VEBA) benefit among their membership consistent with the VEBA language in their existing contracts to determine union members' participation in a VEBA for calendar year 2011.

SIGNED this day of	, 2009.
Executed under the Authority of Ordinance No.	
FOR THE CITY OF SEATTLE	FOR THE UNION
Gregory J. Nickels, Mayor	Ed Triezenberg The Pacific Northwest Regional Council Carpenters
David Bracilano, Labor Relations Director	



#### by and between

#### THE CITY OF SEATTLE

#### and the

# THE INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS, DISTRICT LODGE 160, LOCAL 289 (COALITION OF CITY UNIONS MEMBER)

(Amending certain existing collective bargaining agreements expiring December 31, 2010)

WHEREAS, certain unions representing employees at the City of Seattle have formed a coalition (herein referred to as the "Coalition of City Unions") to collectively negotiate wages, health care, retirement and other conditions of employment with the City of Seattle (herein referred to as "the City;" together the City and the Coalition of City Unions shall be referred to as "the Parties"); and

WHEREAS, the Coalition of City Unions for the purpose of this Memorandum of Understanding shall include the International Association of Machinists and Aerospace Workers, District Lodge 160, Local 289; and

WHEREAS, Ordinance 122551 authorized the October 3, 2007 Tentative Agreement between the Parties, and certain additional ordinances authorized collective bargaining agreements consistent with the Tentative Agreement between the Parties for the period of January 1, 2008 through December 31, 2010; and

WHEREAS, Seattle Municipal Code 4.36, as amended by ordinance, provides for the administration and funding of the Seattle City Employees' Retirement System; and

WHEREAS, the Parties have voluntarily entered into negotiations on wages,



health care, retirement and other conditions of employment and have come to the following agreement:

- 1) Existing collective bargaining agreements between the parties shall be amended so that the term of the agreement covers the time period of January 1, 2008 through December 31, 2011;
- 2) All wages, hours, and working conditions shall continue as expressed in the labor agreements between the Parties, with the exception of the following items:
  - A) Effective January 5, 2011, the wages of all job titles represented by the Coalition of City Unions signatory to this Memorandum of Understanding shall be increased by 100% of the annual average growth rate of the bi-monthly Seattle-Tacoma-Bremerton Area Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the period August 2008 through June 2009 to the period August 2009 through June 2010, provided however, said percentage increase shall not be less than two percent (2%) nor shall it exceed seven percent (7%).
  - B) The parties agree that the Seattle Municipal Code regarding the funding of the Seattle City Employees' Retirement System (hereinafter, "System") shall be amended consistent with the following language:

If a year-end actuarial study commissioned by the System finds that the amortization period for the System's unfunded actuarial liability exceeds thirty (30) years, based on the current contribution rate of 8.03% to the System that the City and employee(s) each pay, and the City determines that an increase in contribution rates to the System is necessary, the City and employees shall equally increase contribution rates. Such increases shall not result in employees paying greater than a 10.03% contribution rate.

The required contribution rate increases, if necessary, shall take effect no sooner than the beginning of the first pay period of the year following completion of the actuarial study. For example, if the actuarial study for the System as of December 31, 2008 was presented to the Retirement Board in June 2009, and if that study showed an amortization period for the unfunded liability in excess of thirty (30) years



that the City determined required a total increase in contributions of one percent (1%) to meet the System's unfunded liability threshold, the City's contribution rate would increase by one-half of one percent (.5%) resulting in an 8.53% City contribution rate and the employee contribution rate would increase by one-half of one percent (.5%) resulting in an 8.53% employee contribution rate as soon as the beginning of the first pay period of 2010.

- C) All conditions of employment specific to calendar year 2010 as provided in existing labor agreements shall be extended through calendar year 2011. All provisions pertinent to and referencing a three year contract shall extend to a four year contract expiring December 31, 2011.
- D) Unions shall vote a Voluntary Employee Benefits Association (VEBA) benefit among their membership consistent with the VEBA language in their existing contracts to determine union members' participation in a VEBA for calendar year 2011.

SIGNED this day of _	, 2009.
Executed under the Authority of Ordinance No	
FOR THE CITY OF SEATTLE	FOR THE UNION
Gregory J Nickels Mayor	Donald Hursey Directing Business Representative
David Bracilano Director of Labor Relations	Melody Coffman Business Agent



by and between

#### THE CITY OF SEATTLE

and the

#### **COALITION OF CITY UNIONS**

(Amending certain existing collective bargaining agreements expiring December 31, 2010)

WHEREAS, certain unions representing employees at the City of Seattle have formed a coalition (herein referred to as the "Coalition of City Unions") to collectively negotiate wages, health care, retirement and other conditions of employment with the City of Seattle (herein referred to as "the City;" together the City and the Coalition of City Unions shall be referred to as "the Parties"); and

WHEREAS, the Coalition of City Unions for the purpose of this Memorandum of Understanding shall include the following individual unions, provided that named unions are also signatory to this Memorandum of Understanding: the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, Local 104; the International Union of Painters and Allied Trades District Council #5; the Inlandboatmen's Union of the Pacific; the International Federation of Professional and Technical Engineers, Local 17; the International Brotherhood of Teamsters, Local 117; the International Brotherhood of Electrical Workers, Local 46; the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry, Local 32; the International Brotherhood of Teamsters, Local 763; the International Union of Operating Engineers, Local 286; the UNITE Hotel Employees & Restaurant Employees. Local 8; the Public Service & Industrial Employees, Local 1239; the Washington State Council of County and City Employees, Local 21; the Joint Crafts Council: the International Alliance of Theatrical Stage Employees and Moving Picture Technicians, Artists and Allied Crafts of the United States and Canada, Local 15; the Sheet Metal Workers International Association, Local 66; and the Seattle Municipal Court Marshals' Guild, International Union of Police Associations,

Local 600; and the Seattle Police Dispatchers' Guild; and

WHEREAS, Ordinance 122551 authorized the October 3, 2007 Tentative Agreement between the Parties, and certain additional ordinances authorized collective bargaining agreements consistent with the Tentative Agreement between the Parties for the period of January 1, 2008 through December 31, 2010; and

WHEREAS, Seattle Municipal Code 4.36, as amended by ordinance, provides for the administration and funding of the Seattle City Employees' Retirement System; and

WHEREAS, the Parties have voluntarily entered into negotiations on wages, health care, retirement and other conditions of employment and have come to the following agreement:

- 1) Existing collective bargaining agreements between the parties shall be amended so that the term of the agreement covers the time period of January 1, 2008 through December 31, 2011;
- 2) All wages, hours, and working conditions shall continue as expressed in the labor agreements between the Parties, with the exception of the following items:
  - A) Effective January 5, 2011, the wages of all job titles represented by the Coalition of City Unions signatory to this Memorandum of Understanding shall be increased by 100% of the annual average growth rate of the bi-monthly Seattle-Tacoma-Bremerton Area Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the period August 2008 through June 2009 to the period August 2009 through June 2010, provided however, said percentage increase shall not be less than two percent (2%) nor shall it exceed seven percent (7%).
  - B) The parties agree that the Seattle Municipal Code regarding the funding of the Seattle City Employees' Retirement System (hereinafter, "System") shall be amended consistent with the following language:

If a year-end actuarial study commissioned by the System finds that the amortization period for the System's unfunded actuarial liability exceeds thirty (30) years, based on the current contribution rate of 8.03% to the System that the City and employee(s) each pay, and the City determines that an

increase in contribution rates to the System is necessary, the City and employees shall equally increase contribution rates. Such increases shall not result in employees paying greater than a 10.03% contribution rate.

The required contribution rate increases, if necessary, shall take effect no sooner than the beginning of the first pay period of the year following completion of the actuarial study. For example, if the actuarial study for the System as of December 31, 2008 was presented to the Retirement Board in June 2009, and if that study showed an amortization period for the unfunded liability in excess of thirty (30) years that the City determined required a total increase in contributions of one percent (1%) to meet the System's unfunded liability threshold, the City's contribution rate would increase by one-half of one percent (.5%) resulting in an 8.53% City contribution rate and the employee contribution rate would increase by one-half of one percent (.5%) resulting in an 8.53% employee contribution rate as soon as the beginning of the first pay period of 2010.

- C) All conditions of employment specific to calendar year 2010 as provided in existing labor agreements shall be extended through calendar year 2011. All provisions pertinent to and referencing a three year contract shall extend to a four year contract expiring December 31, 2011.
- D) Unions shall vote a Voluntary Employee Benefits Association (VEBA) benefit among their membership consistent with the VEBA language in their existing contracts to determine union members' participation in a VEBA for calendar year 2011.

SIGNED this 11 day of December 2009.

Executed under the Authority of Ordinance No. 17374

FOR THE CITY OF SEATTLE

Gregory J. Nickels,

Mayor

Mark M. McDermott Personnel Director

Coalition of City Unions
Memorandum of Understanding

David Bracilano, Labor Relations Director Edsonya Charles, Presiding Judge Seattle Municipal Court

#### SIGNATORY UNIONS

Steve Bloom, Business Representative I.U. Painters and Allied Trades, District Council #5

Diana Douglas, Union Représentative I.F.P.T.E., Local 17 PTA

Dean Calhoun, Business Representative Boilermakers Union, Local 104 Ethan Fineout, Staff Representative W.S.C.C.C.E., Local 21Z

Dennis Conklin, Regional Director
Inland Boatmen's Union of the Pacific

Marty Fox, Business Representative Sheet Metal Workers, Local 66

Bill Dennis, Staff Representative W.S.C.C.C.E., Locals 21 and 21P

David A. Grage, Secretary-Treasurer Teamsters, Local 763 (JCC) and Municipal Court

Tara Heinecke, Business Representative I(A.T.S.E., Local 15	Rick Sawyer, Secretary, Treasurer H.E.R.E., Local 8
Patti Kieval, Union Representative I.F.P.T.E., Local 17 IT, PTA	Guadalupe Perez, Union Representative I.F.P.T.E., Local 17
Janet Lewis, Business Representative I.B.E.W., Local 46  Rodney Mesa, Business Representative I.U. Operating Engineers, Local 286	Adrienne Thompson, Union Representative I.F.P.T.E., Local 17 PTA, Probation Counselors  Tracey A. Thompson, Secretary-Treasurer Teamsters, Local 117 JCC Unit, Admissions Unit, Community Service Officers & Evidence Warehousers
John L. Masterjohn, Business Manager P.S.I.E., Local 1239 and Local 1239 Security Officers (JCC); Local 1239 Recreation Unit	Marty Yellam, Business Representative U.A. Plumbers and Pipefitters, Local 32
Christopher Hamlin, President Seattle Municipal Court Marshals' Guild I.U.P.A., Local 600	Scott Best, President Seattle Police Dispatchers' Guild

#### by and between

#### THE CITY OF SEATTLE

#### and the

# THE PACIFIC NORTHWEST REGIONAL COUNCIL OF CARPENTERS (COALITION OF CITY UNIONS MEMBER)

(Amending certain existing collective bargaining agreements expiring December 31, 2010)

WHEREAS, certain unions representing employees at the City of Seattle have formed a coalition (herein referred to as the "Coalition of City Unions") to collectively negotiate wages, health care, retirement and other conditions of employment with the City of Seattle (herein referred to as "the City;" together the City and the Coalition of City Unions shall be referred to as "the Parties"); and

WHEREAS, the Coalition of City Unions for the purpose of this Memorandum of Understanding shall include The Pacific Northwest Regional Council of Carpenters; and

WHEREAS, Ordinance 122551 authorized the October 3, 2007 Tentative Agreement between the Parties, and certain additional ordinances authorized collective bargaining agreements consistent with the Tentative Agreement between the Parties for the period of January 1, 2008 through December 31, 2010; and

WHEREAS, Seattle Municipal Code 4.36, as amended by ordinance, provides for the administration and funding of the Seattle City Employees' Retirement System; and

WHEREAS, the Parties have voluntarily entered into negotiations on wages, health care, retirement and other conditions of employment and have come to the following agreement:

- 1) Existing collective bargaining agreements between the parties shall be amended so that the term of the agreement covers the time period of January 1, 2008 through December 31, 2011;
- 2) All wages, hours, and working conditions shall continue as expressed in the labor agreements between the Parties, with the exception of the following items:
  - A) Effective January 5, 2011, the wages of all job titles represented by the Coalition of City Unions signatory to this Memorandum of Understanding shall be increased by 100% of the annual average growth rate of the bi-monthly Seattle-Tacoma-Bremerton Area Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the period August 2008 through June 2009 to the period August 2009 through June 2010, provided however, said percentage increase shall not be less than two percent (2%) nor shall it exceed seven percent (7%).
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The required contribution rate increases, if necessary, shall take effect no sooner than the beginning of the first pay period of the year following completion of the actuarial study. For example, if the actuarial study for the System as of December 31, 2008 was presented to the Retirement Board in June 2009, and if that study showed an amortization period for the unfunded liability in excess of thirty (30) years that the City determined required a total increase in contributions of one percent (1%) to meet the System's unfunded liability threshold, the City's contribution rate would

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- D) Unions shall vote a Voluntary Employee Benefits Association (VEBA) benefit among their membership consistent with the VEBA language in their existing contracts to determine union members' participation in a VEBA for calendar year 2011.

SIGNED this \(\frac{1}{\chi}\) day of \(\frac{1}{\chi}\)	<u>tember</u> , 2009.
Executed under the Authority of Ordinance No. 123 174	
FOR THE CITY OF SEATTLE	FOR THE UNION
Gregory J. Nickels,	Ed Triezenberg
Mayor	The Pacific Northwest Regional Council Carpenters

David Bracilano, Labor Relations Director

#### by and between

#### THE CITY OF SEATTLE

#### and the

# THE INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS, DISTRICT LODGE 160, LOCAL 289 (COALITION OF CITY UNIONS MEMBER)

(Amending certain existing collective bargaining agreements expiring December 31, 2010)

WHEREAS, certain unions representing employees at the City of Seattle have formed a coalition (herein referred to as the "Coalition of City Unions") to collectively negotiate wages, health care, retirement and other conditions of employment with the City of Seattle (herein referred to as "the City;" together the City and the Coalition of City Unions shall be referred to as "the Parties"); and

WHEREAS, the Coalition of City Unions for the purpose of this Memorandum of Understanding shall include the International Association of Machinists and Aerospace Workers, District Lodge 160, Local 289; and

WHEREAS, Ordinance 122551 authorized the October 3, 2007 Tentative Agreement between the Parties, and certain additional ordinances authorized collective bargaining agreements consistent with the Tentative Agreement between the Parties for the period of January 1, 2008 through December 31, 2010; and

WHEREAS, Seattle Municipal Code 4.36, as amended by ordinance, provides for the administration and funding of the Seattle City Employees' Retirement System; and

WHEREAS, the Parties have voluntarily entered into negotiations on wages,

health care, retirement and other conditions of employment and have come to the following agreement:

- 1) Existing collective bargaining agreements between the parties shall be amended so that the term of the agreement covers the time period of January 1, 2008 through December 31, 2011;
- 2) All wages, hours, and working conditions shall continue as expressed in the labor agreements between the Parties, with the exception of the following items:
  - A) Effective January 5, 2011, the wages of all job titles represented by the Coalition of City Unions signatory to this Memorandum of Understanding shall be increased by 100% of the annual average growth rate of the bi-monthly Seattle-Tacoma-Bremerton Area Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the period August 2008 through June 2009 to the period August 2009 through June 2010, provided however, said percentage increase shall not be less than two percent (2%) nor shall it exceed seven percent (7%).
  - B) The parties agree that the Seattle Municipal Code regarding the funding of the Seattle City Employees' Retirement System (hereinafter, "System") shall be amended consistent with the following language:

If a year-end actuarial study commissioned by the System finds that the amortization period for the System's unfunded actuarial liability exceeds thirty (30) years, based on the current contribution rate of 8.03% to the System that the City and employee(s) each pay, and the City determines that an increase in contribution rates to the System is necessary, the City and employees shall equally increase contribution rates. Such increases shall not result in employees paying greater than a 10.03% contribution rate.

The required contribution rate increases, if necessary, shall take effect no sooner than the beginning of the first pay period of the year following completion of the actuarial study. For example, if the actuarial study for the System as of December 31, 2008 was presented to the Retirement Board in June 2009, and if that study showed an amortization period for the unfunded liability in excess of thirty (30) years

that the City determined required a total increase in contributions of one percent (1%) to meet the System's unfunded liability threshold, the City's contribution rate would increase by one-half of one percent (.5%) resulting in an 8.53% City contribution rate and the employee contribution rate would increase by one-half of one percent (.5%) resulting in an 8.53% employee contribution rate as soon as the beginning of the first pay period of 2010.

- C) All conditions of employment specific to calendar year 2010 as provided in existing labor agreements shall be extended through calendar year 2011. All provisions pertinent to and referencing a three year contract shall extend to a four year contract expiring December 31, 2011.
- D) Unions shall vote a Voluntary Employee Benefits Association (VEBA) benefit among their membership consistent with the VEBA language in their existing contracts to determine union members' participation in a VEBA for calendar year 2011.

Executed under the Authority of Ordinance No. 123174

FOR THE CITY OF SEATTLE

Gregory J Nickels Mayor

David Bracilano

**Director of Labor Relations** 

FOR THE UNION

Donald Hursey

Directing Business Representative

Melody Coffman

Business Agent

Form revised May 26, 2009

#### FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	DOF Analyst/Phone:
Personnel	David Bracilano/47874	Amy Williams/32651
	Sarah Butler/47929	

Legislation Title:

AN ORDINANCE relating to City employment; authorizing the Mayor to execute a memorandum of understanding between the City of Seattle and certain individual unions in the Coalition of City Unions, a memorandum of understanding between the City of Seattle and the Pacific Northwest Regional Council of Carpenters, and a memorandum of understanding between the City of Seattle and the International Association of Machinists and Aerospace Workers District Lodge 160, Local 289, all amending collective bargaining agreements expiring December 31, 2010.

• Summary of the Legislation:

This legislation authorizes the Mayor to sign and/or execute three memoranda of understanding (MOUs) as follows: between the City and certain unions within the Coalition of City Unions ("Coalition"); between the City and the Pacific Northwest Regional Council of Carpenters ("Carpenters"); and between the City and the International Association of Machinists and Aerospace Workers, District Lodge 160, Local 289 ("Local 289"). All three MOUs amend collective bargaining agreements expiring on December 31, 2010, and extend them through December 31, 2011. This legislation affects approximately 4,747 Coalition employees.

The MOUs provide for a limit on the employees' contribution rate to the City Employees' Retirement System ("Retirement System"). The City and the Coalition agree that the Seattle Municipal Code shall be amended if a year-end actuarial study finds that the amortization period for the Retirement System's unfunded actuarial liability exceeds 30 years, based on the current contribution rate of 8.03% to the Retirement System paid by the City and employees, and if the City determines that an increase in contribution rates to the Retirement System is necessary, the City and employees shall equally increase contribution rates. Such increases shall not result in employees paying greater than a 10.03% contribution rate. Amendment of the Seattle Municipal Code will be completed in a separate, future ordinance.

The MOUs also extend the term of the collective bargaining agreements expiring on December 31, 2010 to December 31, 2011. Except for the change to retirement, all other terms of employment shall be maintained as provided for in collective bargaining agreements, including cost of living increases (100% of the annual average growth rate of the bi-monthly Seattle-Tacoma-Bremerton Area Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) increase, with a 2% minimum and 7% maximum increase), healthcare benefits, and other conditions of employment.

• <u>Background:</u> (Include brief description of the purpose and context of legislation and include record of previous legislation and funding history, if applicable):



Mark McDermott/David Bracilano/sb PERS 2011 Coalition Rollover FISC October 13, 2009 Version #3

The City and the Coalition entered into negotiations on retirement language and the rollover of 2010 contracts into 2011 in November of 2008, and came to a tentative agreement in December of 2008. The Carpenters and Local 289 were not included in the Coalition MOU due to the fact that they had not settled for 2008-2010 at the time, and therefore could not amend their collective bargaining agreement to extend to 2011.

X This legislation has financial implications. (Please complete all relevant sections that follow.)

**Notes:** The 2011 costs of the MOU will be included in the development of the 2011-2012 biennial budget. Cost items associated with the MOUs include wages and employment benefits for the Coalition, Carpenters, Local 289, and non-represented employees, who have historically received equal increases in compensation. Cost of living increases for 2011 are based on the annual average growth rate of the bi-monthly averaging Seattle CPI-W, with a 2% minimum and 7% maximum increase.

• What is the financial cost of not implementing the legislation? (Estimate the costs to the City of not implementing the legislation, including estimated costs to maintain or expand an existing facility or the cost avoidance due to replacement of an existing facility, potential conflicts with regulatory requirements, or other potential costs if the legislation is not implemented.)

If this legislation is not implemented, employees will continue to receive the same wages in 2011 that will become effective January 6, 2010.

• <u>Does this legislation affect any departments besides the originating department?</u> • If so, please list the affected department(s), the nature of the impact (financial, operational, etc)., and indicate which staff members in the other department(s) are aware of this Bill.

This legislation affects all City departments with employees represented by the Coalition.

- What are the possible alternatives to the legislation that could achieve the same or similar objectives? (Include any potential alternatives to the proposed legislation, such as reducing fee-supported activities, identifying outside funding sources for fee-supported activities, etc.) None.
- <u>Is the legislation subject to public hearing requirements</u>: (If yes, what public hearings have been held to date, and/or what plans are in place to hold a public hearing(s) in the future.) No.
- Other Issues (including long-term implications of the legislation):

None.

• List attachments to the fiscal note below:

None.





### Office of the Mayor

October 23, 2009

Honorable Richard Conlin President Seattle City Council City Hall, 2<sup>nd</sup> Floor

Dear Council President Conlin:

I am pleased to transmit the attached proposed Council Bill authorizing the execution of three memoranda of understanding between the City and certain individual unions in the Coalition of City Unions, the Pacific Northwest Regional Council of Carpenters, and the International Association of Machinists and Aerospace Workers, District Lodge 160, Local 289.

All three memoranda of understanding (MOUs) provide for extending the term of existing collective bargaining agreements expiring on December 31, 2010 to December 31, 2011, and adjusting contribution rates to the City Employees' Retirement System under certain conditions. In the event a year-end actuarial study determines an increase is necessary, this legislation will allow equal increases in City and employee contributions, with total employee contributions not to exceed 10.03 percent of pensionable pay. Seattle Municipal Code Chapter 4.36, which provides for the administration and funding of the Retirement System, shall be amended by separate ordinance to be consistent with the MOUs. All other terms of employment shall be maintained as provided for in collective bargaining agreements, including cost of living increases, healthcare benefits, and other conditions of employment. This legislation affects approximately 4,747 Coalition of City Unions employees.

Thank you for your consideration of this legislation. Should you have questions, please contact David Bracilano at extension 684-7874 or Sarah Butler at extension 684-7929.

GREG NICKELS

Sincerel

Mayor of Seattle

### STATE OF WASHINGTON – KING COUNTY

--SS.

248065

CITY OF SEATTLE, CLERKS OFFICE

### Affidavit of Publication

No. 73-75,77,79-80,85

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12<sup>th</sup> day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:123156-59,63-66,68-69

was published on

12/10/09

The amount of the fee charged for the foregoing publication is the sum of \$ 254.70, which amount

has been paid in full.

Notary public for the State of Washington,

Subscribed

forme on

residing in Seattle

Affidavit of Publication

### State of Washington, King County

## City of Seattle

#### TITLE-ONLY PUBLICATION

The full text of the following ordinances, passed by the City Council on November 23, 2009, and published here by title only, will be mailed upon request, or can be accessed at http://clerk.ci.seattle.wa.us. For further information, contact the Seattle City Clerk at 684-8344.

#### ORDINANCE NO. 123156

AN ORDINANCE relating to contracting indebtedness; authorizing and providing for the issuance and sale of limited tax general obligation bonds to pay all or part of the cost of financing elements of the City's capital improvement program, issuing and selling the bonds, and other City purposes approved by ordinance; providing for terms and sale of the bonds; creating a project fund; amending Ordinance 122848; and ratifying and confirming certain prior acts. firming certain prior acts.

#### ORDINANCE NO. 123157

AN ORDINANCE related to funding from non-City sources; authorizing City Department Heads and certain Directors governed by SMC Chapter 3.14 to accept cer-tain grants in amounts not to exceed Fifteen Thousand Dollars, to negotiate and execute Thousand Dollars, to negotiate and execute contracts and agreements in order to receive funding under those grants and make associated expenditures in accordance with the terms of the applicable grants; and creating a new chapter 5.33 in the Seattle Municipal Code.

#### ORDINANCE NO. 123158

AN ORDINANCE relating to jail services; authorizing the Mayor to execute with the City of Bellevue a proceeds distribution and hold harmless agreement for Seattle's share of real property sale proceeds to be used to facilitate the reduction of Seattle's jail population housed by King County; and ratifying and confirming certain prior acts.

#### ORDINANCE NO. 123159

AN ORDINANCE relating to the Department of Parks and Recreation; establishing the 2010 fee schedule for the use of park properties and other park and recreation facilities and services; superseding previous park and recreation fee schedules; and amending Section 18.28.010 of the Seattle Municipal Code.

#### ORDINANCE NO. 123163

AN ORDINANCE relating to the Seattle Department of Transportation's financing of certain capital activities for street paving purposes; and amending Ordinance 122641 to extend the term of an interfund loan.

#### ORDINANCE NO. 123164

AN ORDINANCE relating to the financing of the South Lake Union Streetcar project; amending Ordinance 122603 to extend the term of an interfund loan.

#### ORDINANCE NO. 123165

AN ORDINANCE relating to City employment; authorizing the Mayor to sign and execute a memorandum of understanding between the City of Seattle and certain City unions, and a memorandum of understanding between the City of Seattle and the Seattle Municipal Court and certain City unions, both memoranda establishing a furlough program in 2010; and ratifying and confirming prior acts.

#### ORDINANCE NO. 123166

AN ORDINANCE relating to City employment; establishing a 2010 furlough program for certain employees not covered by collective bargaining agreements; extending the time employees laid off in 2009 and 2010 would be in Project Hire and on reinstatement lists from one year to two; and ratifying and confirming prior acts.

#### ORDINANCE NO. 123168

ORDINANCE NO. 123168

AN ORDINANCE relating to the municipal water system of The City of Seattle; adopting a system or plan of additions or betterments to or extensions of the existing municipal water system; authorizing the issuance and sale of water system revenue bonds, in one or more series, for the purposes of paying part of the cost of carrying out that system or plan, providing a bond reserve and paying the costs of issuing and selling the bonds; providing for the terms, conditions, covenants and manner of sale of those bonds; describing the lien of the bonds; creating certain accounts of the City relating to those bonds; and ratifying and confirming certain prior acts.

ORDINANCE NO. 123169

#### ORDINANCE NO. 123169

AN ORDINANCE NO. 123169

AN ORDINANCE relating to the electric system of The City of Seattle; authorizing the issuance and sale of municipal light and power revenue bonds for the purposes of providing funds for certain additions and betterments to and extensions of the existing municipal light and power plant and system of the City, capitalizing interest on and paying the costs of issuing and selling those bonds and providing for the terms, conditions, covenants and manner of sale of those bonds; describing the lien of those bonds; and ratifying and confirming certain prior acts.

#### ORDINANCE NO. 123173

AN ORDINANCE relating to compensa-tion for certain City officers and employees not covered by collective bargaining agree-ments; and providing salary increases effec-tive January 5, 2011.

#### ORDINANCE NO. 123174

ORDINANCE NO. 123174

AN ORDINANCE relating to City employment; authorizing the Mayor to execute a memorandum of understanding between the City of Seattle and certain individual unions in the Coalition of City Unions, a memorandum of understanding between the City of Seattle and the Pacific Northwest Regional Council of Carpenters, and a memorandum of understanding between the City of Seattle and the International Association of Machinists and Aerospace Workers District Lodge 160, Local 289, all amending collective bargaining agreements expiring December 31, 2010.

#### ORDINANCE NO. 123175

AN ORDINANCE NO. 123178

AN ORDINANCE amending the 2009-2014
Capital Improvement Program (CIP); changing appropriations to various departments and budget control levels, and from various funds in the Budget; creating a new Budget Control Level; adding a new project and revising project allocations for certain projects in the 2009-2014 CIP; making cash transfers between funds; and ratifying and confirming certain prior acts, all by a three-fourths vote of the City Council.

#### ORDINANCE NO. 123177

AN ORDINANCE adopting a budget, AN ORDINANCE adopting a budget, including a capital improvement program and position modifications, for the City of Seattle for 2010; creating a barrier fund; creating positions exempt from civil service; and finding that 2010 General Fund contributions to the Park and Recreation Fund exceed the requirements set forth under Article XI, Section 3 of the City Charter; all by a two-thirds vote of the City Council.

#### ORDINANCE NO. 123179

AN ORDINANCE authorizing the levy of regular property taxes by the City of Seattle for collection in 2010, representing an increase above the regular property taxes levied for collection in 2009; and ratifying and confirming certain prior acts.

#### ORDINANCE NO. 123180

AN ORDINANCE relating to the levy of property taxes; fixing the rates and/or amounts of taxes to be levied, and levying the same upon all taxable property, both real and personal, in the City of Seattle, to finance the departments and activities of City government and to provide for the general obligation bond interest and redemption require-

ments for the year beginning on the first day of January 2010; ratifying and confirming certain prior acts; and by a vote of a majority plus one of the Seattle City Council, finding a substantial need to use, and providing for the use of, 101% as the regular property tax limit factor.

#### ORDINANCE NO. 123185

AN ORDINANCE appropriating money to pay certain audited claims and ordering the payment thereof.

Publication ordered by the City Clerk Date of publication in the Seattle Daily Journal of Commerce, December 10, 2009. 12/10(248065)

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