



**BUSINESS OF THE CITY COUNCIL  
CITY OF MERCER ISLAND**

**AB 5646  
December 10, 2019  
Consent Calendar**

**AGENDA BILL INFORMATION**

<b>TITLE:</b>	AB 5646: 2020 – 2021 AFSCME Collective Bargaining Agreement	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed:
<b>RECOMMENDED ACTION:</b>	Authorize the Interim City Manager to sign the AFSCME Collective Bargaining Agreement for the period of January 1, 2020 through December 31, 2021.	<input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

<b>DEPARTMENT:</b>	Human Resources
<b>STAFF:</b>	Kryss Segle, Human Resources Director
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. Proposed AFSCME Collective Bargaining Agreement (January 2020 – December 2021)
<b>CITY COUNCIL PRIORITY:</b>	n/a

<b>AMOUNT OF EXPENDITURE</b>	\$ n/a
<b>AMOUNT BUDGETED</b>	\$ n/a
<b>APPROPRIATION REQUIRED</b>	\$ n/a

**SUMMARY**

A City management bargaining team began the negotiation process with members of the American Federation of State, County and Municipal Employees (AFSCME), Local 21-M, bargaining team in July 2019. The Union’s bargaining team is AFSCME Employee Representative Michael Rainey, Park Maintenance Team Member (and Union President) Luke Jacobs, Utilities Inspector Bill Vandewater, Utility Billing Lead Analisa Cartwright, and Public Works Sewer Utility Generalist Dennis Baker. The City’s management bargaining team is Human Resources Director Kryss Segle, Public Works Director Jason Kintner, Community Planning and Development (CPD) Director Evan Maxim, Interim Parks and Recreation Director Ryan Daly, CPD Deputy Director Alison Van Gorp, and Human Resources Specialist Lara Gerheim.

The AFSCME bargaining unit is comprised of 48 bargaining unit members, working in the departments of Public Works, Community Planning & Development, Parks & Recreation, and Finance. In 2019, total salaries and benefits for the 48 union members is approximately \$4,800,735. The current AFSCME collective bargaining agreement (CBA) expires on December 31, 2019.

A tentative agreement was reached by the parties on November 14, 2019.

**SUBSTANTIVE TENTATIVE AGREEMENTS**

**Change Job Title of Generalist to Crew Lead & Update Job Description**

In order to clearly define the position of Generalist, as well as align the position better with the comparable market, the parties agreed to change the Generalist job title to Crew Lead. There are seven positions of "Generalist" within the Public Works Department and the Park Maintenance Division of the Parks and Recreation Department. Crew Lead is a classification that is used by some of our comparable cities; and therefore, make benchmarking the salary against the market a clearer task.

#### **Provide a Market Adjustment to the Positions of Accounts Payable Clerk & Permit Technician**

As part of the Finance Department's recent reorganization, management proposed making changes to the position of Accounts Payable Clerk, specifically adding more advanced accounting responsibilities to the position and changing the job title to Accounting Specialist. This change in job responsibilities triggered a market study for the position. The market analysis supports an annual increase to the pay scale in the amount of \$710. Even though this is a modest salary increase for the position, there will be a salary savings of at least \$5,053 in 2020 and an additional salary savings of at least \$2,610 in 2021 due to a new employee starting at the low end of the pay scale in comparison to the retiring employee leaving the position at the top end of the pay scale.

An analysis of the comparable market revealed that the pay scale for the position of Permit Technician was below the midpoint of the market by \$7,266. The primary reason for such a significant pay increase for the position is that the classification has not been used for the past five years; and therefore, the salary has not been reviewed for some time. Instead, the City has employed two Permit Coordinators and did not utilize the classification of Permit Technician. The classification of Permit Technician is a lower classification than Permit Coordinator. Management's desire to reinstitute the position of Permit Technician triggered the market analysis.

Following the recent resignation of one of the Permit Coordinators, management conducted a work analysis and determined that replacing the vacant Permit Coordinator with a Permit Technician would be most beneficial. Filling the vacated Permit Coordinator position with a Permit Technician allows a natural progression of staff as current employees increase experience and responsibility, which in turn reduces staff turnover and creates an incentive for employees to focus on career growth and commitment to Mercer Island. Although a market adjustment of \$7,266 applies to the position of Permit Technician, the City realizes a salary savings of \$10,356 by replacing the Permit Coordinator with a Permit Technician in 2020 and an additional salary savings of \$7,530 in 2021.

#### **Eliminate ½ Day Holidays on Christmas Eve and New Year's Eve**

Current contract language provides a ½ day paid holiday on Christmas Eve and New Year's Eve respectively. Because the City remains open for business on these days, this contract provision has been a challenge to administer. Since the City remains open while AFSCME employees are provided the ½ days off on both Christmas Eve and New Year's Eve, several AFSCME employees are compelled to work on these holidays in return for receiving a paid ½ day(s) off on a future date. As a remedy, the parties agreed to eliminate the two ½ day holidays in exchange for an added floating holiday, which can be taken at any point (with management approval) throughout the year, with a use-it-or-lose-it provision. There is no monetary impact to this proposal and the net effect to time off remains even.

#### **Replace Employee Assistance Program (EAP) with Less Expensive Plan**

The management team proposed replacing the existing EAP program with a less expensive alternative EAP program. The Union accepted management's proposal. The annual savings is approximately \$3,500 per year.

#### **Additional Changes**

Tentative agreement was reached on several non-monetary language clarifications and/or updates required by law throughout the CBA, including:

- Contract Term of Two Years (January 1, 2020 through December 31, 2021)
- Article II – New Hire Orientation
- Article VI - Union Security Clause Language
- Article XVII – Military Leave (*updated language matches Federal and Washington State Law*)

## **2020 BUDGET IMPACTS**

- 1.98% COLA effective 1/1/2020 (*CBA includes a COLA provision that provides 90% of the semi-annual CPI-W with a floor of 1.5%. The CPI-W, published in July 2019, was 2.20%.*). This is .8% less than the anticipated budgeted COLA for 2020. Cost: \$69,893 (Budgeted: \$95,309. Actual cost is \$25,416 under budget)
- Market adjustment and salary savings for the position of Accounting Specialist (formerly Accounts Payable Clerk): Cost Savings: (\$4,343)
- Market adjustment and salary savings for the position of Permit Technician: Cost Savings: (\$3,090)
- Move to less expensive EAP provider: Cost Savings: (\$3,500)

The costs outlined above are covered within the approved 2019/2020 Biennial Budget.

## **2021 BUDGET IMPACTS**

- *CBA includes a COLA provision that provides 90% of the semi-annual CPI-W with a floor of 1.5%. This index will be published in July 2020. Cost: Unknown at this time, a 2021 COLA assumption shall be built into the preliminary 2021/2022 Biennial Budget.*
- Market adjustment and salary savings for the position of Accounting Specialist (formerly Accounts Payable Clerk): Cost Savings: (\$1,900)
- Market adjustment and salary savings for the position of Permit Technician: Cost Savings: (\$264)
- Move to less expensive EAP provider: Cost Savings: (\$3,500)

Following the tentative agreement reached by the parties on November 14, 2019, AFSCME bargaining unit employees voted affirmatively to ratify the attached collective bargaining agreement on November 19, 2019.

## **RECOMMENDATION**

Authorize the Interim City Manager to sign the AFSCME Collective Bargaining Agreement for the period of January 1, 2020 through December 31, 2021, in substantially the form attached hereto as Exhibit 1.