



King County
Metropolitan King County Council
Budget and Fiscal Management Committee

Agenda Item No.: 7
Proposed No.: 2013-0189

Date: May 7, 2013
Prepared By: Polly St. John

STAFF REPORT

SUBJECT: AN ORDINANCE approving an \$87,447 supplemental appropriation for the Department of Adult and Juvenile Detention (DAJD) to fund a labor agreement between King County and the Joint Crafts Council, Construction Crafts.

SUMMARY:

Proposed Ordinance 2013-0189, if approved, would implement a labor agreement between the county and employees who work in skilled trades that provide a wide range of services including general maintenance, construction, security and food services. Some employees are in trade classifications such as electricians, plumbers, carpenters, painters, mechanics and cooks. Other employees work in labor or technical classifications such as utility workers, security officers, inventory and purchasing specialists and bridge tenders.

The supplemental request will cover fiscal impacts not already included in the 2013 budget for DAJD. The expenditure is supported by the General Fund and was anticipated, with funding held in the Salary and Wage expenditure reserve within the General Fund Financial Plan.

ANALYSIS:

Negotiated Contract

The collective bargaining agreement (CBA) covers approximately 209 employees in nine departments¹. Ordinance 17566 approving the CBA was considered in the Government Accountability and Oversight (GAO) Committee and was approved by the Council on April 29, 2013.

The previous contract for these employees expired in January 2010. Employees have been working under the terms of the previous contract during the interim negotiating period.

¹ DAJD, Roads, Parks, Public Health, Solid Waste, Airport, FMD Building Services, Equipment Repair and Replacement, and Motor Pool

The new negotiated contract is for a three-year period from February 1, 2010 through January 31, 2014. The agreement covers wages retroactive to 2010 with a cost of living adjustment (COLA) of 2.00% for 2010, zero in 2011, 1.63% for 2012, 3.09% for 2013, and 2.00% for 2014. The bargaining unit has already received the cost of living adjustment for 2010 as part of an agreement on furloughs in 2009.

The cost-of-living increases follow the standard county settlement agreed to with other labor organizations. The 2012, 2013, and 2014 increases are based on 90% of the increase in the All Cities CPI-W Index for Seattle-Tacoma-Bremerton, September to September.

The CBA includes two memoranda of agreement (MOA). The “Footwear Allowance” MOA is effective the same duration as the CBA. The MOA “Addressing the 2011 Budget Crisis” is effective for the period of January 1, 2011, through December 31, 2014. The CBA also reflects the severance of the Teamsters’ bargaining units that formed their own CBAs, and one unit that changed representation and formed its own labor organization.

Total Costs of the Agreement

The annual expenses and funding sources approved in the agreement for 2012 and 2013, as well as projected costs for 2014 are as follows:

EXPENDITURES FROM:				
Appropriation Title	Department	2012	2013	2014
DAJD	DAJD	\$ 29,880	\$ 57,567	\$ 38,411
Airport	DOT	9,596	18,488	12,336
Equipment R & R	DOT	20,838	40,148	26,788
Facilities Management	DES	97,255	187,372	125,026
Motor Pool	DOT	14,352	27,651	18,449
Parks	DNRP	6,740	12,985	8,664
Public Health	DPH	14,890	28,686	19,141
Roads	DOT	6,389	12,309	8,213
Solid Waste	DNRP	39,820	76,718	51,190
TOTAL		\$239,760	\$461,924	\$308,218

Most of the agreement costs were either planned for in the 2013 budget by the agencies or are absorbed in their current level of appropriation. Most of the agencies listed above do not require additional supplemental authority to implement the contracts. The Executive’s proposed 2014 budget should include implementation costs for the third year of the agreement. The supplemental request is for the only agency supported by the General Fund, DAJD.

Supplemental Request

The Executive is requesting an \$87,447 supplemental appropriation for DAJD. Agency labor agreements funded by the General Fund are usually reserved in the salary and

wage reserve. The 2013 adopted budget includes \$5,111,361 in anticipation of such needs. Proposed Ordinance 2013-0189 would authorize this expenditure and the General Fund Financial Plan will be adjusted to reflect use of the reserve.

Supplemental authority requested will support the 2012 and 2013 COLA costs in the CBA.

Companion Legislation

Memorandums of Agreement and the new collective bargaining agreement between King County and the Joint Crafts Council, Construction Crafts were approved in Ordinance 17566 which was considered by the Government Accountability and Oversight (GAO) Committee on April 23 and passed by the Council on April 29, 2013.

REASONABLENESS:

The supplemental funding request supports the bargaining agreement approved by the Council. Funding for the supplemental was anticipated and reserved for in the General Fund salary and wage reserve. Approval of the request appears to be a reasonable business and policy decision.

INVITED:

- Dwight Dively, Director, Office of Performance, Strategy and Budget

ATTACHMENTS:

1. Proposed Ordinance 2013-0189
2. Transmittal letter, dated March 28, 2013
3. Fiscal notes

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KING COUNTY
Signature Report

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

May 6, 2013

Ordinance

Proposed No. 2013-0189.1

Sponsors McDermott

1 AN ORDINANCE making a supplemental appropriation of
2 \$87,447 to adult and juvenile detention; and amending the
3 2013 Budget Ordinance, Ordinance 17476, Section 48, as
4 amended.

5 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

6 SECTION 1. Ordinance 17476, Section 48, as amended, is hereby amended by

7 adding thereto and inserting therein the following:

8 ADULT AND JUVENILE DETENTION - From the current expense fund there is

9 hereby appropriated to:

10 Adult and juvenile detention \$87,447

11

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Larry Gossett, Chair

ATTEST:

Anne Noris, Clerk of the Council

APPROVED this ____ day of _____, _____.

Dow Constantine, County Executive

Attachments: None

March 28, 2013

The Honorable Larry Gossett
Chair, King County Council
Room 1200
C O U R T H O U S E

Dear Councilmember Gossett:

This letter transmits a supplemental ordinance that supports the Joint Crafts Council collective bargaining agreement (CBA) for the period of February 1, 2010, through January 31, 2014 by increasing the Department of Adult and Juvenile Detention budget by \$87,447 for 2013. These funds have been held in reserve in the General Fund in anticipation of the agreement.

The Joint Crafts Council CBA includes two memoranda of agreement (MOA). The “Footwear Allowance” MOA is effective the same duration as the CBA. The MOA “Addressing The 2011 Budget Crisis” is effective for the period of January 1, 2011, through December 31, 2014. The CBA also reflects the severance of the Teamsters’ bargaining units that formed their own CBAs, and one unit that changed representation and formed its own labor organization.

This agreement contains significant improvements in efficiency, accountability, and productivity for the County by clarifying the right to assign employees to work locations. The County’s rights also include determining work shifts and schedules, assigning overtime, and managing employee performance. This agreement clears up language thereby reducing interpretation and application issues. Additional efficiencies in this agreement are gained through a reopener to address the effects of standardizing pay practices, as necessary.

This contract furthers the County’s Strategic Plan by attracting and retaining a quality workforce by paying fair market wages and working conditions.

The wage settlement for 2011 provides for zero cost-of-living adjustment (COLA). The COLA for 2012 is 1.63%, and the COLA for 2013 is 3.09%. The wage adjustment for 2014

The Honorable Larry Gossett

March 28, 2013

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is based on 95% 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, July to June). However, if significant negative shifts in economic and fiscal conditions occur during the term of this agreement, the parties agree to reopen negotiations for the 2014 COLA when triggered by either an increase in the County unemployment rate of more than two percentage points compared with the previous year or a decline of more than seven percent in County retail sales as determined by comparing current year to previous year. Data will be derived from Washington State Department of Revenue. By no later than July 30, 2013, the County will assess whether the economic measurements listed above trigger the contract reopener for 2014 COLA.

The settlement reached is a product of good faith collective bargaining between King County and the Union. This agreement compares favorably with other settlements and is within our capacity to finance. This agreement has been reviewed by the Office of the Prosecuting Attorney, Civil Division.

Thank you for your consideration of this ordinance. If you have questions, please contact Dwight Dively, Director, Office of Performance, Strategy and Budget, at 206-263-9687.

Sincerely,

Dow Constantine
King County Executive

Enclosures

cc: King County Councilmembers

ATTN: Michael Woywod, Chief of Staff

Anne Noris, Clerk of the Council

Carrie S. Cihak, Chief Advisor, Policy and Strategic Initiatives,

King County Executive Office (KCEO)

Dwight Dively, Director, Office of Performance, Strategy and Budget

Patti Cole-Tindall, Director, Office of Labor Relations

Claudia Balducci, Director, Department of Adult and Duvenile Detention

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FISCAL NOTE

Ordinance/Motion No.	Collective Bargaining Agreement	
Title:	Joint Crafts Council, Construction Crafts - Construction Crafts	
Effective Date:	2/1/2010	
Affected Agency and/or Agencies:	Department of Community and Human Services	
Note Prepared by:	Matthew McCoy, Labor Relations Analyst, Office of Labor Relations	Phone: 205-8004
Department Sign Off:	Pat Presson, Finance Manager, DAJD	Phone: 296-3410
Department Sign Off:	Ann Berry Smith, Finance and Administration Services Manager, Solid Waste Division, DNRP	Phone: 296-4457
Department Sign Off:	Hanh Mai, Finance & Administration Services Manager, Facilities Management Division, DES	Phone: 296-0670
Department Sign Off:	Jerry Hughs, Budget and Finance Manager, Parks, DNRP	Phone: 263-6240
Department Sign Off:	Deanne Radke, Assistant Division Director, Budget and Finance, Fleet, DOT	Phone: 296-6569
Department Sign Off:	Greg Scharrer, Budget and Technology Manager, RSD, DOT	Phone: 296-8746
Department Sign Off:	Kent Sherburne, Finance & Admin Services Manager, Airport, DOT	Phone: 296-7598
Department Sign Off:	Cindy West, Chief Financial Officer, DPH	Phone: 263-8643
Note Reviewed by: Supplemental Required? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>	Shelley De Wys, Budget Analyst (Roads)	Phone: 263-9718
Note Reviewed by: Supplemental Required? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>	Jennifer Lehman, Budget Analyst (Parks, Airport)	Phone: 263-9705
Note Reviewed by: Supplemental Required? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>	John Walsh, Budget Analyst (Solid Waste)	Phone: 263-9695
Note Reviewed by: Supplemental Required? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>	T.J. Stutman, Budget Analyst (FMD)	Phone: 263-9716
Note Reviewed by: Supplemental Required? NO <input type="checkbox"/> YES <input checked="" type="checkbox"/>	Jo Anne Fox, Budget Analyst (DAJD)	Phone: 263-9696
Note Reviewed by: Supplemental Required? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>	Katherine Cortes, Budget Analyst (DPH)	Phone: 263-9733
Note Reviewed by: Supplemental Required? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>	Tyler Running Deer, Budget Analyst (Fleet)	Phone: 263-9723

EXPENDITURES FROM:							
Fund Title	Fund Code	Dept	2010 (Received)*	2011	2012	2013	2014
ADULT DETENTION	10	DAJD	\$ 35,944	\$ 0	\$ 29,880	\$ 57,567	\$ 38,411
ROADS	1030	DOT	\$ 7,686	\$ 0	\$ 6,389	\$ 12,309	\$ 8,213
PARKS	1451	DNRP	\$ 8,108	\$ 0	\$ 6,740	\$ 12,985	\$ 8,664
PUBLIC HEALTH	1800	DPH	\$ 17,911	\$ 0	\$ 14,890	\$ 28,686	\$ 19,141
SOLID WASTE	4040	DNRP	\$ 47,901	\$ 0	\$ 39,820	\$ 76,718	\$ 51,190
AIRPORT	4290	DOT	\$ 11,544	\$ 0	\$ 9,596	\$ 18,488	\$ 12,336
FMD BUILDING SVCS SECTI	5511	DES	\$ 116,992	\$ 0	\$ 97,255	\$ 187,372	\$ 125,026
EQPT REPAIR & REPLACEME	5570	DOT	\$ 25,066	\$ 0	\$ 20,838	\$ 40,148	\$ 26,788
MOTOR POOL	5580	DOT	\$ 17,264	\$ 0	\$ 14,352	\$ 27,651	\$ 18,449
TOTAL: Increase FM Prev Yr			\$ 288,416	\$ 0	\$ 239,760	\$ 461,924	\$ 308,218
TOTAL: Cumulative				\$ 288,416	\$ 528,176	\$ 990,100	\$ 1,298,318

EXPENDITURE BY CATEGORIES:								
Expense Type	Fund Code	Dept	2010 Base	2010	2011	2012	2013	2014
Salaries			\$ 11,972,798	\$ 239,456	\$ 0	\$ 199,060	\$ 383,510	\$ 255,896
OT			\$ 569,215	\$ 11,384	\$ 0	\$ 9,464	\$ 18,233	\$ 12,166
PERS & FICA			\$ 1,878,793	\$ 37,576	\$ 0	\$ 31,236	\$ 60,181	\$ 40,156
TOTAL:			\$ 14,420,806					
TOTAL: Increase FM Prev Yr				\$ 288,416	\$ 0	\$ 239,760	\$ 461,924	\$ 308,218
TOTAL: Cumulative				\$ 288,416	\$ 288,416	\$ 528,176	\$ 990,100	\$ 1,298,318

ASSUMPTIONS:	
Assumptions used in estimating expenditure include:	
1. Contract Period(s):	2/1/2010 – 1/31/2014
2. Wage Adjustments & Effective Dates:	
COLA:	2% increase in 2010 0% increase in 2011 90% CPI-W Seattle-Tacoma-Bremerton 1/1/2012 (1.63%) 95% CPI-W Seattle-Tacoma-Bremerton 1/1/2013 (3.09%) 95% CPI-W Seattle-Tacoma-Bremerton 1/1/2014 (2.00% Assumed based on OEFA Forecast)
Other:	Boiler Supervisor Premium of \$50 per month for a total cost = \$1,800, electrical license maintenance cost increase of \$65, total cost = \$1,755 (these amounts are not included in the figures above)
Retro/Lump Sum Payment:	Retro COLA pay of approximately \$239,760 for all of 2012.
3. Other Wage-Related Factors:	
Step Increase Movement:	
PERS/FICA:	Payroll taxes estimated to be 14.98%.
Overtime:	None
4. Other Cost Factors:	
	* This bargaining unit has already received a cost of living adjustment in 2010 as part of an agreement on furloughs in 2009.