



CITY OF DETROIT  
HUMAN RESOURCES DEPARTMENT  
LABOR RELATIONS DIVISION

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October 31, 2025

**HONORABLE CITY COUNCIL:**

**Re: Implementation of the 2024 - 2028 Labor Agreement between the City of Detroit and Employees Represented by Service Employees International Union, Local 517-M, Non-Supervisory Unit**

The Labor Relations Division is recommending your Honorable Body's official approval of the 2024 - 2028 Master Agreement between the City of Detroit and Service Employees International Union, Local 517-M, Non-Supervisory Unit.

The Master Agreement covers wages, hours and other basic conditions of employment from July 1, 2024 through June 30, 2028. It has been signed by all parties concerned and meets with the approval of the Labor Relations Division.

We therefore respectfully request that your Honorable Body adopt the following resolution with a Waiver of Reconsideration.

Respectfully submitted,

A handwritten signature in blue ink that reads "Valerie A. Colbert-Osamuede".

Valerie A. Colbert-Osamuede  
Interim Director, Labor Relations

Attachments



**By Council Member \_\_\_\_\_:**

**WHEREAS**, the City of Detroit and Service Employees International Union, Local 517-M, Non-Supervisory Unit have met the standards for recognition as exclusive agents for their members in the employ of the City of Detroit under Public Act 336 of 1947, as amended, and

**WHEREAS**, the Labor Relations Division, under the direction of the Mayor, is authorized and directed by the City Charter to act for the City of Detroit in negotiation and administration of collective bargaining agreements, and

**WHEREAS**, the Labor Relations Division and Service Employees International Union, Local 517-M, Non-Supervisory Unit have met and negotiated this labor agreement which covers wages, hours and other basic conditions of employment through June 30, 2028.

**NOW, THEREFORE, BE IT RESOLVED**, that the Master Agreement between the City of Detroit and Service Employees International Union, Local 517-M, Non-Supervisory Unit, be and is hereby approved and confirmed in accordance with the foregoing communication.

**2025 - 2028 Labor Agreement  
between  
The CITY OF DETROIT  
and  
The SEIU Local 517-M Non-Supervisory Unit  
*SUMMARY OF CHANGES***

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**Preamble**

- ◆ Deleted reference to City Employment Terms.

**Article 2. Union Recognition**

- ◆ Subsection A. Added the titles of the four (4) classifications represented by this bargaining unit. (Sr. Environmental Control Inspectors, Environmental Control Inspectors, District Relationship Coordinator-DPW and Instructor Public Works).
- ◆ Subsection E. Replaced Privatization with Contractual Work.

**Article 4. City and Union Rights and Obligations**

- ◆ Subsection E. Added language that except as otherwise set forth herein or as required by applicable laws and regulations, the parties shall use reasonable efforts to respond to written requests within a reasonable time, for information, data and/or records that are relevant to union's obligation as exclusive bargaining representative.

**Article 5. Union Orientation**

- ◆ Subsection A. Added the word hire to "new employee". Changed "rehire" to "recall". Added "reinstatement date of any employee".
- ◆ Subsection B. Changed "City" to "Department" in second sentence and added "mutually agreed upon" and changed Location will be determined by Labor Relations and the Union to "The location will be determined by management."

**Article 6. Dues and Fees Check-off**

- ◆ Subsection A (3), Last sentence updated to read "City employees who are members of the union".

**Article 7. Union Representation**

- ◆ Deleted subsection D, language on reimbursement by union for full time and part time officials.

**Article 8 Grievance and Arbitration Process**

- ◆ Added language clarifying that the grievant shall not attend the Step 3 meeting.
- ◆ Modified Intent to Arbitrate filing timeline from fourteen (14) to thirty (30) calendar days.
- ◆ Added language regarding the process selecting and termination of an Arbitrator.
- ◆ Deleted American Arbitration Association reference.

**Article 10 Special Conference**

- ◆ Added language that Special conferences are reserved for subjects that require clarification of contract language and / or issues that cannot be resolved by the parties.
- ◆ Added language that the requesting party must provide an agenda at least a week

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prior to the scheduled date of the conference.

**Article 12 Seniority**

- ◆ Deleted obsolete language regarding Federal Economic Opportunity Act (FEOA)
- ◆ Deleted obsolete language regarding seniority lists provided on compact disks (CD's)
- ◆ Added language to provide clarity to union representation of probationary employees.
- ◆ Added language on seniority lists in compliance with PERA 336, Section 11(a).

**Article 14. Reductions in Force, Lay off, Demotion, and Recall**

- ◆ Updated language to clarify displacement of least senior employee.

**Article 19. Leaves of Absence**

- ◆ Deleted Subsection C.

**Article 22. Severability**

- ◆ Updated language to clarify the article.

**Article 24. Career Development and Training**

- ◆ Deleted reference to Detroit Resource Management System (DRMS).

**Article 27. Confidential Employees**

- ◆ Deleted Article.

**Article 30 Funeral Leave**

- ◆ Added language "Funeral leave shall be limited to a fourteen (14) calendar day period beginning the day of the funeral. The funeral leave is not required to be consecutive days and is subject to Employer approval."
- ◆ Added language that the 300 mile calculation starts from the employee's residence.
- ◆ Added language to allow the Department head discretion to accommodate the needs of the employee for granting funeral leave.

**Article 31. Sick Leave**

- ◆ Deleted obsolete reference to Personnel Payroll System (PPS).
- ◆ Subsection D. Added language clarifying Departmental leave pay will be deducted from sick leave bank with reference to City code.

**Article 32. Work Week, Workday, Shift Premium**

- ◆ Subsection A(5). Added language that remote work may be allowed with the written permission and at the discretion of management when it is feasible to the department operations.

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- ◆ Subsection B(3). Recall pay modified to two (2) hours.
- ◆ Increased shift premium from 25 cents to 50 cents for afternoon shift and from 50 cents to 75 cents for night shift.

**Article 33. Overtime**

- ◆ Deleted language on super seniority for union stewards for purposes of overtime.
- ◆ Updated language to provide clarity to overtime equalization.

**Article 34 Holidays and Excused Time Off**

- ◆ Added eight (8) hours of "Excused Time" for Juneteenth.

**Article 35 Unused Sick Leave Upon Retirement**

- ◆ Added language to clarify that only "Reserve and Prior Sick Leave" is paid out for hours accrued prior to July 18, 2012.

**Article 36 Vacations.**

- ◆ Added the years of service time required and paid hours required to earn vacation days.
- ◆ Changed the vacation schedule to allow employees to accrue vacation days quicker beginning in year 2 through year 11.
- ◆ At 11 years of service or more, employees earn the maximum of 20 vacation days per year.
- ◆ Added language to clarify that vacation accruals over 160 hours must be used by September 30<sup>th</sup>, of each year or forfeited.

**Article 37 Temporary and Out of Class Assignments**

- ◆ Updated Title of Article to include Out of Class Assignments

**Article 38 Jury Duty**

- ◆ Eliminated the requirement for the City to pay the difference between pay for jury duty and employee's regular pay.
- ◆ Added language allowing the employee to be excused for the remaining portion of the day when called upon for jury duty.

**Article 39 Hospitalization, Medical, Dental and Optical Care Insurance**

- ◆ Added language Blue Care Network HMO coverage for New Hires language.
- ◆ New hires are automatically enrolled in Blue Car Network HMO plan unless they waive coverage.
- ◆ Blue Care Network HMO health insurance is effective thirty (30) days after the new employee's hire date.
- ◆ An employee can select a new plan during the next open enrollment for the subsequent year.

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**Article 42 Wages**

- ◆ Effective upon ratification of the agreement, and approval by City Council, all classifications in the bargaining unit shall transition to Step Code "D".
- ◆ Effective upon ratification of the agreement, and approval by City Council, Environmental Control Inspectors classification in the bargaining unit shall receive a one-time market adjustment of 3%.
  - 2% retroactive wage increase effective July 1, 2025.
  - 2% wage increase effective July 1, 2026.
  - 2% wage increase effective July 1, 2027.
  - Up to 2% merit pay based on at least a satisfactory performance rating with no attendance and discipline on record in 2024-2025 fiscal year.
- ◆ Added language on Performance review process and Merit Increase for duration of the contract.
- ◆ Added language paychecks will be transmitted by direct deposit or by pay card.

**Article 47 Modification and Duration**

- ◆ Contract expires 11:59 P.M., June 30, 2028.

**MOU – Instructor Public Works Equipment**

- ◆ Updated language to provide clarity. Added cell phones.

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## CFO FISCAL IMPACT STATEMENT NO. 2025-110-015

**SUBJECT:** Fiscal Impact of Labor Agreement between the City of Detroit and the Service Employees International Union, Local 517-M Non-Supervisory Unit  
**PREPARED BY:** Office of the CFO – Office of Budget  
**DATE ISSUED:** October 24, 2025

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### 1. AUTHORITY

- 1.1. State of Michigan Public Act 279 of 1909, Section 4s(2)(d), as amended by Public Act 182 of 2014, states the chief financial officer shall submit in writing to the Mayor and the governing body of the City his or her opinion on the effect that policy or budgetary decisions made by the Mayor or the governing body of the City will have on the City's annual budget and its four-year financial plan.
- 1.2. CFO Directive No. 2018-101-029 Fiscal Impact Statements states that the CFO shall issue Fiscal Impact Statements ("FIS") for pending or enacted decision items with a significant fiscal impact on the City, as determined by the CFO, to provide financial information to the Mayor and the City Council as they consider action on proposed local policy or budgetary decision items.

### 2. PURPOSE

- 2.1. To provide financial information to the Mayor and the Detroit City Council as they consider the effect of the labor agreement between the City of Detroit (The "City") and the Service Employee's International Union Local 517-M Non-Supervisory Unit (The "SEIU Non-Supervisory").

### 3. OBJECTIVE

- 3.1. This FIS serves as the report on the fiscal impact of the proposed on the City's annual budget for FY 2026 and four-year financial plan for FY 2026 – FY 2029 (the "City budget").

### 4. SCOPE

- 4.1. This FIS is not intended to convey any statements nor opinions on the advisability of the proposal, except for those components that have or may have a fiscal impact on the City budget.
- 4.2. This fiscal impact analysis is based on the proposal described below in Section 5 of this FIS. Should the proposal change prior to final approval, an updated FIS may be issued.

### 5. STATEMENT

- 5.1. Conclusion: The SEIU Non-Supervisory labor agreement would have **no net fiscal impact** on the City budget, as resources have been budgeted and identified to cover the incremental cost of the contract.

5.2. Background: The SEIU Non-Supervisory labor agreement impacts the Buildings, Safety Engineering, and Environmental Department (BSEED) and the Department of Public Works. The previous SEIU Non-Supervisory labor contract expired on June 30, 2024, and they have been without a labor contract throughout FY 2025. The agreement includes 2.0% annual wage increases in FY 2026-2028 for all members and a 3% targeted market rate adjustment for Environmental Control Inspectors in FY 2026. The FY 2026 2.0% annual wage increase is retroactive to July 1, 2025, and the market adjustment is effective upon ratification.

The agreement also includes a \$0.25/hour increase in afternoon and evening shift premiums. The agreement also changes the current annual clothing allowance from \$170 to \$200 and eliminates the \$350 annual uniform allowance. Additionally, the agreement includes a revised vacation policy that adds additional vacation days based on years of service.

5.3. Fiscal Impact: The labor agreement has **no net fiscal impact** on the City budget, as resources are available to cover the incremental cost as summarized in the following table. The City budget includes resources set aside in Non-Departmental for various workforce investments and pending labor contracts. Sufficient resources are budgeted in the workforce investments account to cover the incremental cost of the labor agreement. Although the labor agreement does not have a fiscal impact on the current City budget, it may have a long-term financial impact if the workforce investment drawdown amount noted in the table below is restored in future City budgets.

**City of Detroit  
FIS - SEIU Non-Supervisory Labor Agreement**

	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>
<b>Current Budgeted Salaries</b>				
Current annual base wages	\$ 2,330,680	\$ 2,377,294	\$ 2,424,840	\$ 2,473,337
Annual General Wage increase	2.0%	2.0%	2.0%	2.0%
Budgeted Positions	48	48	48	48
Average Base Pay	\$ 48,556	\$ 49,527	\$ 50,517	\$ 51,528
<b>Proposed Salaries</b>				
Proposed Salaries	\$ 2,368,152	\$ 2,415,515	\$ 2,463,825	\$ 2,513,102
Annual General Wage increase <sup>1</sup>	2.0%	2.0%	2.0%	2.0%
Market Adjustment Rate <sup>2</sup>	1.6%			
Average Base Pay	\$ 49,337	\$ 50,323	\$ 51,330	\$ 52,356
Incremental wages	\$ 37,472	\$ 38,221	\$ 38,985	\$ 39,765
Incremental overtime <sup>3</sup>	1,874	1,911	1,949	\$ 1,988
Incremental other fringes	12,062	12,303	12,549	12,800
<b>Other Incremental Impacts</b>				
Shift Premium Increased (0.25/Hr.) <sup>4</sup>	\$ 2,700	\$ 2,700	\$ 2,700	\$ 2,700
Additional Vacation Days (OT Backfill) <sup>5</sup>	40,987	41,807	42,643	43,496
Clothing Allowance Increase (\$170 to 200)	1,440	1,440	1,440	1,440
Uniform Allowance Elimination (\$350)	(16,800)	(16,800)	(16,800)	(16,800)
<b>Total incremental cost of contract</b>	<b>\$ 79,735</b>	<b>\$ 81,582</b>	<b>\$ 83,467</b>	<b>\$ 85,390</b>
<b>Cost offsets</b>				
FY26 Workforce Investment Fund <sup>6</sup>	\$ (66,883)	\$ (81,582)	\$ (83,467)	\$ (85,390)
Partial Year Implementation Savings <sup>7</sup>	(12,852)			
<b>Net impact on Four-Year Financial Plan</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Notes:**

Fund Composition of SEIU Non-Supervisory budget is as follows:

- General Fund: 63%
- Major Street Fund: 23%
- Solid Waste Management Fund: 14%

- (1) Labor agreement expires at the end of FY28. FIS assumes continued wage pattern in FY29.
- (2) Target Market rate adjustment of 3% applied to Environmental Control Inspectors. Collectively, this adjustment represents a total 1.6% union-wide increase compared to the salaries in the City budget.
- (3) Assumes 5% overtime rate based on historic trends.
- (4) Based on current annual afternoon and evening shift premium trends.
- (5) Vacation schedule has been revised based on years of service. Costing assumes an average of 3 additional vacation days requiring an overtime backfill need.
- (6) The FY26 City budget includes Workforce Investment Fund resource to support the costs of the contract that exceed the budgeted wage pattern.
- (7) Assumes an Oct 1, 2025 effective date for the market rate adjustment incremental cost.

**SIGNATURE PAGE**

**APPROVED**

A handwritten signature in cursive script that reads "Donnie Johnson". The signature is written in black ink and is positioned above a horizontal line.

Donnie Johnson  
Acting Deputy CFO/Budget Director