August 22, 2019

HONORABLE CITY COUNCIL:

Re: Implementation of the 2019 – 2023 Labor Agreement between the City of Detroit and the employees represented by the D.D.O.T. Foremen’s Association of America Local 337 (Non-Supervisory)

The Labor Relations Division is recommending your Honorable Body’s official approval of the 2019 - 2023 Master Agreement between the City of Detroit and the D.D.O.T. Foremen’s Association of America Local 337 (Non-Supervisory).

The Master Agreement covers wages, hours and other basic conditions of employment for the period of July 1, 2019 through June 30, 2023. 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,

[Signature]

Hakim W. Berry
Chief Operating Officer
By Council Member

WHEREAS, the City of Detroit and the D.D.O.T. Foremen’s Association of America, Local 337 (Non-Supervisory) 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 the D.D.O.T. Foremen’s Association of America, Local 337 (Non-Supervisory) have met and negotiated this labor agreement which cover wages, hours and other economic conditions of employment through June 30, 2023.

NOW, THEREFORE, BE IT RESOLVED, that the Master Agreement between the City of Detroit and the D.D.O.T. Foremen’s Association of America, Local 337 (Non-Supervisory), be and is hereby approved and confirmed in accordance with the foregoing communication.
COLLECTIVE BARGAINING AGREEMENT
BETWEEN THE
FOREMAN’S ASSOCIATION OF AMERICA (NON-SUPERVISORY) LOCAL 337
AND
CITY OF DETROIT
2019 – 2023

SUMMARY OF CHANGES

Modified Articles

1. **Article 4** - Agency Shop, replace entire article with Dues Deduction Language
2. **Article 5** - Association Representation, only Chapter President and grievant to attend grievance hearings.
3. **Article 16** - Reduction in Force – Replace current language with “Bargaining unit employees will be subject to the Reduction in Force rule and process as outlined in the City of Detroit Civil Service Human Resource Rule # 10.
4. **Article 19** - Leaves of Absence. Replaced current language with “The city shall comply with the requirement of all applicable laws relating to leaves of absences including but not limited to the Family and Medical Leave Act and Military Leave Act.”
5. **Article 24** - Wages – Changed wage schedule to include a 15% Market Rate Adjustment and a 2% annual increase for the duration of the contract. Due to wage range changes, bargaining unit members currently assigned to Step Code H will be reassigned to Step Code A on the effective date of this agreement.
6. **Article 25** - Overtime, Replace current language with “Work in excess of 40 hours per week shall be considered overtime to be paid at time and one half. Previously approved vacation time will count toward the calculation of the 40 hour, straight time work week.”
7. **Article 26** - Retirement, Replace language with “Employees will be eligible for retirement benefits pursuant to the terms and conditions included in the plan of adjustment approved by the United States Bankruptcy Court.”
8. **Article 29** - Sick Leave, Casual Leave, Sickness, and Accident and Extended Disability Insurance. Department Leave language added.
9. **Article 30** - Hospitalization, medical Insurance, Dental insurance and Optical Care Insurance.
10. **Article 31** - Vacations, 2nd tier vacation schedule deleted.
11. **Article 32** - Holidays and Excused Time Off, discontinued Swing Holiday’s
12. **Article 34** - Longevity Pay, Discontinue provision
14. **Article 42** - Duration, Agreement effective 1st pay period after ratification and to extend 4 years to expire June 30, 2023.
Carryover Articles

1. Article 1 - Recognition of Association
2. Article 2 - Management Rights and Responsibilities
3. Article 3 - Association Rights and Responsibilities
4. Article 6 - Grievance Procedure
5. Article 7 - Stipulations to the Grievance Procedure
6. Article 8 - Time limit on Monetary Claims
7. Article 9 - Discharge and Suspension
8. Article 10 - Seniority of Association President and Vice President
9. Article 11 - Contractual Work
10. Article 12 - Special Conferences
11. Article 13 - Non-Discrimination
12. Article 14 - Seniority
13. Article 15 - Probation Period
14. Article 17 - Transfers (Shifts and Locations)
15. Article 18 - Promotions
16. Article 20 - Veterans - Reserves - Education
17. Article 21 - Other Conditions of Employment
18. Article 22 - Association Bulletin Boards
19. Article 23 - Discontinuance of Entire Operation
20. Article 27 - Work Week, Work Day Shift Premium
21. Article 28 - Work Schedule
22. Article 33 - Funeral Leave
23. Article 34 - Jury Duty
24. Article 37 - Death Benefits
25. Article 38 - Miscellaneous
26. Article 39 - Savings Clause
27. Article 40 - Waiver of Bargaining Rights
28. Article 41 - Successor Clause

Modified MOU's

1. Delete MOU - HR/ Payroll System.
2. Delete MOU - 2 Copies of the Contract will be provided to the Union.
3. MOU - Temporary Placement of Employees, carried forward.
4. Delete MOU - Defined Contribution Retirement Plan, Delete
5. Added MOU - Shoe Allowance

General Provisions

Any language not addressed or purposefully removed as a result of negotiations, shall remain and carried forward in the successor CBA
TO: Michael E. Duggan, Mayor; Honorable Detroit City Council  
FROM: David P. Massaron, Chief Financial Officer  
SUBJECT: Fiscal Impact of Proposed Contract between the City of Detroit and the Detroit Department of Transportation Foremen’s Association of America – Local 337 (Non-Supervisory Unit)  
DATE: July 19, 2019

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 for all items requiring fiscal impact statements, as defined in that Directive, 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 action on the proposed contract between the City of Detroit (the “City”) and the Detroit Department of Transportation Foremen’s Association of America – Local 337 (Non-Supervisory Unit) (the “DDOT FAA”).

3. OBJECTIVE

3.1. This Memorandum serves as the report on the fiscal impact of the proposed contract in relation to the City’s annual budget for FY 2020 and four-year financial plan for FY 2020 – FY 2023 (the “City budget”).

4. SCOPE

4.1. This Memorandum is not intended to convey any statements nor opinions on the advisability of entering into the provisions in the proposed DDOT FAA contract, including but not limited to Work Rules, except for those components of the proposed contract that have or may have a fiscal impact on the City budget.

4.2. This fiscal impact analysis is based on the proposed contract scheduled to be submitted to the City Council on July 22, 2019. Should the proposal change prior to final approval, an updated CFO Memorandum on its fiscal impact would need to be issued.

5. STATEMENT

5.1. Conclusion: The proposed contract has no net negative impact on the City budget.
5.2. Background: The proposed contract’s financial provisions would impact the budget for the Transportation Department, providing annual wage increases of 2% for all bargaining unit members from FY 2020 through FY 2023. Additionally, all members will receive a one-time 15% market rate adjustment in FY 2020. The contract also provides a $200 annual steel toe shoe allowance for all unit members. To help cover the costs of the market rate adjustment, the contract will reduce overtime rates from the current double hourly rate to time and one-half.

5.3. Fiscal Impact: The proposed 2% annual wage increase is factored in the City budget; however, the 15% market rate adjustment and shoe allowance are not budgeted. The incremental costs of the contract can be offset with a combination of the reduced overtime hourly rate, as well as historic underspending in Transportation’s Software Maintenance expenditure object. Thus, there is no net negative impact on the City budget.

### City of Detroit
### Foremen’s Association of America – Local 337 (Non-Supervisory Unit)

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**Notes:**
1. Overtime calculated utilizing historical actual data
2. Comprised of 5% for hybrid pension and 13% for other fringes
3. Savings achieved by reducing overtime from current double hourly rate to time and one-half.
4. Operational savings achieved from historic underspending in the Transportation Software Maintenance expenditure object.

https://detroitmi.gov/departments/office-chief-financial-officer