

**From:** [Marci Wright](#)  
**To:** [Debbie Tarry](#); [Richard Moore](#)  
**Cc:** [John Norris](#); [Heidi Costello](#)  
**Subject:** RE: Minimum wage  
**Date:** Monday, March 31, 2014 3:39:28 PM

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Here's my draft reply to Will--let me know if you would like changes

Question #1: The SeaTac \$15 hour minimum wage is indeed limited in its application.

Effective January 1, 2014, the \$15 minimum wage applies to:

- Hospitality Workers Employees
- At a Hotel with at least 100 rooms and 30 employees or
- Institutional Food Service or Retail provided in
  - Hotel
  - Public Facility
  - Corporate Cafeteria
  - Conference Center
  - Meeting Facility
- Employing 10 or more nonmanagerial, nonsupervisory employees

And

- Transportation Workers—Employees
- Curbside check-in/baggage check/aircraft washing/cargo handling/etc
- Car rental service with over 100 cars/shuttle transport with over 10 vans/parking lot management with more than 100 parking spaces
- Employing at least 25 non-managerial, non-supervisory employees

Beyond its limitations as drafted, the impact has been further limited by a court ruling excluding the Port of Seattle from its application.

I am also forwarding a copy of the SeaTac ordinance

Question #2: The staff recommended alternative would decrease the amount of extra help employment available at the City, but would not eliminate it. Part of the intent of the recommended policy is limit extra help employment to those individuals truly wanting to work in short term, non-permanent job situations and to stop employing individuals who are seeking a "living wage" in extra help employment.

The effect of the recommended policy revision would be to eliminate the use of extra help employment to operate ongoing City programs that can reasonably be staffed with benefitted FTE and to limit extra help to 1) seasonal work, 2) work requiring very minimal staffing and 3) project work lasting less than a full year.

Another way to say this: the proposed alternative would require work typically sought by individuals seeking a "living wage"--ongoing, regular City programs--to be authorized by the Council, paid at approved City wage rates and to receive Council-approved benefits.

At the same time, the City would still offer some (but fewer) extra help employment opportunities for individuals who are seeking supplemental employment--for example--students desiring part-time work while going to school, educators seeking summer employment while school is out, individuals who for personal, lifestyle reasons are seeking employment but at a level less than required to fully support an individual or family.

-----Original Message-----

From: Debbie Tarry  
Sent: Monday, March 31, 2014 8:25 AM  
To: Richard Moore; Marci Wright  
Cc: John Norris; Heidi Costello  
Subject: FW: Minimum wage

Richard/Marci -

Can you put a response together that we can include in the green folder for tonight? Also we will want to clarify during the presentation tonight.

Debbie Tarry  
City Manager  
City of Shoreline  
Phone: 206-801-2211  
E-Mail: dtarry@shorelinewa.gov

-----Original Message-----

From: Will Hall  
Sent: Monday, March 31, 2014 7:58 AM  
To: Debbie Tarry; Marci Wright; Carolyn Wurdeman  
Subject: Minimum wage

The staff report says, "City of SeaTac voters approved a \$15 minimum wage...."

I think that should be clarified to avoid misinterpretation. In the briefing tonight, please clarify the limited scope and applicability of the new SeaTac minimum wage.

When presented in comparison to the state minimum wage and President Obama's proposal, it sounds like the \$15 minimum wage would be more generally applicable than it really is, and I would not want us to base decisions on a misunderstanding. As I understand it, even the federal minimum wage does not apply to all categories of workers, and it may help council to understand the policies behind the exceptions.

One other question I had is what would these proposals do to the number of part time job opportunities available at the city? It seems to me that the city is providing opportunities for a number of people who might want part-time work. What happens to them if those opportunities go away?

Will Hall  
Shoreline City Council  
Sent from a mobile device

ORDINANCE SETTING MINIMUM EMPLOYMENT STANDARDS FOR HOSPITALITY  
AND TRANSPORTATION INDUSTRY EMPLOYERS

**Section 1. Findings.** The following measures are necessary in order to ensure that, to the extent reasonably practicable, all people employed in the hospitality and transportation industries in SeaTac have good wages, job security and paid sick and safe time.

**Section 2.** That a new Chapter, 7.45, be added to the SeaTac Municipal Code to read as follows:

**7.45 MINIMUM EMPLOYMENT STANDARDS FOR HOSPITALITY AND  
TRANSPORTATION INDUSTRY EMPLOYERS**

**7.45.010 Definitions**

As used in this Chapter, the following terms shall have the following meaning:

- A. “City” means the City of SeaTac.
- B. “Compensation” includes any wages, tips, bonuses, and other payments reported as taxable income from the employment by or for a Covered Worker.
- C. “Covered Worker” means any individual who is either a Hospitality Worker or a Transportation Worker.
- D. “Hospitality Employer” means a person who operates within the City any Hotel that has one hundred (100) or more guest rooms and thirty (30) or more workers or who operates any institutional foodservice or retail operation employing ten (10) or more nonmanagerial, nonsupervisory employees. This shall include any person who employs others providing services for customers on the aforementioned premises, such as a temporary agency or subcontractor.
- E. “Hospitality Worker” means any nonmanagerial, nonsupervisory individual employed by a Hospitality Employer.
- F. “Hotel” means a building that is used for temporary lodging and other related services for the public, and also includes any contracted, leased, or sublet premises connected to or operated in conjunction with such building's purpose (such as a restaurant, bar or spa) or providing services at such building.
- G. “Institutional foodservice or retail” is defined as foodservice or retail provided in public facilities, corporate cafeterias, conference centers and meeting facilities, but does not include preparation of food or beverage to be served in-flight by an airline. Restaurants or retail

performed in any facility where any of the services listed in this paragraph are also performed; and

b) employs twenty-five (25) or more nonmanagerial, nonsupervisory employees in the performance of that service.

2) A transportation employer also includes any person who:

a) operates or provides rental car services utilizing or operating a fleet of more than one hundred (100) cars; shuttle transportation utilizing or operating a fleet of more than ten (10) vans or buses; or parking lot management controlling more than one hundred (100) parking spaces; and

b) employs twenty-five (25) or more nonmanagerial, nonsupervisory employees in the performance of that operation.

N. "*Transportation Worker*" means any nonmanagerial, nonsupervisory individual employed by a Transportation Employer.

O. "*Tips*" mean any tip, gratuity, money, or part of any tip, gratuity, or money that has been paid or given to or left for a Covered Worker by customers over and above the actual amount due for services rendered or for goods, food, drink, or articles sold or served to the customer.

#### **7.45.020 Paid Leave For Sick and Safe Time**

Each Hospitality or Transportation Employer shall pay every Covered Worker paid leave for sick and safe time out of the employer's general assets as follows:

A. A Covered Worker shall accrue at least one hour of paid sick and safe time for every 40 hours worked as an employee of a Hospitality Employer or Transportation Employer. The Covered Worker is entitled to use any accrued hours of compensated time as soon as those hours have accrued.

B. The Covered Worker need not present certification of illness to claim compensated sick and safe time, provided that such Covered Worker has accrued the requested hours of compensated time at the time of the request. A Covered Worker shall be paid his or her normal hourly compensation for each compensated hour off.

C. The Covered Worker shall not be disciplined or retaliated against for use of accrued paid sick and safe time. This includes a prohibition on any absence control policy that counts earned sick and safe time as an absence that may lead to or result in discipline against the Covered Worker.

c) To enable the Covered Worker to obtain, or assist a family member in obtaining, services from a domestic violence shelter, rape crisis center, or other social services program for relief from domestic violence, sexual assault, or stalking;

d) To enable the Covered Worker to obtain, or assist a family member in obtaining, mental health counseling related to an incident of domestic violence, sexual assault, or stalking, in which the Covered Worker or the Covered Worker's family member was a victim of domestic violence, sexual assault, or stalking; or

e) To enable the Covered Worker to participate in safety planning, temporarily or permanently relocate, or take other actions to increase the safety of the Covered Worker or Covered Worker's family members from future domestic violence, sexual assault, or stalking.

#### **7.45.030 Promoting Full-Time Employment**

If a Hospitality or Transportation Employer has additional hours of work to provide in job positions held by Covered Workers, then it shall offer those hours of work first to existing qualified part-time employees before hiring additional part-time employees or subcontractors.

#### **7.45.040 Require That Service Charges and Tips Go To Those Performing The Service**

A. Any service charge imposed on customers of, or tips received by employees of, a Hospitality Employer shall be retained by or paid to the nonmanagerial, nonsupervisory Hospitality or Transportation Workers who perform services for the customers from whom the tips are received or the service charges are collected.

B. The amounts received from tips or service charges shall be allocated among the workers who performed these services equitably; and specifically:

1) Amounts collected for banquets or catered meetings shall be paid to the worker(s) who actually work with the guests at the banquet or catered meeting; and

2) Amounts collected for room service shall be paid to the worker(s) who actually deliver food and beverage associated with the charge; and

3) Amounts collected for portage service shall be paid to the worker(s) who actually carry the baggage associated with the charge.

provided similar services at the same facility. If the Successor Employer does not have enough positions available for all qualified Retention Employees, the Successor Employer shall hire the Retention Employees by seniority within each job classification. For any additional positions which become available during the initial ninety-day period of the new contract, the Successor Employer will hire qualified Retention Employees by seniority within each job classification.

C. Retention Period. A Successor Employer shall not discharge a Retention Employee without just cause during the initial ninety-day period of his/her employment.

D. An employee is "qualified" within the meaning of this Section if he/she has performed similar work in the past (and was not discharged for incompetence) or can reasonably be trained for the duties of a position through an amount of training not in excess of the training that has been provided by the employer to workers hired off the street.

E. The requirements of this Chapter shall not be construed to require any Hospitality Employer or Transportation Employer to offer overtime work paid at a premium rate nor to constrain any Hospitality Employer or Transportation Employer from offering such work.

#### **7.45.070 Employee Work Environment Reporting Requirement**

A. Hospitality Employers and Transportation Employers shall retain records documenting hours worked, paid sick and safe time taken by Covered Workers, and wages and benefits provided to each such employee, for a period of two years, and shall allow the City Manager or designee access to such records, with appropriate notice and at a mutually agreeable time, to investigate potential violations and to monitor compliance with the requirements of this Chapter.

B. Hospitality Employers and Transportation Employers shall not be required to modify their recordkeeping policies to comply with this Chapter, as long as records reasonably indicate the hours worked by Covered Workers, accrued paid sick and safe time, paid sick and safe time taken, and the wages and benefits provided to each such Covered Worker. When an issue arises as to the amount of accrued paid sick time and/or paid safe time available to a Covered Worker under this chapter, if the Hospitality Employers and Transportation Employers does not maintain or retain adequate records documenting hours worked by the Covered Worker and paid sick and safe time taken by the Covered Worker, it shall be presumed that the Hospitality Employers and Transportation Employers has violated this chapter.

C. Records and documents relating to medical certifications, re-certifications or medical histories of Covered Worker or Covered Workers' family members, created for purposes of this chapter, are required to be maintained as confidential medical records in separate files/records from the usual personnel files. If the Americans with Disabilities Act (ADA) and/or the Washington Law Against Discrimination (WLAD) apply, then these records must comply with the ADA and WLAD confidentiality requirements.

B. The City shall adopt auditing procedures sufficient to monitor and ensure compliance by Hospitality Employers and Transportation Employers with the requirements of this Chapter. Complaints that any provision of this Chapter has been violated may also be presented to the City Attorney, who is hereby authorized to investigate and, if it deems appropriate, initiate legal or other action to remedy any violation of this chapter; however, the City Attorney is not obligated to expend any funds or resources in the pursuit of such a remedy.

C. Nothing herein shall be construed to preclude existing remedies for enforcement of Municipal Code Chapters.

#### **7.45.110 Exceptions**

The requirements of this Chapter shall not apply where and to the extent that state or federal law or regulations preclude their applicability. To the extent that state or federal law or regulations require the consent of another legal entity, such as a municipality, port district, or county, prior to becoming effective, the City Manager is directed to formally and publicly request that such consent be given.

**Section 3.** That the effective date of this Ordinance shall be January 1, 2014.

**Section 4.** The Code Reviser is authorized to change the numbering and formatting this Ordinance to conform with the SeaTac Municipal Code codification in a manner that is consistent with the intent and language of this Ordinance.

**Section 5.** Severability. If any provision of this Ordinance is declared illegal, invalid or inoperative, in whole or in part, or as applied to any particular Hospitality or Transportation Employer and/or in any particular circumstance, by the final decision of any court of competent jurisdiction, then all portions and applications of this Ordinance not declared illegal, invalid or inoperative, shall remain in full force or effect to the maximum extent permissible under law.