

BEFORE THE SEATTLE OFFICE OF LABOR STANDARDS

Office of Labor Standards,

Charging Party,

vs.

Transportation Company,

Respondent.

CASE NO. _____

PREDETERMINATION
SETTLEMENT AGREEMENT
AND ORDER

A charge was filed with the Office of Labor Standards (OLS) against the above-named Respondent under the Paid Sick and Safe Time Ordinance, Seattle Municipal Code (SMC) Chapter 14.16. Since that time, the scope of this case has been expanded to determine Respondent's compliance with the Paid Sick and Safe Time Ordinance, SMC Chapter 14.16, and the Wage Theft Ordinance, SMC Chapter 14.20 (Ordinances).

The above-named parties have met in conference and conciliation and desire to settle this matter without further investigation or proceedings by entering into this Predetermination Settlement Agreement and Order (Agreement).

IT IS THEREFORE AGREED AS FOLLOWS:

- 1. First Violation.** This constitutes an agreement that First Violations of the Ordinances have occurred, which Respondent agrees not to contest.
- 2. Complete Compliance.** Respondent shall comply with all provisions of the Ordinances.
- 3. Financial Remedy.** The complete financial remedy in this case is \$25,364.98, which includes \$11,833.43 in back wages plus interest, \$5,531.55 in liquidated damages, and \$8,000.00 in penalties payable to aggrieved parties.
- 4. Poster.** Within ten (10) days of the Director's execution of this Agreement, and on an ongoing basis, Respondent shall post the current OLS Workplace Poster at each location where Seattle employees work in a place that is conspicuous and accessible to all employees at that location, in English and any other primary languages spoken by employees at that location. The 2017 OLS Workplace Poster is included as Attachment A.

5. **Notice to Employees.** Within ten (10) days of the Director's execution of this Agreement, Respondent shall distribute the notice attached to this Agreement as Attachment B to each Seattle employee listed in Attachment C with the checks distributed pursuant to Paragraphs 6(a), 7(a), and 8(a).

PAID SICK AND SAFE TIME (PSST) PROVISIONS

6. **Paid Sick and Safe Time Payout.** Respondent shall pay unpaid compensation and interest for payout of PSST to current and former employees totaling \$11,833.43, as outlined in Attachment C, less applicable and lawful withholdings. Respondent shall be responsible for determining the withheld amounts, adhering to all reporting requirements, and remitting all withheld amounts to the appropriate agencies. Respondent shall pay the amounts due as follows:
- a. **Amounts Due to Current Employees.** Respondent shall distribute the respective amounts due, net of withholding, to each current employee by check or direct deposit.
 - b. **Amounts Due to Former Employees.** Respondent shall write a single check payable to the City of Seattle for the total amount due, net of withholding, to all former employees and remit it to OLS at: Office of Labor Standards, 810 Third Avenue, Suite 750, Seattle, WA 98104.
7. **Liquidated Damages.** Respondent shall pay liquidated damages to current and former employees totaling \$5,531.55, which is 100% of back wages due for PSST payout for hours worked in 2016-2017, as outlined in Attachment C, less applicable and lawful withholdings.¹ Respondent shall be responsible for determining the withheld amounts, adhering to all reporting requirements, and remitting all withheld amounts to the appropriate agencies. Respondent shall pay the amounts due as follows:
- a. **Amounts Due to Current Employees.** Respondent shall distribute the respective amounts due, net of withholding, to each current employee by check or direct deposit.
 - b. **Amounts Due to Former Employees.** Respondent shall write a single check payable to the City of Seattle for the total amount due, net of withholding, to all former employees and remit it to OLS at the address listed in Paragraph 6(b).
8. **Penalties Payable to Employees.** Respondent shall pay penalties to current and former employees totaling \$8,000.00, as outlined in Attachment C, less applicable and lawful withholdings.² Respondent shall be responsible for determining the withheld amounts, adhering to all reporting requirements, and remitting all withheld amounts to the appropriate agencies. Respondent shall pay the amounts due as follows:

¹ Amounts due to individuals under Paragraphs 6-8 may be combined into a single check payable to the individual.

² See *supra* note 1.

- a. **Amounts Due to Current Employees.** Respondent shall distribute the respective amounts due, net of withholding, to each current employee by check or direct deposit.
 - b. **Amounts Due to Former Employees.** Respondent shall write a single check payable to the City of Seattle for the total amount due, net of withholding, to all former employees and remit it to OLS at the address listed in Paragraph 6(b).
9. **Paid Sick and Safe Time Back Accrual.** Within ten (10) days of the Director's execution of this Agreement, Respondent shall provide 406.78 total hours of back-accrued PSST to employees, as outlined in Attachment D. Respondent shall credit employee balances with the respective amount of PSST due; allow employees to use the back-accrued amounts without limitations on annual use, including limitations permissible under SMC 14.16.025.C, until the end of the benefit year beginning in 2019; and allow employees to carry over any remaining balances of the back-accrued amounts into the benefit year beginning in 2019 without limitations on annual carry-over, including limitations permissible under SMC 14.16.025.G.
10. **Paid Sick and Safe Time Notification.** Within ten (10) days of the Director's execution of this Agreement, and on an ongoing basis, Respondent shall provide written notifications to each Seattle employee each time wages are paid showing the employee's updated balance of PSST available for use.
11. **Paid Sick and Safe Time Policy.** Within thirty (30) days of the Director's execution of this Agreement, Respondent shall develop and implement a written policy for complying with the requirements of SMC 14.16, and shall provide a written copy of the implemented policy to all Seattle employees. The implemented policy shall give employees written notice of the following information required by SMC 14.16.045.C:
 - a. Respondent's choice of benefit year;
 - b. Respondent's tier size;
 - c. Applicable rate of accrual, use, and carry-over of PSST hours;
 - d. Respondent's manner of providing employees with an updated amount of available PSST hours each time wages are paid; and
 - e. Respondent's notification requirements for employee absences and requests for leave.A PSST checklist and model policy are included as Attachment E. OLS invites Respondent to contact the OLS Business Liaisons via e-mail at laborstandards@seattle.gov for technical assistance.
12. **Record Retention.** Within ten (10) days of the Director's execution of this Agreement, Respondent shall start maintaining records documenting hours worked by employees and Paid Sick and Safe Time used by covered employees. Respondent shall retain such records for a period of three years

from the date that the documented hours were worked or the date that the Paid Sick and Safe Time was used.

WAGE THEFT PROVISIONS

13. Wage Payment Notification. Within ten (10) days of the Director's execution of this Agreement, and on an ongoing basis, Respondent shall provide written notifications to each Seattle employee each time wages are paid showing the following information required by SMC 14.20.025.E:

- a. All hours worked, with regular and overtime hours shown separately;
- b. All rate or rates of pay whether paid on hourly, salary, commission, piece rate or combination thereof, or other basis during the pay period;
- c. Tip compensation;
- d. Pay basis (e.g., hour, shift, day, week, commission);
- e. Gross wages; and
- f. All deductions for the pay period.

OVERALL PROVISIONS

14. Proof of Compliance. Within forty (40) days of the Director's execution of this Agreement, Respondent shall provide written documentation to OLS to show that its practices comply with the Ordinances, including proof that Respondent complied with the above Paragraphs. Specifically, Respondent shall provide:

- a. A photograph of the OLS Workplace Poster as posted at each location where Seattle employees work, pursuant to Paragraph 4;
- b. A list of all current and former employees listed in Attachment C with a breakdown of the amounts due to each employee, net of withholding, pursuant to Paragraph 6, and information indicating which individuals are current employees and which are former employees;
- c. Copies of the checks and pay stubs distributed to current employees for the full amounts outlined in Attachment C for the amounts due, net of withholding, pursuant to Paragraphs 6(a), 7(a), and 8(a);
- d. Copies of records sufficient to show that the back-accrued PSST balances outlined in Attachment D have been provided to each employee, pursuant to Paragraph 9;
- e. Copies of all written Paid Sick and Safe Time notifications provided to all Seattle employees since the Director's execution of this Agreement, pursuant to Paragraph 10;
- f. A copy of the written PSST policy as implemented, pursuant Paragraph 11;
- g. Copies of the most recent written wage payment notifications provided to all Seattle employees since the Director's execution of this Agreement, pursuant to Paragraph 13; and
- h. Respondent's completed Proof of Compliance Declaration, included as Attachment F.

15. Compliance Monitoring. For two (2) years after the Director's execution of this Agreement, Respondent shall permit OLS to visit Respondent's places of business, review records, and interview employees for the purpose of determining Respondent's compliance with the Ordinances and this Agreement. Additionally, by January 15, 2018 and January 15, 2019, and no earlier than thirty (30) days prior to each respective due date, Respondent shall submit the following documents to OLS:

- a. An employee roster with personal phone numbers and addresses for each Seattle employee;
- b. A payroll summary covering the preceding six (6) months for each employee on the employee roster produced pursuant to subsection (a) of this Paragraph showing hire date, rate(s) of pay, hours worked, and all compensation earned;
- c. Copies of records covering the preceding six (6) months for each employee on the employee roster produced pursuant to subsection (a) of this Paragraph showing PSST use and accrual by pay period;
- d. Copies of the most recent written PSST notifications provided to each employee on the employee roster produced pursuant to subsection (a) of this Paragraph;
- e. Copies of the most recent written wage payment notifications provided to each employee on the employee roster produced pursuant to subsection (a) of this Paragraph;
- f. A copy of the current PSST policy in effect; and
- g. Respondent's completed Compliance Monitoring Declaration, included as Attachment G.

16. Training. Within ten (10) days of the Director's execution of this Agreement, Respondent shall contact an OLS Business Liaison at laborstandards@seattle.gov to schedule training. Within six months of the Director's execution of this Agreement, Respondent's Management at that time shall attend training hosted by the OLS Business Liaison. "Management" includes each individual who supervises or will supervise any of Respondent's employees, and currently includes the following positions: Transportation Manager (1), and Assistant Transportation Manager (1). Respondent shall count training as hours worked for trainees.

17. Waiver of Rights. OLS shall not file a charge against Respondent with respect to any of the specific matters that are alleged in this case.

18. No Retaliation. There shall be no discrimination or retaliation of any kind against any person because of opposition to any practice prohibited under SMC 14.16 or 14.20, or because of the filing of a charge, giving of testimony or assistance, or participation in any manner in any investigation, proceeding or hearing thereunder. Respondent shall distribute copies of this Agreement,

including this prohibition on discrimination and retaliation, to each of Respondent's Management employees as defined in Paragraph 16.

- 19. Remedies if Respondent Fails to Comply.** In the event Respondent fails to promptly comply with any term of this Agreement, the Director may take appropriate steps to secure compliance.
- 20. Public Disclosure.** This Agreement can be disclosed to the public, in accordance with RCW 42.56.070 and SHRR 40.065.
- 21. Director's Order.** This Agreement shall have the effect of a Director's Order.
- 22. Contract.** Respondent acknowledges that this Agreement is enforceable as a contract.
- 23. Severability.** If any provision within this Agreement is found to be unenforceable, the remaining provisions shall remain valid and enforceable.

Attachments (Not printed):

- A – 2017 OLS Workplace Poster (English)
- B – Notice to Seattle Employees
- C – Employee Financial Remedies
- D – Employee PSST Accrual
- E – PSST Checklist and Model Policy
- F – Proof of Compliance Declaration
- G – Compliance Monitoring Declaration

Transportation Company

Date

By: _____

Name: _____

Title: _____

Date

Dylan Orr
Director
Office of Labor Standards

FOR THE SEATTLE OFFICE OF LABOR STANDARDS:

IT IS HEREBY ORDERED that the terms and conditions set forth in the attached Predetermination Settlement Agreement and Order are in full force and effect and binding between the above-named parties and that all parties shall fully comply therewith.

Dated this ____ day of _____, 2017

Dylan Orr
Director
Office of Labor Standards