

Summary of Arbitration Decision

Arbitrator Gary Axon has issued an arbitration decision in our contract arbitration case. The highlights are a 4-year contract with a salary increase of 2.25% for each the first three years of the contract (2015-17) and 3% for the final year (2018). With the combined “rollup,” all January 2018 salaries will be 10.11% higher than the current (2014) wage. The CPI rose 8.44% during the 4 years of the contract, so the 10.11% increase is 1.67% above the rate of inflation.

Unfortunately, the wage increase will be partially offset by Arbitrator Axon’s partial granting of a County insurance proposal. The County had proposed an employee monthly insurance premium contribution of \$50 for the “employee only” tier and \$100 for the full family tier, with an increase in the spousal access fee that is imposed on a few of the members pay from \$75 to \$100. Arbitrator Axon awarded the County a contribution of \$40 for the employee only level and \$75 for the family level. The spousal access fee was set at \$90. The arbitrator, as expected, ordered that the plan benefits for 2018 will match those of other County employees, which will involve some increase in copayments.

We are disappointed with the decision on health insurance but some level of contribution was predicted because of the evidence at the hearing concerning the insurance contributions by the four “comparable” agencies that the Arbitrator used (Seattle, Sound Transit, Port of Seattle, and Bellevue). All of those agencies required significant employee insurance contributions, most in excess of \$200 per month.

The arbitrator also relied on the fact that TEA, by insisting that insurance only be negotiated as part of wages, has been able to preserve medical benefits at a level above other County employees. For example, the County had wanted to place TEA on the revised County insurance plan in 2015 but for 3 years the members have been able to avoid those payments. TEA has always insisted that wages should only be negotiated with insurance, and that insurance cost increases should not be imposed without an offsetting wage increase.

TEA over the course of 15 years of contract negotiations, by insisting on pay in parity with the four “comparable” agencies, has successfully negotiated for salaries that in many cases are several percentage points above like positions elsewhere in the County. This documented success no doubt played into the decision of the arbitrator to impose some premium contribution upon the members.

The arbitration decision also contains strongly worded language regarding the County’s failure to recruit employees. The County argued that the TEA wages are in

line with the 4 comparable agencies and that its proposal was supported by inflation. Axon noted that there was strong evidence wages were in line with the comparables, but indicated that the recruitment evidence presented by TEA at the hearing was compelling and warranted an additional wage bump.