

TECHNICAL EMPLOYEES ASSOCIATION
MONTHLY MEETING – June 16, 2004 (12 noon – 1 p.m.)
Meeting Summary

Board Members Present: Ken Madden, President
Eric Mandel, Treasurer
Patty Overby, Secretary

Treasurer's Report

1. Account Update

Eric reviewed the following:

- Revenues: \$2,500 in money market now and expect another \$1,950 with upcoming paycheck for voluntary contributions.
- Total Debt: \$150,000 (\$21,000 interest bearing owned to Jim Cline; and the rest are pay back to be credited to the special assessment from voluntary dues.)
- Expect an additional \$12,000 still to be paid for transit arbitration, and expect to pay this by October this year.

2. Proposed Changes to Dues Policy - Vote

Eric referred members to the handout outlining the proposed change to the dues policy adopted in September. He stated that the proposed change is strictly clarification of the intent of the formula, which is not to base it on an employee's gross hourly wage, but on their base hourly wage. He said it was never the Board's intent to include overtime in the calculation.

- ✓ **Action: The membership unanimously passed adopting this amendment as proposed.**

3. Proposed Changes to Initial Special Assessment (Discussion Only)

Eric referred members to the handout on two new proposed amendments to the dues policy adopted September 2003 and amended February 2004. He said that the proposed amendments would be voted on at the July regular TEA meeting.

The proposals are separated into two amendments.

Proposed Amendment #1

This language replaces the current language on new hires. The proposed change is for new employees hired into TEA after May 1, 2001. They will pay the initial special assessment based on the greater of either:

- The formula [# of months since month of hire or transfer into TEA] x [0.0004] x [employee's base hourly wage on ratification or subsequent hire date] x [160 hours]; or

- A one-time special assessment of 12 times the employee's base regular hourly wage at hiring.

Eric stated that as the current policy now stands the Special Assessment new employees hired after May 1, 2001 would pay is not based on date of hire, but rather when TEA was recognized (April 2001). Several members felt it was not equitable so the Board reassessed the situation and is presenting Amendment #1. The Board supports this amendment.

Eric reviewed the spreadsheet, which shows the current adopted formula and what it would be if amendment #1 passes. He noted that the spreadsheet shows examples to various employees at a base wage of \$30 or \$20 an hour, based on their hire date and employment status, and assumes a contract ratification date of September 2004. He said that you could see the difference in revenue collection over the current formula, and the impact it has on debt repayment. He also noted that he had a couple of TEA members review his calculations for accuracy.

Ken reiterated that the current initial special assessment formula was adopted by the membership in September 2003.

Proposed Amendment #2

This addresses some concerns raised by Dave Crippen at last month's TEA meeting to narrow the discrepancy of what current and new hires would pay. This amendment would put a cap on the total amount of assessment to be collected, and basically would affect those most senior TEA members.

In no case would any new or existing member pay more than the lesser of:

- the special assessment applicable to their status in the bargaining unit or
- 20 times their base hourly wage.

Eric reviewed the spreadsheet showing the impact if amendment #2 passes. The financial plan would net around \$47,000 less. He said that employees probably would not be credited right away for voluntary dues in order to make up this difference. He added that the Board is neutral on this amendment.

Discussion centered on:

- If one is in an acting position will the initial special assessment be based on the acting base hourly wage? (Response: Ken said yes.)
- The financial impact may not be as drastic if amendment #2 passes, if even some employees are willing to forgive TEA's paying back voluntary dues. Also, if WTD contract is approved by August, TEA can start assessing WTD members' dues within 30 days. Eric noted that there would be an option to forgive voluntary dues in either case.

- Will employees be expected to pay the entire assessment all at once? (Response: no, you can pay it all the first month or over a 3 or 6 month timeframe with a 5% interest assessment.)
- Is the assessment the same as an initiation fee? (Response: TEA Bylaws made no provision for an initiation fee, but in essence the assessment could be considered an initiation fee. Again, the reason for the assessment is to pay off debt.)
- Can we make the assessment coincide with the payout of the COLA to WTD employees? (Response: yes - we are recommending that. King County intends to pay the COLA to WTD employees within 30 days of contract ratification and approval by the Council.)
- Is the bottom line for proposed amendment #2 to get new employees to pay more? (Response: no - it isn't a difference between new and senior employees - it's just to cap the max anyone would pay.)
- Under amendment #2 if you were here for 20 years, would you start at a lower rate? (Response: no - it has nothing to do with the number of years you are here. It is based on a multiplier of base wage (x20).)

Update on WTD Tentative Contract

Roger Browne, WTD Negotiating Team lead noted that TEA and the County have reached agreement in principle on what should be in the contract. The County is currently reviewing a draft contract and they are supposed to have their comments to us by the 22nd. If this occurs the contract will be discussed at the special meeting scheduled for 6/23 with a vote on 6/30.

Ken said the Board has determined if the County does not get comments back by this time, the vote will be pushed out to July 14.

Roger reviewed key items in the proposed contract, which include, but are not limited to:

- Modifies contract period to July 2002 through June 30, 2005.
- Starts salary survey within 30 days after signed contract.
- COLA retroactive to July 2002.
- January through June 2002 COLA will be recouped through a signing bonus.
- Equal distribution of COLA that would have been paid to members no longer here to existing WTD TEA employees.
- 3 days of Executive Leave for exempt employees per year.
- Improved overtime provisions for non-exempt employees.
- Tweaks to bumping language.
- Seniority language clarification.

If members vote no, the County will probably impose a contract. If members vote yes, it will then go to the Labor, Operations & Technology Committee and then on for final approval by the full Council. Roger said we hope to have the contract signed and approved by August and checks for COLA by mid-September.

Discussion occurred on the following:

- Is the Negotiating Team recommending passage of the contract? (Response: yes).
- Given the County's ability to keep a schedule, are there any penalties assessed to them if they don't make the deadlines, e.g. salary survey, or payment on COLA? (Response: no).
- What are the major portions of the contract the County would review closely? (Response: there are only 2 of 30 articles that the focus has come down to and those are articles on wages and seniority.)
- Is the schedule for the salary survey part of the contract? (Response: yes. The payment for any salary retro resulting from the survey is included in the contract.)
- Is there agreement on the procedures for the salary survey? (Response: not yet.)
- Will members get a copy of the contract and how will it be distributed? (Response: The Negotiating Team will give copies to the work group representative and be made available at informational meetings.)
- Will new hires get signing bonus? (Response: If an employee was hired after July 2002, they will get the full COLA but not the signing bonus which is really the COLA for January through June 2002.)
- What are the biggest gains the contract has gotten the members? (Response: agreement by the County to conduct a salary survey with current titles, executive leave for exempt, overtime improvements.)
- Want to make sure we are not in a rush to vote on the contract. Employees need adequate time to read the contract and to bring questions to a forum where everyone can hear. (Response: Agree that is why the Board has taken the position that the vote may be postponed until July 14 dependent on the County's comments and when they are received. Also, the Negotiating Team has agreed to come to informational meetings with work groups to review and discuss the proposed contract.)
- Have we hashed out who the peer agencies will be for the salary survey? (Response: no but this will occur. WTD will have the advantage of Transit arbitration process to include in comparative study.)
- Can the salary survey end up lowering the hourly rate WTD employees are currently making? (Response: it could for the position, but not for existing employees. If the results show the top end is lower than it currently is for a classification, employees in that classification and step would have their salaries frozen.)
- What is the anticipated COLA (Response: 2.3% for 2002, 2% for 2003 and 2.03% for 2004.)
- Why the change in contract duration? (Response: so we could have time to do the salary survey.)

Members thanked the Negotiating Team and Board for their efforts in getting this contract to fruition.

Meeting adjourned at 1 p.m.

Patty Overby, TEA Secretary