

AUG 14 2000

PUBLIC EMPLOYMENT
RELATIONS COMMISSION

PERC CASE 14916-I-99-329

IN THE MATTER OF)
)
INTEREST ARBITRATION)
)
BETWEEN)
)
WASHINGTON STATE COUNCIL OF)
COUNTY AND CITY EMPLOYEES, COUNCIL)
2, AFSCME, AFL-CIO, LOCAL 492,)
)
Union,)
)
and)
)
SPOKANE COUNTY, WASHINGTON,)
)
County.)

ARBITRATOR'S OPINION

AND AWARD

1999-2001

AGREEMENT

HEARING SITE:

Spokane County Offices
Spokane, Washington

HEARING DATE:

May 3, 2000

POST-HEARING BRIEFS DUE:

Postmarked June 26, 2000

RECORD CLOSED ON RECEIPT OF BRIEFS:

June 29, 2000

REPRESENTING THE UNION:

Audrey B. Eide
WSCCCE General Counsel
AFSCME AFL-CIO
3305 Oakes Avenue
P.O. Box 750
Everett, WA 98206-0750

REPRESENTING THE COUNTY:

Otto G. Klein, III
Summit Law Group
Suite 300
1505 Westlake Ave., North
Seattle, WA 98109

INTEREST ARBITRATOR:

Gary L. Axon
P.O. Box 190
Ashland, OR 97520
(541) 488-1573

Table of Contents

<u>ISSUE</u>	<u>Page</u>
Introduction.....	1
Comparability.....	5
1 - Wages.....	14
2 - Shared Leave.....	33
3 - Uniforms/Quartermaster System.....	38
Conclusions.....	43

I. INTRODUCTION

Spokane County, Washington (County) and WSCCCE Local 492 (Union) are signatories to a Collective Bargaining Agreement effective January 1, 1997 through December 31, 1998. The parties engaged in bargaining for a successor Agreement in an attempt to resolve the contract dispute. After mediation efforts proved unsuccessful, the Public Employees Relations Commission (PERC) declared an impasse and certified the case for interest arbitration. The parties were able to reach agreement on several issues. Both sides concur, the new Agreement should be effective from January 1, 1999 through December 31, 2001. In a letter dated December 9, 1999, PERC certified three issues for interest arbitration under RCW 41.56.450. The three issues were identified as follows: (1) Wages; (2) Shared Leave; and (3) Uniform Allowance/Quartermaster System. This Arbitrator was selected to decide the case and a hearing was held on May 3, 2000.

Spokane County is located in eastern Washington adjacent to the Idaho border. With a 1999 population of 414,500, the County is by far the largest county in eastern Washington and the fourth largest in the state of Washington. The County maintains a jail facility. The Sheriff of Spokane County, Mark E. Sterk, is charged with the duty to maintain the jail. Dick Collins, Jail Commander, has the direct responsibility for the daily management of the correctional program. The number of correctional officers employed by the County on March 3, 2000 was approximately 141. The Union holds the bargaining rights for correctional officers employed in

the Spokane County jail system. The parties went to arbitration in 1995 before arbitrator Thomas Levak. The Levak award was entered into the record of this case. Co. Ex. 1.

Two threshold issues developed at the commencement of the hearing. First, the parties offered widely different opinions over how the list of comparators should be developed. Second, the parties disagreed over the precedential value which should be accorded to the 1995 Levak award between Spokane County and the Union. The Arbitrator was also provided with a recent interest arbitration award by arbitrator Alan Krebs between Spokane County and Spokane County Deputy Sheriffs Association issued on July 12, 1999. While this was a different bargaining unit, arbitrator Krebs did address the issue of comparability for Spokane County in his decision.

A significant amount of hearing time was devoted to the presentation of evidence and argument on the statutory factor of comparability. The Arbitrator directed the parties to address the comparability issue at the beginning of their post-hearing briefs. The Arbitrator also advised counsel he would decide the comparability issue at the commencement of the Award.

The hearing in this case required one day for the parties to present their evidence and testimony. The hearing was tape-recorded by the Arbitrator as an extension of his personal note taking. Testimony of the witnesses was received under oath. At the hearing the parties were given the full opportunity to present written evidence, oral testimony and argument regarding the

contract issues certified for interest arbitration. Both the Union and the County provided the Arbitrator with substantial written documentation in support of their respective positions. Counsel also submitted comprehensive and detailed post-hearing briefs in further support of their arguments offered at arbitration.

The approach of this Arbitrator in writing the Award will be to summarize the major and most persuasive evidence and argument presented by the parties on each of the issues. After the introduction of the issue and positions of the parties, I will state the basic findings and rationale which caused the Arbitrator to make the award on the three separate issues. A substantial portion of the evidence and argument related to more than one of the issues and will not be duplicated in its entirety in the discussion of the separate issues.

This Arbitrator carefully reviewed and evaluated all of the evidence and argument submitted pursuant to the criteria established by RCW 41.56.465. Since the record in this case was comprehensive, it would be impractical for the Arbitrator in the discussion and Award to restate and refer to each and every item of evidence, and testimony presented. However, when formulating the decision, the Arbitrator gave careful attention to all of the evidence and argument placed into the record by the parties.

The statutory criteria are set out in RCW 41.56.465(1) as follows:

(1) In making its determination, the panel shall be mindful of the legislative purpose enumerated in RCW 41.56.430 and, as additional

standards or guidelines to aid it in reaching a decision, it shall take into consideration the following factors:

(a) The constitutional and statutory authority of the employer;

(b) Stipulations of the parties;

(c) (i) For employees listed in RCW 41.56.030(7)(a) through (d); comparison of the wages, hours, and conditions of employment of personnel involved in the proceedings with the wages, hours, and conditions of employment of like personnel of like employers of similar size on the west coast of the United States;

(ii) For employees listed in RCW 41.56.030(7)(e) through (h), comparison of the wages, hours, and conditions of employment of personnel involved in the proceedings with the wages, hours, and conditions of employment of like personnel of public fire departments of similar size on the west coast of the United States. However, when an adequate number of comparable employers exists within the state of Washington, other west coast employers may not be considered;

(d) The average consumer prices for goods and services, commonly known as the cost of living;

(e) Changes in any of the circumstances under (a) through (d) of this subsection during the pendency of the proceedings; and

(f) Such other factors, not confined to the factors under (a) through (e) of this subsection, that are normally or traditionally taken into consideration in the determination of wages, hours, and conditions of employment. For those employees listed in RCW 41.56.030(7)(a) who are employed by the governing body of a city or town with a population of less than fifteen thousand, or a county with a population of less than seventy thousand,

consideration must also be given to regional differences in the cost of living.

Because of the voluminous record in this case, the parties waived the thirty (30) day period an arbitrator would normally have to publish an award under the statute.

II. COMPARABILITY

A. Background

In establishing the comparables in this case, the uniqueness of the eastern Washington labor market cannot be ignored. This uniqueness is recognized in numerous arbitration awards cited by the parties. City of Pasco, (Wilkinson, 1994) at 11; City of Richland, (Lehleitner, 1984) at 15-16; City of Pullman, (Lumbley, 1981) at 10; City of Ellensburg, (Snow, 1992) at 9; City of Ellensburg, (Snow, 1992) at 27; City of Moses Lake, (Snow, 1991) at 6; City of Pasco, (Levak, 1990) at 12; Spokane Fire District No. 9, (Auble, 1993) at 2-4; City of Pullman, (Gaunt, 1997); City of Kennewick, (Krebs, 1997) at 14. Interest arbitrators have repeatedly had to struggle with the so-called "Cascade Curtain" in determining the appropriate comparators for east-side jurisdictions and west-side jurisdictions.

The problem in this case is further complicated by the undisputed fact there are no other eastern Washington counties that have a population even close to Spokane County's population of 414,500. The nearest eastern Washington county is Yakima County with a population of 212,000 or some 202,500 fewer than Spokane County.

The parties agree that five Washington counties should be used as comparables for determining wages and benefits for County correction officers. The five jurisdictions are as follows:

County	Population
Clark	337,000
Kitsap	229,700
Pierce	700,000
Snohomish	583,300
Yakima	212,300

Un. Ex. 2.

The difference between the parties is whether Thurston County or Benton County should be used as a comparator. The County relies on the 1995 Levak award to justify the use of Benton County as a comparator in the 2000 case. In the view of the Union, Benton County is not comparable in size and should be discarded in favor of Thurston County. The initial task of the Arbitrator is to formulate a list of comparable jurisdictions which is consistent with the statutory mandate.

B. The Union

The Union takes the position that Thurston County should be added to the list of five agreed-on comparators. The Union offered the testimony of WSCCCE Director of Staff Services, John Cole, who explained the Union's methodology in determining comparable jurisdictions. Cole's goal was to come up with a methodology consistent with that used and adopted by other

arbitrators. Cole began his analysis with the proposition that population is the single best criteria to measure similar size. Arbitrators have ruled population must be the determining factor for size. Cole used a population band of 50-100% down and 50-100% up in Spokane County to yield its band of comparators ranging from a low of 202,700 in Thurston County to 700,000 in Pierce County. In addition, Cole ranked the jurisdictions by revenues and real property valuations which yielded the same ranking in a 50-100% up and 50-100% down from Spokane County's revenue and real property valuation. Benton County has a population of 138,900. Thus, the Union submits Benton County simply does not pass the test of a similar size jurisdiction for purposes of establishing comparability.

Turning to the Levak award, the Union was harshly reprimanded in that case by the arbitrator for going outside of Washington state for comparables. In light of the Union's position, arbitrator Levak accepted the comparables offered by the County. The comparables offered by the County in that case would now be contrary to the population criteria used by Levak to determine comparables. The Washington statutes explicitly require that jurisdictions which are compared with each other must be of similar size. The County did not meet this criteria but arbitrarily passed over Thurston County with a population of 202,700 and Whatcom County with a population of 163,300 to include Benton County with a population of 138,900 in its proposed list.

Pointing to the recent decision by arbitrator Krebs in the Deputy Sheriffs Association interest arbitration, the arbitrator found that with Spokane County's population being three times that of Benton County, it did not meet the statutory criteria of similar size. Thus, the arbitrator in the July 1999 Deputy Sheriffs Association case rejected the County's attempt to include Benton County as a comparator.

This Arbitrator should follow the holding of arbitrator Krebs and reject the County's arguments for the inclusion of Benton County on a list of comparators in the same manner as arbitrator Krebs rejected the similar arguments in the Deputy Sheriffs Association case. The Union added Thurston County because it was next in population on the list of comparators. In addition, the Union also relied on generally accepted variables of population and geography in coming up with its list of comparables. The County offered no evidence suggesting the idea of comparables could be more probative of demographic comparability than the Union's proposed jurisdictions.

C. The County

In order to avoid the charade of comparability, the County selected its comparables in a straightforward manner. The County's methodology is supported by two separate and distinct important factors. First, the statutory criteria is clear that jurisdictions are only comparable if they are of "similar size." Many arbitrators have held that the focal point of this determination is resident population.

The second factor regularly considered by interest arbitrators is geographical location. A review of the arbitral authority reveals that geography has played a significant role in the selection of comparables. Arbitrators resolving disputes centered in the greater Seattle metropolitan area generally rely on jurisdictions within the Seattle metropolitan area for determining comparators. The same is true when arbitrators selected comparables for western Washington jurisdictions or outside the Seattle area and sought a balanced list that is not outweighed with metropolitan jurisdictions. The most important factor in resolving disputes in eastern Washington is the authority which shows interest arbitrators have weighted their list with other eastern Washington jurisdictions.

Gary Carlson, Labor Relations Manager, testified Spokane County was concerned that only one of the five jurisdictions arrived at through the use of population band is from east of the mountains. As such, the County determined it is appropriate to add one more eastern Washington jurisdiction. Benton County is the next largest of the eastern Washington counties. While Benton County is one-third the size of Spokane County, arbitrator Levak ruled that it was patently reasonable to compare Benton County with Spokane County because it matched up in terms of core area population, education, per capita income and average wage pay. The evidence presented at the hearing by the County verified that Benton County is a good point for comparison.

Moreover, Carlson reiterated the importance of the County's ability to provide predictability and continuity in labor relations. A good labor relationship requires predictability. The County's approach in this proceeding is grounded in the tenet that the 1995 Levak award should be followed in this interest arbitration.

Turning to the Union's methodology, the County avers that the Union's methodology is flawed. The Union totally ignored the Levak decision between these same parties in setting the terms of the 1994-96 contract. Union witness Cole did not apply the 50% down test for population frequently adopted by arbitrators which would exclude Thurston County. Finally, in a recent interest arbitration case involving Thurston County Corrections, this same Union did not propose that Thurston County be compared with Spokane County. Therefore, the Arbitrator should conclude Thurston County is not an appropriate comparator for Spokane County and continue the "Levak list" in making this Award.

D. Discussion and Findings

The parties agree to five Washington counties as appropriate comparators. In this case, the dispute between the parties is whether to add Benton County or Thurston County to the list of five counties which are mutually acceptable to the parties.

The Arbitrator rejects the Union's proposal to add Thurston County. If Thurston County were added to the list of six, this would yield five counties from western Washington and one from eastern Washington. In the judgment of this Arbitrator, the use of

five western Washington counties would give too much weight to western Washington jurisdictions in setting wages and working conditions for Spokane County which is located in eastern Washington. A closely related reason for excluding Thurston County is that it falls outside the recognized 50% down for population criteria. Thurston County has a population of 202,700. The Arbitrator finds the Union offered no persuasive evidence as to why the two primary principles of population and assessed valuation for establishing comparability should be overridden in this case in order to add Thurston County, located in western Washington, to the list of comparators.

The County's position does not fare much better on examination of the similar size test. In order to get to Benton County, the County had to jump over higher populated Thurston and Whatcom Counties to reach Benton County with a population of 138,900. The County made a stronger case for ignoring the population factor with evidence of demographic data from Benton County. However, I was not convinced there was sufficient justification to skip over the two higher populated counties of Thurston and Benton in order to include one with a population 275,600 less than Spokane County. As the fifth largest county in Washington, Spokane County stands in a unique position from other jurisdictions located in eastern Washington where similarly sized cities or counties cannot be found.

A careful examination of the 1995 Levak award reveals he rejected what he believed was the Union's "artificially contrived"

list and accepted the County's proposal. In the recent award by arbitrator Krebs, he rejected the reasoning of the County for including Benton County on a list of comparators. Specifically, arbitrator Krebs held Benton County is not a "like employer of similar size" when compared to Spokane County. Arbitrator Krebs also found the two respective sheriffs departments are even more disparate in size which argued for the exclusion of Benton County from the list.

This Arbitrator concurs with the analysis offered by arbitrator Krebs that Benton County should not be a "primary comparator" because it does not meet the "similar size" criteria. In the judgment of this Arbitrator, the interests of both parties will be well served by using the same list of comparators adopted July 1999, in the Spokane County Deputy Sheriffs Association interest arbitration award, in the present case. By using the same jurisdictions for two groups of County employees involved in law enforcement functions, the consistency and stability the County seeks will be achieved.

The Arbitrator remains unconvinced that dropping Benton County from the list of comparators would damage the "predictability" of future bargaining. As arbitrator Krebs noted, five comparables is on the low side. The fact remains the five agreed-on jurisdictions provide a meaningful list of comparators. This Arbitrator prefers the range of five to ten comparators. The higher the number of comparators grow, the more difficult it becomes to collect and maintain reliable data, and draw accurate

conclusions from that data. By using the same list of five comparators in the case at bar, as adopted by arbitrator Krebs in the Deputy Sheriffs Association award, both parties will benefit from the standpoint of consistency and in the ability to maintain reliable data.

Based on all of the above-stated reasons, the Arbitrator concludes the appropriate list of comparators should be confined to the five Washington counties mutually agreed on by the parties. The counties are listed as follows:

County	Population
Clark	337,000
Kitsap	229,700
Pierce	700,000
Snohomish	583,300
Yakima	212,300
Spokane	414,500

ISSUE 1 - WAGES

A. Background

The 1998 salary schedule provides for a seven-step progression through the wage schedule. The 1998 wages were as follows:

**Spokane County Correctional Officer
Monthly Salaries**

	1	2	3	4	5	6	7
1998	\$2,393.72	\$2,516.30	\$2,645.14	\$2,780.60	\$2,922.98	\$3,072.64	\$3,229.98

Un. Ex. B.

On completion of ten years of service, correction officers receive the additional step on the salary schedule (Step 7) as longevity. (Section 9.1.15). Neither party is proposing a change in the structure of the salary schedule.

The Union proposed the following wage increases:

January 1, 1999	4%
January 1, 2000	4%
January 1, 2001	3%

The County proposed the following:

January 1, 1999	2.0%
January 1, 2000	2.0%
January 1, 2001	1.5%
July 1, 2001	1.5%

B. The Union

The Union constructed its wage proposal based on the proposed comparables. The Union calculated the actual employer paid benefits and total compensation of Spokane correction officers and the comparables and determined their proposal.

The Union calculated that the adoption of its proposal would leave Spokane correction officers 1.5% behind the average of the comparables at the ten-year level, 4.5% behind at the five-year level and 2% below at the starting wage. Un. Ex. 10. If the Arbitrator were to adopt the County's proposal, the members of this unit would be 3.2% lower than the average top-step wage in the comparables, 6.5% less at the five-year level, and 1.9% below at the starting wage.

In all of the charts created by the Union, correction officers in this unit are paid less than their counterparts in the five other counties. The same can be said by examining the wage study prepared by the County which includes Benton County, which still leaves the members of this unit behind the compensation paid to correction officers in the comparable jurisdictions.

The Union next calculated that if the comparables used in the Deputy Sheriffs Association case are used, the County's proposal places officers 9.5% behind in the year 2000 at the top salary. The Union proposal would leave officers 5.3% behind. The charts demonstrated the Union has been reasonable in its proposed comparables and reasonable in its proposed increase in an attempt to play some catch-up with the other jurisdictions.

The Union next points to the testimony of Sheriff Sterk who is supportive of a wage increase. Un. Ex. 26. The Sheriff testified that lack of comparable wages was a hindrance to development of programs in the state and Spokane County and effective recruiting. Sheriff Sterk requested the commissioners approve a 3% wage increase in 1999, a 3.5% increase in 2000, and a 3.5% increase in 2001 for correction officers.

Regarding the County's argument that it costs less to live in Spokane County than in metropolitan areas on the west side of Washington, the Union recognizes this as a valid argument. However, the Sheriff stated in his testimony that, when he is recruiting, salary is the number one factor considered by candidates. Correction officers are not moving to Spokane County for a lesser cost of living. The Sheriff explained, in his experience, it is the salary that attracts a candidate to one area over the other. The County is operating with several vacancies for want of recruiting qualified candidates.

Turning to the County's wage data, the Union argued the County's conclusions are faulty because they fail to include the actual cost of employer paid benefits in all of their figures. This makes inaccurate their calculation regarding how wages compare as a total compensation package. According to the Union, it further renders inaccurate the comparison of wage proposals against the wages of the comparables. Their figures include salary and longevity or salary and some benefits. The County's figures do not

reflect total compensation similar to the wage studies prepared by the Union.

Even if the Arbitrator utilizes the County charts, correction officers still fall behind their comparables. While the County structure reflects less differences between Spokane officers and their comparables, this appears to be a reflection of the inaccuracies in the manner by which the County prepared its wage studies.

The essence of the County's arguments is that they have budgeted 2% across-the-board for all employees. This is the figure they want to pay even though they have the ability to pay more than the 2% offered. The County made no assertions during this arbitration hearing that they did not have the ability to pay. The County merely stated what they would like to pay.

In sum, the Arbitrator should award the Union's proposal for wage increases over the three years of the 1999-2001 Collective Bargaining Agreement.

C. The County

The County asserts its proposal is supported by the statutory criteria and should be awarded by the Arbitrator. Recognizing that there are different measures of comparability, the County submitted a number of different comparisons for consideration by the Arbitrator. The County examined correction officers' pay at the five, ten, fifteen and twenty years of experience levels. Co. Exs. 11-14. The initial comparisons used by the County included base pay and longevity. The County offered

this was proper since all correction officers are eligible to receive longevity pay. When this analysis is run and the 1999 data is used in each case, the County is slightly behind the average of the comparables.

The County next argues the salary analysis should not end here. Carlson testified the parties have negotiated and maintained a "Cadillac medical plan." The County and the Union have agreed upon a medical plan that requires the County pay substantially higher premiums than are paid by other counties. A review of the data reveals the County contributes almost \$100 per employee for the medical plan more than paid by the comparables. When the medical package is combined with salary and longevity compensation, the County's correction officers are fairly compensated.

A review of the economic data produced by the County reveals that wage and income levels in Spokane County are generally lower than in other parts of the state, and certainly lower than the average of the comparables. Historically, this wage pattern has placed Spokane in sixth place among the list of six comparators proposed by the County. Co. Ex. 29.

Another indicia of economic status is median household income. Once again, Spokane County is far behind the comparables. Spokane County is sixth out of seven counties and is 15-17% behind the average median household income of the comparables. Co. Exs. 30-32. The counties with the highest household incomes are all in large metropolitan areas such as Seattle or Portland.

The trend is the same when looking at median home prices. The median home price in Spokane in 1999 was \$105,300. The average median home price today within the comparable counties is \$138,200. This is a difference of over 30%. Co. Ex. 34. The County's data also established that housing prices are rising faster in the other comparable jurisdictions than in Spokane County.

If the Arbitrator looks at the wage data for a variety of different jobs, the figures reveal that, from legal secretaries to butchers, to electricians, to personnel/labor relations representative, the wages paid in Spokane County are less than those paid in the comparable jurisdictions. Co. Ex. 36. The prevailing wage is established for each county by the Department of Labor and Industries. Once again, employees working in Spokane County are paid less than in the list of six comparator counties. Co. Ex. 36. The County's comparison of positions within the County with those of the comparables established that Spokane County wages for its own employees in the identified positions were lower than the average in the comparables.

Previous interest arbitrators when deciding cases involving Spokane area public employers and their comparables have all factored in the lower cost of living in the Spokane area in reaching their conclusions. The discount factor applied by other arbitrators has ranged from 2% to 15% in order to ensure a fair comparison with western Washington comparables to account for the differential in the cost of living between Spokane County and western Washington metropolitan areas.

The County is not asking the Arbitrator to make any specific reduction in the formula, but to use a "common sense" approach which should be mindful of the prevailing regional differences in the cost of living when analyzing the wage data presented by the parties. The wage differences between eastern and western Washington are not surprising given the different economic realities. The fact County correction officers are close to the average of the comparables is extremely probative evidence that they are fairly compensated.

Internal equity is important to the County in this case. The 2% increase proposed by the County is exactly the same increase received by almost all other County employees for 1999. Each of the other units, including all other units represented by this Union, agreed to a 2% wage increase for 1999. Over the last several years, correction officers have fared better than most other County employees. Co. Ex. 20. If the County's 2% wage proposal is adopted by the Arbitrator, correction officers will have received 5% more than most other County bargaining units over the three-year period.

Another important factor in interest arbitration is the change in consumer prices. The CPI has been increasing on a national basis at around 2% for some time, although it recently rose over 3%. The increase in the CPI for the Seattle area during the 1998-99 period varied from 2.5% to 2.8%. The County's offer is fully consistent with the CPI. The increase is correct. The most recently reported index for the Seattle area is 3.2%, and on an

annualized basis for the Seattle area this would represent an increase of around 3% during 1999. Co. Ex. 26.

In sum, the County believes its wage offer is supported by the CPI. While the CPI for the second year of the increase is somewhat above the County's proposal, it is far below the 4% sought by the Association.

The study of the local labor market revealed a number of wage increases granted in the Spokane area which are consistent with what the County is offering to this bargaining unit. Increases for union employees in the "government/education" sector of the economy in the Spokane area were 2.1% in 1999, and 1.9% in 2000. The average increase of all employers in the surveyed sectors was 1.8% in 1999, and 2% in 2000. Co. Ex. 23. Most of the units of the city of Spokane received wage increases around 2% for 1999. Co. Ex. 22. All of this data strongly supports adoption of the County's proposed increase. The County has had no difficulty in hiring new correction officers. Over the years the number of correction officer applications has remained relatively steady. Co. Ex. 5. There is no evidence in the record of any significant turnover in the Department.

Based on all of the above-stated arguments, the County submits its proposed wage offer for the three-year period is consistent with the statutory criteria and should be adopted by the Arbitrator.

D. Discussion and Findings

The Arbitrator finds, after review of the evidence and argument as applied to the statutory criteria, that a 3.5% increase effective January 1, 1999, applied to the existing salary schedule is justified for the 1999 contract year. Implementation of a 3.5% increase will move the top-step pay for a Spokane County correction officer to \$3,343 per month. The top step used by the Arbitrator is the ten-year level which includes base pay and longevity. Effective January 1, 2000, an additional 3.5% should be added to the existing wage schedule. The third year of the contract shall be adjusted by a 3% increase effective January 1, 2001. The reasoning of the Arbitrator is set forth in the discussion which follows.

Constitutional and Statutory Authority of County

Regarding the constitutional and statutory authority of the County, no issues were raised with respect to this factor which would place the Award in conflict with Washington law.

Stipulations of the Parties

The parties stipulated the Collective Bargaining Agreement would become effective January 1, 1999, through December 31, 2001. Beyond the above-stated agreement, there were no significant stipulations of the parties relevant to this interest arbitration.

Changes During the Pendency of this Proceeding

Regarding the factor of changes in any circumstances during the pendency of this interest arbitration and proceeding, none were brought to the attention of the Arbitrator by the parties to this dispute.

Comparability

Drawing exact conclusions from the comparability data presented in this case is complicated by several factors. First, the establishment of a benchmark level on the salary schedule among the comparators was complicated by the fact each salary schedule contained a different number of steps. Second, the top step often represented longevity which could only be attained after many years of service. Third, the parties presented the comparability data using different methodologies and displaying the information in different formats. The record developed in this case proves the point that making wage comparisons is not an exact science.

The County presented its wage comparison by including monthly base pay and longevity (Step 7). At the ten-year level, the County's comparison with its 2% proposal showed the following:

**1999 Monthly Pay Including Longevity
10 Years**

County	Amount
Benton	\$3,158
Clark	3,628
Kitsap	3,385
Pierce	3,641
Snohomish	3,493
Yakima	3,325
Average	\$3,438
Spokane	\$3,294
Difference	<4.3%>

Co. Ex. 12.

The Arbitrator finds County Exhibit 12 to be the most reliable of the comparison data, minus Benton County, to serve as the foundation for the 1999-2001 wage increases. Utilizing the ten-year level also avoids undue weight being accorded to a longevity step which can only be attained after many years of employment. Approximately one-half of the bargaining unit members are at the top step of the salary schedule. Co. Ex. 4. The use of the ten-year level provides a reasonable benchmark since none of the salary schedules have more than ten steps.

When Benton County is removed from the list of comparators, the top salary schedule comparison reveals wages to be:

Employer	Top Salary: 1999	Top Salary: 2000
Clark	\$3,628	\$3,737
Kitsap	\$3,385	In mediation
Pierce	\$3,642	\$3,751
Snohomish	\$3,493	\$3,738
Yakima	\$3,325	\$3,494
Average	\$3,495	\$3,680
Union Proposal: Difference	\$3,359 (-4.0%)	\$3,494 (-5.3%)
County Proposal: Difference	\$3,295 (-6.1%)	\$3,361 (-9.5%)

Un. Ex. D.

If the examination of the data stopped at this point, the Union's proposal would be entirely justified. However, the County's medical and dental insurance contributions cannot be ignored in this case. The average employer contribution for the five counties is \$410 per month. The undisputed testimony and evidence offered by the County showed correction officers enjoyed a comprehensive health and medical plan paid for by the County at \$502 per month, or \$92 per month above the average. Correction officers also participate in employer paid vision, life and long-term disability programs. When combined with the medical and dental programs, the conclusion is compelling that correction officers in Spokane County enjoy a comprehensive and generous benefit package, in addition to wages.

In sum, the comparability data on overall compensation mitigates against the increases sought by the Union. At the same time, the wage data argues for an increase greater than the 2% offered by the County for 1999 and 2000.

The settlement trends for the five comparator counties for 1999 and 2000 show the following:

1999 Correctional Officer Salary Comparison

County	Starting	5 Year	10 Year (Top)
Clark	\$2,437	\$2,988	\$3,628
Kitsap	\$2,525	\$3,071	\$3,385
Pierce	\$2,742	\$3,471	\$3,642
Snohomish	\$2,738	\$3,329	\$3,493
Yakima	\$2,401	\$2,771	\$3,325

Un. Ex. 7.

Only Yakima County had an increase in excess of 3%. The 5% increase is understandable because Yakima was the lowest paying in the group of five. Yakima County correction officers will receive a split increase of 3% and 2%, for a total of 5%, in 2000. Adoption of the County's proposal would make Spokane County correction officers the lowest paid out of the five comparables for 1999.

The 3.5% award for 1999 will increase the top pay for County correction officers to \$3,343 per month. This would position County correction officers fifth on the list of the six jurisdictions, just \$18 above the only other eastern Washington comparator of Yakima County. The rankings will switch in 2000 with the 3.5% increase awarded to Spokane County correction officers moving the top step to \$3,460, or \$34 below Yakima County. Given the insurance advantage in Spokane County, the wage differences balance out by the higher insurance contribution.

In the third year of the contract, the County proposed a split increase of 1.5% on January 1, 2001, and an additional 1.5% on July 1, 2001, for a total increase of 3%. Based on the fact Spokane County correction officers will be at the bottom of the list of six jurisdictions in terms of wages at the ten-year level, the Arbitrator finds the 3% increase should be effective January 1, 2001.

Moreover, in awarding the 3.5% increases for 1999 and 2000, the Arbitrator also took into account Yakima correction officers' uniforms are supplied and maintained by the county. In sharp contrast, Spokane County correction officers have to pay to maintain their own uniforms out of the wages that are paid to them in what is historically recognized as \$35 per month.

The Arbitrator has focused heavily on the Yakima County correction officers for comparison because it is the only other eastern Washington county on the list of comparables. In addition, the Arbitrator also recognizes that for the year 2000 Spokane County correction officers will be ranked number six on the list of comparators. However, it is a fact that on any list of comparators one jurisdiction will have to be ranked first and another last. In the judgment of this Arbitrator, the important fact is to maintain a wage and benefit package that is competitive and not so distanced from the comparators as to be considered substandard. The wage increase awarded by the Arbitrator will result in a salary schedule at the lower end of the comparator group. This Arbitrator's award has taken into account the County's eastern Washington "discount factor."

Adoption of the County's three-year proposal would drive the salary schedule for correction officers to the point where Spokane County would not only be the lowest paying county, but the pay would be \$133 per month below Yakima County by the end of the year 2000. There is no justification in the record of this case for such a wide disparity between the two eastern Washington counties on the list of comparators. The award of this Arbitrator amounts to an additional 3%, over what the County offered, spread over three years. This is a wage increase the County can afford in order to maintain a reasonable and competitive wage schedule for the members of this unit.

Cost of Living

Regarding the cost of living factor, the CPI for the Seattle area in 1998 and 1999 varied from 2.5% to 3.7%. The Arbitrator concurs with the County that the cost of living factor is to be used as one of the guidelines for setting the appropriate level of wages for employees. The CPI measures price increases in a set market basket of goods and services. The CPI is not intended to measure the impact on any particular individual because not all persons purchase that same market basket of goods and services. However, the CPI is widely recognized as an important factor in determining an appropriate wage adjustment. The parties must also recognize that the CPI figures are being transported from the Seattle metropolitan area to the Spokane area.

The Arbitrator finds the evidence regarding the cost of living supports a wage settlement less than the 4% proposed by the

Union. In addition, the County's evidence proved the members of this bargaining unit have fared well in recent years when negotiated increases are compared with the corresponding changes over the CPI during that same period. Adoption of the County's offer for 1999 and 2000 would result in increases less than those recorded by the CPI. The award of this Arbitrator is in conformity with recent increases in the cost of living as measured by the CPI.

The County made a persuasive argument that differences in the cost of living in Spokane and western Washington comparables should be factored into a final award. This difference in cost of living between eastern and western Washington manifests itself in wage levels paid to Spokane correction officers, other county employees and eastern Washington workers in general. Spokane County correction officers certainly should not be placed in the category of a wage leader when four out of the five comparators are western Washington counties.

The Award of this Arbitrator over a three-year period will not push the wage schedule of Spokane County correction officers into the upper levels of that paid on the west side. The top salary of \$3,343 paid to Spokane County correction officers in 1999 will be \$299 less than Pierce County, \$285 less than Clark County, and \$150 less than Snohomish County. These amounts represent a reasonable reflection of the historical cost of living differences between east-side and west-side Washington jurisdictions.

Other Traditional Factors

The County did not make an inability to pay argument, but sought consistency in wage increases negotiated with other County bargaining units. Internal equity is important, but not determinative in an interest arbitration under the Washington statute. This Arbitrator is charged with the responsibility of formulating an award for the members of the correction officers bargaining unit, not other County-represented groups. While the wage increases ordered by this Arbitrator are not identical to those agreed to by other units, they are consistent and in line with the increases received by other County employees. Sheriff Sterk recommended to the Spokane County Commissioners in October 1999 that correction officer wages be increased by 3% in 1999, 3.5% for 2000, and 3.5% 2001. Un. Ex. 26. The only change this Arbitrator made from the Sheriff's recommendation was to award the 3% in the final year of the contract rather than the first year. Arbitrator Krebs awarded a 3.5% increase in 1999 to the Deputy Sheriffs.

In Issue 3 - Uniforms/Quartermaster System, the evidence from comparator contracts established there were programs in place under which the employer provided additional dollars for uniforms and maintenance. This is in sharp contrast to Article 13.7 which requires County correction officers to pay for uniforms and maintenance out of their own wages. The bottom line is this benefit puts additional dollars in the pockets of correction officers included on the comparator list. In most cases, the value

of this employer paid benefit was significant. The Arbitrator gave due consideration to this fact when developing the three-year wage package.

Adoption of the 3.5% increase for 1999 will set a contract wage schedule as follows:

**Spokane County Correctional Officer
Monthly Salaries**

	1	2	3	4	5	6	7
1999	\$2,477.50	\$2,604.37	\$2,738.71	\$2,877.92	\$3,025.28	\$3,180.18	\$3,343.03

For 2000, the top-step rate will increase to \$3,460 per month and \$3,564 per month in 2001, the final year of the contract.

AWARD

The Arbitrator awards as follows:

1. Effective January 1, 1999, the existing wage schedule for correction officers shall be adjusted across-the-board by 3.5%.
2. Effective January 1, 2000, the wage schedule for correction officers shall be adjusted across-the-board by an additional 3.5%.
3. Effective January 1, 2001, the wage schedule for correction officers shall be adjusted across-the-board by an additional 3%.

ISSUE 2 - SHARED LEAVE

A. Background

The 1997-98 Collective Bargaining Agreement is silent on the subject of shared leave. Currently the shared leave program is governed by a County-wide policy. Co. Ex. 48. Under this policy, vacation and sick leave balances may be donated to employees who contract catastrophic illnesses or disabling injuries, and have exhausted their sick leave balances. The County proposed to amend the policy so that only vacation leave could be donated. The Union countered with a proposal that it would adhere to the County policy, except members could donate sick leave and compensatory time to other correction officers in the unit.

B. The County

The County proposed amending the shared leave program so that only vacation leave can be donated. Co. Ex. 48. According to the County, when the shared leave program was expanded to allow the donation of sick leave, the proverbial floodgates to a much greater usage of the program followed. The expanded liability was not what the County intended. Since vacation leave balances are budgeted, while sick leave balances are not, the County decided to amend the program and return to its historical roots where only vacation leave could be donated.

The County has changed the policy on shared leave to limit it to the donation of vacation leave only. Since that time, the policy has been accepted by the correction sergeants bargaining

unit, the courthouse unit, the courthouse supervisors unit, the engineer technicians unit, the Geiger/juvenile unit and the roads unit. The new policy has been adopted by all other bargaining units in the County. The only unit in which the new policy has not been adopted is the sheriff deputies and that issue is currently under negotiations. The County is simply attempting to bring its proposal in line with the comparators where donation of shared leave is not allowed.

Regarding the Union's proposal to expand shared leave to include compensatory time, the County objects that compensatory time is a product of the Fair Labor Standards Act. From the viewpoint of the County, adoption of the Union's proposal to add compensatory time to the shared leave program presents a substantial risk the County would be in conflict with the Fair Labor Standards Act. Since the Union has not established any basis for further expanding the shared leave program, the Union's proposal should be rejected.

C. The Union

The Union begins by noting that it would adhere to the county-wide policy for all employees outside of the corrections unit. A review of the comparables show they are fairly consistent with the County position. However, the Union argues this issue is a matter of morale and camaraderie among the correction officers. According to the Union, this policy has been used and not abused by correction officers. The majority of officers who have used shared leave were forced to do so because of injuries incurred during the

course of employment. The correction officers support this shared leave program because it allows officers to recover from illness or injury and return to work in a dangerous occupation with a minimal loss of pay.

D. Discussion and Findings

The Arbitrator finds that the County's proposal should be adopted. The County's proposal is supported by the practices in the comparators and would be internally consistent with that applied to other bargaining unit employees. A shared leave program is a local issue because the success of such a program depends on the willingness of employees to give up their leave to assist an injured or ill coworker.

The Arbitrator concurs with the County that including compensatory time in the shared leave program would place the County at risk of violating the Fair Labor Standards Act. Under the Fair Labor Standards Act, compensatory time acquires special meaning and to a large extent its use is beyond the control of the County or the employee in terms of regulation and implementation. The Arbitrator will not award contract language which might place the shared leave program in jeopardy because of how compensatory time may be utilized.

The Union's proposal to provide the ability of members to donate sick leave to coworkers within the correction officer's bargaining unit is equally unacceptable. No valid reasons were offered why this unit should maintain this special privilege when other bargaining units have accepted that only sick leave may be

donated to the shared leave program. The comparables fully support the County's position the shared leave program should be confined to the donation of vacation leave.

The Arbitrator will delay the effective date of this new language until January 1, 2001, in order to allow time for the existing program to run its course.

AWARD

The Arbitrator awards that the County's proposal on shared leave shall be adopted and become effective January 1, 2001. See Attachment A (Co. Ex. 48) for the language to be included in the 1999-2001 contract.

ISSUE 3 - UNIFORMS/QUARTERMASTER SYSTEM

A. Background

Article 13, Section 7, of the 1997-98 contract reads:

ARTICLE 13.7 - UNIFORMS

Thirty-five dollars (\$35.00) per month of each employees [sic] salary shall be used for uniform purchase or maintenance.

Ten years ago the existing (\$35.00) uniform allowance was rolled into the base pay so the money would be included for purposes of retirement and pension accrual calculations.

The Union proposed a quartermaster system. The County would agree to a quartermaster system as long as the program was "cost neutral." Absent a showing of the cost impact from the Union, the County rejected the proposal and the issue was certified for interest arbitration.

B. The Union

The Union's proposal is based on comparability. According to the Union, the comparables supply uniforms and many provide cleaning services. The Union submits the quartermaster system would help meet the goal of a "professional presentation of the work force."

With respect to the County's position, the Union views their proposal as counterproductive. The County would reduce correction officers' wages by \$35.00 per month to fund the quartermaster system. This approach is unacceptable because it

would act to drive correction officers' wages further below what is paid in the comparators.

C. The County

The County would agree to a quartermaster system as long as it is cost neutral. A review of the evidence offered at arbitration reveals the Union has not done any significant study to determine the cost impact of their proposal. Further, absent from the Union's proposed language are the details of how the quartermaster system would operate in terms of supplying and maintaining the uniforms. The quartermaster proposal should be rejected.

D. Discussion and Findings

The Union's proposed language stated:

The County shall provide a Quarter Master System for supplying and cleaning uniforms, and required uniform related items, at no cost to the employee. All employees required to wear uniforms will be furnished three (3) sets of standard approved uniform pants, shirts and ties. The uniform shall be replaced in a timely fashion as serviceability dictates. The County shall provide a dry cleaning service for all uniformed officers for cleaning of up to three (3) uniforms per week.

Un. Ex. 15.

The Arbitrator shares the concerns of the County that the Union has provided inadequate cost information to justify adoption of a proposal to convert to the quartermaster system. While I disagree with the County's position the program should necessarily be cost neutral, this Arbitrator will not award a new benefit

without reliable information on how much it would cost to fund the proposal.

The Union is correct that many of the comparable jurisdictions do utilize some form of the quartermaster system. Where the Union's proposal differs from those in the comparables is that in each of those contracts details regarding maintenance and replacement of uniforms are specified. For example, in Pierce County the sheriff determines when a uniform needs to be replaced. The Union's proposal leaves that question open for interpretation. The Arbitrator holds that the Union's proposal should be rejected on the grounds of vagueness.

The Arbitrator has held the Union's proposal should not be adopted in this round of bargaining. The quartermaster concept has merit and could properly be the subject of a successor contract with specific contract language supported by reliable cost data. The rejection of the Union's proposal at interest arbitration should not be interpreted by either party as your Arbitrator's conclusion that the quartermaster system would not be beneficial to both parties. The quartermaster system needs more study and consideration.

The Arbitrator notes this contract provision for uniforms is unique in that the uniform allowance is included in the base pay as opposed to an additional amount of dollars, provided in the comparators, for uniforms and maintenance. Whether the uniform system is a flat-dollar amount or a quartermaster system, this program translates into additional dollars for correction officers

employed by the other counties. The Arbitrator recognized this fact when formulating the award on wages.

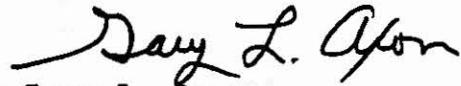
AWARD

The Arbitrator awards that Article 13, Section 7, should be continued unchanged in the 1999-2001 Collective Bargaining Agreement.

CONCLUSIONS

In accordance with the statutory criteria and rules of the Public Employment Relations Commission, this Arbitrator has awarded a series of contract provisions which will serve as a constructive basis for mature and stable relations between the parties. There was obvious merit to the positions taken by both sides on the three issues submitted to interest arbitration. The Arbitrator has not awarded anything radical or drastic for inclusion in the 1999-2001 contract. The Arbitrator has not split the difference between the parties. The Award is based on record evidence which reasonable people could settle their differences within the context of the statutory criteria.

Respectfully submitted,



Gary L. Axon
Interest Arbitrator
Dated: August 9, 2000

APPENDIX #8
SHARED LEAVE

1. General:

1.1 Occasionally County employees or their spouse/dependent(s) or other relatives living in the home contract a catastrophic illness or sustain a disabling injury, whereby the employee exhausts his/her leave balances. Often co-workers who have substantial leave balances wish to donate some of their leave to these employees. Leave sharing is the mechanism to accommodate both groups.

1.2 This policy is divided into the following sections:

Section 1 - General

Section 2 - Statement of Policy

Section 3 - Eligibility to Receive Shared Leave

Section 4 - Leave Transference Process

Section 5 - Donating Leave

Section 6 - Administration

2. Statement of Policy:

2.1 It is the policy of the County to permit employees (represented and non-represented) to donate vacation time to a co-worker who is suffering from a severe or extraordinary non-job related illness or who has a spouse/dependent or any other relative living in the home suffering from a severe or extraordinary illness, injury or other impairment as determined by the Shared Leave Committee, and is out of vacation time and sick leave and who will immediately go on leave without pay or terminate employment.

3. Eligibility to Receive Shared Leave:

3.1 An employee may receive leave under this program if the employee suffers from an illness, non-job related injury or impairment, or who has a spouse-dependent or other relative living in the home suffering from a severe or extraordinary illness, injury or other impairment which has caused, or is likely to cause, the employee to go on leave without pay or which may cause the employee to be terminated from County employment.

3.2 Requests to receive leave sharing benefit shall be submitted to the Director of Human Resources Department. The Human Resources Director or

designee may approve the request or convene a committee comprised of one (1) employee from the Human Resources Department, one (1) management employee and one (1) non-management employee from another department, one (1) employee representing a Council of Unions and, as a non-voting member, the County Occupational Health Nurses. The committee members will be appointed by the Human Resources Director and will serve for a one (1) year term in order to provide consistency in the decision making process. If the requester is in a bargaining unit, a member of their union may be present. The decision of the committee shall be final; however, if the decision of the committee is to deny the request, the requester has the right to petition the committee for reconsideration. The decision of the committee shall not be subject to the grievance procedure.

3.3 An employee must have exhausted his or her sick leave and vacation time before receiving shared leave.

3.4 An employee receiving the shared leave benefit must have abided by the County's policies respecting sick leave.

3.5 An employee receiving the leave sharing benefit shall receive no more than a total of 2,000 hours of such leave during the course of his or her employment with the County.

3.6 The employee's position must be one in which vacation and sick leave can be accrued and used.

3.7 The employee must be eligible to use vacation time and sick leave time.

3.8 The committee shall also approve leave sharing benefits for "after care" needs as prescribed by the attending physician.

4. Leave Transference Process:

4.1 An employee wishing to receive shared leave shall submit a written request to the Human Resources Director and attach a statement from his/her physician verifying the severe or extraordinary nature and expected duration of the condition. A union representative or any other person may submit the request on behalf of the employee.

4.2 The Human Resources Department will, after the request is approved, notify the employee's department head and request the department head to communicate the employee's eligibility for leave sharing to other employees in

that department. Employees may request that the department head communicate the status with other departments.

4.3 There shall be no retroactive applications of donated leave.

5. Donating Leave:

5.1 Employees wishing to donate leave shall send the Donation of Vacation form to the Human Resources Department for processing.

5.2 All leave donated under the leave sharing program shall be in full hour increments. No difference will be made between the salary level of the donor and the recipient. The minimum amount of time for donation is four (4) hours.

5.3 An employee may donate to an individual(s) a maximum of eighty (80) hours vacation time in a calendar year. The recipient employee can retain up to forty (40) hours of sick leave after he/she returns to work. The County will accept all donated leave, but will return unused leave to the donor. All donations will be entered as sick leave in the recipients account.

5.4 Donations of vacation time may not bring the donor's vacation balance below eighty (80) hours.

5.5 All donations of leave shall be strictly voluntary and confidential and shall be done on the donation of Vacation form a copy of which is attached. The donor shall designate the recipient.

5.6 No employee shall be coerced, threatened, intimidated, or financially induced into donating leave.

5.7 Once leave has been donated, it becomes the recipient's leave—regardless of any changes in his/her employment status.

6. Administration:

The Human Resources Department shall administer the Leave Sharing Program.

7. Long Term Disability

7.1 At the time Shared Leave is requested, Long Term Disability must be requested concurrently if:

7.1.1 The reason for Shared Leave is for an employee's personal medical condition.

7.1.2 Shared Leave, when initially requested, will be for 90 days or more.

- 7.2 Long Term Disability must be applied for at the time requests for extensions of Shared Leave will, when combined, total 90 days or more.
- 7.3 The employee must not be receiving time-loss payments as a result of an on-the-job injury or illness or receiving long term disability payments.
- 7.4 In the event Long Term Disability is denied, Shared Leave may continue in accordance with the terms of the plan.
- 7.5 In no event shall an employee receive more money than what they would receive if they had been working by combination of any benefit plans.
- 7.6 The employee must provide timely information and periodic medical verification necessary for the processing of the LTD application and continuation of eligibility to receive Shared Leave. Failure to do so could result in the discontinuation of Shared Leave payments.