# IN ARBITRATION PROCEEDINGS PURSUANT TO RCW 41.64.300 *et seq.* AND CHAPTER 391-55 WAC

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| In the Matter of the Interest Arbitration<br><br>between<br><br>WASHINGTON STATE DEPARTMENT OF TRANSPORTATION, FERRIES DIVISION,<br><br>and<br><br>INTERNATIONAL ORGANIZATION OF MASTERS, MATES & PILOTS.<br><br>RE: Watch Supervisor Interest Arbitration; Case 25034-I-12-0602 | **OPINION AND AWARD**<br><br>**of**<br><br>**LUELLA E. NELSON, Interest Arbitrator**<br><br>September 21, 2012 |

This Interest Arbitration arises between WASHINGTON STATE DEPARTMENT OF TRANSPORTATION, FERRIES DIVISION ("State" or "Ferry"), and INTERNATIONAL ORGANIZATION OF MASTERS, MATES & PILOTS ("Union"). I, LUELLA E. NELSON, was selected to serve as Arbitrator. The parties agreed to have this matter heard by a single arbitrator, as permitted in RCW 47.64.300(2).

At a hearing held on August 20 and 21, 2012, in Seattle, Washington, the parties had the opportunity to examine and cross-examine witnesses, introduce relevant exhibits, and argue the issues in dispute. By mutual agreement, the bulk of the State's presentation on ability to pay occurred in a joint session with Arbitrator Sylvia Skratek, who is the Interest Arbitrator in a proceeding between the State and the Inland Boatmen's Union ("IBU"). Both parties submitted the matter on closing oral argument. A certified shorthand reporter was in attendance. The transcript was received on August 28, 2012.

APPEARANCES:

*On behalf of the State:*

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*On behalf of the Union:*

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The issues certified for interest arbitration by the Executive Director of the Washington Public Employment Relations Commission, pursuant to RCW 47.64.300 and WAC 391-55-200, are:

Rule 1, Definition of Watch Center Supervisors [Rule 1.07]
Rule 11, Classification and Rates of Pay – basic wage rate for Watch Center Supervisors, including regular, relief and on-call, and shift premium pay [Rule 11.01]
Rule 11, Classification and Rates of Pay – basic wage rate for Watch Supervisors and shift premium [Rule 11.01]
Rule 13, Overtime [Rule 13.2]
Rule 17, Vacation accrual [Rule 17.02]

At hearing, the parties stipulated that Rule 1.07 is no longer in issue; that the only portion of Rule 11.01 that is at issue is wages; and that the only portion of Rule 13 that is at issue is the Union's proposed Rule 13.2B (renumbered from 13.2E, by stipulation at hearing). Rule 17.02 remains at issue.

In arriving at my Decision and Award, I weighed and considered the legislative purpose under RCW 47.64.005 and 47.64.006 and the following additional standards set forth in RCW 47.64.320(3):

> (a) The financial ability of the department to pay for the compensation and fringe benefit provisions of a collective bargaining agreement;
> (b) Past collective bargaining contracts between the parties including the bargaining that led up to the contracts;
> (c) The constitutional and statutory authority of the employer;
> (d) Stipulations of the parties;
> (e) The results of the salary survey as required in RCW 47.64.170(8) ;
> (f) Comparison of wages, hours, employee benefits, and conditions of employment of the involved ferry employees with those of public and private sector employees in states along the west coast of the United States, including Alaska, and in British Columbia doing directly comparable but not necessarily identical work, giving consideration to factors peculiar to the area and the classifications involved;
> (g) Changes in any of the foregoing circumstances during the pendency of the proceedings;
> (h) The limitations on ferry toll increases and operating subsidies as may be imposed by the legislature;
> (i) The ability of the state to retain ferry employees;
> (j) The overall compensation presently received by the ferry employees, including direct wage compensation, vacations, holidays and other paid excused time, pensions, insurance benefits, and all other direct or indirect monetary benefits received; and
> (k) Other factors that are normally or traditionally taken into consideration in the determination of matters that are subject to bargaining under this chapter.

## BACKGROUND

The State operates a system of ferry vessels and terminals. This case involves a unit of six Watch Supervisors. Despite their "supervisor" title, Watch Supervisors do not directly supervise any classifications; rather, they supervise the operations of the ferry system and serve as its communications center. In so doing, they interact with Ferry employees in several classifications, with vendors, and with personnel from other organizations – e.g., the Coast Guard, emergency services, and environmental agencies. Among themselves, they provide 24/7 coverage, with managers as their back-up on occasion. For approximately five hours daily starting around midnight, when dispatchers are not on duty, the Watch Supervisor on duty also serves as the dispatcher.

The parties' proposals draw largely from the 2009-2011 Collective Bargaining Agreement ("Agreement"), as well as a Memorandum of Understanding ("MOU") which is effective from July 1, 2012, through June 30, 2013, and extends the terms of the 2009-2011 Agreement with modifications. The MOU was negotiated in late June 2012 as an alternative to implementation of the State's Last Best Offer ("LBO").

**ABILITY TO PAY - OVERVIEW**

The State's arguments regarding the largest issue in this matter, the parties' respective wage proposals, rests on the Ferry system's financial condition; that is also a major part of its argument regarding the other issues remaining in dispute.

The operating budget for the biennium is $475.1 million dollars, of which $258.8 million is budgeted for employee salaries and benefits. The other major component of the operating budget is fuel, which is budgeted at $143.6 million for the biennium; those funds cannot be used for other purposes. Farebox revenues fund approximately 65% of operations; for the quarter immediately preceding the hearing, farebox revenues were $380,000 above projections. The gap between revenues and budgeted expenses is $33.2 million for the biennium. The remainder of operations will be funded by legislative transfers of government funds from taxes, licenses, and fees, and by revenues from smaller sources, such as concessionaires.

For reasons that remain unexplained on the record, the State's calculations of the cost of all of the Union's proposals assumes seven Watch Supervisors rather than the six that actually exist. The State used the same seven-employee figure in its calculations for a 2008 Interest Arbitration conducted by Arbitrator Michael H. Beck – an equally unexplained anomaly that was noted in Arbitrator Beck's decision.

## ISSUES, ANALYSIS AND AWARD

**RULE 11**

Wage rates in this bargaining unit are $27.81 per hour. The State proposes no change in wages from this rate (before a 6% one-year wage reduction, discussed below), and no language changes. The Union proposes to modify Rule 11.01 as follows:

> It is recognized that the duties and responsibilities of the Watch Center Supervisor has increased and continue to evolve. A substantial wage adjustment for this classification is due that acknowledges the proper classification. This increase covers "acting pay" considerations in providing overall operations supervision. The basic wage rate for all Watch Center Supervisor classifications is ~~twenty-seven dollars and eighty-one cents ($27.81) per hour.~~ as follows:

The wage increases will be:

| | 7/1/13 (16.125%) | 7/1/14 (16.125%) |
|---|---|---|
| Regular Watch **Center** Supervisor | $32.29 | $37.50 |
| Relief Watch **Center** Supervisor | $32.29 | $37.50 |
| On-call Watch **Center** Supervisor | $32.29 | $37.50 |

Shift premium will be as follows:

Effective July 1, ~~2008~~ 2013, the basic shift premium will be increased to ~~sixty-five ($0.65) cents per hour.~~ the amount approved by the Director of the Dept of Personnel.

Assuming a seven-person unit rather than the six-person unit that exists, the State calculates the cost of the Union's base wage proposal at $76,565 in the first fiscal year and $165,476 in the second fiscal year, for a total of $242,041. After adjusting for the actual size of this bargaining unit, I calculate the cost of the Union's wage proposal at $65,627 in the first fiscal year and $141,837 in the second fiscal year, for a total of $207,464. The State did not calculate the cost of the proposed change in base shift premium pay language. The Union's proposal asserts that this language "merely reflects the State's approved rates."

**HISTORY OF WAGE PROVISIONS IN THIS BARGAINING UNIT**

The Union was certified as the bargaining representative for this unit in 2004. The parties had no salary survey data for Watch Supervisors in bargaining the first Agreement following that certification, but agreed to add Watch Supervisors to the wage survey for the next biennium. Retired Port Captain Timothy Saffle, who represented management in those initial negotiations, testified the State committed at the time to adjusting salaries in future bargaining based on the salary surveys.

In conducting salary surveys, it was difficult to find comparators for Watch Supervisors because other ferry systems in the United States do not have comparable operations centers. Instead, the salary surveys over the years have compared Watch Supervisors with administrative employees at Metro Transit and Sound Transit, as well as King County communications operations staff.

The 2007 salary survey concluded that Watch Supervisors were 21.4% below the weighted monthly base pay of the comparables. In a 2008 interest arbitration award, Arbitrator Beck awarded the Union's proposal of 10.7% per year. Arbitrator Beck noted this increase would still leave Watch Supervisors behind the comparables. That award was not implemented due to the State's economic difficulties in that first year of the recession; the same was true for interest arbitration awards in the other bargaining units in the Ferry system.

The 2009 salary survey concluded that Watch Supervisors were 54% behind their comparables. In interest arbitration in 2010, the Union sought wage increases of 27% per year. Arbitrator Timothy Williams awarded 10% per year, noting:

> Ultimately this Arbitrator concludes that the Union's request is not so much about what would be considered a regular wage increase, associated with cost of living, comparability and market conditions, but rather a matter of correcting an improper classification. While State witnesses attempted to justify the current classification of watch supervisors, the Arbitrator was simply not convinced and finds that their current wages are not properly situated and thus a reclassification increase is justified. More is sanctioned by the evidence but economic constraints led to the Arbitrator's award of 10% each year.

This award was not implemented because the State declared that it was not feasible. Interest arbitration awards for the other bargaining units in the Ferry system suffered the same fate that year. All of the unions involved in those proceedings entered into coalition bargaining with the State. The resulting concessions package from coalition bargaining included a 3% wage cut for the biennium.[1] This bargaining unit voted down the coalition package; the other unions adopted it, effective July 1, 2011. By law, the State had the authority to implement its LBO effective July 1, 2012. To avert that, on June 29, 2012, this bargaining unit accepted the MOU, which included a 6% wage reduction for 2012-2013.

**RESULTS OF THE CURRENT SALARY SURVEY**

The State's salary survey was conducted by Hay Group. After surveying public and private entities on the West Coast, the survey concluded that salaries for Administrative personnel (which include Watch Supervisors) lagged the market by 15.7%, and that base salary plus benefits for those employees lagged the market by 15.2%. Watch Supervisors lagged the market by 65.4% (excluding the 6% one-year wage reduction, which placed them even further below market). Their weighted average base pay plus benefits was 58.9% below the comparators. Their monthly base pay rate of $4,839, calculated from the hourly wages, was $1,593 below the lowest minimum monthly base pay found in the comparators.

**ABILITY TO RETAIN AND RECRUIT**

In the past year, two Watch Supervisors took other positions within the Ferry system. After posting the resulting vacancies twice, one was filled by an internal candidate who had worked as a ticket taker for approximately two months before filling this vacancy; the other was filled by an external candidate. Thus,

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1 Other State employees also had a 3% wage reduction for the biennium, in return for which they received temporary "salary reduction leave" of 5.2 hours per month, the equivalent of approximately 3% of a normal work schedule. The coalition concessions package did not include salary reduction leave, nor does the MOU.

both of the vacancies were filled by employees who are new to the Ferry system. Both began working as Watch Supervisors after June 30, 2012, and are still in training.

Director of Operations Steven Rodgers estimated training a new Watch Supervisor takes 4-6 weeks or longer, and that training goes more quickly for experienced Ferry employees with experience in operations. Watch Supervisors Scott Braymer and Martha Waterman testified it takes between four and six months to train a new Watch Supervisor, and that the amount of training required has increased greatly since the terrorist attacks of September 11, 2001. Because an experienced Watch Supervisor works alongside trainees, the four experienced Watch Supervisors are each working between 40 and 50 hours of overtime every bi-weekly pay period. Extrapolating from the hourly wage rate for Watch Supervisors, I calculate that the cost in overtime for training two new Watch Supervisors is between $1,668 and $2,086 per pay period, and may exceed $27,000 if training takes the full six months that may be required to train Watch Supervisors who are new to the ferry system.

**ANALYSIS**

Without question, the State faces substantial fiscal challenges. The budget will require supplementation of farebox revenues with or without a wage increase for this bargaining unit, as it does every biennium. The unanticipated rise in farebox revenues for the past quarter more than equals the cost of the Union's financial proposals in total. That total does not rise to the level of a rounding error in the Ferry system operating budget. I therefore conclude that the State has the ability to pay the wage increase sought.

The bargaining history supports a wage increase. It is undisputed that the parties set the initial wage rates for this bargaining unit without information about comparable wages and benefits. It is also undisputed that the State committed to conduct a salary survey and make corrections based on that survey in the next round of bargaining. The State's salary surveys in every biennium since have consistently shown that Watch Supervisors began below their comparators and have fallen further behind their comparators. Nonetheless, there has been no increase in wages.

The State's salary survey supports a substantial wage increase in this bargaining unit. As the Union recognizes, it is not realistic to expect to make up the full difference between current wage rates and the market rate. The wage increase the Union seeks makes up less than half the difference between current wages and the market rate. In its first year, it does not quite bring their wages to the lowest wages found among comparable employees; by the second year, it causes their wages to slightly exceed the lowest wages in that group, assuming that the comparable employees receive no pay raises in the interim. The likely net effect is that, by 2014, Watch Supervisors will receive approximately the same wages as the newest comparable employees in nearby jurisdictions. While that would not be an unreasonable result for the two new hires, it will remain significantly below market for the four more senior Watch Supervisors.

The ability to retain and recruit employees in this bargaining unit also supports a substantial wage increase. In this biennium, the State has reaped a bitter harvest for the lengthy wage freeze. Two Watch Supervisors opted to take other positions. It required two postings to find two replacements, neither of whom has significant experience in the Ferry system, suggesting that the compensation does not make these positions attractive. The State has incurred considerable overtime for the four experienced Watch Supervisors to train the two new hires from the ground up, and will continue to incur additional overtime before that process is completed. Much of the cost savings from not implementing the 10% wage increase awarded by Arbitrator Williams in 2010 thus will be subsumed in the cost of overtime for training this year. The operational cost of losing two employees' experience and familiarity with the Ferry system cannot be calculated.

The other statutory and traditional interest arbitration factors do not affect the above conclusions significantly. I therefore award the 16.125% annual wage increases sought.

The introductory language proposed by the Union will not be awarded.

The change in language for shift premiums received little attention in the hearing. The State asserted on closing argument that the Department of Personnel no longer exists, and that the functions formerly performed by that Department were transferred to the Office of Financial Management. It further asserted that, when the Department of Personnel existed, it set shift premiums only for non-represented employees, and that shift premiums for represented employees were always set in bargaining. On this record, there is no basis to award the Union's proposed change in this language.

**AWARD**

**11.01** Effective July 1, 2013, the basic wage rate for all Watch Supervisor classifications is thirty-two dollars and twenty-nine cents ($32.29) per hour.

Effective July 1, 2014, the basic wage rate for all Watch Supervisor classifications is thirty-seven dollars and fifty cents ($37.50) per hour.

**11.02** Shift premiums will be as follows:

Effective July 1, 2008, the basic shift premium will be increased to sixty-five ($0.65) cents per hour.

**RULE 13**

The State proposes no change to the existing language of Rule 13, which is, in relevant part:

**<u>13.01</u>** The overtime rate of pay for employees shall be at the rate of one and one-half (1 ½) times the straight-time rate in each classification. Actual time will be reported but overtime will be paid in the following 6 minute increments based on the following increments, (6 minutes, 12 minutes, 18 minutes, 24 minutes, 36 minutes, and 48 minutes) for the first hour. For time worked in excess of one (1) hour, overtime will be paid at one and one half (1 ½) times the employee's straight time rate of pay, in one (1) hour increments. In the application of this rule, there shall not be any pyramiding of the listed pay rates to equal more than two and half (2 ½) times the straight time rate in any circumstances.

The Union proposes to renumber the paragraphs within Rule 13 and delete the following language, which its proposal renumbers – and deletes – as Rule 13.2B:

> ~~Actual time will be reported but overtime will be paid in the following 6 minute increments based on the following increments, (6 minutes, 12 minutes, 18 minutes, 24 minutes, 36 minutes, and 48 minutes) for the first hour. For time worked in excess of one (1) hour, overtime will be paid at one and one half (1 ½) times the employee's straight time rate of pay, in one (1) hour increments.~~

With this proposed deletion, the Union would return to the language of Rule 13.01 that was in effect prior to the 2011 MOU.

The State did not calculate a cost for this proposal. Before the MOU was negotiated, Watch Supervisors were paid 15 minutes' overtime for up to 15 minutes of overtime, and one hour's overtime if the overtime exceeded 15 minutes. It is uncontested that overtime for Watch Supervisors tends to occur in units of an hour or longer. Thus, there may be no fiscal impact from this proposed change in this bargaining unit. In contrast, other Ferry employees often work overtime of only a few minutes.

The State sought to change the overtime provisions to call for payment of overtime in six-minute increments in the 2010 Williams interest arbitration. The State conceded before Arbitrator Williams that there was no problem with paying overtime as before, but expressed the "aim of achieving consistency between this bargaining unit and others ...." Arbitrator Williams declined to award the State's proposal.

The State again proposed payment of overtime in six-minute increments in coalition bargaining in 2011. The other bargaining units accepted this proposal as part of the agreed-upon concessions package; this bargaining unit rejected that package, but ultimately agreed to the same change in the MOU in 11th-hour bargaining in 2012. With this provision in place, overtime in all of the Ferry system units is recorded, calculated, and paid in the same manner as for other State employees.

**ANALYSIS**

The function of interest arbitration is to resolve bargaining disputes in a manner that approximates, to the extent possible, the resolution the parties would have reached had they bargained a complete collective bargaining agreement. The State proposed overtime in six-minute increments in successive negotiations, and ultimately achieved it at the last minute in negotiations for the MOU. Having at last achieved the uniformity it sought, it is unlikely the State would have relinquished this concession in bargaining without a significant concession on other matters by the Union.

For all the above reasons, I find that the State's offer of no change to the MOU language is the most reasonable, and that shall be awarded.

**AWARD**

No change is awarded in Rule 13.

**RULE 17**

The State proposes no modification to the vacation accrual rates and language in the 2012 MOU, which read as follows:

**17.02** Vacation leave will be credited on the following basis: (1) the employee must be active at work for one hundred twenty (120) hours during the month; (2) any paid leave will count toward the one hundred twenty (120) hours eligibility requirement; (3) any leave without pay will not be counted toward the one hundred twenty (120) hours eligibility requirement; (4) holidays for which the employee might otherwise be eligible will count towards eligibility; (5) a work day is based on an employee's scheduled work day. For employees hired prior to June 30, 2011, the Vacation Leave Accrual Rate Schedule shall be as follows:

| Years of Service | Vacation Hours |
|---|---|
| 0-1 | 96 |
| 1-2 | 104 |
| 3-4 | 112 |
| 5-7 | 120 |
| 8-10 | 128 |
| 11 | 136 |
| 12 | 144 |
| 13 | 152 |
| 14 | 160 |
| 15 | 168 |
| 16-19 | 176 |
| 20 | 186 |
| 21 | 192 |

For employees hired on or after June 30, 2012, the Vacation Leave Accrual Rate Schedule shall be as follows:

| Continuous Service | Vacation Credit |
|---|---|
| 6 months | 52 hours |
| 7 months | 59 hours |
| 8 months | 67 hours |
| 9 months | 74 hours |
| 10 months | 81 hours |
| 11 months | 89 hours |
| 12 months | 96 hours |
| 2 years | 104 hours |
| 3 years | 120 hours |
| 4 years | 136 hours |
| 5 years | 160 hours |
| 15 years | 168 hours |
| 16 years and over | 176 hours |

The Union proposes the following vacation language and accrual rates:

**17.02** Vacation leave will be credited on the following basis: (1) the employee must be active at work for one hundred twenty (120) hours during the month; (2) any paid leave will count toward the one hundred twenty (120) hours eligibility requirement; (3) any leave without pay will not be counted toward the one hundred twenty (120) hours eligibility requirement; (4) holidays for which the employee might otherwise be eligible will count towards eligibility; (5) a work day is based on an employee's scheduled work day.

| Years of Service | Vacation Hours |
|---|---|
| 0-1 | 96 |
| 2 | 104 |
| 3 | 120 |
| 4 | 136 |
| 5 | 160 |
| 15 | 168 |
| 16 | 176 |
| 17 | 186 |
| 18 | 192 |

This proposal would affect only one of the six Watch Supervisors for the coming biennium. That employee has approximately six years' service, and thus currently earns 120 hours of vacation annually; he will reach 160 hours at 14 years' service. Two Watch Supervisors were hired after June 2012; under the MU, after they complete their first year, they will accrue vacation on the same schedule as the Union's proposal for the remainder of their first 15 years. They will reach 160 hours after five years, but will ultimately reach a lower maximum accrual rate of 176 hours in their 16th year. There thus will be a period of several years in which they will earn more vacation annually than the Watch Supervisor who would be affected by this proposal. Three very senior Watch Supervisors would not be affected under this proposal because they are beyond the service years for which vacation accruals would change.

The State calculated the cost of this proposal at $2,859 in the first fiscal year and $3,119 in the second fiscal year, for a total of $5,978, representing the cost if employees were to cash out the additional vacation. This calculation was based on the assumption that four employees would be affected. The State acknowledged a new calculation would be required to reflect the fact that only one employee would be affected. The Union argues, however, that there is no cost for this proposal because these employees do not cash out their vacation and vacations are covered by the relief Watch Supervisor without the need for overtime. It argues that the proposed vacation accrual rates would match those received by other employees represented by the Union in the Ferry system at the five-year mark. It further argues that the different vacation accrual rates have created stress within this bargaining unit and with other Ferry system bargaining units.

**BARGAINING HISTORY**

The Union sought the same vacation accrual schedule before Arbitrator Beck in 2008 and before Arbitrator Williams in 2010. Arbitrator Beck declined to award the proposal, concluding that it was unlikely the Union would have been able to achieve this change in bargaining. Arbitrator Williams awarded the proposal for two reasons: internal comparability and the likelihood that the proposal would result in no cost to the State. As noted above, his Award was not implemented.

In coalition bargaining in 2011, the State offered the vacation accrual schedule that now applies to newly-hired Watch Supervisors to all of the unions, but sought to have it apply to both existing and new employees. Ultimately, in the MOU, it agreed to retain the pre-existing accrual rates and caps for current employees, and to apply the new vacation accrual schedule only to newly-hired employees.

**WAGE SURVEY AND INTERNAL COMPARABILITY**

The State's wage survey found that, among the non-Ferry comparables, represented Administrative employees with five years' service average 17 days (136 hours) of vacation and range from 15 to 20 days (120 to 160 hours) of vacation; non-represented Administrative employees average 15 days (120 hours) and range from 15-16 days (120 to 128 hours) of vacation at five years' service. Employees in those two populations reach 20 days at between 10 and 15 years' service, on average.

Within the Ferry system, the survey found that employees represented by the Office and Professional Employees ("OPEIU") accrue vacation at a rate of 20 days (160 hours) after 5 years; those OPEIU-represented employees in the OPEIU/Service Employees ("SEIU") unit top out at 22 days (176 hours) after 16 years, whereas those represented only by the OPEIU top out at 24 days (192 hours) after 18 years.

The current collective bargaining agreement for other Ferry employees represented by this Union is not in evidence. The 2011-2013 IBU collective bargaining agreement includes a vacation accrual provision for employees hired after June 31, 2011, that is identical to the MOU provision for newly-hired Watch Supervisors. Under that contract, all other bargaining unit employees move from accruing 6 working days (48 hours) at 6 months' employment to 20 working days (160 hours) at 5 years, and ultimately to 34 working days (272 hours) at 30 years. The 2011-2013 Marine Employees ("MEBA") collective bargaining agreement provides for vacation accrual for all bargaining unit employees at the same rate as that negotiated for newly-hired Watch Supervisors in the MOU.

**ANALYSIS**

The Union has sought to bring this bargaining unit to the same accrual rate at 5 years' service as other bargaining units in the Ferry system for at least three rounds of bargaining. The State's proposals in 2011 and 2012 offered the opportunity to achieve that end in bargaining, but with a lower cap. The Union agreed to that trade-off for new employees, but not for existing employees. It may be that there was room in middle for a trade-off that would provide faster accrual rates for newer employees, including the one employee who would be affected by this proposal, while retaining the higher cap for the three very senior employees. The simple fact is, however, that this was not the agreement reached in the MOU. Had the parties been able to negotiate a complete Agreement for 2013-2015, it is unlikely that the State would have agreed to the proposal that it rejected in three rounds of bargaining.

For all the above reasons, the Union's proposal is not awarded.

**AWARD**

No change is awarded in Rule 17.

## SUMMARY OF THE AWARD FOR WATCH SUPERVISORS 2013-2015 COLLECTIVE BARGAINING AGREEMENT

**RULE 11**

**11.01** Effective July 1, 2013, the basic wage rate for all Watch Supervisor classifications is thirty-two dollars and twenty-nine cents ($32.29) per hour.

Effective July 1, 2014, the basic wage rate for all Watch Supervisor classifications is thirty-seven dollars and fifty cents ($37.50) per hour.

**11.02** Shift premiums will be as follows:

Effective July 1, 2008, the basic shift premium will be increased to sixty-five ($0.65) cents per hour.

**RULE 13**

**13.01** The overtime rate of pay for employees shall be at the rate of one and one-half (1 ½) times the straight-time rate in each classification. Actual time will be reported but overtime will be paid in the following 6 minute increments based on the following increments, (6 minutes, 12 minutes, 18 minutes, 24 minutes, 36 minutes, and 48 minutes) for the first hour. For time worked in excess of one (1) hour, overtime will be paid at one and one half (1 ½) times the employee's straight time rate of pay, in one (1) hour increments. In the application of this rule, there shall not be any pyramiding of the listed pay rates to equal more than two and half (2 ½) times the straight time rate in any circumstances.

**RULE 17**

**17.02** Vacation leave will be credited on the following basis: (1) the employee must be active at work for one hundred twenty (120) hours during the month; (2) any paid leave will count toward the one hundred twenty (120) hours eligibility requirement; (3) any leave without pay will not be counted toward the one hundred twenty (120) hours eligibility requirement; (4) holidays for which the employee might otherwise be eligible will count towards eligibility; (5) a work day is based on an employee's scheduled work day. For employees hired prior to June 30, 2011, the Vacation Leave Accrual Rate Schedule shall be as follows:

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For employees hired on or after June 30, 2012, the Vacation Leave Accrual Rate Schedule shall be as follows:

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| 11 months | 89 hours |
| 12 months | 96 hours |
| 2 years | 104 hours |
| 3 years | 120 hours |
| 4 years | 136 hours |
| 5 years | 160 hours |
| 15 years | 168 hours |
| 16 years and over | 176 hours |

Respectfully submitted,

Luella E. Nelson

LUELLA E. NELSON - Interest Arbitrator

## WITNESSES FOR THE STATE

Dwayne Erik Hansen
Deborah Driver
Steven V. Rodgers

## WITNESSES FOR THE UNION

Scott Braymer
Martha Waterman
Timothy Saffle

## EXHIBITS

Joint

1 April 2012 Office of Financial Management Marine Employees' Compensation Survey
2 Collective Bargaining Agreement between State of Washington and IOMMP Watch Supervisors
3 Memorandum of Understanding

State

1 Fleet Guide
2 Ferries Route Map
3 State's Proposed Language on Disputed Issues
4 Union's Proposed Language on Disputed Issues
5 Office of Financial Management Power Point Presentation
6 Road Deterioration Article
7 Watch Supervisor Position Description
8 Cost estimates

Union

1 MM&P Final Offer for 2013-2015 Collective Bargaining Agreement
2 2008 Arbitration Award for Watch Supervisors
3 2010 Arbitration Award for Watch Supervisors
4 Gray Notebook
5 July 2012 Economic & Revenue Update
6 Watch Supervisors Training 0010
7 2008 MEC Salary Survey
8 IBU 2011-13 Collective Bargaining Agreement
9 MEBA 2011-13 Collective Bargaining Agreement
10 [withdrawn]
11 CPI Chart
12 Matrix Consulting Group Performance Management
13 Matrix Consulting Group Distinguishing Managers
14 Matrix Consulting Group Washington State Ferries Response

| | |
|---|---|
| 15 | Capacci 2012 Negotiations Opening Statement |
| 16 | Washington State Ferries Farefax Report |
| 17 | Revenue Forecast |
| 18 | State of Washington Military Department Project and Operation Manager Information |
| 19 | Department of Licensing fiscal note |
| 20 | Department of Transportation fiscal note |
| 29 | Chapter 3 Washington State Revenue Forecast summary |
| 32 | August 2012 revenue update |
| 33 | LEAP Transportation Document 2012-4 |
| 35 | Ridership and Revenue Forecast June 2012, vol II |
| 36 | Revenue and Ridership Projections, June 2012 forecast, Vol IV |