

In the Matter of the Interest Arbitration)	OPINION AND AWARD
)	
)	PERC Case No. 026501-I-14-0644
)	
between the)	
)	
)	
WASHOUGAL POLICE OFFICERS')	
ASSOCIATION,)	
)	
Union,)	
)	
and)	
)	
CITY OF WASHOUGAL,)	
)	
Employer.)	
)	

OPINION AND AWARD

INTEREST ARBITRATOR:	MICHAEL ANTHONY MARR
HEARING DATE:	JANUARY 30, 2015
EMPLOYER'S COUNSEL	BRUCE L. SCHROEDER SUMMIT LAW GROUP PLLC 315 Fifth Avenue South, Suite #1000 SEATTLE, WASHINGTON 98104-2682
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HEARING LOCATION:	WASHOUGAL, WASHINGTON
WITNESSES FOR THE EMPLOYER:	PAUL LEWIS CAROL WILMES DAVE SCOTT JEANETTE CEFALO

WITNESSES FOR THE
UNION:

DEBRA FEAGLER
KATE TIERNEY
ZANE FESCHETTE

DATE OF OPINIION
AND AWARD:

APRIL 24, 2015

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14. Camas-Washougal, WA Post-Record News Article dated March 15, 2011
15. Newspaper Article entitled "Councilman needs to verify information, accurately," dated September 6, 2011
16. Camas-Washougal, Post-Record News Article entitled "Washougal budget adds new police officer," dated October 25, 2011
17. City of Washougal "Revenue and Expense Type" for 2015
18. Camas-Washougal, Post-Record News Article entitled "Washougal financial picture brightens."
19. The Columbian News Article entitled "Washougal opens pickleball courts," dated July 15, 2014

I. THE ARBITRATION HEARING

The interest arbitration held on January 30, 2015 was transcribed by Aleshia K. Macom, a court reporter with Buell Realtime Reporting.¹ Therefore, when applicable, citations to the transcript in this Opinion and Award shall be in the following format: "Tr. [page number]." Citations to the City's exhibits shall be referenced as "City Ex. [exhibit number]." Citations to the Associations exhibits will be referenced as "Assn. Ex. [Exhibit number]." *City Ex. A.3/Assn. Ex. 1* contained the Collective Bargaining Agreement

¹ This decision and award shall refer to many arbitrators. Therefore, the words "your Arbitrator" shall always be in reference to arbitrator "Michael Anthony Marr."

between the parties for the period of January 1, 2011 through December 31, 2013, and shall sometimes hereinafter be referred to as the “CBA.”

The parties were given full opportunity to present evidence, call witnesses, and cross-examine witnesses. Your Arbitrator received an electronic copy of the closing briefs of the parties on March 19, 2015 and hard copies of the closing briefs on March 25, 2015. Your Arbitrator’s Opinion and Award, as agreed by the parties, was therefore due on or before April 24, 2015.

Your Arbitrator has reviewed the argument and evidence presented during the arbitration hearing and the written transcripts of the proceedings. Your Arbitrator has also considered the numerous exhibits stipulated into evidence. Your Arbitrator does not feel compelled to address all of the numerous arguments and issues raised by the professional advocates of the parties. Please note that this is not to be interpreted that your Arbitrator has not read and reread his notes, the transcripts and numerous pages of exhibits and carefully considered all arguments of counsel. Rather, your Arbitrator has elected to address only those elements that your Arbitrator is mandated to consider pursuant to the WAC, Title 391, Chapter 391-55, “Impasse Resolution Case Rules” and RCW, Title 41, Chapter 41.56, “Public Employees’ Collective Bargaining” or as otherwise mandated by law, which have had a significant impact on his decision-making process. Your Arbitrator, as a general rule, will not comment on matters he believes are irrelevant, superfluous, redundant, or rendered moot by his opinion and award.

II. BACKGROUND

The CBA between the Washougal Police Officers’ Association and the City of Washougal expired on December 31, 2013. The parties were unable to successfully

negotiate several matters to their successor collective bargaining agreement. The opinion and award that your Arbitrator renders shall be retroactive to January 1, 2014.

By letter dated May 28, 2014, Michael P. Sellers, the Executive Director of the Washington State Public Relations Commission, noted that the parties were in mediation two times, that the mediator felt that an impasse has been met, that the mediator recommended that certain issues be certified to interest arbitration, that he met with the mediator and that he found that the parties were at impasse. Executive Director Michael P. Sellers certified issues to interest arbitration as they related to Article 2 (Term of Agreement), Article 13 (Wages), Article 14 (Medical and dental benefits, life insurance and funeral expenses), Article 15 (Mandatory overtime selection), Article 16 (Vacation scheduling – number of officers/sergeants off per shift), Article 26 (Employee Discipline/Termination), Article 27 (Investigation Policy) and Article 29 (Shift Exchange). He also noted that the interest arbitration proceedings would be conducted as provided in WAC 391-55-200 through WAC 255.

On July 12, 2014 your Arbitrator was informed by the parties that he has been mutually selected by the parties to act as their interest arbitrator. By letter and email of same date your Arbitrator accepted service.

On November 5, 2014, the Union submitted proposals for interest arbitration pursuant to WAC 391-55-220 in regard to Article 2 (Terms of Agreement) and Article 13 (Wages). On November 6, 2014, the City submitted proposals pursuant to WAC 391-55-220, as they related to Article 2 (Term of Agreement), Article 3 (Wages), Article 14 (Medical and Dental, Life Insurance and Funeral Expenses), Article 15 (Mandatory Overtime Selection), Article 16 (Vacation Scheduling – Number of Officers/Sergeants

Off Per Shift), Article 26 (Employee Discipline/Termination, Article 27 (Investigation Policy), and Article 29 (Shift Changes).

The interest arbitration hearing was scheduled for November 20, 2014. However, the parties agreed to continue the hearing to January 30, 2015. Between these two (2) dates, the parties settled the issues relating to Articles 15, 16, 26, 27, and 29. Therefore, at the interest arbitration hearing held on January 30, 2015 evidence taken was limited to Articles 2, 13, and 14.

III. THE CITY OF WASHOUGAL AND ITS POLICE DEPARTMENT

The City of Washougal is a small community located on the Washington State side of the Columbia River. The City's population in 2014 was 14,910 people. The City has approximately 70 employees which are divided into three groups. The AFSCME Local represents approximately 35 employees. A second group of approximately 15 employees are not represented. The third group of employees are 17 commissioned law enforcement officers through the rank of sergeant. Washougal had had a fire department which it is now part of the city of Camas.

IV. THE REMAINING CERTIFIED ISSUES

As noted above, the parties were unable to resolve three (3) issues out of seven (7) issues which were certified. The first unresolved certified issue relates to Article 2 (Term of the Agreement). The City proposes a two-year contract. The Association seeks the status quo of a three-year contract.

The second unresolved certified issue concerns Article 13 (Wages). The City proposes a 2% increase for 2014 and a 1.5% increase for 2015. The

Association proposes a three (3) year contract with a 3.0% increase in 2014, a 3.5% increase in 2015, and a 4.0% increase in 2016.

The third unresolved issue involves Article 14 (Medical and Dental). The City proposes to move Association members from their current health plan (HealthFirst), which is being eliminated by the health insurance carrier due to excessive costs and the “Cadillac Tax” of the Affordable Care Act to the next best alternative plan (HealthFirst 250). The City also proposes a modest increase in employee cost-sharing health and dental insurance premiums. The Association proposes the status quo.

V. INTEREST ARBITRATION IN WASHINGTON STATE

The State of Washington Supreme Court has held that the legislature did not intend for statutory interest arbitration to displace the negotiation process, interest arbitration was not a substitute for collective bargaining, and interest arbitration is an instrument of collective bargaining which displaces possible “economic tactics.”² *City of Bellevue v. Int’l Ass’n of Firefighters, Local 1604*, 119 Wn.2d 373, 381 (1992). Subsequently, the Washington State Supreme Court stated that interest arbitration is a process whereby, if a union and an employer cannot agree on a new contract during collective bargaining, an arbitration panel will be formed to resolve any disputes over the

² In exchange for the right to strike, essential government employees such as police officers and firefighters were given access to interest arbitration. For an interesting and scholarly discussion on this topic, the differences between grievance arbitration and interest arbitration, and a comparison of interest arbitration statutes of several states, see *Interest Arbitration: The Alternative to the Strike*, by Arvid Anderson and Loren A. Krause, 56 Fordham Law Review No. 4 (1987). For example, in Hawaii, factors considered in interest arbitration hearing for police officers include, but are not limited to, the lawful authority of the employer, stipulations of the parties, interests and welfare of the public, the ability of the Employer to pay provided it is not predicated upon raising or imposing taxes or developing other sources of revenue, future general economic conditions, comparators of persons performing similar services, average consumer prices for food (cost of living), overall compensation presently received by the employees, and other factors normally and traditionally considered in disputes regarding wages, hours, and conditions of employment. Hawaii Revised Statutes, 89-11(f).

terms of the new contract. *International Ass'n of Firefighters v. City of Everett*, 146 (2002).

The Washington State Supreme Court has also made it clear that when interpreting statutory language, the goal of the court is to carry out the intent of the legislature. *Id.* In ascertaining the legislative intent, the language at issue must be evaluated in the context of the entire statute. *Id.* If a statute's meaning is clear on its face, the court will give effect to that plain meaning as an expression of the legislative intent. *Snohomish County Public Transp. V. PERC*, 173 Wash.App. 504, 294 P.3d 803 (2013).

The Association argues that your Arbitrator should not view interest arbitration in the State of Washington as a process where your Arbitrator's decision and award should be one which constitutes a "compromise" between the positions of the parties or one which "splits the baby" and cites to Arbitrator Marvin L. Schurke who stated as follows:

At pages 27-28 of its brief, the employer asserts the propriety of an entirely different task for the Arbitrator here. Without making any reference to RCW 41.56.465, the employer quotes from a decision issued in 1995 by another arbitration under RCW 41.56.450, as follows: 'The Arbitrator's task is to fashion an award that will, as nearly as possible, approximate what the parties themselves would have reached had they continued to bargain without determination and good faith.' The employer's brief then goes on to cite a private sector arbitration award from 1947, Elkouri and Elkouri "How Arbitration Works" treatise (4th Edition, 1985), and two more Washington interest arbitration decisions issued by the same arbitrator as the quoted 1995 decision. None of those employer citations are persuasive (let alone binding) precedent here. Interest arbitration under Chapter 41.56 RCW is a statutory proceeding, not a forum for itinerant philosophers to dispense their own brand of industrial justice. None of the decisions cited by the employer were issued by the Public Employment Relations Commission or by the Washington courts, and none of them provide any basis to add to or subtract from the criteria set forth by the Washington State Legislature in RCW 41.56.465....

The Association also notes Arbitrator Schurke's impressive background. He has almost 50 years of public sector labor relations experience, most of them as Executive

Director of the Washington State Public Employees' Relations Commission. In your Arbitrator's view, unless Arbitrator Schurke is clearly wrong, his opinions should be given substantial deference and consideration.

The Association notes that Arbitrator Schurke's position was recently adopted by Arbitrator Karyl Elinski in the *City of Orting and the Orting Police Guild*. (Elinski, 2015). Arbitrator Elinski was also clearly impressed by Arbitrator Schurke's background.

Your Arbitrator has carefully reviewed State of Washington Supreme Court cases which interpret the function of interest arbitration in Washington State. Interest Arbitration under RCW 41.56.465 and RCW 41.56.430 is clear and unambiguous. Arbitrators are mandated to consider and apply the statutory criteria listed in RCW 41.56.465 while being mindful of the legislative intent set forth in RCW 41.56.430. The essence of any interest arbitration award must be based upon a consideration of RCW 41.56.465 and RCW 41.56.430. Your Arbitrator is persuaded that the reasoning and position taken by Arbitrator Schurke is correct.

In your Arbitrator's view, if the essence of an arbitrator's opinion and award is based upon the factors set forth in RCW 41.56.465 and RCW 41.56.430, the opinion and award does not violate the intent of the State of Washington Legislature and decisions decided by the State of Washington Supreme Court. So that your Arbitrator is not misunderstood, RCW 41.56.430 does not mandate that it is your Arbitrator's responsibility and duty to determine what the agreement the parties should have reached if they continued to bargain," or to "compromise" or to "split the baby" as part of his analysis as to which proposals to award. This is not the function of interest arbitration nor are they factors to be considered by your Arbitrator under RCW 41.56.465. Your Arbitrator shall weigh the proposals of the parties on their merits while applying the

criteria set forth in RCW 41.56.465 while being mindful of the legislative intent set forth in RCW 41.56.430.

VI. APPLICABLE STATUTORY LAW

The interest arbitration before your Arbitrator is governed by RCW Title 41, Chapter 41.56. Your Arbitrator is mandated to consider the proposals within the context of RCW 41.56.465, entitled “Uniformed personnel-interest arbitration panel, Determinations, Factors to be considered,” which provides in relevant part 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, the panel shall consider:

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

(b) Stipulations of the parties;

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

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

(e) Such other factors, not confined to the factors under (a) through (d) 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.

(2) comparison of 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.

The legislative purpose set forth in RCW 41.56.430, entitled “Uniformed personnel, Legislative declaration,” which your Arbitrator must be “mindful” of, provides as follows:

The intent and purpose of chapter 131, Laws of 1973 is to recognize that there exists a public policy in the state of Washington against strikes by uniformed personnel as a means of settling their labor disputes; that the uninterrupted and dedicated service of these classes of employees is vital to the welfare and public safety of the state of Washington; that to promote such dedicated and uninterrupted public service there should exist an effective and adequate alternative means of settling disputes.

Accordingly, your Arbitrator has applied the declaration set forth in RCW 41.46.430 and the standards and guidelines set forth in RCW 41.56.465 to the certified issues that are the subject of this Opinion and Award which are set forth below.

VI.A. CONSTITUTIONAL AND STATUTORY
AUTHORITY OF THE EMPLOYER

The constitutional and statutory authority of the City was not an issue before your Arbitrator.

VI.B. STIPULATIONS OF THE PARTIES

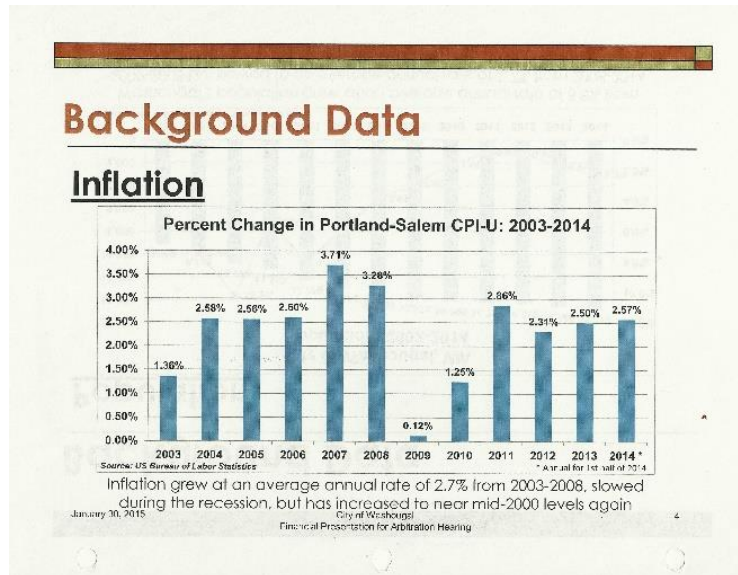
As noted above, the parties agreed that Articles 15, 16, 26, 27, and 29 of the CBA were settled. Therefore, evidence was limited to Articles 2, 13, and 14.

The parties also agreed that all exhibits presented by the parties would be in evidence for your Arbitrator’s consideration. Your Arbitrator is unaware of any other stipulations entered into by the parties.

VI.C THE AVERAGE CONSUMER PRICES FOR GOODS AND
SERVICES, COMMONLY KNOWN AS THE COST OF LIVING

The City’s CPI-U: showed the inflation rate for the Portland-Salem area between 2003 and 2014. *City Ex. C.1, p.4*. Inflation between 2003 and 2008

grew at an average of 2.7% between 2003 and 2008, slowed during the recession, but increased in 2010 by 1.25%, 2011 by 2.86%, 2012 by 2.31%, 2013 by 2.50%, and 2014 by 2.57%. *Id.*



VI.D CHANGE OF CIRCUMSTANCES DURING THE PENDENCY OF THE PROCEEDINGS

Your Arbitrator is unaware of any changes in circumstances, in regard to factors set forth above in items VI.A, VI.B. and VI.C., as none were argued by the parties during the pendency of the proceedings.

VI.E OTHER FACTORS NORMALLY AND TRADITIONALLY TAKEN INTO CONSIDERATION IN THE DETERMINATION OF WAGES, HOURS, AND CONDITIONS OF EMPLOYMENT

The Revised Code of Washington, Section 41.56.465 provides that arbitrators shall consider other factors normally considered by arbitrators in determining wages, hours, and conditions of employment. The factors are not specifically named. However, such factors traditionally include the ability to pay, bargaining history, and retention and recruitment.

VIII.E.I. ABILITY TO PAY

The ability to pay is a broad and relative factor. It includes, but is not limited to, the size of the employer, the ability of the employer to generate revenue, the employer's fiscal health, general economic conditions, the size of the bargaining unit requesting a wage increase, the proposed wage increase, and the effect that the proposed wage increase will have on the employer. There is no set formula that arbitrators use to determine an employer's ability to pay.

Many employers in Washington State, like the City, had substantial financial difficulties during the economic recession that began in 2008. During this time the City experienced decreasing tax and sales revenues and found it necessary to reduce spending. The City stressed that it had the lowest revenue from sales taxes when compared to the City's nine (9) external comparators. Your Arbitrator is persuaded that the City is recovering from the recession but has not fully recovered. This favor falls in favor of the City.

VI.E.II. BARGAINING HISTORY

The bargaining history between the parties from 2004 and 2014 shows that the actual wage increases for Association members exceeded the rate of inflation. *City Ex.* 2.3.2. If Association members had been paid in concert with the rate of inflation, rather than received their actual wage, on the average, their wages would be 14.1% less than what they are currently receiving. *Id.* These facts support the City's position.

However, as discussed below, for the contract period, the wages of Association members lagged behind inflation at 5.67% and are 5.1% behind the average of the

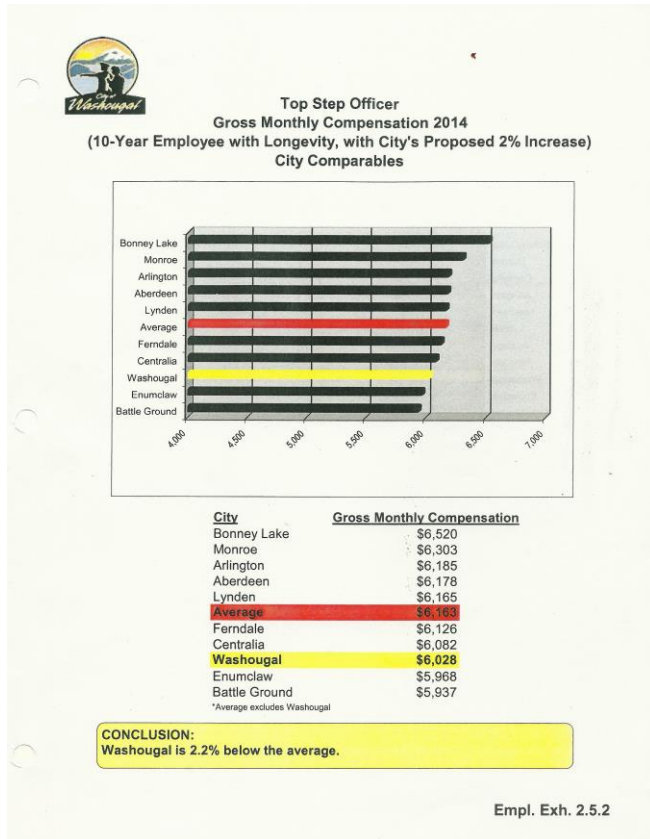
Association's set of comparable cities. This factor shall be discussed more for fully below. This factor falls in favor of the Association.

V.I.E.III. RETENTION AND RECRUITMENT

The City has not had difficulty with retention and recruitment of police officers. The City offered data that regarding employee retention and turnover within the Washougal police department. The data indicates that over the past decade there have been almost no voluntary departures from the Washougal Police Department. Those officers that have left have done so for reasons unrelated to wages and benefits. *City Ex. 2.7.* These facts are undisputed. This factor falls in favor of the City.

VI.F. LIKE EMPLOYERS OF SIMILAR SIZE

The Revised Code of Washington Section 41.56.465(2) provides that arbitrators shall compare wages, hours, and conditions of employment of “like employers of similar size” on the west coast. The City argues that its comparators meet the statutory requirements. Your Arbitrator agrees. The City's comparators are set forth below in *City Ex. 2.5.2.*



The City’s methodology in developing a set of proposed comparators began with a review of the statutorily mandated component of “like employers of similar size on the West Coast of the United States.” The City examined the population of other cities in comparison to Washougal. Population is the most commonly used factor by arbitrators to determine what constitutes an employer of “similar size.”

The City used a band of 25% smaller and 25% larger to determine “similarly sized” employers. This resulted in populations ranging from 11,183 to 18,638. The result was the City proposing nine (9) cities. The City was 12.8% below the average, ranking seventh in terms of population.

The Association argued that the City’s band of 25% smaller and 25% larger was too narrow. Your Arbitrator is persuaded by the Association’s argument. Bands are

usually set at 50% to 150%. As Arbitrator Jane Wilkinson recently confirmed:

The City proposes using jurisdictions no larger than its service area of 44,800, which the Union persuasively contends is an artificial limit that probably is too limiting. The Union, on the other hand, proposes selecting comparators based on a population band of half to double Camas' service area. This population band is one that is not frequently employed by arbitrators and in my opinion, is justified only when the more traditional 50% to 150% band is inadequate. The following table shows the recent decisions that have mentioned the bandwidth:...

...The 50% to 150% screen is the prevalent one, with arbitrators narrowing or broadening that screen as circumstances require.

City of Camas, at page 3 (Wilkenson, 2003).

After the City evaluated the “similar size” requirement, it used assessed valuation per capita to evaluate the “like employer” requirement of the RCW 41.56.465 (2). Other than population, assessed valuation per capita is the next commonly used factor by arbitrators to determine what constitutes a “like employer.”

As noted by Arbitrator Wilkenson:

I agree with the Union's contention that the statutory phrase "of like personnel of public fire departments of similar size" admits of the interpretation traditionally given by interest arbitrators, that is, "size" is primarily determined with reference to the jurisdiction's resident population and assessed valuation. There are so many arbitration awards that have considered only population and assessed valuation as a measure of size that no citation is needed. These awards have spanned many decades without any correction from the Legislature or the courts. Thus, I emphasize that it is both usual and appropriate to confine one's inquiry to the population and assessed valuation indicators (with consideration also given to geographic proximity), as is seen from many interest arbitration adjudications.

City of Camas, at 3 (Wilkenson, 2003).

As noted above by Arbitrator Wilkenson, population and assessed valuation, other than geography, are often the only factors used to determine suitable comparators. *Id.* If your Arbitrator used the 50% to 150% band all of the Associations proposed cities would be proper comparators in relation to population (*City Ex. B.6, page 1*) and assessed

valuation per capita (*City Ex. B.6, page 2*). These cities include the joint comparators of the parties, specifically; Battle Ground, Bonney Lake, and Enumclaw and the cities proposed by the Association, Camas, Tumwater, Kelso, Summer, and Hoquiam. The Association's comparators, on the average are also closer to Washougal, a factor that is taken into consideration for determining appropriate comparators by arbitrators. The Association's comparator cities in terms of population, assessed valuation, and geography are set forth below in *Assn. Ex. 7B*.

	Distance from Washougal	Population	Assessed Value
WASHOUGAL		14,910	1,294,782,136
Joint Comps			
Battle Ground	24	18,680	1,332,783,511
Bonney Lake	158	18,520	1,778,123,002
Enumclaw	169	11,110	954,404,720
Association Comps			
Camas	3 (2.6)	20,880	2,757,083,055
Tumwater	116	18,880	2,228,063,282
Kelso	54	11,960	678,036,777
Summer	155	9,545	1,846,797,748
Hoquiam	152	8,625	394,875,216
City Comps			
Centralia	96	16,640	1,000,820,368
Shelton	137	9,995	579,388,622
Aberdeen	148	16,850	933,547,542
Monroe	205	17,660	1,464,883,201
Arlington	225	18,360	1,816,314,125
Sedro-Wooley	250	10,610	710,371,529
Ferndale	276	12,710	1,122,838,797
Lynden	281	12,920	1,256,173,992

Sources:
 Distance - Google Maps
 Population - WA Office of Financial Management - April 1, 2014 Population Estimate
 Assessed Value - WA Department of Revenue - Senior Tax Levy Detail - Table 30

Prepared by MLG 11/13/14

EXHIBIT 5B

Both parties have presented good comparators. The Association's comparators placed emphasis on population, assessed valuation, and geography. All three (3) of these factors are traditionally used by arbitrators. The City used sales tax in determining its comparators. While your Arbitrator believes sales tax is relevant to the ability to pay,

your Arbitrator does not believe that it should have been used as a filter to eliminate the Association's comparators. Given this fact, as well as the comparators themselves, i.e., Camas is a neighbor city of Washougal, your Arbitrator is persuaded that the Association's list of comparators is the better list of comparators in terms of compliance with RCW 41.56.465(2) and concludes that Association members are 5.1% behind their comparable jurisdictions rather than the City's calculated 4.4%.

VIII. ISSUES, POSITIONS, ANALYSIS AND AWARD
REGARDING ARTICLE 2 (DURATION OF AGREEMENT)

A fundamental legal principle in interest arbitration law is that the party requesting a change in the status quo has the initial burden of showing why the status quo should be changed. The current contract ran from January 1, 2011 through December 31, 2013, a period of three (3) years.

VIII.A. THE CITY'S POSITION

The City proposes a two year contract. The City argues that a two year contract will enable it, from an administrative perspective, to work more efficiently by bargaining in concert with the Association, AFSMCE, and its nonrepresented employees. It argues that if a two (2) year contract term is awarded, it will be able to address its bargaining commitments with all employees in one bargaining year rather than bargain with AFSCME one year and the Association the following year. The City would like to work with all unions under the same circumstances and same economic environment.

The second reason the City requests a two year contact is because the HealthFirst Plan will no longer be offered by the AWC, effective January 1, 2018. The discontinuation of this plan was announced early so that parties to collective bargaining agreements, given their negotiation and bargaining responsibilities, would be able to

conclude negotiations and bargaining prior to January 1, 2018. The City argues that the time is ripe for Association members to change from the HealthFirst Plan to the HealthFirst 250 Plan and with anticipated changes in health care it is important to the City to have bargain with both groups at the same time.

VII.B. THE ASSOCIATION'S POSITION

The Association argues that a two year contract would mean that the parties are in the last year of the contract. The Association wants stability.³ In addition, the Association argues that the AFSCME group has no relevance to the Association's interest arbitration. The Association further argues there is sufficient time for the parties to bargain on issues related to the health plans because the HealthFirst Plan will not be discontinued by the AWC until January 1, 2018. The Association also argues that the other City employees are not entitled to interest arbitration, the issues that relate to the two bargaining groups are different, and the employee groups are represented by different unions.

The Association also argues that a two (2) year contract would expire on December 31, 2015. The parties would have approximately nine (9) months prior to the new contract expiring. A three year contract would expire on December 31, 2016, giving the parties approximately one (1) year and nine months prior to the contract expiration date.

VII.C. YOUR ARBITRATOR'S ANALYSIS AND AWARD

³ The bargaining history indicates that Association members agreed to the current CBA with no wage increase for 2011, a one percent (1%) increase for 2012, and a one percent (1%) increase for 2013 because the Mayor allegedly informed the Association that the City was considering disbanding the Police Department. *Assn. Ex. 1, page 7, Art. 13, Sect. 2; Tr. 45-6.* The Association asserted that its members did not want to risk the closure of the police department and risk losing their job. *Tr. 16.* Irrespective of whose position was correct, this event indicates that labor relations between management and labor were less than amicable.

Your Arbitrator persuaded that the status quo of a three (3) year contract should be maintained and the Association's proposal in regard to Article 2 (Term of Agreement) is the most persuasive. Your Arbitrator is not persuaded that the status quo of ten (10) years of bargaining should be changed. Your Arbitrator is particularly concerned that if the City's proposal is awarded, the contract would expire approximately nine (9) months from the issuance of your Arbitrator's Opinion and Award. Your Arbitrator also believes that a three (3) year contract will give the parties stronger stability, particularly in regard to the relationship that existed between the City and the Association during the last contract period.

The Association's proposal is awarded. The duration of the collective bargaining agreement shall be for a period of three (3) years, January 1, 2014 through December 31, 2016.

VIII. ISSUES, POSITIONS, ANALYSIS AND AWARD REGARDING ARTICLE 13 (WAGES)

The second unresolved certified issue concerns Article 13 (Wages). The City proposes a 2% increase for 2014 and a 1.5% increase for 2015. The Association proposes a three (3) year contract with a 3.0% increase in 2014, a 3.5% increase in 2015, and a 4.0% increase in 2016.

VIII.A. THE CITY'S POSITION

The City noted that in the early part of the last decade the City experienced significant growth. However, in 2007 and 2008 the great recession hit the City, construction came to a halt and population growth significantly dropped. After the recession hit property tax based assessed valuation dropped almost 30 percent. While the City's source of revenue in the form of sales tax on retail sales, the most volatile source

of revenue, has never been substantial, it also dropped significantly. The City's expenses have outpaced revenue and the City is facing a structural deficit. The City would like your Arbitrator to consider this in assessing the economic proposals of the parties. The City also offered data on sales tax and the City's relative ability to receive revenue from sales tax. The evidence shows that the City is last among its list of comparators in terms of sales tax generation capabilities.

The City argues that over the past decade (2004 through 2014) Association members earned 14.1% more with their CBA increases than what they would have earned if their wage increases were equal to the CPI-U. *City Ex. 2.3.2.* Under the CBA the actual increase for a Top Step Officer's Base Wage for 2014 was \$5,924.00. *Id.* However, if the CPI-U had been used during this period the officer would have earned \$5,192.00. *Id.*

The City argues that its wage increase of 2% increase in 2014 and 1.5 percent in 2015 constitutes a cost of living adjustment which exceeds what has been given to nonrepresented employees and the AFSCME group. Of the three employee groups in the City, Association members have had the largest overall wage increases over the last decade. The City hopes that your Arbitrator agrees with many arbitrators in the State who have indicated that interest arbitration is a continuation of the bargaining process and not a substitute for either party to obtain a result that would not be obtainable through robust good faith bargaining.

VIII.B. THE ASSOCIATION'S POSITION

The Association argues that the City's financial situation was exaggerated and introduced into evidence an Employee Newsletter for January 2015 (*Assn Ex.*

13), New Article dated March 15, 2011 (*Assn. Ex. 14*), News Article dated September 11, 2011 (*Assn. Ex. 15*), News Article dated November 5, 2011 (*Assn. Ex. 16*), City Website printout regarding revenue and expenses (*Assn. Ex. 17*), News Article dated March 12, 2014 (*Assn. Ex. 18*). All of these Association Exhibits indicate that the City is on the road to recovery from the recession and is financially stable.

The Association argues correctly that bargaining history is also a relevant factor in Washington interest arbitrations. The City bargained for the current contract after arguing that there was a recession, the City had big financial problems, and the Mayor informed Association members that he was going to disband the police department or privatize it. Consequently, the Association agreed to a contract with low wages. There was a wage freeze in 2011, a one (1) percent raise in 2012 and a one (1) percent raise in 2013. In this contract the Association made insurance concessions by agreeing to pay more of the insurance costs. This contract was signed in March of 2011 and three (3) months later the Mayor proclaimed that the City was in the black. A few month after this the Mayor is saying the City is “nowhere near broke.” The City also added another police officer. The rational was that there was a concern that the workload of officers had increased.

However, during the term of the current CBA, in 2011 while Association members received no wage increase, inflation increased 2.86%. *City Ex. C.2, p.4*. In 2012 inflation increased another 2.31% while Association members received a 1% raise. *Id.* In 2013 inflation increased again by 2.50% while Association

members received another 1% wage increase. *Id.* According to the City's inflation index, Association pay increases fell behind inflation by 5.67% during period of the contract. *Id.*

The City's notes that its evidence indicates that if Association members are given a 2% wage increase for 2014, they will be 2.2% below the average wage of the City's set of comparators. *City Ex. 2.5.2.* Without the 2% wage increase Association members are behind the City's external comparators by 4.4% for 2014. However, the Association's set of comparable cities indicates that Association employees are 5.1% behind the Association's set of comparators.

VIII.C. YOUR ARBITRATOR'S ANALYSIS AND AWARD

Your Arbitrator has considered the City's argument regarding wages and reviewed the charts regarding CPI history (*City Ex. 2.3.1*), the Actual Salary v. CPI (*City Ex. 2.3.2*), the Per Capita Income Comparison (*City Ex. 2.3.3*), Average Annual Wage Comparisons (*City Ex. 2.3.4*), the Median Home Price Comparisons (*City Ex. 2.3.5*), Internal Comparisons - Contracts Settlement Overview (*City Ex. 2.4*), 2013 Wage Comparison (*City Ex. 2.5.1*), 2014 Wage Comparison (*City Ex. 2.5.2*), Comparison of Clark County Median Household Income with 2014 Top Step Officer Pay (*City Ex. 2.6.1*), Employment Security Department Labor Area Summary (*City Ex. 2.6.2*), Clark County Unemployment Rate, 2004-2014 (*City Ex. 2.6.3*) and Voluntary Separations (*City Ex. 2.7*). Read in concert, these exhibits and the testimony regarding the same indicate that the City is a desirable place for a police officer to be employed and that the City's ability to pay wage increases to Association members is hampered by its financial

situation. Any wage award should therefore take into account these two (2) very important factors.

Your Arbitrator has also considered the evidence presented by the Association to the extent that the Association asserts that the City has exaggerated its financial difficulties. Your Arbitrator is not persuaded that the evidence presented by the City exaggerates its financial problems and its commitment to fiscal responsibility.

Internal Equity (*City Ex. 2.4*) is a factor considered by some arbitrators. There is a split of authority on this issue in Washington. The City argues that since the AFSCME members agreed to the wage proposal offered by the City the City's proposal should be awarded to maintain internal equity among its employees. However, police officers, as a bargaining unit, are very different from clerical staff. Stress, special training, skills, and danger are among several of many factors that set police officers apart from clerical staff.

Most importantly, unlike the AFSCME workers, Association members are entitled to interest arbitration pursuant to RCW 41.56.465. Your Arbitrator agrees with Arbitrator Schurke who stated that "The internal equity argument relentlessly pursued by this employer has no direct basis in the statutory criteria, and cannot be made to overrule or obliterate the external factors set forth in the statute." *Cowlitz County*. (Shurke, 2015 at page 47).⁴

⁴ Your Arbitrator believes that the principle of internal equity may be applicable in situations where all employees do not have access to interest arbitration or most if not all employees have access to interest arbitration and are subject to the same if not similar statutory criteria.

The fact remains that Association members are 5.67% behind inflation for the contract period. In addition, they are 5.1% behind the average of the Association's set of comparable cities.

Given a review of all of the above, your Arbitrator is persuaded that the Wage Proposals of the City and the Association be awarded in part and denied in part. The award should be **tempered** given the City's evidence of the inability to pay and the fact that there have been no problems with retention and recruitment of Association members.

The Association members are awarded a wage increase of 3.0% for 2014, a wage increase of 2.5% for 2015, and a wage increase of 2.5% for 2016.

IX. ISSUES, POSITIONS, AND ANALYSIS AND AWARD REGARDING ARTICLE 14 (MEDICAL AND DENTAL)

Article 14 has six (6) sections. The City proposes changes to Section 1. Section 1 reads as follows:

Section 1. The Employer will pay for 100% of the premium cost for optical and dental coverage for employees and dependents under the terms of the policies provided by the City in effect as of December 31, 2010. The Employer will pay for 100% of the premium cost for medical, less a \$15.00 (fifteen dollar) per month co-pay per dependent covered capped at \$45.00 (forty-five dollars) per month, for the premium cost of the medical coverage for employees and dependents. Effective 1/1/2012, monthly co-pays will be according to the following schedule:

Employee only: \$15 (fifteen dollars)
Employee plus one dependent \$50 (fifty dollars)
Employee plus two dependents \$75 (seventy-five dollars)
Employee plus three or more dependents \$100 (one hundred dollars)

Under the terms of the policies provided through the AWC Benefits Trust First Zero Deductible Medial Plan. The employee shall pay the medical premium difference, if any, through payroll deduction. The Employer will also provide an alternative HMO plan through Kaiser Permanente under the terms of the policies provided by the City in effect as of December 31, 2010. The Employer will pay the medical premium costs for the employees and dependents equal to that which

would have been paid under the AWC Benefits Trust Health First Zero Deductible Medical Plan less any applicable co-pay. The employee will pay the medical premium difference, if any, through payroll deduction.

The City proposes to delete the above-referenced language in Article 1, Section one and replace it with the following language:

For 2015, the City will pay 95% of the premium for medical coverage for employees and 90% of the medical premium for dependents under the terms of the policy provided by the AWC Benefits Trust HealthFirst \$250 deductible medical plan. Participating employees will pay the 5% and 10% cost sharing for their coverage through payroll deduction. Additionally, the City will offer the AWC Regence HDMP and will pay 97% of the cost for employees and their dependents. Participating employees will pay the 3% cost sharing through payroll deduction. The City will contribute to the employee HSA in an amount equivalent to 55% of the premium cost savings between the HDMP and the AWC Benefits Trust HealthFirst \$250 deductible medical plan, based on the employee coverage level. This contribution will be made as early as practicable in January 2015.

For 2015, the City will pay 95% of the premium cost for medical for employees and 90% for their dependents under the terms of the policy provided by Kaiser Permanente for the \$250 deductible plan. The City will continue to offer the Custom and Traditional co-pay plans, however, the employee will be responsible for paying the premium difference between the Custom co-pay plan or alternately the co-pay Traditional plan and the \$250 deductible plan. Additionally, the City will offer the Kaiser HDMP and will pay 97% of the cost for employees and their dependents. The employee will pay the 3% cost sharing through payroll deduction. As an incentive for participating in the HDMP the City will establish and contribute to a Health Savings Account (HSA) in an amount equivalent to 55% of the premium cost savings between the HDMP and the Kaiser \$250 deductible medical plan, based upon employee coverage level. This contribution will be made as early as practicable in 2015. The employee will pay the medical premium difference, if any, and cost sharing through payroll deduction.

The employee may also opt out of the City-provided healthcare program if they have verifiable coverage elsewhere and receive \$250 per month of additional taxable income.

New Section: Dental: - The City will pay 95% of the premium cost of dental under Washington Dental or Willamette Dental. The 5% employee cost sharing will be paid through payroll deduction.

The Union's proposal is to maintain the status quo.

IX.A. THE CITY'S POSITION.

The City noted that it currently provides health insurance benefits to the Association's members through the Association of Washington Cities, hereinafter sometimes referred to as the "AWC." The majority of Association members are currently covered by the HealthFirst Plan. The plan currently has a zero (0) deductible. The AWC has announced that the plan shall be discontinued on January 1, 2018 because it will hit the Cadillac tax limits under the Affordable Care Act in 2018. The City asserted that even if the City wanted to continue to continue with this plan it will be unavailable.

The City asserted that due to rising costs in health care it wishes to move Association members from the HealthFirst Plan to the HealthFirst 250 Plan and now is the time to address the health issue. The City asserted that the HealthFirst 250 Plan is not a "stripped-down" plan from the City's perspective. It is a very good insurance plan with a \$250 individual employee deductible.

The City noted that it is currently paying the bulk of medical insurance costs. There are fixed dollar amounts of \$15.00 towards the single employee up to a maximum of a hundred dollars if the employee has a full family. This amount has not been adjusted since 2012. The City seeks to discontinue reliance on the fixed dollar amount and convert to a percentage so that as premiums increase, the relative ratio to what the employer is paying and what the employee is paying will remain constant. A fixed dollar amount would erode over time. The City seeks a 5% contribution from the employees toward the employee's health insurance and a 10% contribution for dependents under the plan.

The City argued that ASFCME bargaining unit and the nonrepresented employees Have already made the move to the HealthFirst 250 Plan in 2014. The City has already received savings. The nonrepresented employees are paying a 95/5 split for their own

coverage and a 90/10 split if they want coverage for their dependents. The employees represented by AFSCME have been paying 5% for all tiers since 2014.

The AWC also offers a high deductible medical plan available to employees. The City would like to offer this high deductible medical plan to employees who prefer this plan. If an employee preferred this plan the City places 55% of the premium savings between this plan and the HealthFirst 250 Plan into the employee's health savings account. It is the employees even and if the employee decides to leave the City. It would be available beginning with 2014.

An HMO plan is also available through the City. This is a Kaiser Permanente plan. Not much data was offered regarding this plan because no police officers have opted for the Kaiser Permanente plan. The Kaiser Permanente Plan is not scheduled to be discontinued. The City's focus is on migrating Association members to the HealthFirst 250 plan.

The City noted that it currently pays for 100% of the dental plan with no contribution from the employees. The City is seeking what it believes is a modest contribution, from its employees for the dental premium, in the amount of five percent. The City would pay the remaining 95%. The City is not seeking a retroactive contribution for 2014, but a contribution to begin for 2015.

The City argued that it currently pays \$322,725 annually for the health and dental benefits for Association's 17 members. *City Ex. 3.10*. This amount is equal to \$19,572 in additional compensation. If the Association members are moved to the HealthFirst 250 the City will save \$36,523 annually. *City Ex. C.2*. The total cost reduction, while modest, is justified given the rapidly rising costs in health insurance premiums. The City

emphasized that the HealthFirst Plan will no longer be available effective December 31, 2017.

The City concluded its argument by stating that the clear trend in the public sector is to have employees contribute towards the cost of their medical plans by paying a percentage rather than a fixed dollar amount because of rapidly increasing medical costs.

XI.B. THE ASSOCIATION'S POSITION

The Association argues that if your Arbitrator adopts the City's proposal the Association will be back at the table in a few months with theoretically a new health plan and will be asked to make health plan concessions again. The Association argues that in 2014 the City has said that it was financially healthy and the outlook was bright, but now the City comes back to the table and wants further concessions in health insurance. In addition, City's proposed wage increases will probably be eaten up by insurance concessions if your Arbitrator agrees with the City's proposal on insurance benefits.

The Association believes that the City has been "brutal" and its proposals have given the Association little choice but to continue the bargaining process through interest arbitration. The Association has offered to pay more of their copays but its members do not want to change plans. The HealthFirst 250 and high deductible plans are inferior to the HealthFirst Plan.

The Association invited the City to bring representatives from the insurance company. A meeting was held with representatives from the insurance company and officers with their spouses or significant others. The insurance company representatives initially stated the veteran officers would not be eligible for the high deductible plan but later said there would be a moratorium. The answers given were unsatisfactory.

The City noted that the AFSCME and the nonrepresented employees are on the HealthFirst 250 Plan but these employees did not have a choice and are not good internal comparisons because they do not have the right to interest arbitration like members of the Association.

IX.C. YOUR ARBITRATOR'S ANALYSIS AND AWARD

For reasons stated above, your Arbitrator does not believe that internal equity is a factor that is consistent with the criteria set forth in RCW 41.56.465. The fact that ASFCME members and nonrepresented members have agreed to the City's health care proposals is not relevant to the interest arbitration pursued by Association members.

Carol Grimes, the AWC's representative, testified that she was a representative for the AWC and the director of member pooling programs. She noted that the AWC provides health insurance benefits to approximately 36,000 employees and family members across Washington State in at least 237 cities and 46 governmental agencies. She noted that the Affordable Care Act is a primary reason why the AWC's HealthFirst plan will be discontinued on January 1, 2018.

The Affordable Care Act contains a "Cadillac Tax" officially known as the Excise Tax on High Cost Employer-Sponsored Health Coverage Plans which takes effect on January 1, 2018. 28 U.S.C. § 4980I. The 40% excise tax is payable to the Federal government for plans that exceed certain dollar amounts. By January 1, 2018 the tax will be assessed against any individual plan exceeding \$10,200 per year and any family plan exceeding \$27,500 per year. Although the Cadillac Tax thresholds are higher for "high risk" professionals such as "law enforcement officers." Association members do not qualify because they do not constitute a majority of the City's employees enrolled in the

AWC plans. 28 U.S.C. § 4980I(b)(3)(C)(iv). Actuarial projections indicate that that the HealthFirst Plan that is available to Association member shall be subject to the Cadillac Tax by 2018.

On January 1, 2018 the Cadillac Tax will be assessed against any individual health plan which exceeds \$10,200 per year and any family plan which exceeds \$27,500 per year. For example, if the cost of a family plan reached \$35,000 in 2018, the amount exceeding the family threshold of \$27,500 would be subject to a 40% tax.

She testified that the trend in insurance premiums is for employees to pay a percentage contribution to their premiums versus a flat dollar amount.

The HealthFirst Plan is a 95% plan. The employee pays \$.11 cents and the insurer pays \$.89 cents for every dollar (\$1.00) spent. The HealthFirst 250 Plan is an 89 percent plan. The benefit value difference is 6%. The out-of-pocket cost, or differential is 6%. The AWC's flagship premium plan in 2018, offering near platinum level benefits, will be the HealthFirst 250 Plan. The maximum out of pocket expense for an individual under this plan in 2015 will be \$3,000 for an individual and \$6,000 for a family. When the maximum out of pocket expense is met, a combination of deductible, co-insurance, which is often a percentage of what an employee pays, and copays, the insurance will thereafter pay 100% of covered expenses. The HealthFirst Plan 250 will be the best plan offered by the AWC in 2018. *City Exs. 3.7 and 3.8.*

Your Arbitrator has reviewed the recent arbitration decisions on the State of Washington's PERC website. Given the escalating costs in health insurance, there is clearly a trend among Employers in Washington State to move their employees towards less expensive health plans and increased cost sharing between Employers and

employees. The catalyst for this trend is the rapidly rising cost of health insurance and the need to reduce benefit plans to comply with the Affordable Care Act.

Arbitrator Jane Wilkinson recently confirmed this trend with an extensive analysis. *Spokane County* (Wilkinson, 2015). During the arbitration hearing the County proposed moving members of the Spokane County Sheriffs' Association to a redesigned benefit health benefit plan. *Id. at 21*. Spokane County, which is self-insured, proposed increases in terms of cost-sharing percentages. *Id. at 21-25*. Arbitrator Wilkinson awarded the Spokane County's medical plan proposal in its entirety:

The County, of course, has redesigned its plan in order to save money, something that is needed with rapidly escalating health care costs. Its key contention is that every other employee group in the County has accepted this new plan, except for this bargaining unit. The Association finds the redesigned plan too costly for its members, especially with the increased cost sharing.

As part of my decision-making process in prior interest arbitration proceedings, I reviewed past Washington interest arbitration awards and noted a trend for requiring employees to bear a larger share of the costs of medical premiums because those rapidly [increasing] insurance costs have placed a staggering burden on employers. The County here proposes an increase in employee contributions to what was previously a fairly generous medical plan, plus a restructuring of that plan that would shift some costs to the employee, depending upon utilization.

The trend is continuing and does not appear to be slowing as health care costs rapidly increase. Early this year, Arbitrator Elinski awarded the City's proposal to move members of the Orting Police Guild from the HealthFirst Plan to the HealthFirst 250 Plan with a premium sharing structure. *City of Orting*. (Elinski, 2015).

Since the City is proposing that Article 14 should be changed it has the initial burden of persuasion. Your Arbitrator believes that the City and Association proposals should be awarded in part and denied in part given the following facts:

- (1) Health care costs are rapidly rising at an alarming rate.
- (2) Due to rising health care costs the current trend is for employees to participate more in terms of dollars in the payment of their health care plans given rising health costs.
- (3) The current HealthFirst Plan that Association members are receiving is scheduled to be discontinued by the AWC on January 1, 2018. This is an economic decision made by the AWC based upon the Cadillac tax. The City had no decision-making role in the discontinuation of the HealthFirst Plan.
- (4) The HealthFirst Plan shall be replaced by the HealthFirst 250 Plan by the AWC and shall be the top level plan offered by the AWC. The HealthFirst Plan is not an inferior plan in terms of coverage. However, in terms of total dollar that may be spent by an Association member, assuming a catastrophic injury or illness, his/her maximum obligation under the plan would be \$3,000.00.
- (5) Your Arbitrator has awarded the Union's proposal for a three (3) year contract rather than the two (2) year contract duration proposed by the City and awarded wage increases closer to the Association's proposal. The issue of insurance has been considered by your Arbitrator in making his determination to award wage increases as set forth above rather than a lower wage increase in attempting to come to a "total package" analysis that is consistent with Washington law.
- (6) A factor that weighed heavily with your Arbitrator's analysis is the fact that the total cost to the City to maintain the HealthFirst Plan for Association members for 2015 is \$9,982.00. Your Arbitrator does not believe that this is an unreasonable or prohibitive expenditure. Hence, the implementation of the City's proposal should not be January 1, 2015 but should be January 1, 2016.

The City's proposal regarding medical insurance is awarded, but its implementation should be delayed. The effective date of the City's medical proposal shall not be January 1, 2015 as proposed. Rather, it shall be effective on January 1, 2016, the last year of the contract. Prior to January 1, 2016 the status quo is awarded.

The record indicates that the cost of the dental plan provided to Association members remains constant irrespective of how many an Association member may have enrolled in the plan. In addition, there is no evidence that dental plan is subject to the

Cadillac Tax. Lastly, the savings to the City is not substantial and is \$1,420.20 per year for all Association members. *City Ex. 3.10*. These facts support the Association's proposal that the status quo should be awarded in regard to the Association's dental plan.

The City's proposal regarding dental and for the addition of a new section regarding dental to Article 14 is not awarded. The Association's proposal for the status quo is awarded for the dental plan.

XII. CONCLUSION

With respect to the issues certified for interest arbitration by the Public Employees Relations Commission your Arbitrator renders an award on each issue and proposal as set forth above. In a nutshell, Article 2, Term of Agreement, the Association's proposal for a three year contract is awarded. The contract will run from January 1, 2014 through December 31, 2016.

In regard to Article 13, Wages, the proposals of the City and Association are awarded in part and denied in part, tempered to a 3% wage increase for 2014, 2.5% wage increase for 2015, and 2.5% wage increase for 2016.

In regard to Article 14, Insurance Benefits, the proposals of the City and the Association are awarded in part and denied in part. The City's medical insurance proposal is awarded but shall not be implemented until January 1, 2016. For the period of January 1, 2014 through December 31, 2015 the status quo is awarded. The City's proposal regarding dental insurance is not awarded. The Association's proposal for the status quo is awarded for dental.

Your Arbitrator shall reserve jurisdiction for ninety days in the unlikely event there are disagreements between the parties as to how your Arbitrator's Opinion and Award shall be incorporated into the parties' 2014-2016 collective bargaining agreement.

Respectfully submitted this April 24th day of April, 2015.

/S/

MICHAEL ANTHONY MARR
Interest Arbitrator

Ross, Lorene (PERC)

From: Bradley, Jessica (PERC)
Sent: Wednesday, April 29, 2015 10:24 AM
To: PERC, Filing (PERC)
Subject: FW: City of Washougal interest arbitration
Attachments: 2015-04-24 Opinion & Award, 4831-8956-1379, 1.pdf

Please add this arbitration award to the case file.

Thanks!

Jessica

From: Donna Murbach [mailto:donnam@SummitLaw.com]
Sent: Wednesday, April 29, 2015 10:21 AM
To: Bradley, Jessica (PERC)
Subject: City of Washougal interest arbitration

Jessica, attached is the arbitrator's award and opinion in the City of Washougal interest arbitration, as promised. We haven't yet received the decision for Clark County, but I will forward that one when we do.

Regards,

Donna

 **Donna Murbach** • *Legal Assistant*

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----- Summit Law Group -----

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