

IN THE MATTER OF	)	
	)	
INTEREST ARBITRATION	)	CASE 19575-I-05-0454
	)	
BETWEEN	)	ARBITRATION PANEL'S
	)	
AMALGAMATED TRANSIT UNION,	)	OPINION AND AWARD
	)	
LOCAL 587, AFL-CIO,	)	MECHANICS WAGE
Union,	)	
and	)	INTEREST ARBITRATION
	)	
KING COUNTY DEPARTMENT OF	)	
METROPOLITAN SERVICES	)	
Employer.	)	

HEARING SITE:	Summit Law Group Seattle, Wasington
HEARING DATES:	May 10-11, 2006
POST-HEARING BRIEFS DUE:	Postmarked August 18, 2006
RECORD CLOSED ON RECEIPT OF BRIEFS:	August 22, 2006
REPRESENTING THE UNION:	Clifford Freed Frank, Freed, Subit & Thomas, LLP 705 Second Avenue, Suite 1200 Seattle, WA 981 04-1 798
REPRESENTING THE EMPLOYER:	Otto G. Klein, III Summit Law Group, PLLC 315 5th Avenue South, Suite 1000 Seattle, WA 98104-2682
ARBITRATION PANEL:	Nick Caraway Union Appointed Member  Steve Grissom Employer Appointed Member  Gary L. Axon Neutral Arbitrator

I. INTRODUCTION

The Amalgamated Transit Union 587 (ATU or Union) and King County Department of Metropolitan Services (Employer or Metro) are signatories to a Collective Bargaining Agreement effective November 1, 2004 through October 31, 2007. In a Statement of Intent dated June 23, 2004, the parties agreed to reserve two issues for further negotiations so as not to delay the signing of the new Collective Bargaining

Agreement. Un. Ex. 7. One of the issues was resolved and the other issue was bargained to impasse. The issue involving "Mechanic and Electronic Technician Wages Equity Adjustment" was not resolved through negotiation and mediation.

The matter was certified by the Public Employment Relations Commission for interest arbitration. The Union takes the position that a 5% equity wage adjustment is due for mechanics, lead mechanics, electronic technicians, and lead electronic technicians (mechanics). Metro rejects the Union's proposal and submits that no special pay increase for mechanics and electronic technicians is warranted. The parties conducted an interest arbitration hearing before a three-member Arbitration Panel, chaired by Neutral Arbitrator Gary L. Axon.

## II. STATUTORY FACTORS

RCW 41.56.492 sets forth specified criteria, which must be considered by the Arbitration Panel in resolving this controversy. The statutory guidelines applicable to employees of public passenger transportation systems are as follows:

### **RCW 41 56.492**

#### **Application of uniformed personnel collective bargaining provisions to employees of public passenger transportation systems -- Conditions.**

(2) If an agreement has not been reached following a reasonable period of negotiations and mediation, and the mediator finds that the parties remain at impasse, either party may demand that the issues in disagreement be submitted to an arbitration panel for a binding and final determination. In making its determination, the arbitration 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 decisions [decision], shall take into consideration the following factors:

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

(b) Stipulations of the parties;

(c) Compensation package comparisons, economic indices, fiscal constraints, and similar factors determined by the arbitration panel to be pertinent to the case; and

(d) Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours, and conditions of employment.

There are differences between the above statute and the interest

arbitration statute, governing police and fire personnel. Although some of the criteria are similar, the statute governing transit employees vests in the Arbitration Panel the authority to consider "fiscal constraints" on the employer. Each side argued that its position was fully supported by the applicable statutory factors.

### III. BACKGROUND

The Union represents approximately 3,500 bargaining unit employees. The largest number of ATU members are employed in the driver classification. The employees involved in this dispute are in four classifications assigned to the vehicle maintenance group. The number of employees in each of the classifications is as follows:

<u>CLASSIFICATION</u>	<u>NUMBER OF EMPLOYEES</u>
Mechanics	218
Lead Mechanics	36
Electronic Technician	17
Lead Electronic Technician	3
Total	<hr/> 274

The vehicle maintenance employees work at nine different locations that include the Atlantic Base, North Base, South Base, East Base, Central Base, Bellevue Base, Ryerson, the Component Supply Center, and the Non-Revenue Vehicle Shop.

The duties of a mechanic are set forth in the mechanic job description and mechanic job announcement. Er. Exs. 8.3, B.4. The duties of an electronic technician are set forth in the electronic technician job description. Er. Ex. 6.6. Neither the lead mechanic classification nor lead electronic technician have a job description, but their duties were set forth in a recent job announcement. Er. Exs. B.5, B.8.

Metro also employs craft workers in the sheet metal worker, painter, machinists, upholstery, and metal constructors crafts. Er. Ex. 6.1 1.

The most significant characteristic of this Employer is its size both in number of employees and number of buses used by Metro. Metro is the largest public transit agency in Washington. Metro serves all of King County and neighboring counties utilizing Sound Transit buses. Metro employs 4,200 employees.

The Employer also provides para-transit services for people with disabilities. The van pooling service operation is the largest van pooling system in the United States. In addition, Metro assists other governmental organizations throughout

King County in planning and delivery of public transit systems capacity issues, and street and highway engineering assistance.

Metro is an enterprise fund of King County. Metro receives 65% of its annual operating revenue from the sales tax. The rest of the operating revenue comes from the fare box via cash or pass fares collected and other miscellaneous sources of revenue.

The genesis of this dispute is found in the acquisition of 235 articulated hybrid buses in May of 2004. The hybrids began carrying passengers on June 5, and all 235 buses were in service by the end of 2004. Un. Ex. 1. King County Executive Ron Sims described the hybrid as "the first of its kind bus" and that it was "cutting edge technology" that would "transform transit systems throughout the United States." Un. Ex. 1. The Union argued that the 5% equity wage adjustment for mechanics is warranted because the hybrid bus is unique and much more complex than any other fleet of buses. Metro disagrees and rejects the Union's 5% equity adjustment proposal.

At the arbitration hearing, the parties were given the full opportunity to present written evidence, oral testimony, and argument regarding the issue in dispute. Both the Union and the Employer provided the Arbitration Panel with substantial written documentation and oral testimony in support of their respective positions on the equity adjustment issue. The hearing was recorded by a court reporter and transcripts were made available to the parties for use in preparation of post-hearing briefs and to the Arbitration Panel for development of this Award.

The parties also submitted comprehensive and detailed post-hearing briefs in further support of their respective positions taken at arbitration. The Arbitration Panel will summarize the major, most persuasive evidence and arguments presented by the parties on the issue in this Award. This Arbitration Panel has carefully reviewed and evaluated all of the evidence and argument submitted pursuant to the statutory standards. Since the record in this case was so comprehensive, it would be impractical for the Arbitration Panel in the discussion and award to restate and refer to each and every piece of evidence, testimony, and argument presented. However, when formulating this Award, the Arbitration Panel did give careful consideration to all of the

evidence and argument placed in the record by the parties. Because of the voluminous record and extensive arguments in this case, and the need for coordination between the three-member Arbitration Panel, the parties waived the 30-day period an arbitration panel would normally have to publish an interest arbitration award under the statute.

The Neutral Arbitrator prepared a draft of the statement of facts and positions of the parties. The Arbitration Panel held a telephone conference call on October 19, 2006, to discuss the draft and the case. The Arbitration Panel held a second telephone conference call on October 30, 2006, to discuss the proposed Award. Thereafter, the Neutral Arbitrator published the final Award.

#### IV. POSITION OF THE UNION

The primary focus of the Union's case is on the impact the introduction of the hybrids had on the job duties of mechanics. According to the Union, the hybrid bus is unique and extremely more complex than any other fleet of buses. First, the hybrid uses a blended power system that allows the vehicle to run on any combination of diesel and electric power.

Second, all of the systems on the bus are interrelated and networked through a complex communication protocol designated as the "J1939 backbone."

Third, the hybrid is controlled by a sophisticated Allison EV drive system that serves as the primary brain commanding the operation of the engine.

Fourth, the hybrid has a multitude of modules or electronically programmed control units that control and monitor the various systems on the coach. The Union avers the system is unique in that all of the modules are networked and communicate with each other through a sophisticated control area network (CAN).

Fifth, there is another system on the hybrid that controls all of the basic electrical parts on the bus, including the doors, headlights, wheelchair ramps, etc., called the VANSKO programmable logic controller (PLC).

In sum, the Union submits the level of sophistication of the systems is unique to the hybrid. No other bus in the Metro fleet combines all of the systems into one bus.

The Union next argues the new technology has exponentially increased

the difficulty of a mechanic's work and has essentially changed the nature of the position. Mechanics now use a computer to diagnose problems on the hybrids through fault codes that are generated by the various systems on the bus. Mechanics must understand 250 fault codes that are currently in existence, with another 200 soon to come. The complexity on the bus requires a mechanic to understand not only how each system works, but the mechanic must have a far deeper understanding of how all systems work together.

Mechanics testified that the work on a hybrid requires a "whole new level, a new way of thinking." Tr., p. 134. All of the mechanics testified that where the job formerly required only basic mechanical knowledge, the job now requires substantial knowledge and the familiarity with computers and electronics. Further, it was the testimony of the mechanics that in many different respects, working on the hybrid is far more stressful. The mechanics' primary tool now is the computer as compared to wrenches and impact guns that enabled the mechanics to perform their work on earlier vehicles.

The hybrids comprise 17% of Metro's fleet and 152 out of the 254 mechanics are at bases where there are hybrids. However, the Union notes that the mechanics have the right to pick different bases and at any time could be given an assignment to perform a mechanical repair on a hybrid. The Union asserts there are no comparables because no transit agency in the country performs the type of work that Metro mechanics perform. According to the Union, Metro mechanics perform work that is more difficult and more complex, requiring a higher level of skill and competence, than mechanics at other agencies. The Union faults Metro's comparables because of their substantially smaller fleet size, and none of the comparables has a significant number of hybrid buses. The impact of the hybrid on the mechanics' work life has been substantial, meriting a wage increase. Comparing the work of Metro mechanics to the duties of mechanics in other jurisdictions is the proverbial "apples to oranges" comparison that is abhorred in interest arbitration. It was the testimony of Metro mechanics that the introduction of the hybrid bus was a revolutionary leap with respect

to the mechanical systems that far exceeded any incremental technological advances in the past.

Regarding Metro's argument that many of the other buses in the fleet have one or more of these components, and the assembling of them all together in the hybrid is really nothing new, the Union disagrees. First, no other vehicle has blended power, as does the hybrid.

Second, no other vehicle communicates system-wide by using a LAN language that talks to the engine, transmission, and other circuitry.

Third, to the extent the other buses have some components of similar nature, those components are far more rudimentary and do not interrelate with all other systems. The record evidence established that the nature and degree of the change manifested with the introduction of the hybrid buses made the mechanics' job more difficult with the addition of new job duties.

The Arbitration Panel should reject Metro's claim that the mechanics' job is actually easier because of reliance on a computer. What Metro fails to acknowledge or comprehend is how daunting it is for mechanics, trained principally with more conventional tools, to find themselves in the position of relying primarily on a computer to administer their tasks. The mechanics testified universally with respect to how much more stressful the job was now, given their immersion in a work universe that is so different than their previous training. Nothing in the mechanics' job description suggests the requirement of experience and knowledge with respect to computers or complex networking systems.

The Arbitration Panel should look to arbitration decisions involving wage classification issues. Arbitrators have awarded wage increases where there has been a substantial change in the job that justified a wage increase. Cooper Industries, Inc., 104 LA 383 (1995) (Imundo, Arb).

Turning to the statutory guidelines, ATU submits the evidence in the record supports a finding that the Union's proposal is justified. First, there is no dispute that the parties have the constitutional and statutory authority to abide by an award of the Arbitration Panel.

Second, the work performed by Metro mechanics is so unique that

comparison of compensation packages to other agencies is not helpful to the analysis in this case. The Union asserts that to the extent any agency works on hybrids at all, it is vastly disproportionate to the work performed by Local 587 mechanics. Metro has 235 hybrids, comprising 17% of the entire fleet. Metro mechanics have been working on hybrids for a year and a half. Three of Metro's comparables have no hybrids. The second largest number of hybrids involves Baltimore, which has 10 hybrids representing 1.23% of its fleet. Given the unique nature of Metro mechanics' work, the Union asserts there are no appropriate comparables to guide the Arbitration Panel.

Third, the Union argues the testimony established that Metro could easily afford to pay the 5% equity adjustment. No Metro witness testified that King County would be unable to afford the wage increase. Dr. Peter Donohue, an economist called by the Union, testified that paying the wage increase would not present a problem to King County. After reviewing the King County financial records, Donohue found that for approximately the last 15 years, King County revenues have been consistently higher than projected in its budget. King County enjoys a Triple A bond rating, the highest possible rating for local government. Dr. Donohue pointed to King County's general fund, which is the benchmark for assessing the County's overall financial condition and resources. The general fund is unrestricted and could be used for any purpose King County designates, including Metro.

Moreover, Dr. Donohue also examined Metro's own ability to pay, based on its status as one of the County's enterprise funds. The fund balance at the end of the year 2005 showed Metro had approximately 36 million dollars in unrestricted earnings. As with King County's general fund, Metro's retained earnings are unrestricted and can be used for any legal purpose. In 2004, Metro's operational expenses were 7 million dollars under budget and for the years 1997-2001, Metro spent on average almost exactly 10 million dollars annually less than it had budgeted.

Dr. Donohue also testified that retail sales tax revenue in King County increased significantly in the last two years. The majority of Metro funding comes from the sales tax revenue. Metro is anticipating that with the acquisition of the hybrids, King



County will save 3.5 million dollars in fuel and maintenance annually. Metro also has the ability to raise money by raising the sales tax an additional 1/10 of a percent.

Based on the review of King County's financial records, Dr. Donohue opined there are more than sufficient resources within King County and within Metro to meet the cost of the Union's proposed 5% equity wage increase. The Arbitration Panel should conclude that King County has the financial ability to pay for the cost of the award without jeopardizing Metro's financial stability.

Fourth, the Union pointed to the other factors criteria as a basis to argue that the workload for mechanics has changed. According to the Union, the very nature of the mechanics' job has changed in significant ways that argues for a wage increase. Metro did not put on a single witness to counter the impact of the mechanics' testimony concerning the nature of the work required to maintain the hybrids on a day-to-day basis.

The Union concluded in its post-hearing brief as follows:

The purchase of 235 hybrid buses brought twenty first century technology to King County Metro. It now requires of Metro's mechanics a concomitant knowledge of twenty first century technology. That knowledge has not come quickly or easily to the workforce, which lacks the requisite background in technology to perform the job with the facility they previously enjoyed. No other transit mechanic in the country works on these buses to the extent they are worked on by Metro mechanics. No other transit agency in the country has to deal with the complexity and the accompanying frustration that the hybrids bring to the job. Metro wants a twenty first century fleet, but wants to pay only twentieth century wages. Metro's position that it "is both unwilling and unable to place any amount of money on the table" to recognize its employees' efforts should be repudiated by the Arbitration Panel. If the parties have bargained reasonably and in good faith, Metro would have recognized the greater effort now required by mechanics to perform their jobs. A 5% equity increase is reasonable and would award that effort. The Union respectfully requests that the mechanics be granted a 5% equity wage increase retroactive to November 1, 2004.

Brief, pp. 37, 38.

#### V. POSITION OF THE EMPLOYER

The Employer begins by maintaining that it already pays its vehicle maintenance employees extremely well--at the top of the national market--and that no

additional wage increase is justified. According to Metro, the everyday working conditions of maintenance employees has not significantly altered to the extent that would warrant an extraordinary increase in pay. The Arbitration Panel should find in favor of the Employer and reject the Union's proposal for a 5% equity adjustment.

The Employer sees the purchase of the hybrid buses as part of the long history of Metro regularly upgrading its fleet of buses. Metro submits the purchase and utilization of the hybrid fleet is yet another step on Metro's long-term technological journey.

After reviewing the history of fleet purchases over the years, Metro maintains the hybrid fleet is yet one-more advancement in the technology of buses. Every time a new piece of equipment is introduced, there is something new and different about the bus that requires the mechanics to learn in order to repair the bus. Testimony of Metro managers was uniform that there is nothing so radically unique or different about the hybrid, and in particular as it relates to the work performed by mechanics and electronic technicians to warrant a special pay increase. As with any new bus fleet, there are new systems and techniques that must be learned in order to work on these buses. The same is true with the hybrids as it was with the first 1600 Flyer Fleet purchased in 1979 and the dual mode Breda Fleet purchased in the late 1980s. Historically, with each new fleet, the parties have negotiated a wage increase for mechanics that is the same as all other bargaining unit employees.

The Employer next argues the Arbitration Panel should reject the Union's proposal that seeks to end a long bargaining history going back to 1977. Among vehicle maintenance employees, there have been classifications of mechanic, sheet metal worker, painter, machinists, metal constructor, and upholstery worker. Each of these classifications has been paid at exactly the same hourly rate throughout the 30-year bargaining history between the parties. In 1991, the parties agreed to add the classification of electronic technician. Since then, the parties have mutually agreed to pay the electronic technicians the same as all the other classifications in vehicle maintenance. The same holds true with lead positions.

Metro next argues that there is basically the same wage relationship

between the skilled crafts and transit operators. Since 1981, the machinists and skilled crafts had received about 15% more than transit operators. The percentage today is essentially the same.

Over the history of the Collective Bargaining Agreements, the parties have agreed that all members of the skilled trades and crafts positions in vehicle maintenance should receive the same wage increase. Arbitral authority instructs that the moving party must establish a compelling need for change, which deviates from a long and established pattern of bargaining history. The Union has failed to demonstrate the recent introduction of the hybrid fleet justifies a significant redistribution of pay among the bargaining unit members.

Turning to comparability, the Employer elected to utilize the comparables that traditionally had been used by the parties in bargaining over the last few negotiations. Metro recognizes that selection of comparables in this case is made more difficult by the fact that a small minority of the bargaining unit employees are involved. Transit operators make up 90% of the Union bargaining unit. In the view of Metro, the Arbitration Panel should not deviate from the traditional comparators in developing an award involving only mechanics. This is one of the reasons the Employer did not offer a change in comparables for this proceeding, which is limited to the wage issue for the mechanic group. The Employer submits the comparables provide the Arbitration Panel with a fair and reasonable method to assess the relative status of the mechanics. Metro does not feel that the addition of 235 hybrid buses, which amounted to about 116th of the fleet was a basis for changing the transit agencies that had been traditionally looked to as comparators for the entire bargaining unit.

Regarding the Union's complete rejection of comparables based on the fact no other jurisdiction has as many hybrid vehicles as Metro, the Employer responds this approach is contrary to the statute. Comparables should serve to bring stability to the parties' relationship over time. Here, the Metro hybrid fleet is less than 20% of the entire Metro fleet. The Union bears the burden in this case to offer to the Arbitration Panel evidence that is consistent with the statutory factors in order to prevail. The Union has not met this threshold requirement.

The primary purpose of looking to the comparables in this case is to determine whether a significant adjustment is necessary for mechanic and electronic technician pay. Metro mechanics were fourth in pay among the nation-wide comparables as of October 2004, the final month of the prior contract. Metro is 12% above the average pay in the comparable jurisdictions. Mechanics benefited from a generous cost of living increase that took effect over the last two years. By April 2005, Metro was 16.3% ahead of the comparables. As of April 2006, Metro has moved to second among all of the comparables, just slightly below Oakland. Metro is now 17.4% above the average of the comparables.

Effective November 2005, Metro employees received an increase of 4.66%. Not one of the comparable jurisdictions received an increase that high. The same holds true when Metro is compared to local transit jurisdictions. Metro mechanics are now the highest paid among all of the Puget Sound area jurisdiction mechanics. Metro mechanics received a compound increase of 18.65% from 2002 to 2006. Metro employees also enjoy fully paid health benefits.

Based on the comparability data, there is no support for providing Metro mechanics with the extraordinary wage increase they seek. Metro mechanics are already well paid, and the factor of comparables argues strongly for adoption of the Employer's position.

The Employer next argues the Union's proposal is fatally flawed because it is applicable to all mechanics and electronic technicians for all of their work. The hybrid fleet makes up about 17% of the total bus fleet. Forty percent of the fleet is made up of 40-foot conventional diesel buses, and another 24% is made up of 60-foot conventional diesel buses. Of the 254 mechanics, only 152 work at bases that even have a hybrid bus.

The majority of the testimony presented by the Union dealt with the use of a laptop computer as part of the initial diagnostic work done by mechanics. There was very little testimony about the actual repair work performed by mechanics on the hybrid system. The Union's focus on utilization of the computer was misplaced because computer usage by mechanics is a relatively small part of their overall duties. Further, the use of computers for diagnosis is not in any way unique to hybrids.

The electronic technicians work out of Atlantic Base, where there are no hybrids. Currently, 90% of electronic technicians are stationed at Atlantic Base, where they work on trolleys. Electronic technicians seldom work on hybrids.

There is no justification for a 5% pay increase for mechanics simply because the work happens to be on a hybrid. Mechanics perform traditional work on axles, brakes, door systems, lights, the driver station, the suspension, the fuel system, and the steering system that is no different than that performed on other transit fleets. The job code data was from June of 2004 to December of 2005, and examined in an effort to determine the percentage of the total amount of coded hours that would be hybrid-specific work. Manager George Stiles determined that during each month there was a total of only 89.9 hours of hybrid-specific work. This worked out to 0.18% of the time that a mechanic was actually doing hybrid-specific work. Even at bases with hybrids, mechanics spend less than 1% of their time on hybrid-specific work. Er. Exs. C. 10, C.12. These facts demonstrate that a 5% wage increase for all mechanics and all electronic technicians for their entire workday that also includes the duties traditionally performed by mechanics is not justified.

King County Metro is hardly unique in its decision to begin utilizing hybrid buses. Hybrid buses are being introduced in the eleven-comparator jurisdictions. Not one of those jurisdictions pays any premium or additional pay to mechanics for working on hybrid buses. This is strong evidence the transit industry does not find utilization of the hybrids so unique or different that working on a hybrid bus requires additional pay.

The Employer next argues that recruitment and retention statistics support Metro's position. Metro has been able to secure a significant pool of qualified applicants. Metro has been fortunate in being able to have an adequate pool of qualified mechanics to choose from. Similarly, Metro has not had any trouble hiring electronic technicians. Very few mechanics leave Metro to work for other employers. The hiring and retention data provides further evidence there is no need to adopt the Union's proposed 5% equity adjustment.

The Consumer Price Index (CPI) data supports Metro's position. The

parties' Collective Bargaining Agreement provides that all employees will receive an increase tied to the CPI. The formula utilized in the labor Agreement contains a minimum increase of 3%. As such, utilization of the 3% floor has resulted in mechanics receiving an increase that is higher than the CPI. King County mechanics also benefited from a spike in the CPI for their most recent wage increase that yielded an increase of 4.66% for all bargaining unit members.

The Union's request should be rejected given Metro's fiscal constraints. Over the last several years, expenses have increased at a faster rate than the revenue. Further, another factor impacting revenue is the significant reduction in the percentage of fare box revenue collected. The rise in the cost of doing business has further eroded Metro's financial position. A 10% increase in the cost of diesel fuel adds an additional 1 million dollars to expenses. When the cost of doing business is coupled with the increased demand for bus service, Metro must act prudently in allocating its financial resources. Due to financial constraints, bus service has grown by less than 2% since 2001. The three-year cost of awarding the Union's proposal would be close to 3.5 million dollars. Er. Ex. D.15. The statutory factor of fiscal constraint on Metro is a criterion that strongly supports the position of the Employer in this interest arbitration.

Metro submits that the Union's effort to revise over 30 years of bargaining history is unwarranted. ATU 587 mechanics are already well compensated when compared to both national and local transit agencies. Turnover is almost non-existent, and there is no difficulty in recruiting good candidates. The work performed by mechanics on hybrids is less than 1% of the overall workload for mechanics. The Arbitration Panel should conclude the Union has failed to meet its burden that the additional complexity of the work established a 5% additional pay increase is justified.

## VI. ARBITRATION PANEL'S DISCUSSION AND FINDINGS

### A. General

The central issue in this dispute is whether the mechanics should receive an additional 5% equity adjustment over the wage increase provided in the 2004-2007 Collective Bargaining Agreement. The issue before the Arbitration Panel is not whether

mechanics will receive wage increases. The mechanics received or will receive the same wage increase that other members of the bargaining unit obtained under the cost of living adjustment formula set forth in the Collective Bargaining Agreement.

Since the Union is the moving party, it bears the burden of proof to establish the proposed 5% equity adjustment for mechanics conforms to the statutory criteria. In the present case, the Union seeks to change the status quo and deviate from a 30-year practice of paying employees from the various vehicle maintenance classifications the same hourly rate of pay. Arbitral authority teaches the moving party must establish a compelling need for a major change in the status quo and the past practice established by previous Collective Bargaining Agreements.

The Union's argument in support of the 5% equity adjustment for mechanics is based exclusively on the introduction of the hybrid buses into the Metro fleet and resulting impact on the job duties of mechanics. Metro takes the position the Union cannot establish "the recent introduction of the hybrid fleet justifies a significant redistribution of pay within the bargaining unit." The Arbitration Panel will now turn to the application of the evidence contained in the record to the statutory criteria.

B. Statutory Criteria

1. Similar Factors Determined by the Arbitration Panel to be Pertinent to the Case

The Union argued for a 5% special wage adjustment "because of Metro's acquisition of a fleet of hybrid buses, which the mechanics asserted involved a technological change impacting their working conditions." According to the Union, there are several factors that make the hybrid unique and so much more complex than any other fleet of buses. Primarily, the Union points to the hybrid's use of blended power in conjunction with the fact all of the systems on the bus are interrelated and networked through a complex communication protocol which make working on the hybrids unique and more complex. The Union asserts the job of the mechanics has changed from using wenchers and impact guns to the use of the computer as the primary tool.

The Arbitration Panel holds the Union's position is properly addressed under the criteria of "similar factors determined by the Arbitration Panel to be pertinent to the case."

The Arbitration Panel accepts the Union's argument the hybrids are unique, to the extent the diagnostic work performed by the mechanics involves the use of a computer to engage in problem solving. The crux of this case is whether the introduction of the hybrids and the resulting impact on the job duties of the mechanics shows a compelling need for a 5% special equity adjustment. The Arbitration Panel holds the Union failed to prove the 5% special equity adjustment is warranted when examined within this framework of this statutory criteria.

The burden on the Union is particularly heavy in this case because it seeks to break a bargaining pattern that goes back 30 years. There is no dispute that among employees in the vehicle maintenance unit, each classification has been paid the identical hourly rate for approximately 30 years. Further, the Collective Bargaining Agreements since 1981 have provided a 15% higher rate of pay for members of the crafts than to bus operators. The Arbitration Panel finds the introduction of the hybrid buses and the resulting changes in job duties are insufficient justifications to pay mechanics 5% more than other craft employees in the classifications of mechanic, sheet metal worker, painter, machinist, metal constructor, and upholstery worker.

Moreover, if the Arbitration Panel were to award the 5% special equity adjustment, it would apply to approximately 274 employees out of the bargaining unit of 3,500 or 7% of the ATU members. To award an additional 5% increase to 7% of the bargaining unit must be shown by the Union to have a substantial basis in fact. Absent from this record is convincing evidence the overall duties of the mechanics have changed to such a significant degree as to warrant an additional 5% increase in the hourly rate of pay.

The Union's proposal would increase the rate of pay for all 274 mechanics. However, the evidence shows that only 152 mechanics work at bases where hybrid buses are present. The scope of the hybrid specific work is narrowed even further when the job codes are examined. Manager Stiles testified convincingly that after examining the job codes, only 89.9 hours of hybrid-specific work was performed by mechanics per month.

Turning to the electronic technicians, the lack of hybrid-specific work



performed by electronic technicians is even more glaring. Electronic technicians work at Atlantic Base where there are no hybrids. Stiles testified that 90% of the electronic technicians are assigned to Atlantic Base where they work on trolleys.

The Union argued that mechanics could bid or be assigned to work at a base where hybrid buses are housed. The fact that mechanics could potentially move to bases where they would be required to work on hybrid buses does not change the fact the mechanics continue to perform their traditional duties as set forth in the job description.

At the arbitration hearing, the Union presented evidence that focused primarily on the impact the use of the computers had on mechanics when they were troubleshooting a hybrid bus. The evidence presented by Metro established mechanics also perform work on hybrids that is not specific to hybrid buses. Manager Stiles identified work that is not unique to hybrids such as repair and maintenance on axles, brakes, door systems, lights, the driver station, the suspension, the fuel system, and the steering system, as being no different than work performed on other transit buses. In sum, the Arbitration Panel holds the Union failed to prove that because of the introduction of the hybrids into the fleet, the totality of the work of mechanics has changed to such a degree that would justify an additional 5% equity adjustment limited to the mechanics and electronic technicians.

## 2. The Constitutional and Statutory Authority of the Employer

No constitutional or statutory objections were raised that would put this Award in conflict with Washington law.

## 3. Stipulations of the Parties

The parties stipulated to waive the statutory obligation of the Arbitration Panel to submit the Award within 30 days of submission of the briefs.

## 4. Compensation Package Comparators

In a typical interest arbitration case, comparability issues are usually the major source of contention. It has been the experience of the Neutral Arbitrator that comparability is the guiding force behind a dispute over wage adjustments. The instant

case is different. The Union argued that the work of Metro mechanics is so unique, that comparison of compensation packages to other transit agencies is not helpful to the analysis in this case, and that comparability should be completely disregarded. The Union submits that because of the number of hybrids in the Metro fleet, the work of Metro mechanics is so different that it would be futile for the Arbitration Panel to compare dissimilar jobs.

It is the position of the Employer the Arbitration Panel must review compensation packages in other transit agencies in making a decision under the interest arbitration statute. Metro utilized comparables that traditionally had been used for this bargaining unit. Metro's comparables consisted of 11 other public transit agencies around the United States that are roughly the same in terms of size and scope of operation as Metro.

The Arbitration Panel holds that the introduction of hybrid buses into Metro's fleet is not a ground to ignore the statutory factor of compensation package comparisons to assist in the resolution of this dispute. While the Arbitration Panel agrees the comparability factor in this case should not be given the weight that normally would be accorded the criteria of comparability, the Arbitration Panel would be derelict in its responsibility to completely disregard the comparability factor.

In presenting its case on comparators, the Employer utilized a list of transit agencies that had been used in the previous negotiations, plus three smaller, local transit agencies. Er. Exs. D.4, D.10. While the Employer's list is in need of some finetuning and updating, the Arbitration Panel concludes that information gleaned from Metro's list of comparators is of assistance in resolving this dispute. The Union concedes that Metro mechanics are well paid. Finally, the Arbitration Panel is of the belief that the way this case was presented, it is unnecessary to do an extensive and detailed review of the comparables in this discussion.

The Arbitration Panel finds the following facts to be true:

1. Metro mechanics have or will receive the same cost of living increases as other members of the bargaining unit.
2. Metro mechanics enjoy a competitive and reasonable wage rate when compared with the 11 national comparator jurisdictions. Er. Exs. D.4, D.5, D.6. As of April 2006, the

top-step pay for mechanic is above the average pay for mechanics in the comparator jurisdictions and Metro is the second highest paying agency on the comparator list.

3. The 2005 wage increases in the comparator group ranged from 1% to 4%. Metro mechanics received a 4.66% wage adjustment, the highest in the comparator group.

4. Metro mechanics have received a cost of living adjustment from 2002 to 2006 of 18.65%. Er. Ex. D.10.

5. Metro pays the entire cost of health insurance for mechanics and their families.

6. None of the comparator jurisdictions pay a premium for working on hybrid buses.

Based on the comparison data, the Arbitration Panel holds Metro mechanics are paid a reasonable and competitive wage rate and have--over the years--received cost of living adjustments exceeding the CPI. Thus, the Arbitration Panel must conclude the factor of comparability supports the Employer's position that no additional wage increase is appropriate for mechanics.

## 5. Economic Indices and Fiscal Constraints

### a. Cost of Living

Interest arbitrators traditionally use the cost of living, as measured by the CPI, as a factor for resolving wage disputes. The Union offered no data concerning the CPI. As members of the bargaining unit, the mechanic and electronic technician classifications received the same wage adjustment as other employees in the bargaining unit.

The parties agreed to include in the current contract a wage adjustment based on a cost of living formula. The formula created a 3% floor, which resulted in recent increases greater than the CPI. The most recent cost of living adjustment provided all members of the bargaining unit, including mechanics a 4.66% wage increase. The Union proposed an additional 5% equity adjustment. The cost of living factor does not support a 9.66% total wage adjustment for mechanics only.

### b. Fiscal Constraints

Both sides offered considerable evidence and testimony directed to this factor. The Union argued the record evidence shows Metro has the ability to pay the Union's proposed 5% equity increase, and that there are no fiscal constraints to funding

the proposal. The Employer responded by saying there are fiscal constraints forming the basis to reject the Union's proposal. Mainly, Metro claims expenses are rising faster than income and at the same time, the demand for services is growing to meet the rapidly increasing population rates in King County.

The Arbitration Panel concurs with the Union that Metro has the ability to pay the cost of the Union's 5% increase. However, the statutory standard is not whether the Employer has the complete inability to fund the Union's proposal. The standard is one of fiscal constraints that limit the ability of an employer to pay the proposed wage increase. When the factor of fiscal constraints is considered within the context of the other statutory factors, the Arbitration Panel concludes the Employer's position is well founded.

#### 6. Other Factors

##### a. The Ability to Hire and Retain Qualified Mechanics Supports the County's Position

Turnover is almost non-existent in the mechanic classification. The Employer's evidence shows Metro is able to attract and hire qualified mechanics. The ability to hire and retain qualified mechanics is evidence Metro pays a competitive and reasonable wage rate to mechanics in the bargaining unit.

##### b. Workload

The Union maintained that the introduction of the hybrid buses was an evolutionary leap with respect to the duties required of mechanics in order to satisfactorily perform their job. According to the Union, the very nature of the mechanic's job changed with the introduction of the hybrid buses. Thus, the Union submits the 5% equity adjustment is fully warranted.

As previously noted, the Arbitration Panel recognizes the job of the mechanics changed with the introduction of the hybrid buses. However, Metro mechanics still perform the traditional work required of mechanics as set forth in their job descriptions. Mechanics have used computers in the past and continue to use them in diagnosing problems with buses in the fleet other than hybrids. The Arbitration Panel remains unconvinced that the advances in technology brought on by the introduction of the hybrid bus into Metro's fleet are of such a significant change, in the totality of the

mechanics job, as to justify the Union's request for a 5% equity increase for mechanics and electronic technicians retroactive to November 1, 2004.

The Arbitration Panel will enter an Award consistent with the above-stated findings and conclusions.

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IN THE MATTER OF	)	
	)	
INTEREST ARBITRATION	)	CASE 19575-I-05-0454
	)	
BETWEEN	)	ARBITRATION PANEL'S
	)	
AMALGAMATED TRANSIT UNION,	)	OPINION AND AWARD
	)	
LOCAL 587, AFL-CIO,	)	MECHANICS WAGE
Union,	)	
and	)	INTEREST ARBITRATION
	)	
KING COUNTY DEPARTMENT OF	)	
METROPOLITAN SERVICES	)	
Employer.	)	

Having reviewed all of the evidence and argument, the Arbitration Panel concludes that the Union's proposal should not become part of the current Collective Bargaining Agreement and that the Employer's position of no special wage increase for mechanics and electronic technicians shall be adopted.

It is so ordered.

\_\_\_\_\_  
Gary L. Axon  
Neutral Arbitrator  
Dated: November 3, 2006

\_\_\_\_\_  
Nick Caraway  
Union Appointed Arbitrator

\_\_\_\_\_  
Steve Grissom  
Employer Appointed Arbitrator

Concur / Dissent

Concur / Dissent

Dated: November \_\_\_\_\_, 2006

Dated: November \_\_\_\_\_, 2006