



# COUNTY & CITY EMPLOYEE

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## NEWS IN BRIEF

### More than 5,000 to attend convention

A number of delegates from Council 2 are eagerly looking forward to attending AFSCME's 39th biennial convention in Boston from June 28 through July 2.

They will join more than 5,000 delegates and guests from across the country to focus on expanding organizing efforts, securing important legislative victories, increasing political activities and promoting public services at every level of government.



Bill Lucy

At the convention, International Secretary-Treasurer Bill Lucy, who has held the post for 38 years, will resign from the post.

The convention will celebrate his life and role in the union's history in a program rich in inspiration and appreciation.

"We will hear from delegates about how Bill Lucy inspired them by his leadership, skill and integrity," a statement by AFSCME says.

"And we will hear from this great leader as he addresses the convention and says goodbye and thank you to our great union and its members he loves."

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# How we're battling The Budget Bust

The impact of the worst recession since the 1930s is starting to hit home in cities and counties across the state.

Faced with sharply lower income, local governments are being forced to cut their budgets for this year and next more severely than they had at first thought would be necessary.

Cutting budgets means cutting costs and more often than not those costs are services provided by Council 2 members.

As a result, last year's furloughs are turning into the threat of more severe cutbacks and layoffs this year in the face of sharply lower cash flows.

As the pressure mounts, Council 2 staffers are seeking to find solutions, to become creative and to bargain aggres-

**'We are looking at a pretty tough situation in 2011, too, with no real improvement in sight.'**

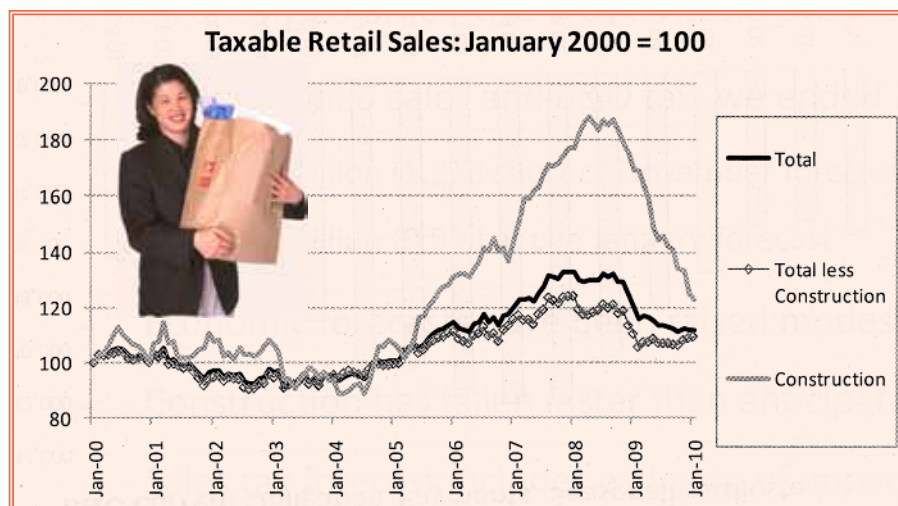
sively to counter the impact on members as much as possible.

Because layoffs or furloughs are mandatory subjects of bargaining under state law, Council 2 can raise those issues at the bargaining table, where possible proposing cutbacks elsewhere, such as in materials or benefits, rather than cuts in staffing or payrolls.

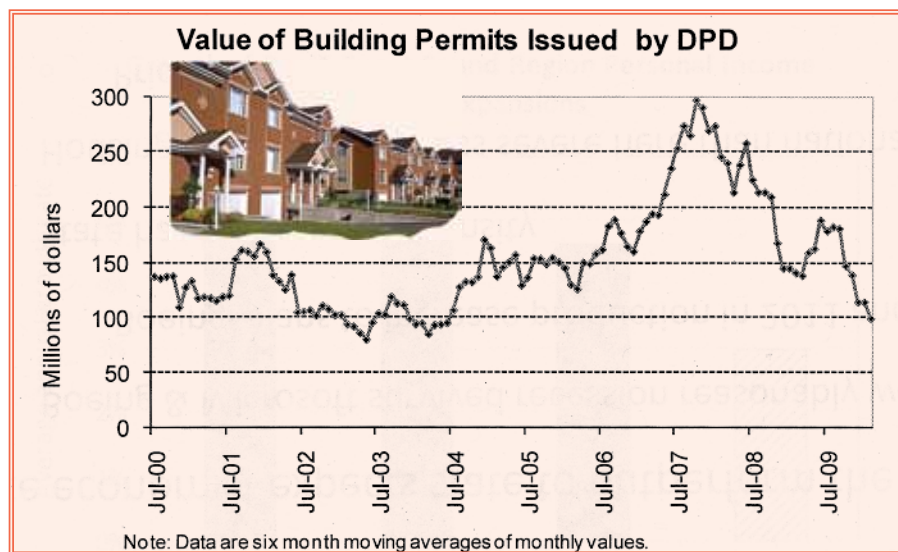
In addition, Council 2 staffers are conducting ongoing discussions with local government administrators and using their years of expertise in negotiating to do all they can to mitigate the effects of the budget shortfalls on members.

The budget bust has been a while in coming, hitting local governments later than other sectors.

"The public sector always lags behind what happens in the economy," says



These graphs — included in a presentation by the City of Seattle to the Seattle City Council in late April — illustrate the strong decline over the last two years in taxable retail sales and the value of building permit issued by the Department of Planning and Development.



Note: Data are six month moving averages of monthly values.

Council 2 Director of Organizing Bill Keenan. "That takes place when the economy is recovering as much as when it is collapsing."

At this time last year, as the nation slumped into the worst recession in at least 30 years, counties and cities in Washington State appeared to be weathering the storm in reasonably good shape. But this year, as the lagging effect kicks in, they

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are having to deal with slumping income from sales taxes, property taxes, real estate excise taxes and building permits.

One of the areas strongly hit is residen-

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## Extended legislative session disappoints

Overall, the 2010 Washington state legislative session was disappointing.

True, the legislature must be commended for raising additional revenue rather than passing an "all-cuts" budget, but the praise stops there.

The process was far from smooth. When disagreement between the three branches of government — the house, the senate and the governor's office — drove

the legislature into an extended special session, they took way longer than they should have to fill the budget gap.

"The problems were clear," says Council 2 Deputy Director Pat Thompson. "They should have been dealt with more expeditiously."

The legislation allowing for more flexibility in spending that would have helped secure many Council 2 jobs failed to meet our expectations, Thompson adds. "True,

a bill that allowed for more flexibility in government spending, number 3179, did pass, but it was a watered-down version that did not contain the real flexibility for which we were looking."

Also disappointing was the legislature's failure to amend the legislation governing the PERS pension plan. The amendment would have removed the requirement that

**See SESSION, page 3**

# 'Remember us when economy improves'

**CHRIS DUGOVICH**



## Letter from the President

The cuts in county and city budgets across the state are now occurring at a fast and furious pace and each form of government is attempting to gain a handle on the problem in its own way.

The frustrating point is that the press covering these events immediately takes the point of view that the cuts are just illusionary or never enough.

The cuts in salary are significant. In the City of Spokane, the 2010 annual budget will call for a 5.5 percent cut to city employees' wages and benefits. In Spokane County, the average cut to all departments is 11 percent. Snohomish County took a real 4.25 percent wage cut in 2009 and 2010 is yet to be determined. Walla Walla employees took a 2.4 percent wage cut at the beginning of 2010.

In 2011, Seattle is bracing itself to correct a \$56 million problem. The library employees took a five-day furlough without pay in 2010 and no doubt will be expected to do more.

The layoffs across the state are real and the numbers represent real individuals with families. Our membership records show that since the spring of 2009 at least 500 individuals have lost their employment — from the planners and permit processors who were the first to go with the housing industry going down the drain, to the general cutting of positions in county or city hall operations. Spokane County has announced it may lay off up to 70 employees at the Geiger Correctional Facility.

Added to the layoffs are the hiring freezes that are cutting budgets everywhere. An employee retires or leaves and the position is gone. The work stays, but without the people to accomplish the department's duties.

Keep in mind these are not the managers or policy makers, but the individuals who provide the real services to the public. They fix our roads, dispose of our garbage, prosecute and house criminals. They sell license tabs and building permits. They provide the most basic of public services, operations that make society work.

Through all of this, our membership has taken its hits and maintained its reasonable attitude. When the far-better-paid elected official fails to take the same cut, it seems to go unnoticed by all. When an official proposes an additional cut in your salary in 2010 without ever acknowledging the cut you took in 2009, you're supposed to grin and bear it. When the media beats us up and says on their editorial pages we shouldn't even question a jurisdiction's priorities, our patience begins to wear thin. When the Snohomish County sheriff writes a letter proposing additional furloughs for every employee except his department, we really wonder how he was elected.

At this stage in this downturn we've proven in jurisdiction after jurisdiction that we will work to alleviate the budget shortfalls. The agreed-to wage cuts, furloughs and cuts to our benefits are fact, not fiction.

We don't want a thank you because we really care more about these governments and the services they provide than some two-term temporary employee sitting on the top floor of some courthouse or City Hall. What we want is acknowledgment and a memory. A memory of how we worked with you when times were bad. Someday, the "great recession" will be over and you need to remember.

## THE BUDGET BUST: A Look at some of the impacts

### Spokane County: Furloughed to the max

For almost 18 months, the 40 employees of the Spokane County Building and Planning Department have been taking every Friday off without pay to mitigate the impact of lower revenue from a sharp drop in building permit fees.

But now a continued fall in new construction has led to the prospect of layoffs.

"They cannot furlough any more than they are already," says Council 2 Staff

Representative Gordon Smith, who represents locals in Spokane County. "It is the most extreme degree of furloughing for the longest period of time. It looks as though three people out of the 40 will be laid off."

For the rest, employees in other departments of county government are bracing themselves for further cutbacks in the wake of a \$10 million budget shortfall for this year. Contracts are in

place for this year, but they might have to be revisited if the situation worsens.

But there is good news, Smith adds.

"Right now it is looking as though the budget deficit in 2011 will be in the neighborhood of \$4 million, less than half of what it is this year."

Everyone is hoping that the situation will continue to brighten in the months ahead.

### Snohomish County: Unexpected ripple effect

Snohomish County is experiencing an unexpected ripple effect of the recession — in its solid waste division.

Garbage tonnage has dropped precipitously as people are repairing rather than discarding goods, explains Council 2 Staff Representative James Trefry.

"They also are buying fewer goods and so there is less packaging to discard," he adds. "One of the major areas in which there has been a falloff has been in construction. Less building means fewer waste products — and the construction industry tends to have a lot of waste products."

When multiplied over the whole population, the decrease adds up to a significant fall-off in garbage tonnage, meaning less income and requiring fewer employees to handle the solid waste, Trefry says.

In addition, Snohomish County is experiencing a drop in revenue from a fall in sales tax receipts and real estate excise tax revenue. Trefry points out that the Obama administration's one-time home-buyers' tax credit expires at the end of June and real-estate values could plummet once more after that, leading to further drops in income from real estate excise taxes because people

won't sell their homes if values go lower.

Worst hit so far by the declining revenue are the juvenile court staff and the planning, solid waste and human services departments. The court and human services also rely on state pass-through revenue dollars and that amount is down. The prosecutors' and auditors' offices have seen a couple of layoffs.

The drying up of the credit market and the decline in construction have led to a reduction in permit applications, resulting in a reduction in staffing levels, both as a result of less work and less income, Trefry adds.

In the Public Works Department, a sharp drop in revenue from the gas tax is hitting road workers, engineers and planners. So far they have experienced no layoffs, but the county has cut back on seasonal labor and overtime, and is reducing staff levels through attrition. "It seems as though the income will continue to decline and if the present measures do not work, they will have to look at other cuts," Trefry says.

### Layoffs loom in City of Spokane

As the City of Spokane faces a \$10 million shortfall for its 2011 budget, preliminary indications are that Local 270, which represents City workers, will lose 10 positions next year, says Council 2 Staff Representative Mike Smith.

But, he adds, negotiations lie ahead and "we are not sure whether it will work out that way."

The prospect of layoffs means that 2011 might prove to be a worse year for Local 270 than this year, which has seen cutbacks and furloughs, but no lay-

offs so far. The reason: The city's budget deficit for next year is projected to be about \$10 million and comes on the heels of a shortfall of \$7.5 million for this year.

Closing the gap, says Mayor Mary Verner, is a "daunting task." She adds, "We continue to face depressed collections of sales tax and real estate excise tax. Lowered utility rates have impacted our revenue and new construction remains low, impacting our property tax."

Among the targeted reductions are converting

City Hall to a 4/10 work schedule, reductions at the Spokane Public Library, freezing pay for senior staff, and no increase in pay for deputies who fill in for managers.

The City also plans to save \$1 million through reducing employee medical benefit plans.

"We are in ongoing discussions with the City of Spokane to try to mitigate the shortfall," Smith adds.

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tial construction, which has fallen faster than anticipated. The sector is expected to hit bottom only in late 2011 or early 2012.

The slump — a result of the crash in house prices — leads to fewer building permits, lower income for cities and counties from real estate excise taxes as fewer houses are sold, and lower property taxes as values drop.

“We are looking at a pretty tough situation in 2011, too, with no real improvement in sight,” Keenan adds. “Some jurisdictions have told me that the best they are hoping for is to stay even. No increase, no decrease, just to stay even would be nice.”

Although the broader economy is showing signs of recovery, the lagging effect means that it will be some time before any improvement in the economic climate reaches local government. In addition, there is the fear that the national economy might face a double-dip recession, leading to even more pressure on budgets.

An example of the situation being experienced across Washington is that at the City of Seattle where Mayor Mike McGinn has asked all departments to suggest reductions of 3 percent for their 2010 mid-term budgets. And he warned he would likely ask for more cuts for 2011.

In a presentation to the Seattle City Council, the administration said it is facing pressures that render the budget worse than originally forecast.

The recession led to:

- A loss of 14,600 jobs in the Seattle metro area and 119,000 in the Puget Sound;
- A decline of 26.6 percent in household wealth;
- The collapse of the housing market and a 33.3 percent fall in construction.

As a result, the tax base from which the city derives its income suffered its biggest decline since at least 1974, leading to an 18.2 percent decrease in retail sales tax revenue and declines in property taxes, real estate excise taxes, business-and-occupation taxes, and utility taxes.

A \$12 million shortfall is projected for this year and there could be as much as \$5 million in additional potential expenditure pressures.

Increased maintenance needs at city facilities and costs for software system upgrades will put additional pressures on the general fund financial outlook for 2011 and beyond, city officials said.

Because 85 percent of the city’s budget is made up of wages, the bulk of the cut-backs will be felt at that level, they warned.

Although there are signs of economic recovery, “in order to put the city budget on stable financial footing for 2012 and beyond, emphasis will be placed on sustainable reductions,” the officials added.

**SESSION, from Page 1**

the default choice for new employees is to be placed in Plan 3, which is riskier than Plan 2. As the legislation now reads, if they do not change that default choice within 90 days they are placed in the riskier plan for the duration of their employment.

Not only that, but the amendment would save a minimum of \$30 million for the pension system. “It was a relatively small change,” Thompson says. “Why they did not make it is inexplicable.

“The Senate refused even to move the bill out of committee. The Democratic leadership in the Ways and Means committee did nothing to move it. There was just silence — no action, no explanation, no communication. It was very frustrating.

“Instead, they attempted to pass a bill that could have led to a complete dismantling of our pension system by imposing a 100-percent defined-contribution program. Such a system might be the cheapest way to do it, but your money is not well spent.

“The bill was raised in the Senate late one night and was approved by a voice vote. But approval of a Senate bill requires signatures, not just a voice vote. Eleven signatures were needed, but they could raise only 10. It was a strange situation.”

# Audit criticizing Grays Harbor employees was ‘strikingly similar’ to Denver report

When complaints were lodged in late 2008 that the Grays Harbor Planning and Building Department was taking too long to process building permits and that staff members were making up the rules as they went along, the then Public Services Director Paul Easter denied the allegations. But, to clear the air, he suggested an independent audit be conducted.

An audit would provide an unbiased insight into the workings of the department, he reasoned, adding only one stipulation — that none of the 10 employees, all members of Local 275 — would be disciplined as a result of the audit’s finding.

So it was that, in late 2008, Grays Harbor County asked the International Code Council, a nationwide non-profit group of building officials and code administrators, to conduct the audit at an estimated cost of \$20,000.

No one could have anticipated at the time that the audit would turn into a bizarre story involving charges of plagiarism, invalid conclusions, wasted time and ill-spent money.

The first indication that something was awry came during 2009 when anticipated interviews with the public and the staff failed to take place.

Then the county received a draft report in late 2009 that officials said was inaccurate and made little sense.

Facing pressure from two Grays Harbor County newspapers, *The Daily World* of Aberdeen and the *Montesano Vidette*, who sought release of the report under the Freedom of Information Act, the county said it planned to do so. But Brian Shea, head of the Grays Harbor Planning and Building department, filed an injunction to prevent the release of the report, saying it would damage him in his work.

Council 2, acting on behalf of the members of Local 275, also filed an injunction in Grays Harbor Superior Court to stop the release. The union’s general counsel, Audrey Eide, argued that the report would violate the employees’

right to privacy and was a violation of the county’s union contract as it relates to evaluating an employee. Although the employees would not be named, they could be identified by their titles in the small community, she said.

Each employee signed a statement

## Bizarre story of ‘fill-in-the-blanks cookie-cutter’ report

saying they had reviewed the report and “believe that the conclusions and recommendations in the evaluation are based in whole or in substantial part on unsubstantiated allegations.”

Judge Gordon Godfrey granted the injunctions requested by the employees and Shea.

Soon after that ruling, the newspapers and Humptulips resident Ron Armstrong, a critic of the department, filed a motion for the lifting of the injunction and Judge David Edwards approved its release.

The report was critical of the department, suggesting it needed to streamline the process, foster a better relationship with the public, do a better job of explaining what they do and even consider hosting public workshops.

Tom Frost, senior vice president for technical services of the code council, wrote that “it only takes a few reversals of agreements or approvals, a few lengthy delays in reviews, a few conflicts between agency requirements, and a few disagreements on code interpretations to turn the development process into a nightmare for some.”

The report mentioned that employees were somehow creating regulations on the fly or using “phantom codes” that did not exist.

Following release of the report, Local 275 members said they strongly disagreed

with it and expressed their disappointment in it, at the same time adopting a unanimous vote of confidence in Shea.

Further investigation revealed that the report was “strikingly similar” to a report criticizing the City of Denver’s planning department seven years ago. Although some part of the report was localized to fit Grays Harbor, both documents listed similar “problems” and nearly identical “solutions,” the Grays Harbor County commissioners said.

They described it as nothing more than a “flawed, fill-in-the-blank, cookie cutter” document. Inquiries also revealed that fewer than half of the people listed as being interviewed had, in fact, been questioned.

Commented Local 275 shop steward Mark Sigler, “The members feel that the discovery of this document (the Denver report) validates our concerns regarding its lack of credibility and further strengthens our position that there was never an actual audit performed due to the lack of fact finding on the part of the ‘expert.’ It is clear now that the content and findings of the report are unfounded and lack merit.”


Former Public Services Director Easter, who originally suggested the audit be ordered, told *The Daily World*, “Never in my wildest dreams did I anticipate such a turn of events. It appears there has been such a disservice by this report that clearly it comes up short of doing what its intended purpose was. The public didn’t get their money’s worth and the employees and staff of the building department didn’t get their due as well.”

Council 2 Staff Representative Kathy Brown, who worked with the union during the process, says the county commissioners, who refused to pay the balance of \$13,500 owing on the report, have invited comments from anyone who wishes to discuss the department’s performance and to give them ideas.


“Shea and the employees were absolutely correct,” she adds. “They did what they were hired to do.”

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# Managers and supervisors join Council 2

When 140 managers and supervisors at Seattle City Light heard earlier this year that their jobs were targeted for cuts by Seattle Mayor Mike McGinn, they turned to Council 2 for help.

"They were concerned about having a voice so they could provide input into their conditions of employment," says Council 2 Director of Organizing Bill Keenan.

"They realized they needed to consider organizing and appointing representatives so they would have a united voice with which they could negotiate issues such as furloughs and layoffs."

The employees filed with the state Public Employees Relations Commission, or PERC, to organize under Council 2. Approval was given.

The employees signed authorization cards indicating their voluntary approval to be represented by Council 2.

The support was stronger than the 65

percent that the city has ruled are needed in order for recognition as a bargaining unit.

The employees involved are supervisors, managers and strategic advisers.

Agreement was reached in mid-May to establish multiple units, with managers in one, supervisors in the other and strategic advisers in the third.

Those units will be distinct from the present unit.

The units will bargain for a master agreement which will be tailored to the needs of each individual unit.

"This is our first large unit of managerial and supervisory employees in Seattle City Light," says Keenan.

"With the exception of the existing group whom we already represent, all the others are represented by the International Brotherhood of Electrical Workers.

"It is also the first unit consisting of this high a level of management."



Posing for a picture after the signing of a voluntary recognition for employees at Seattle City Light are, from left: Seattle City Light Human Resources Director Davonna Johnson; City of Seattle Labor Negotiator Julie McCarty; City of Seattle Labor Relations Director David Bracilano; Council 2 Research Director Bill Dennis; and Seattle City Light Strategic Advisers Jennifer Greenlee and Sandi Fukumoto.

## After eight years, Local president achieves his goal

It took eight years and a lot of perseverance and persuasion, but Local 120 President John Ohlson finally has achieved his goal to have a group of 26 City of Tacoma business analysts become members of Council 2.

Now they are able to enjoy the benefits that come with being union members and being included in the 160-strong bargaining unit that forms part of the local, which has more than 700 members.

Ohlson's struggle with the city began in June 2002 when he pointed out that the group — who then were implementing software applications to manage the city's financial records, human resources records, utility billing and project management — were doing union-covered work, but did not have the benefit of being members of the union.

The city argued that once the implementation of the software was complete, in 18 months, the group would be reassigned to other undetermined job classifications that were not union-covered and so it made no sense to include them in the union.

But Ohlson countered that, once the implementation was complete, the group would continue to manage the software and would therefore

continue to do union work, even though their job descriptions might change.

"The city did not want to promise that and essentially kept them non-union," Ohlson says. "They tried to throw it off the table and even offered me a pay raise if I were to abandon it. I said, No thank you."

The matter went to the Joint Labor Committee, which negotiated a deal that any new positions would be union jobs as long as the employees were doing union-covered work.

Eighteen months later, when the project was completed, the city applied an existing generic job description of "management analyst" to cover the group of employees and to try to keep them from being classified as union workers.

"They used this as an escape clause, saying they were not new jobs and were not union jobs," Ohlson says. "But they were union jobs."

For the next four years, Ohlson led an organizing drive to have the members included in Local 120. Obtaining a clear majority proved elusive as some discontented workers left, forcing the local union leaders to start the drive



Local 120 President John Ohlson

over again with the new employees. Some switched from being on one side to the other. To add to the problem, some votes were challenged and the City reclassified the 26 workers as business analysts during a recent classification study.

Eventually, earlier this year, Local 120 leaders decided, as Ohlson puts it, "to roll the dice."

Believing they could pull it off, they called an election. The result: 14 votes in favor of joining Council 2, seven against and five abstentions.

The analysts were welcomed into the fold on April 27 when the election was certified.

## Council 2 member set high work and personal standards

Chuck Thompson, 66, who died in a car accident in early April, loved his work as a radio technician for the City of Seattle's Transportation Department. He was a member of Local 21.

"It was not just a job," says longtime co-worker Molly Lawless, also a member of Local 21. "He was extremely professional. So much so that he would welcome being called out at 2 a.m. — if the situation warranted it. He was so good that he will have to be replaced by two people."

Thompson — who was responsible for maintaining all the two-way radios in the department's 500 vehicles, as well as four transmitting towers — was a dedicated union member. "He frequently attended meetings and contributed his insight and view-

points," Lawless says.

"But he did not suffer fools gladly," she adds. "If someone asked him what to do when the alarm went off, he would reply: It is in the manual, look it up. He set high standards for himself and kept to them. He expected the same high standards from others."

A statement from Transportation Director Peter Hahn said, "A dedicated professional, he performed his duties with great care and pride."

Thompson also maintained remote radio sites for railroad companies and volunteered with the Mount Rainier Scenic Railroad and Chehalis-Centralia Railroad and Museum, ensuring their crossing signals met the standards.

A loving and caring man, Thompson made many friends. He is survived by his domestic partner Ruth Bailey.

## Fall could see record number of initiatives

This fall looks like being "initiative intense." Never before have so many initiatives been filed in one year in Washington state, leading to the possibility that a record number could appear on the fall ballot.

At last count, some 73 initiatives had been filed with the Secretary of State's office, breaking the previous record of 60, set in 2003.

Initiatives that receive more than 241,153 signatures from registered voters by July 2 will be placed on the fall ballot. The record for those appearing on the ballot is seven.

Here's a look at some of the initiatives:

- Initiative 1098 would establish a 5 percent state tax on individuals earning more than \$200,000 and married couples more than \$400,000. At the same time, it would reduce the state property tax levy by 20 percent; and increase the business and occupation tax credit to \$4,800.

If approved, the measure would be the first time Washington would have a state income tax. It is the first attempt at imposing such a tax since the 1970s. But the measure will provide tax cuts to 95 percent of the state's residents.

The leading proponent of the initiative is Bill Gates, Sr., father of Microsoft Chairman Bill Gates.

"This marks the first most stable progressive effort to take care of ongoing tax revenue problems," says Council 2 Deputy Director Pat Thompson. "Our state's tax system is unreliable and regressive and it is nice to see people like Bill Gates Sr. lending their support for a measure that is good for all of Washington state."

"This would take the worst parts of our tax system and provide relief for the vast majority of our people."

- Initiatives sponsored by Tim Eyman would restate existing statutory requirements that legislative action that increases state tax revenue must be approved by two-thirds legislative majorities or receive voter approval in a referendum.

"This is a repeat of I-960 which was approved, but which could be repealed by the legislature with a simple majority after two years," Thompson says.

"This is a just another example of hamstringing government; you cannot do anything without a super majority and it goes against the heart of our democracy."

- Other initiatives involve: Allowing private companies to provide workers' compensation insurance, a move that if approved is likely to lead to lower claims being paid and more being denied; the privatization of liquor stores; and repeal of the "pop and beer" sales taxes.



PHOTOGRAPH: SUZIE WEIDA

Chuck Thompson