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MEMORANDUM OF AGREEMENT BY AND BETWEEN KING COUNTY AND WASHINGTON STATE COUNCIL OF COUNTY AND CITY EMPLOYEES, COUNCIL 2 ADDRESSING THE 2011 BUDGET CRISIS

WHEREAS, the County is experiencing a financial crisis with a projected General Fund revenue shortfall of \$60 million;

WHEREAS, effective January 1, 2011, the County will eliminate hundreds of positions;

WHEREAS, the parties have an interest in preserving as many positions as possible;

WHEREAS, the employees represented by Washington State Council of County and City Employees, Council 2, are covered by the following labor agreements:

cba Code	Union	Contract
070	WSCCCE, Council 2, Local 21HD	Department of Public Health
080	WSCCCE, Council 2, Local 21AD	Department of Adult and Juvenile Detention
090	WSCCCE, Council 2, Local 21DC	District Court - Wages
260	WSCCCE, Council 2, Local 1652	Medical Examiner - Department of Public Health
263	WSCCCE, Council 2, Local 1652M	WorkSource - Department of Community and Human Services
272	WSCCCE, Council 2, Local 2084-FM	Department of Executive Services, Facilities Management Division
273	WSCCCE, Council 2, Local 2084-SC	Superior Court - Staff (Wages Only)
274	WSCCCE, Council 2, Local 2084SC-S	Superior Court - Supervisors (Wages Only)
275	WSCCCE, Council 2, Local 1652R	Industrial and Hazardous Waste
276	WSCCCE, Council 2, Local 2084-S	Department of Adult and Juvenile Detention (Juvenile Detention Division Supervisors)

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WHEREAS, the national financial crisis, the County's structural financial imbalance, and declining revenues have significantly impacted the County's ability to pay Cost of Living adjustments to its employees;

WHEREAS, the parties will through this Agreement help to preserve essential services and reduce layoffs necessary during 2011.

NOW THEREFORE, King County and Washington State Council of County and City Employees, Council 2 agree as follows.

1. The parties have negotiated that all employees covered by collective bargaining agreements that are open on the subject of 2011 Cost of Living pay adjustments and represented by the aforementioned Unions will not receive a 2011 Cost of Living pay adjustment.

The parties agree that wages will be increased by percentage amounts shown below:

A. 2012 COLA

Employees shall be eligible to receive 90% of the annual average growth rate of the bi-monthly Seattle-Tacoma-Bremerton Area Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W, July of the previous year to June of the current year). Zero floor and no ceiling.

B. 2013 COLA

Employees shall be eligible to receive 95% of the annual average growth rate of the bi-monthly Seattle-Tacoma-Bremerton Area Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W, July of the previous year to June of the current year). Zero floor and no ceiling.

C. 2014 COLA

Employees shall be eligible to receive 95% of the annual average growth rate of the bi-monthly Seattle-Tacoma-Bremerton Area Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W, July of the previous year to June of the current year). Zero floor and no ceiling.

The parties agree when significant shifts in economic and fiscal conditions occur during the term of this agreement, the parties agree to reopen negotiations for COLA when triggered by either an increase in the King County unemployment rate of more than 2 percentage points compared with the previous year or a decline of more than 7% in County retail sales as determined by comparing current year to previous year. Data will be derived from Washington State Department of Revenue. By no later than July 30th of each year of this agreement, the county will assess whether the economic measurements listed above trigger contract reopeners on COLA for the subsequent year.

2. Employees covered by this Agreement will be eligible to receive, in 2011, 2012, 2013 and 2014, other forms of compensation adjustments as provided for in their collective bargaining

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agreement.

- 3. As determined by the County, savings generated by forgoing a 2011 Cost of Living pay adjustment shall be applied by the County in such a way as to reduce the loss of jobs held by bargaining unit members covered by the terms of this Agreement.
- **4.** The County agrees to maintain the benefits negotiated in the Joint Labor Management Insurance Committee for 2011 through 2012.
- 5. The parties acknowledge that all parties have fulfilled their obligations to engage in collective bargaining over the subjects contained in this Agreement.
- 6. The parties acknowledge that this Agreement is subject to approval by the King County Council and ratification by the membership of the aforementioned Unions.
- 7. Any dispute regarding the interpretation and/or application of this Agreement shall be handled pursuant to the terms of the applicable Union's grievance procedure, provided that if more than one bargaining unit has the same or similar dispute, the grievances shall be consolidated.
- **8.** The parties agree that this Memorandum of Agreement shall be in effect through December 31, 2014.

For Washington State Council of County and City Employees,

Council 2:

For King County:

Patti Cole-Tindall, Director Office of Labor Relations

King County Executive Office

12-27-10

Date