

\$24 million settles job lawsuits against county

Complaints stemmed from merger of King County and Metro

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Bureaucratic fallout from the merger of King County and Metro governments a decade ago is costing the cash-strapped county \$24 million to settle two employee lawsuits arising from wage and job-classification complaints.

The County Council budget and fiscal management committee yesterday approved a combined settlement of the two class-action suits, under which an estimated 1,850 current and former county workers will share \$14 million.

Lawyers representing the employees will be paid \$4.5 million, and the county will spend \$5.5 million in administrative and legal costs, identifying and distributing money to eligible plaintiffs and changing county wage structures as required by the settlement. The proposed settlement now goes to the full council for approval.

One lawsuit, labeled the Roberts suit after one of the plaintiffs, and providing for a settlement of \$6 million, accused the county of paying about 350 employees, mostly public health workers, different hourly rates for the same or equivalent work. Employees who worked 35 hours a week were paid a higher hourly wage than those who worked more than 35 hours, usually 40 hours a week.

The other, known as the Duncan lawsuit and settled for \$8 million, accused the county of taking too long to reclassify non-union workers and upgrade pay scales after the Metro merger, and of failing to pay retroactive wages and cost of living increases dating back to 1998. That settlement affects about 1,500 workers.

Council budget Chairman Larry Phillips said working out the administrative complications of the Metro-county merger -- including combining 1,500 different job classifications into about 730 -- "has taken some considerable period of time and been very difficult."

After the Metro merger, job and wage systems were combined and upgraded in phases, and those who were reclassified before Jan. 1 received retroactive pay, mostly back to Jan. 1, 1998.

However, as County Executive Ron Sims explained in a letter to the council last month, he proposed and the council agreed that another, non-unionized group -- those in the Duncan lawsuit -- wouldn't get retroactive pay because of "the county's financial situation and budget crisis."

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The settlement takes \$14.1 million from the county's 2003 budget, and \$9.9 million from the 2004 budget that the council intends to adopt Monday.

It has been an expensive month for the county in settling employee lawsuits. Two other suits were settled in recent weeks for a total of \$9.2 million. One was brought by employees of the Sheriff's Office over delayed overtime payments and miscalculated regular pay. The other arose from wage miscalculations in other departments.

Sims has said the Duncan and Roberts litigations are the last of a series of employee lawsuits arising from the Metro merger. But the merger's cost will continue to be felt for several more years.

The county spent \$38 million on new computers and software in an attempt to join incompatible payroll and finance systems used by Metro and the county before their merger, but Sims abandoned the project in 2000 after huge cost overruns.

Sims told the council last month that had the financial systems replacement project been in place, it wouldn't have prevented the Duncan-Roberts litigation.