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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

_____)
 In The Matter of the Arbitration Between:)
)
 THE CITY OF KAUKAUNA(Utility Commission))
)
 -and-)
)
 KAUKAUNA LOCAL 2150)
 INTERNATIONAL BROTHERHOOD OF ELECTRICAL)
 WORKERS)
 _____)

Decision No. 17040-A

Appearances: Richard C. Darling, Assistant Business Manager, for the Union
Charles E. Carlson, Consultant, for the Employer

Kaukauna Local 2150 International Brotherhood of Electrical Workers, hereinafter referred to as the Union is the duly certified representative of all electric and water utility employees of the City of Kaukauna (Utility Commission) hereinafter referred to as the Employer. Negotiations between the parties began on November 11th, 1978 and the parties met on three occasions prior to March 21st, 1979, in an effort to reach accord on a new collective bargaining agreement. On March 21st, 29th, and April 3rd, 1979, mediation efforts were conducted by a member of the staff of the Wisconsin Employment Relations Commission. On April 18th, 1979, the Employer filed a petition with the Wisconsin Employment Relations Commission requesting the commission to initiate mediation-arbitration pursuant to Section 111.70(4)(cm)6 of the Municipal Employment Relations Act with regard to an impasse existing between the parties with respect to wages, hours and conditions of employment. On May 7th, 1979, an informal investigation on the petition was conducted by a member of the commission staff and it reflected that the parties were deadlocked. During the investigation the parties exchanged their final offers and on May 11th, 1979 the investigator notified the parties that the investigation was closed. The final offer of the Union consisted of one proposal and is attached hereto as addendum 'A'. The Employer's final offer consisted of two different proposals and is attached hereto as addendum 'B'. The Union presented eighteen exhibits and the Employer submitted nineteen. At the time of the hearing the Union submitted a ten page brief. After the hearing the Employer submitted a brief totaling twenty-six pages and the Union submitted one of four pages.

In support of its position the Union submitted evidence of the rate schedules for the Employer and the rates of the Wisconsin Electric Power Company for the service area surrounding the Employer. The rates of the two utilities are not exactly the same but they are competitive. The Union also submitted evidence demonstrating that from 1926 through the current year, except for three years during the depression, the utility has been making annual payments out of its profits to the Employer. These payments are to compensate the Employer for the use of its facilities in producing and distributing electrical energy to non-taxpayers in the service area.

The Union introduced evidence that as of September 1979, the cost of living was increasing at an annual rate of approximately 13½ percent. The evidence indicated that there has been a direct relationship between the wage rates of the Employer and the Wisconsin Electric Power Company, Michigan division. The employees of Wisconsin Electric work on a system which almost completely surrounds and borders the facilities of the Employer. The expired contract between the Employer and the Union paid a journeyman lineman \$7.90 per hour. During the twelve months preceding August 15th, 1979 Wisconsin Electric received \$8.847. On August 15th, 1979 the Wisconsin Electric increased a journeyman lineman's wage to \$9.36 per hour. The school district at Kimberly is located in the same area as the Employer and its teachers were recently awarded a 9.89 percent increase for the 1978-1979 school year by an arbitrator. The three major craft unions representing employees of the Consolidated Papers, Inc., some of whom were represented by the International Brotherhood of Electrical Workers, reached agreement with the employer and one of its subsidiaries that called for a 10 percent increase effective May 1st, 1979. The Employer recently reached agreement with the employees in units of the Fire

Department, Police Department, Department of Public Works and City Hall that provided for a 9 percent increase in 1979 and a 7½ percent increase during 1980. Historically the relationship between those employees and the employees of the municipal utility have been very close and the utility employees have never received less in a negotiated labor agreement than the other employees of the Employer. The Union recently concluded negotiations with the City of Jefferson for the employees of that municipal utility that resulted in 1979 increases of 9 percent and 1980 increases of 9.2 percent. The Union also reached agreement with the municipal utility of the City of Kiel that provided for wage increases of 9.1 percent in 1979 and 9.2 percent in 1980. Combined Locks Mills, the largest Employer within the city limits of Kaukauna reached agreement with the Union representing its employees calling for a 10 percent wage increase in 1979 and another 10 percent in 1980. The Oconto Electric Cooperative has a collective bargaining agreement with the International Brotherhood of Electrical Workers representing its employees that provides a line-man at the top of his range with a wage of \$8.58 per hour for the the first ten months of 1979 and \$9.18 per hour for the twelve months following October 1979. The 1979 rate for journeymen linemen of the Oconto Electric Cooperative is \$0.68 per hour more than the Employers linemen now receive. The Employer has given its alderman a 10.7 percent increase for 1979 and an additional 15.7 percent in 1980. The Employers utility manager received an 8½ percent increase that was effective September 1978 plus a \$600.00 expense adjustment.

The current labor agreement carries no provisions requiring employees to be on stand-by. Article I, Section 10, requires the Union and its Employees to cooperate in promoting and advancing the welfare of the utility and its service to the public at all times. Section 5 of that Article gives the Employer the right to exercise full control and discipline in the interest of good service and the proper conduct of the business. Article XI of the agreement vests in the Employer the authority to take whatever action necessary to carry out the objectives of the utility and to subcontract for effective utility operations.

The labor agreement between the Manitowoc Public Utilities Commission and its employees provides a wage increase for 1979 of 1 percent plus that percentage that is equal to the increase in the Milwaukee Consumer Price Index from November 1970 to November of 1978 with a cap of 13 percent. This agreement covers seventy employees and has no specific stand-by provision. The agreement between the Marshfield Electric and Water Utility and its employees provides a journeyman lineman with seven years experience with an hourly rate of \$7.18. This agreement covers forty-one employees. There is no specific provision in the agreement providing for stand-by. The labor agreement between the Menasha Water and Light Utility and its employees provides that a journeyman lineman at the top of his pay range would receive \$7.43 per hour during 1979. The agreement contains no specific provision for stand-by. The agreement between the Waupun Municipal Utility provides its employees a \$0.40 per hour increase for 1979. A journeyman lineman at the top of his pay range would receive an hourly rate of \$7.43. There is no provision for stand-by in the agreement. The agreement between the Wisconsin Rapids Utility and its employees pays a journeyman lineman \$8.87 per hour during 1979. There is no specific stand-by provision in the agreement although it does provide that refusal to return to work during an emergency is sufficient cause for disciplinary action.

The 1976 insurance rates paid by the Employer for family coverage of employees in the bargaining unit was \$69.08 per month. During 1978 the Employer agreed to pay the cost of the family health insurance plan up to \$110.00 per month. The agreement provides that if \$110.00 per month exceeded the monthly family premium the excess would be added to the employees base wage rate. The actual cost of a family plan turned out to be \$87.14 per month and this resulted in an addition of \$0.13 per hour to the base rates. The health insurance premium for 1979 is \$98.00 per month. Effective January 1st, 1976 the Employer paid a firefighter with one year experience an annual wage of \$10,593.37. During 1979 a firefighter with one to two years of experience receives an annual salary of \$12,635.76. A firefighter with more than two years experience receives an annual salary of \$14,005.41. In January of 1976 a patrolman in the police department with one year of service received an annual salary of \$10,966.32. During 1979 a patrolman with one year of service will receive an annual salary of \$14,606.33. During 1976 the Employer paid a heavy equipment operator \$5.19 per hour. During 1979 the Employer will pay a heavy equipment operator \$6.74 per hour. In January of 1976 the Employer paid a typist-receptionist \$221.09 bi-weekly. During 1979 a typist-receptionist will receive a bi-weekly rate of

\$299.49. From December of 1975 to December of 1976 the consumer price index increased eight points from 166.3 to 174.3 which was a 4.8 percent increase. The increase in the consumer price index from December 1975 to December 1978 was from 166.3 to 202.9 or a total of 36.6 points. This was a 22 percent increase in the CPI over the three year period. The average monthly pay for firefighters in 1976 was \$973.00 and for 1979 it is \$1,216.00. This is an increase of \$243.00 per month or about 25 percent over the 1976 salary. The average monthly salary for police department employees in 1976 was \$1,002.00 and in 1979 it was \$1,253.00. This is an increase of \$251.00 per month which is about 25 percent over the 1976 salary. Public works employees received an average monthly salary of \$853.00 in 1976 and received \$1,111.00 per month during 1979. This is an increase of \$258.00 per month or about 30.2 percent over the 1976 average wage. City Hall employees received an average monthly wage of \$658.00 in 1976 and \$836.00 in 1979. This is an increase of \$178.00 per month, or about 27.1 percent over the 1976 average wage. In 1976 the employees of the public utility received an average monthly wage of \$1,086.00. The Employer's final offer of 8 percent would provide those employees with an average monthly salary of \$1,405.00. This increase of \$319.00 is a 29.4 percent increase over the 1976 average monthly salary. The Union proposal of a 9 percent increase would provide employees with an average monthly salary of \$1,419.00. This would result in a \$333.00 or 33.6 percent increase over the 1976 average salary. The Employer's proposal of 8 percent would increase its annual payroll cost \$60,522.43 more in 1979 than it did in 1978. This is exclusive of any overtime that might be worked. The Union's proposal of 9 percent would increase the Employer's total payroll costs for 1979 by \$67,352.86 over 1978, exclusive of any overtime that might be worked.

Prior to April of 1979, when the Employer was calling in line department personnel for emergency work it would start at the top of the list excluding the general foreman and go down the list. Sometimes the sequence was changed in order to equalize the overtime. Because of dissatisfaction on the part of members of the line department, it was agreed that commencing on April 2nd, 1979, a line department call-in sheet would be developed and calls would be made on a rotating basis. If two linemen were not available an attempt would be made to call in a groundman. If a groundman was not available personnel with line experience outside of the line department would be called. On nineteen occasions when it was necessary to call in employees for emergency work, the situation would have been covered by the Employers' proposed stand-by language. On seventeen occasions when employees were called in, the Employer's proposed stand-by language would not have been applicable.

June 30th, 1979, was a Saturday and there was an electrical storm in the afternoon. The Employer's system had several outages and it started calling employees at 2:15 in the afternoon. They were unable to get a qualified employee until 5:15 in the afternoon. Another qualified employee was obtained at 8:00 that evening. During the period when qualified employees were not available supervisory employees handled the problem. September 8th, 1979, was a Saturday. A residential customer pulled the electrical service wires loose from his house and they were on the ground in the middle of the street. It was necessary to take care of the problem immediately. The Employer called employees from 12:39 in the afternoon until 12:51. During that 42 minutes it was unable to locate any qualified employee to report and the problem was handled by supervisory personnel. Supervisors generally do not have the necessary background or experience to do line work or use the equipment.

DISCUSSION: Wages

The Employer service area is surrounded by that of the Wisconsin Electric Power Company Michigan Division. During the 11 months preceeding August 16th, 1978, Wisconsin Electric paid its linemen \$8.326 per hour. As part of a three year agreement effective August 16th, 1978, and running to August 16th, 1981, it paid those linemen \$8.847 per hour, which was an increase of \$.521 per hour or 6.25 percent more than they received the preceeding eleven months. Effective August 16th, 1979, those same employees receive \$9.36 per hour, which is an increase of \$.513 or 5.7 percent. During 1978 the Employer's linemen received \$7.90 per hour. The Employers proposal would give those linemen an 8 percent increase or \$.63 per hour for 1979. The Union proposal would give those linemen a 9 percent increase or \$.71 for 1979. The Employers proposal would pay its linemen \$8.53 an hour during 1979 compared to the \$8.847 per hour that the Wisconsin Electric linemen received for most of 1979. The Union proposal would pay the linemen

\$8.61 per hour. The Employers proposal is for fewer dollars per hour during 1979 than Wisconsin Electric paid its linemen, but the hourly increase of \$.63 per hour is greater as is the percentage increase.

As part of a two year agreement Manitowoc paid its linemen \$8.21 per hour during 1979. This is \$.32 lower than the Employers proposal, and \$.40 less than that of the Union. It represents an increase of 1 percent more than the increase in the cost of living from November 1977 to November 1978.

Marshfield's pay for a lineman of \$7.29 per hour is \$1.24 lower than the Employers proposal and \$1.32 less than the Union proposal. As part of a two year agreement Menasha paid its lineman \$8.02 an hour in 1979. This is \$.51 lower than the Employer's proposal and \$.59 less than that of the Union. It should be noted that Menasha is in the same geographical area as the Employer and its service area, like the Employer's, is surrounded by that of Wisconsin Electric Power Company.

As part of a two year agreement Waupun gave its linemen a \$.40 an hour increase in 1979, bringing the wage to \$7.43 per hour. This is \$1.10 lower than the Employer's proposal and \$1.18 less than the Union proposal. It represents a 5.6 percent increase over the previous year.

Wisconsin Rapids paid a journeyman lineman \$8.87 per hour during 1979. This is \$.34 higher than the proposal of the Employer and \$.26 higher than the Union proposal.

The Oconto Electric Cooperative pay for a lineman at the top of his range is \$8.58 during the first ten months of 1979, which is \$.05 per hour higher than the Employer proposal and \$.03 less than that of the Union.

The City of Jefferson gave its utility employees a 9 percent increase in 1979, which is the same percentage increase proposed by the Union and 1 percent more than that proposed by the Employer.

The City of Kiel gave its utility employees a 9.1 percent increase in 1979 which is .1 percent more than the Union's proposal and 1.1 percent more than the Employer's proposal.

The Employer has reached agreement with the four other bargaining units with which it negotiates. The agreement is for two years and it provides a 9 percent increase during 1979 and a 7½ percent increase during 1980. The 1979 increase is the same percentage proposed by the Union and 1 percent more than that proposed by the Employer.

From December of 1975 to December of 1978 the Consumer Price Index rose from 166.3 points to 202.9 points. This was a 36.6 point increase, which amounted to 22 percent over that period. During that same period the employees of the Employer's four other bargaining units have received increases resulting in average monthly increases ranging from a total of 25 percent for Police and Fire Fighters to 27.1 percent for City Hall employees and 30.2 percent for Public Works employees. The Employer's offer would provide this bargaining unit with an average monthly increase of 29.4 percent over the same period while the Unions proposal would produce a 30.6 percent increase. The employees in this bargaining unit receive a higher average wage than that received by any of the four other bargaining units that negotiate with the Employer.

The Employer's proposal keeps its wages competitive with the other municipal utilities in the area and retains a similar relationship between its wages and the wages paid by Wisconsin Electric Power Company in the same geographical area. The proposal lags behind the percentage increase given by the Employer to its other bargaining units for 1979 while the proposal of the Union is the same as that received by the other bargaining units for that year. Historically the utility workers have never received less in a negotiated agreement than the other municipal employees of the community. However, the 9 percent increase for 1979 given by the Employer to its other bargaining units was part of a two year agreement that calls for 7½ percent increases in the second year. It is traditional to favor the first year of a two year agreement in order to get an agreement for the second year.

Over the past three years the Employer has given the Union wage increases that have more than kept pace with the increase in the cost of living. The increase in the cost of living during 1979 has been substantial and will undoubtedly exceed the increase proposed by the Employer. However the Union can consider that when it negotiates its agreement for next year.

STANDBY

On nineteen occasions since April 1979, the Employer has had situations arise where it was necessary to have a lineman available on a weekend or holiday. On two of those occasions, the Employer was unable to locate a lineman to deal with the emergency. It was necessary to utilize supervisory personnel who were not properly trained on those two occasions. The standby proposal of the Employer is not unreasonable. It only requires one lineman to be available on weekends and holidays. The employee receives four hours of pay for standing by on a weekend and 2 hours for a holiday. If they are required to work they receive the appropriate premium scale. The work would be rotated among the six linemen unless there is a volunteer. Employees would be permitted to trade standby periods if they notified the Employer.

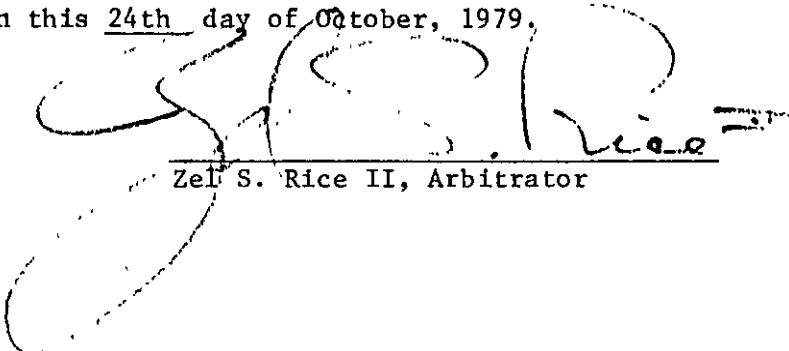
While the compensation for standby in the Employer's proposal is not overly generous, it is not so inadequate that it would require the Arbitrator to reject the entire proposal. The public interest and welfare and safety of the Employer's employees require the availability of trained linemen when an emergency arises on a weekend or holiday. There should be an established procedure to assure the Employer that a lineman will be available. If it can be done on a voluntary basis, that is most desirable; but the Employer must be assured that a qualified employee will be available.

The Arbitrator would not be uncomfortable in making a recommendation that contained the wage proposal of either party. Neither one is far from reality and there is considerable evidence in the record supporting either position. Good arguments can be and have been made for both proposals. The Arbitrator is convinced that a standby procedure is necessary for the Employer to assure that continued service is provided to its patrons by employees who are properly trained and that factor controls the decision.

FINDINGS AND AWARD

After full consideration of the criteria listed in the statute and after careful and extensive examination of the exhibits and arguments of the parties the Arbitrator finds that the Employer's final offer is preferable to that of the Union and orders the Employer's proposal be incorporated into an agreement containing the other items to which the parties have agreed.

Dated at Sparta, Wisconsin this 24th day of October, 1979.


Zell S. Rice II, Arbitrator

5/7/79

Local Union 2150 IBEW, Kawkauna unit proposes that the following are at issue in the current negotiations to be submitted to arbitrator:

1. Wages - 9% effective Jan. 1, 1979

Richard C Darling

The City of Kaukauna Utility Commission makes the following final offer to Kaukauna Unit 2150, International Brotherhood of Electrical Workers, on the issues remaining in dispute:

1. Article IV Working Hours and Rules, add a new section as follows:

Sec. 25. The Employer may require one (1) lineman to be on standby during weekends and holidays. The standby duty shall be rotated among qualified employees; however, employees may volunteer for standby duty and may trade standby periods provided an employee first notifies the Employer. The standby periods shall be from the end of the workday preceding a holiday or weekend and shall continue until the commencement of the workday following the holiday or weekend. An employee on standby shall receive four (4) hours pay for a weekend and two (2) hours pay for a holiday. No employee shall be required to be on standby more than ten (10) weekends during a calendar year. No employee shall be required to be on standby more than one (1) weekend during deer hunting gun season and shall not be required to be on standby the first weekend of deer hunting gun season more than once in a five (5) year period or more than once during the second weekend of deer hunting gun season in a five (5) year period. A qualified employee is defined as a journeyman lineman. The next journeyman lineman appointed shall be assigned all standby time assigned during the deer hunting gun season.

2. ~~4.~~ Article XIV Alterations and Changes to Agreement would be amended as follows:

Sec. 4. (Delete in its entirety and substitute the following:)
 The parties agree that the total increase in wages shall be eight percent (8.0%) effective January 1, 1979, based on the January 1, 1978 rates.

John P. Cole 5/7/79