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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

STATE OF WISCONSIN
BEFORE THE ARBITRATOR

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APPEARANCES:

On Behalf of the Union: Jack Bernfeld, Staff Representative

On Behalf of the City: Thomas T. Schrader, City Attorney

I. BACKGROUND

On October 10, 1984, and October 17, 1984, the Parties exchanged their initial proposals on matters to be included in a new collective bargaining agreement to succeed the agreement which expired on December 31, 1984. Thereafter, the Parties met on three occasions in efforts to reach an accord on a new collective bargaining agreement covering all regular full-time and regular part-time employees employed by the City of Lancaster in the City crew, parks, sewage plant and cemetery departments, excluding guards, supervisors, confidential employees, managerial employees, executive employees, and all other employees. On December 26, 1984, the Union filed the instant petition requesting that the Commission initiate Mediation/Arbitration pursuant to Section 111.70(4)(cm)6 of the Municipal Employment Relations Act. On January 30, 1985, a member of the Commission's staff, conducted an investigation which reflected that the Parties were deadlocked in their negotiations, and by February 6, 1985, the Parties submitted to said Investigator their final offers. The Investigator then notified the Parties that the investigation was closed; and advised the Commission that the Parties remain at impasse.

The Commission then ordered the Parties to select a Mediator/Arbitrator. The undersigned was so selected and notified of his selection on February 15, 1985. Mediation was scheduled and conducted on July 10, 1985. The Parties were unable to resolve their differences in Mediation and the undersigned verbally advised them of his intent to proceed to Arbitration. Both Parties waived their right to written notice of such intent, and each declined to withdraw their final offers. Post-hearing briefs were submitted on August 12, 1985. Based on the relevant statute, the evidence and the arguments of the Parties, the Arbitrator renders the following Award.

II. ISSUES

Both Parties agree that the contract duration should be January 1, 1985 through December 31, 1985. In addition, both agree the 1984 contract should remain the same except as modified by the final offers. The Employer proposes only to change the wage rates by four percent "on average". For comparison purposes, this is 0.27\$ per hour. The Union proposes to increase the Employer's health insurance contribution from \$165.10 to \$172.11. The Union's offer on wages reads as follows:

- (1) Increase "Cemetery Worker" classification rates by 0.40\$/hour effective January 1, 1985 and by an additional 0.40\$/hour effective July 1, 1985.
- (2) Increase all other hourly rates by 0.24\$/hour effective January 1, 1985 and by an additional 0.07\$/hour effective July 1, 1985. These increases are also to be granted to the "present Waste Water Treatment Plant Operator". Increase the pay of the "Supervisor of Golf Course, Cemetery and Parks" by \$19.00 bi-weekly effective January 1, 1985 and by an additional \$6.00 bi-weekly effective July 1, 1985.
- (3) Delete reference to "the present Water Plant Operator will be "red circled" at \$8.02 per hour."

III. ARGUMENTS OF THE PARTIES

A. The Union

The Union first suggests that the difference in the offers, other than cemetery workers, is not significant. They propose that all employees will receive wage increases (except cemetery workers) of 0.24\$ per hour effective January 1, 1985, and an additional wage increase of 0.07\$ per hour effective July 1, 1985. This results in a cost of 0.275\$ per hour and a lift of 0.31\$ per hour. They also note that the bi-weekly pay increase proposed for the supervisor of Golf Course, Cemetery and Parks is virtually identical to the proposed hourly wage increase when converted ($\$19 \times 26$ pay periods divided by 2,080 hours = 0.238\$; $\$6 \times 26$ pay periods divided by 2,080 hours = 0.075\$; total 0.313\$ per hour.) This is compared to the Employer's proposal of 0.27\$ per hour for all employees.

The Union argues that their offer is more reasonable than the City's offer. They base this assertion by reviewing the relative ranking of Lancaster among the eight cities with unionized work forces, which they believe to be comparable. In doing this comparison, based on two benchmark positions -- Maintenance Worker III (Heavy Equipment Operator) and Maintenance Worker I. Regarding Maintenance Worker III, based on their analysis of the evidence, they contend that in 1984 the City ranked seventh in the hourly base rates paid to similarly employed workers. Neither the Union's nor the City's offer would alter this relative ranking, although the Union's offer establishes a wage rate closer to the average wage rate than the City's offer does. The proposed total lift of 0.31\$ per hour is significantly closer to the comparable wage increase than the City's. The City's offer of 0.27\$ per hour would be the lowest wage increase among the comparables. The Union's offer of 0.31\$ per hour is much closer to the average wage increase of 0.33\$/0.34\$ negotiated by comparable cities. Regarding Maintenance Worker I, the Union looked at the lowest paid street department classification in the comparable cities. They assert Lancaster ranks last in 1984. Under either offer,

the Mechanical Worker I will rank last in 1985, by a significant degree. The City's offer of 0.27\$ per hour is significantly less than the comparable average wage increase of 0.33\$ per hour.

With respect to their proposal for the two cemetery workers, they contend that their proposal to give them a larger increase than other employees is justified, because (1) the nature and type of job duties performed, and equipment used by them, are indistinguishable from that of Mechanical Worker I; and, (2) the difference in pay between Mechanical Worker I and Cemetery Worker is \$1.78 per hour. It is their position that the title is misleading because these employees are no longer seasonal, as originally intended. Now, both "cemetery workers" work year round on a full-time basis. Indeed, of the two employed, only one works at the cemetery at all -- and just during the summer months. The other employee does not work at the cemetery (except for an hour or two on rare occasions). He spends his summer months working in the City Parks and the Street Department; his winter months are spent in the Street Department. They also believe their proposal is justified when compared to the other three cities that have such a classification. For instance, in Mineral Point, the rate was \$5.62 per hour compared to Lancaster's \$4.66 per hour. Wisconsin Dells pays \$8.01 per hour, and Richland Center pays \$7.25.

The Union views health insurance as the "crucial issue". They note that raising the Employer's contribution to \$172.11 -- which has historically been equal to the full premium -- the City would effectively reduce its contribution to 96 percent, from 100 percent. They maintain that there is no justification to alter the historical status quo. They believe their offer is significantly superior than the City's for numerous reasons: (a) The monthly premiums for the City's health insurance plan are less than the average rate for both the family and single plans; (b) The monthly premium for the City's health insurance family plan is less than the other comparables with HMO's; (c) All comparable municipalities contribute 100 percent of the cost of the premiums for a family plan in 1985.

In rebuttal, the Union does not believe Platteville is comparable because it is not unionized. Nonetheless, they note Platteville's wage rates are significantly higher than Lancaster's:

	<u>Heavy Equipment Operator</u>	<u>Laborer</u>
1984	\$8.98/hour	\$7.98/hour
1985	9.45/hour	8.40/hour

In terms of insurance, while Platteville employees do contribute \$10 per month to their insurance under the family plan, the premium of \$179.30 is greater than Lancaster's. Thus, they argue on balance, Platteville's level of compensation does not serve to support the City's position.

B. The City

The City argues that noticeably absent from the Union's comparisons, is data from the City of Platteville and from the Grant County Deputy settlement. They believe these are valid comparisons. They submit one exhibit showing that, in the case of Grant County, Grant County pays only a little more than half the health insurance premium for a family. In 1985, they will pay \$85 per month, \$90 as of January 1, 1986 and \$95 July 1, 1986. In the City of Platteville, they assert that the contribution is 95 percent. They also point out that the employees receive excellent benefits under the current HMO plan.

Beyond this, they argue the City's offer as to the wage increase, is fair and reasonable. The City's offer as to the four percent employee contribution to the family plan is also fair and reasonable. In rebuttal, they contend selective comparisons with other municipalities does not change this fact.

IV. DISCUSSION AND OPINION

Wisconsin Statutes 111.70(4)(cm)(7) directs the Arbitrator to give weight to the following factors:

"a. The lawful authority of the municipal employer.

"b. Stipulations of the parties.

"c. The interests and welfare of the public and the financial ability of the unit of government to meet the costs of any proposed settlement.

"d. Comparison of wages, hours and conditions of employment of the municipal employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employes performing similar services and with other employes generally in public employment in the same community and in comparable communities and in private employment in the same community and in comparable communities.

"e. The average consumer prices for goods and services, commonly known as the cost-of-living.

"f. The overall compensation presently received by the municipal employes, including direct wage compensation, vacation, holidays and excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.

"g. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

"h. 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 through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment."

It is noted that the arguments of both Parties related primarily to factor (d). The difference is that the City compares the offers to "employees generally in public employment in the same community" -- in this case the Grant County Sheriff's Department. They also argue that the City of Platteville is comparable. The Union, on the other hand, utilizes the following cities: Baraboo, Tomah, Sparta, Prairie du Chien, Reedsburg, Richland Center, Wisconsin Dells and Boscobel. They base their comparability claim on size, geographic proximity and adjusted gross income.

While the health insurance contribution of Grant County deserves some weight, it is generally accepted that specific comparisons, with similar employees, doing comparable work in comparable cities, deserves more weight than the more general comparisons.

The remaining question on comparability is whether the City of Platteville is comparable. Regardless if it is, it is the conclusion of the Arbitrator that the Union's offer on wages and insurance is more reasonable.

When the Union's evidence is analyzed, it is noted that even if all the Employer's final offers are accepted in the comparable cities, the average hourly rate increase for 1985 over 1984, for heavy equipment operators and maintenance workers, is 0.33\$. Thus, even without questioning whether the wage levels are appropriate in Lancaster, and concentrating attention only on wage level changes, the Union's offer is more reasonable. This is because its 0.31\$ per hour lift on the rates is closer to the average, while only costing the City 0.275\$ per hour.

With respect to the cemetery workers, it would appear -- based on the Union's evidence and arguments -- that equitably, they deserve to catch up to some degree to the Maintenance Worker I classification.

Concerning insurance, the Union's offer is again most reasonable. All the other comparable cities pay 100 percent, and the Arbitrator is not convinced that the benefit received in the City of Lancaster is significantly any greater than elsewhere. Moreover, even though employees in the City of Platteville contribute \$10 per month toward a \$179.30 premium, they are paid a greater wage. As noted by the Union, a heavy equipment operator there earned \$8.98 per hour, compared to \$7.36 per hour in Lancaster. A laborer in Platteville earned \$7.98 per hour compared to \$6.44 per hour in Lancaster. Thus, on a total compensation basis, Platteville actually supports the Union's offer. Moreover, heavy equipment operators in Platteville received a 0.47\$ per hour, or 5.2 percent increase in 1985, and laborers received a 0.42\$ per hour, or 5.2 percent increase.

In summary, while a comparison to Grant County supports the Employer's offer on health insurance, this cannot be given more weight than the Union's evidence on wages and insurance. The Union's offer is clearly more consistent with wage increases in other cities, including Platteville, and clearly more consistent with the amount of health insurance contributions by other employers.

AWARD

The 1985 contract between the Parties shall include the final offer of the Union.

Dated this 26th day of November, 1985, at Eau Claire, Wisconsin.



Gil Vernon, Mediator/Arbitrator