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STATE OF WISCONSIN  
BEFORE THE MEDIATOR/ARBITRATORWISCONSIN EMPLOYMENT  
RELATIONS COMMISSION

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In the Matter of the  
Mediation/Arbitration Between

MARSHFIELD CITY EMPLOYEES  
LOCAL 929, AFSCME, AFL-CIO

and

CITY OF MARSHFIELD  
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Case 62  
No. 34487, Med/Arb-3169  
Decision No. 22722-A

Sharon K. Imes  
Mediator/Arbitrator

APPEARANCES:

Cindy S. Fenton, Staff Representative, Wisconsin Council 40, AFSCME, AFL-CIO, appearing on behalf of the Marshfield City Employees, Local 929, AFSCME, AFL-CIO.

Mulcahy & Wherry, S.C., by Dean R. Dietrich, appearing on behalf of the City of Marshfield.

BACKGROUND:

On June 17, 1985, the undersigned was notified by the Wisconsin Employment Relations Commission of appointment as mediator/arbitrator, pursuant to Section 111.70(4)(cm)6 of the Municipal Employment Relations Act in the matter of impasse between the Marshfield City Employees, Local 929, AFSCME, AFL-CIO, hereinafter referred to as the Union and the City of Marshfield, hereinafter referred to as the City or the Employer. Pursuant to statutory requirement, mediation proceedings were conducted between the parties on August 20, 1985. Mediation failed to resolve the impasse and the parties proceeded to arbitration the same day. In the arbitration proceeding, the parties were given full opportunity to present relevant evidence and make oral argument. Post hearing briefs were filed with and exchanged through the arbitrator. The parties also reserved the right to file reply briefs within seven days after receipt of the post hearing brief and the City chose to file a reply brief with the arbitrator which was received on October 31, 1985.

THE FINAL OFFERS:

The remaining issue at impasse between the parties is wages. The final offers are attached as Appendix "A" and "B".

STATUTORY CRITERIA:

Since no voluntary impasse procedure was agreed upon between the parties regarding the above impasse, the undersigned under the Municipal Employment Relations Act, is required to choose the entire final offer of one of the parties on the unresolved issue after having given consideration to the criteria identified in Section 111.70(4)(cm)7, Wis. Stats.

POSITIONS OF THE PARTIES:

Since the only issue in dispute between the parties is wages, both parties rely heavily upon comparables and differ significantly in regard to what they believe should be considered comparable. The Union, rejecting any effort to make wage comparisons internally or with the private sector, strongly urges Wisconsin Rapids and Wood County be considered the primary comparables. In addition, it proposes Wausau, Stevens Point, Rhinelander and Eau Claire as a second level of comparables and Portage, Marathon, Clark, Jackson, Juneau and Adams counties as a third level of comparability. The Union al-

so suggests comparisons in wage rates should be made between the parties' offers and the wage rates paid in cities like Waupaca, Marinette, Fond du Lac, Ripon and Kenosha, cities it contends are bellweathers throughout the State.

The Employer, on the other hand, argues that based upon similarity in the level of responsibility, the services provided and the training required, as well as geographic proximity and similarity in size, Wisconsin Rapids, Stevens Point, Wausau, Wood County, Portage County and Marathon County should be considered the comparables. In making this argument, it also posits that greater weight should be given to the comparisons with Wausau and Stevens Point than to the other comparables since Wisconsin Rapids is generally recognized as a wage leader in the area due to the great influence of the paper industry there and since counties are less comparable due to the difference in tax bases, etc. In proposing the three cities and three counties as comparables, the City also rejected the Union's effort to compare the offers with Rhinelander and Eau Claire stating neither city is near geographically or comparable given the criteria generally recognized by arbitrators as indication of comparability. Further, the City argues that comparisons with the pattern of settlement established within the City and comparisons with the rate of increase which has occurred within the local private sector should be given strong consideration.

Arguing that the Union is behind the comparables in wage rate paid its bargaining unit, the Union asserts there is need for "catch-up." It continues that its offer, which accomplishes "catch-up" through the use of split increases, should be supported since, traditionally, split wage rate increases are used to catch employees up without adding an unbearable increase in cost to the employer. In support of its position, the Union states that not only are Marshfield employees behind in the wage rates paid, but that the wage lag is even greater when the level of insurance benefits among the comparables is considered. Positing that Wausau, Stevens Point and Wisconsin Rapids all pay a larger share of the insurance premium than does Marshfield and that the City of Wausau also provides a dental benefit, the Union asserts its "catch-up" offer, which costs less than the Employer's offer and causes less relative slippage in rank, should be favored.

In addition, the Union argues its offer should be found more reasonable since implementation of the Employer's offer will result in the bargaining unit employees falling farther behind. Making an assumption that in all cases where an arbitrator's decision is pending, the arbitrator will select the Employer's offer and that in the remaining unsettled comparables suggested by the City, a 4% settlement will occur in 1986, the Union contends the Employer's offer will result in a lower wage increase than that which will occur among any of the comparables. It concludes that since the Employer's offer will not only be less than that agreed upon among the comparables but it will cause a greater loss in rank, it must be determined the Union's offer is more reasonable.

Relying upon its proposed set of comparables, the City argues its final offer is competitive in wages and total compensation and does not create disparity between the Union and other internal and external comparables. Stating its offer is the exact same percentage wage increase as agreed to with the other employee groups within the City, the City posits the Union has failed to establish there is a need for "catch-up" and has failed to establish there is any other compelling reason to justify its offer.

According to the City, internal equity can only be maintained through the selection of its offer. Rejecting the Union's attempt to accomplish a year-end wage rate "lift" of 5%, the City cites arbitrators who have accepted the concept of internal equity and states its offer should be accepted since it maintains the 4% increase in wages accepted by the other employees within the City. It continues that implementation of the Union's offer would result in a wage rate increase that places the other employees who agreed upon the 4% increase at a disadvantage without justifiable reason.

In support of its position, the City rejects the Union's efforts to suggest wage rate increases among other bargaining units are more than 4%. Specifically, it states the "certification premium pay" provided for in the Wastewater Treatment Plant Operators contract cannot be considered as a wage rate increase since it is pay granted employees only after they have achieved additional training and can perform higher skilled duties and was caused by the need to comply with a Department of Natural Resources requirement.

Comparing its offer with the benchmark positions among the comparables, the City concludes its offer is similar to the Employers' final offers and other established wage rates among the comparables. Noting that its offer maintains rank among the external comparables, while adequately compensating employees for the services provided, the City contends its offer should be selected and the Union's rejected since it has not established a compelling need to select an offer which results in a substantial improvement in rank order.

In addition to maintaining rank, the City argues total compensation factors also dictate the selection of its offer. It posits the Union receives equal or better benefits than the other internal groups and cites as example the fact that the Union is the only group to receive payout for sick leave accumulated over the maximum and it is the only represented group to receive four weeks of vacation after thirteen years.

The City also declares its offer compares favorably with percentage increases received among the external comparables. Stating the only two exceptions to an approximate 4% wage increase pattern are Wisconsin Rapids and Wood County, the City suggests less weight should be given to their settlements not only because they are wage leaders among the comparables but because the increases were the result of two year contracts and represent the second year of the agreement. Adding that its offer includes the obligation to pay the additional 1% increase in employee retirement benefits effective January 1, 1986, the City asserts the additional benefit makes its 1986 proposal more reasonable since no other comparable has unconditionally agreed to pay the additional benefit yet.

Considering local private sector wage increases, the City continues that its offer will generally equal or exceed those settlements in the private sector and, thus, compares favorably with wage increases given in the area. Citing percentage increases in wages granted among local area employers, the City maintains the local private sector settlements will not even keep pace with the settlement pattern created by the City with its final offer and concludes this is additional support in favor of its offer. Finally, in reference to the interest and welfare of the public criterion, the City argues its offer is more appropriate and should be selected since the economic conditions which currently prevail, the cost-of-living increases which have occurred and the Wood County unemployment rate support moderate increases.

#### DISCUSSION:

Since the parties rely extensively upon comparability to argue their positions, it is essential to determine the appropriate set of comparables prior to addressing the merits of the parties' positions. Among the comparables proposed by the parties, there was agreement relative to the use of three cities and three counties as comparables, although varying degrees of weight were attached to their consideration by each party. After considering geographic proximity, size and the social and economic factors which determine comparability, it is found Wisconsin Rapids, Wausau and Stevens Point, and, with some reservation, Portage County, Marathon County and Wood County are comparable. The counties are included as comparables, not only because they meet certain comparability criteria and are proposed as comparables by the parties, but because their inclusion provides a larger pool of comparables for establishing a pattern of settlement within the area.

The cities and counties suggested as secondary and third level comparables by the Union were rejected for a number of reasons. Rhinelander and Eau Claire were rejected not only because they were not similar in geographic proximity but because they are located in non-contiguous counties and are influenced by other economic factors related to their proximity to other urbanized areas. Clark, Jackson, Juneau and Adams counties were rejected as comparables even though they are contiguous to Wood County and, consequently, Marshfield, because they were much more rural in nature than the counties in which the comparable cities lie and because their populations were not similar to the population of Marshfield or the cities and counties accepted as comparables. Further, there is a degree of reservation in accepting counties as comparables to cities since they do not have the same type of tax bases and the same types of positions perform under differing work conditions due to the nature of the services provided and the amount of area which must be covered to provide those services. The statewide comparisons were also rejected since it was not demonstrated they were similar to Marshfield in any of the factors normally considered by arbitrators in establishing comparability.

In finding the City's offer should be implemented it was determined that both offers were reasonable; that the City's offer was only slightly more reasonable and that when both offers are reasonable, the City's offer should be implemented just as it is in grievance arbitrations when it is determined the Employer has acted in a reasonable manner. In reaching this conclusion, the City's argument relative to internal equity was rejected as was the Union's argument regarding "catch-up." Although the City argued "internal equity" was a primary reason for finding in its favor, its internal equity argument related only to wage rate increase and did not consider the total compensation granted to its other employees. While it is true the City has settled upon a 4% increase in the wage rate with its other employee units, except the management personnel, a review of the documents submitted to the City Council indicate the total package of each offer was more than 4%. In each of the packages reached with the represented units, with the possible exception of the firefighters, it is noted additional stipulations were reached which increased the monetary value to each of the employees within each unit. The same cannot be said for the proposal to the street workers. For example, although the police unit agreed to a 4% wage rate increase, it also agreed to an increase in the money reimbursed for meals; to an increase in the clothing allowance and to an increase in the amount of pay paid for certain overtime. The Wastewater Treatment Operators, in addition to receiving a 4% wage rate increase, were required to receive additional training and, thus, also received an increase in pay for certification which was required by the Department of Natural Resources. They also received a vacation adjustment of one week more one year earlier after being employed fourteen years. Each of the non-represented employees received the option of paying for dental insurance and an increase in the number of accumulated days of sick leave. While neither of these benefits represents an actual cost out-of-pocket to the Employer immediately, both have the potential for costing the Employer in the future. As a result of these agreements, it cannot be concluded the employees received only an overall 4% increase. Thus, it is concluded that the City's offer to the street workers is less in total value than its offer to its other employees. While this conclusion is made, however, it cannot be determined how much less the City's offer is since neither party submitted a total package cost comparison.

Since internal comparisons were not used, the reasonableness of the offers was determined by the external comparisons. In making the external comparisons, however, the Union's argument regarding the need for "catch-up" was rejected. While it is true the employees are paid less than employees in similar positions in comparable communities at some positions, it is not true for all positions. Further, while being paid less than employees in similar positions may justify an equity argument, unless all positions lag substantially behind or unless it has been demonstrated there has been a deterioration in wage rates paid in comparison to those communities established as comparables, it cannot be concluded there is a need for "catch-up". Without the need for "catch-up", the offers must

be considered as they relate to the settlements among the comparables; as they relate to their previous position among the comparables and as they relate to other statutory criteria.

In analyzing the offers as they relate to the comparables, it is concluded the City's offer is more reasonable as it relates to the first year of the contract and the Union's offer, as to percentage increase, is more reasonable as it relates to the second year of the contract. In the first year of the contract, the City proposes a 4% increase across the board for all wage rates in the bargaining unit. The cost of this proposal over the previous year's cost is 4.7%. The Union, on the other hand, seeks a cents per hour increase in January and in July which provides an overall 5% "lift" in the year-end wage rates but costs 3.6% more than the previous year's cost due to the split increase proposal. Although the real cost to the City favors the Union's proposal in the first year, the effect of the 5% "lift" cannot be ignored since the result is an actual increase in the rate paid to the employees upon which the next year's increase will be calculated.

In considering the impact of each of the offers as they compared to the benchmark positions proposed by the parties, it is concluded the City's offer more nearly approximates, although only slightly so, the percentage variance from the average rate paid at the benchmark positions which existed in the previous year and that the City's offer more closely maintains its previous rank among the comparables in the benchmark positions. In all benchmark positions, the City's offer caused a slight percentage increase in the variation from the average over the past year while the Union's offer caused a slight percentage decrease. Neither party's offer varied more than 1% from the positions previously maintained and in many instances, the variation was less than .5%. However, since there was no showing for the need for improvement, the City's offer remains the more reasonable despite the fact that the variations were slight. In regard to rank, the City's offer maintained its previous position in all but three of the benchmark positions. In two positions rank dropped one step and in one position, rank improved. The Union's offer, however, increased in rank in five of the eight positions and retained the status quo in only three of the positions. Consequently, it is concluded the City's offer is more reasonable as it also relates to rank.

In the second year of the contract, the Union's offer as to straight percentage increase is more reasonable. The Union is correct that if the comparable employers settle at 4% in 1986, which certainly seems possible, the City's offer at 3.5% will cause employees to fall behind. The fact that the City has offered to pick up the additional 1% retirement is not as important as the City maintains since the percentages being compared relate to the wage rate only and the retirement question is an item open for discussion in many of the 1986 contracts among the comparables. The second year, however, cannot be looked at in a vacuum. If the Union's offer is implemented, the rate, although not the actual dollars to the employees because of another split increase, would be increased 9% over the two years duration while the City's offer would increase the rates by 7.5%. These percentages are compared to a maximum rate increase of 8.8% if the unions' offers are accepted in arbitration in 1985 or a maximum rate of 8% if the employers' offers are accepted. Wood County and Wisconsin Rapids were excluded from this consideration since the outcome of their 1986 contracts cannot be determined. Thus, when the percentages are compared, implementation of the Employer's offer may cause a lag in pay but implementation of the Union's offer will exceed any other comparables increase without justification.

The City's offer is also more reasonable when it is compared to the cost-of-living criterion as represented by the Consumer Price Index and by the pattern of settlements, at least as far as wage rate increases are concerned. The cost-of-living as represented by the Consumer Price Index has remained below 4% both at the end of 1984 and in 1985, thus, the City's offer at 4% in 1985 and 3.5% in 1986 is comparable. The Union's offer at 5.2% and 4% is slightly on the high side. Too, when the offers are compared with the 1985 pattern of settlements, except for Wisconsin Rapids and Wood County, there is no settlement above a 4% increase on the

wage rate, the rate offered by the City. While the percentage sought by the Union in the second year more closely approximates the likely pattern to be established in 1986, the 4% actually reflects a large increase than that which will be given among the comparables when it is considered the increase comes on top of a 5% increase in the rate rather than a 4% increase in the rate the comparables settled upon in 1985. Thus, overall, the City's offer more closely approximates the cost-of-living as determined by the Consumer Price Index and the pattern of settlements.

Arguments regarding comparisons with private sector settlements and regarding total compensation comparisons, while considered, were rejected since insufficient data was available to make appropriate comparisons. Further, the economic argument submitted by the City was also disregarded since there was no demonstration that the economic conditions in Marshfield were any different than those which exist in the comparable communities with the possible exception of Wisconsin Rapids.

Having concluded the City's offer is slightly more reasonable when the external comparisons are made, particularly as it relates to the percentage variation from the average and rank among the comparables in the first year of the contract and having concluded the offer is also slightly more reasonable relative to the cost-of-living as established by the Consumer Price Index and the pattern of settlements among the comparables in both years of the contract, it is found the City's offer should be implemented. This determination was reached based upon review of the arguments and evidence submitted; upon the discussion set forth above and upon the data's relationship to the statutory criteria. Accordingly, the undersigned issues the following:

AWARD

The final offer of the City, attached as Appendix "B", shall be incorporated into the 1985 and 1986 collective bargaining agreements, together with those provisions of the predecessor collective bargaining agreement which remained unchanged during the course of bargaining and any stipulations of the parties which reflect prior agreements in bargaining.

Dated this 8th day of January, 1986 at La Crosse, Wisconsin.



Sharon K. Imes  
Mediator/Arbitrator

SKI:ms

RECEIVED

APPENDIX "A"

MAY 30 1985

WISCONSIN EMPLOYMENT  
RELATIONS COMMISSION  
Name of Case:

City of Marshfield

The following, or the attachment hereto, constitutes our final offer for the purposes of mediation-arbitration pursuant to Section 111.70(4)(cm)6. of the Municipal Employment Relations Act. A copy of such final offer has been submitted to the other party involved in this proceeding, and the undersigned has received a copy of the final offer of the other party. Each page of the attachment hereto has been initialed by me.

5/18/85  
(Date)

Cindy G. Decker  
(Representative)

On Behalf of:

~~City of~~ Marshfield City Employees,  
LOCAL 929, AFSCME

Final Offer on behalf of local 929

Effective

1/1/85

17¢ a.t.b.

7/1/85

25¢ a.t.b.

3/1/86

4% a.t.b.

all other P. R's previously agreed to  
remainder of <sup>and</sup> contract stays the  
same

Cindy S. Funder

Class Representative

2/27/85



MAY 21 1985 ROBERT W LYONS  
EXECUTIVE DIRECTOR



# Wisconsin Council 40

WISCONSIN EMPLOYMENT  
RELATIONS COMMISSION

## AFSCME, AFL-CIO

5 ODANA COURT • MADISON, WISCONSIN 53719 • 608/274-9100

May 18, 1985

CINDY S. FENTON  
STAFF REPRESENTATIVE  
909 FIFTH AVE  
STEVENS POINT, WI 54481  
(715) 344-5356

Mr. Brad Boyd Karger  
Personnel Department  
P. O. Box 727  
112 East Second Street  
Marshfield, WI 54449-0727

RE: Final Offer for Local 929  
Marshfield City Employees

Dear Brad:

By way of clarification, please be advised that the final offer submitted on behalf of Local 929 was not meant to encompass the wage rates for temporary, part-time and student employees. Those rates are found on page 23 of the current collective bargaining agreement.

By copy of this letter, I am also advising Mr. Andy Roberts of this fact.

Should you have any question, please do not hesitate to contact me.

Sincerely,

Cindy S. Fenton  
Staff Representative

cc: Andy Roberts, WERC  
Thomas Kohl, Local 929  
William LaPointe, Local 929

City of Mansfield

... of the attachment hereto, constitutes  
... of ... pursuant  
... the ... Relations Act  
... has been submitted to the other party  
... and the undersigned has received a  
... of the other party. Each page of the attach-  
... by me.

Witness my hand and seal this ... day of ... 19...

[Signature]  
[Title]

[Signature]  
[Title]

City of Mansfield

MAR 11 1985

WISCONSIN EMPLOYMENT  
RELATIONS COMMISSION

FINAL OFFER OF THE CITY OF MARSHFIELD TO

MARSHFIELD CITY EMPLOYEES' LOCAL 929, AFSCME, AFL-CIO

CASE 62, NO. 34487 MED/ARB-3169

1. ARTICLE 21 - WAGE SCHEDULE shall be revised to reflect a 4% increase in 1985 and 3.5% increase in 1986 pursuant to the attached schedule.

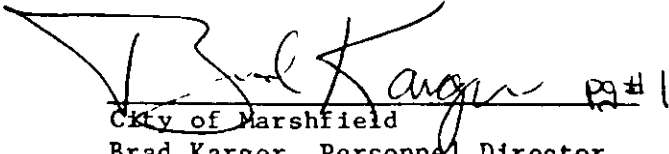
2. ARTICLE 24 - TERMS OF AGREEMENT shall be revised to read as follows:

This agreement shall be in effect as of January 1, 1985, and shall remain in full force and effect until December 31, 1986. Notices of desire to make changes shall be sent, not later than July 15th of changes to be effective January 1st of the following year.

Notices shall be given in writing by either party to the other. If neither party send notice prior to July 15th, this Agreement shall be automatically renewed for another calendar year. When a notice of desire to change the Agreement is sent by either party, the first meeting to discuss the changes shall be held between August 1st and August 15th provided that a mutually agreeable date can be sent within that period. If a date cannot be agreed upon within that period, it shall be held as soon as possible thereafter.

3. All other items shall remain as found in the 1983-84 labor agreement between the parties and any tentative agreements reached between the parties.

Dated this 8th day of March, 1985

  
City of Marshfield  
Brad Karger, Personnel Director

ARTICLE 21 - WAGE SCHEDULE

<u>CLASSIFICATION</u>	<u>WAGE SCHEDULE</u>		
	1984 Rate	4% 1/1/85	3.5% 1/1/86
<u>Shop</u>			
Blacksmith & Welder	\$8.83	\$9.18	\$9.50
Mechanic	\$8.58	\$8.92	\$9.23
Sign Person	\$8.28	\$8.61	\$8.91
Stock Clerk	\$8.28	\$8.61	\$8.91
Mechanic Helper	\$8.26	\$8.59	\$8.89
Night Person	\$8.26	\$8.59	\$8.89
Sign Person Helper	\$8.12	\$8.44	\$8.74
Transfer Station Operator	\$8.28	\$8.61	\$8.91
<u>Equipment Operator IV</u>			
Shovel Operator	\$8.58	\$8.92	\$9.23
Aerial Bucket Truck Operator (Paid When Performed)	\$8.58	\$8.92	\$9.23
<u>Equipment Operator III</u>			
Grader Operator	\$8.41	\$8.75	\$9.06
Loader Operator	\$8.41	\$8.75	\$9.06
Backhoe Operator	\$8.41	\$8.75	\$9.06
Small Cat Operator	\$8.41	\$8.75	\$9.06
TV Crew Lead	\$8.41	\$8.75	\$9.06
Zoo Keeper	\$8.41	\$8.75	\$9.06
Transfer Station Driver	\$8.41	\$8.75	\$9.06
Cement Mason	} When being performed	\$8.41	\$8.75
Cement Finisher			
<u>Equipment Operator II</u>			
Tri-Axle Truck Drivers (50,000 & Above GVW)	\$8.32	\$8.65	\$8.95
Snow Loader Operator	\$8.17	\$8.50	\$8.80
Seaman Mixer Operator	\$8.17	\$8.50	\$8.80
Sweeper Operator	\$8.17	\$8.50	\$8.80
Load-All Truck Operator	\$8.17	\$8.50	\$8.80
Truck Operator (27,000 - 35,000 GVW)	\$8.23	\$8.56	\$8.86

*Handwritten signature*

ARTICLE-21 - WAGE SCHEDULE

<u>CLASSIFICATION</u>	<u>WAGE SCHEDULE</u>		
	1984 Rate	4% 1/1/85	3.5% 1/1/86
<u>Equipment Operator I and Laborer</u>			
Small Truck Drivers (Under 27,000 GVW)	\$8.12	\$8.44	\$8.74
All other Small Equipment Operators	\$8.12	\$8.44	\$8.74
Park & Zoo Laborers	\$8.12	\$8.44	\$8.74
<u>Sewer Crew</u>			
Tile Layer	\$8.41	\$8.75	\$9.06
Tile Helper	\$8.41	\$8.75	\$9.06
Grade	\$8.26	\$8.59	\$8.89
Backfill	\$8.12	\$8.44	\$8.74

This does not apply to employees who go to a higher classification or are employed for special type work.

Blasters

The blasters shall be paid \$12.21 1/1/85 and \$12.64 1/1/86. The blasters helpers shall be paid \$10.50 1/1/85 and \$10.87 1/1/86. All annual wage increases applied to this article shall also apply to the blaster and the blaster's helpers rates.

Custodians and Housekeeping Personnel Hourly Rates  
(City Hall, Armory and City Garage)

<u>CLASSIFICATION</u>	<u>WAGE SCHEDULE</u>		
	1984 Rate	4% 1/1/85	3.5% 1/1/86
Custodians	\$8.12	\$8.44	\$8.74
Housekeeping Personnel	\$6.65	\$6.92	\$7.16

All of the remaining provisions of the article will remain as found in the 1983-84 labor agreement between the parties including the percentage formulas for determining the probationary rates for new employees; the premium for supervision of summer, seasonal, special project crews and rates for temporary, part-time and student employees.