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JAN 03 1990

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

In the Matter of the Petition of:

SHAWANO COUNTY HIGHWAY DEPARTMENT EMPLOYEES LOCAL 1520, AFSCME, AFL-CIO

to initiate arbitration between said Petitioner and

SHAWANO COUNTY (HIGHWAY DEPARTMENT)

Decision No. 26049-A

Appearances: James W. Miller, Staff Representative for the Union
Dennis W. Rader, Attorney at Law for the Employer

Shawano County Highway Department Employees Local 1520, AFSCME, AFL-CIO, hereinafter referred to as the Union, filed a petition with the Wisconsin Employment Relations Commission, hereinafter referred to as the Commission, on January 5, 1989, alleging that an impasse existed between it and Shawano County (Highway Department), hereinafter referred to as the Employer, in their collective bargaining. It requested the Commission to initiate arbitration pursuant to Section 111.70 (4)(cm)6 of the Municipal Employment Relations Act. A member of the Commission's staff conducted an investigation.

The Union is the exclusive representative of a collective bargaining unit consisting of all employees of the Employer, excluding the Highway Commissioner, Patrol Superintendents, Office Manager, Blacktop Foreman, Shop Foreman, Crushing Foreman and miscellaneous Crew Foremen. The Employer and the Union have been parties to a collective bargaining agreement covering wages, hours and working conditions that expired on December 31, 1988. On October 4, 1988, the parties exchanged initial proposals on matters to be included in a new agreement. Thereafter, they met on three occasions in efforts to reach an accord. The investigation by a member of the Commission's staff reflected that the parties were deadlocked in their negotiations and on June 5, 1989, they submitted their final offers.

The Commission concluded that an impasse existed between the parties with respect to negotiations leading toward a new collective bargaining agreement covering wages, hours and conditions of employment. It ordered that arbitration be initiated to resolve the impasse. On July 10, 1989, the Commission issued an order appointing Zel S. Rice II as the arbitrator to issue a final and binding Award to resolve the impasse by selecting either the total final offer of the Union or the total final offer of the Employer.

The Union submitted a final offer that is attached hereto and marked Exhibit A. The Employer submitted a final offer that is attached hereto and marked Exhibit B. At the hearing, the final offers were amended to reflect that the parties were in agreement on the issues of vacation and sick leave. The only two remaining issues were wages and the issue of contracting out work. The Union's final offer provided for a 5% wage increase, effective January 1, 1989, and a 5% increase effective January 1, 1990. It proposed to continue the existing language with respect to contracting out work, and add a provision that the contracting out should not have the effect of displacing bargaining unit

members. The Employer proposed a 3.5% across the board wage increase on January 1, 1989, and a 3.5% across the board wage increase on January 1, 1990. It proposed to continue the status quo with respect to contracting out work, which gives it the sole right to contract for any work it chooses.

UNION'S POSITION

The Union presented evidence that the Employer has reached an agreement with employees in its sheriff's department that provides for more than a 3.5% increase each year of the two year agreement. That agreement provided that the employees were to receive a 3.5% increase, but the increase was to be calculated on the highest paid classification in the bargaining unit and added to all others. The Union points out that the result was that the jailers and communications employees received increases in excess of 3.5%. Employees in the sheriff's department were also granted an additional paid holiday. According to the Union, the cost of the wage increase and the extra holiday would result in an increase in the cost of wages and holidays for each employee in the sheriff's department, ranging from 4% to approximately 4.3%. The Union argues that it, along with other employees of the Employer, had tried unsuccessfully to get the Employer to make changes in its health care program and were able to get an insurance carrier to make a proposal to the Employer that would have resulted in a savings of \$71,187.84. The Union points out that the Employer rejected the offer of the insurance carrier that provided for this savings, but now claims that it cannot pay higher wages because of its high insurance rates. It is the Union's position that the Employer's taxpayers engaged in farming are not as desperate as the Employer asserts. It points out that more land was actually put into farming by the Employer's taxpayers during the last year than was in it the preceding year and there has been an increase in the number of farms during that same period. It contends that those facts would indicate that farming must provide some fairly good opportunities for the Employer's taxpayers. The Union points out that the Employer includes Menominee County in its list of comparables. It argues that Menominee County has a population of 3,846 people compared to the Employer's population of 36,784 people. The Union concedes that Menominee County abuts the Employer, but contends that if that is the test, Brown County also abuts the Employer and should be included in the comparable group. The Union asserts that if Menominee County and Brown County are excluded from the comparable group, its proposal is more reasonable and results in wages more in line with the average rate paid to employees performing comparable work in comparable counties than the Employer's proposal. It takes the position that if Menominee County is included in the comparable group, Brown County should be included too, and the Union's offer would still be the most reasonable and more in line with the average rates being paid in the comparable counties than the Employer's proposal. It argues that since September of 1988, the cost of living has risen approximately 4.3% and since January 1, 1989, the increase has been in excess of 4%. The Union asserts that wage agreements for 1990 are around 4% and acceptance of the Employer's proposal would result in its highway employees falling even further behind employees in the area doing comparable work.

EMPLOYER'S POSITION

The Employer argues that the contiguous counties of Langlade, Marathon, Outagamie, Menominee, Oconto, Portage and Waupaca should be the comparable group to which the Employer is compared. It points out that these counties were selected as comparables in an arbitration involving its sheriff's department in 1986 and contends that the arbitrator should avoid altering a comparable pool established in a prior arbitration in order to provide stability and predictability in the bargaining process. The Employer takes the position that Brown County is almost four times the size of the Employer and does not fit in the comparable group. It asserts that its wage proposal results in an average wage for its highway department employees that is well above the average wage of its proposed comparable group, while the Union's proposal would result in an excessive wage when compared to that comparable group. The Employer argues that its proposal exceeds the comparable average in every classification with respect to total compensation by amounts ranging from 26 cents an hour to as much as 74 cents an hour. It contends that its proposal of a 3.5% wage increase each year, plus other Employer paid benefits such as health and life insurance, social security and retirement would result in a total package increase of 6.97% in 1989 and 5.37% in 1990. Its cost per employee would increase almost \$1,770 in 1989 and almost \$1,460 in 1990, and the combined two year package would total 12.34% or \$3,227.72 per employee. The Employer argues that the Union's proposal of a 5% wage increase each year would result in an average increase per employee of \$965 in wages in 1989 and \$1,013 in 1990. In terms of a total package increase this would result in an 8.35% total package increase, or \$2,118.25 per employee in 1989 and a 6.68% total package increase, or \$1,837.50, in 1990. Over the two years of the agreement, the total package increase would be 15.03% and average \$3,955.75 per employee. It argues that the total compensation package represents the correct measure of the economic package proposed by it for its employees. The Employer asserts that its proposal is identical to the voluntary settlements previously negotiated with its other bargaining units and maintains internal equity with regard to percentage wage increases. It takes the position that a settlement pattern has developed between the Employer and its bargaining units and that pattern should not be disrupted by an arbitrator. It asserts that the Union's final offer of 5% each year for 1989 and 1990 is unreasonable and disproportionate with the voluntarily settled increases of 3.5% for each year that were agreed upon by the other bargaining units. The Employer contends that four of the eight comparable counties have settled for 3.5% and two of them have settled for 3%. It points out that only Menominee County settled for a higher percentage of 4%, although it concedes that some Outagamie County employees may have received increases as high as 4.8% because of a restructured wage schedule. The Employer takes the position that its highway department employees cannot justify a "catch up" increase because they do not fall below the average wage of the comparable group in any of the classifications. The Employer argues that because the Consumer Price Index measures the increase of all goods and services including insurance costs, the total package offer is the most appropriate to use in a comparison with Consumer Price Index. It points out that in January of 1989, the Consumer Price Index increased at a rate of 4.5% and by July it had increased at the rate of 5.1%. The Employer argues that these rates of increase should be compared with the Employer's total package proposal which results in a 6.97% increase in its costs while the Union's proposal would result in an 8.35% increase. It takes the position that the Union's proposal of an 8.35% increase exceeds the relevant increase in the

rate of inflation as of January, 1989 by almost 4%. The Employer asserts that its offer for 1989 represents an increase in wages and benefits of 6.97% over 1988 and 5.37% in 1990 and should be preferred over the Union's proposal of an 8.35% increase in total package costs for 1989 and 6.68% for 1990. The Employer argues that its health insurance premiums have increased by over two and one-half times the relative increase in the Consumer Price Index medical component for the 1982 to 1989 period and the premiums will increase by 64.8% during the two years covered by its proposal. The Employer asserts that its proposal exceeds the rate of inflation in wage increases and health care benefits and is more reasonable than the Union's proposal. The Employer argues that the interest and welfare of the public, combined with the economic circumstances of the area, justify its proposal. It asserts that its final offer is in line with the level of increase given to other public sector employees in the area. It takes the position that the economy of the area, which is primarily agricultural, does not justify giving its highway department employees increases greater than those received by other employees in both the public sector and the private sector. The Employer asserts that it can not be expected to bear the burden of its skyrocketing health insurance costs plus a 5% increase in wages for each of the two years of the proposal. It justifies its refusal to change carriers as proposed by the Union by pointing out that the concept was presented to it at such a late date that there was no opportunity to research the benefits and options of other plans in order to arrive at a long term resolution of its health insurance problems. The Employer contends that there is no demonstrated need for the language sought by the Union with respect to subcontracting. It takes the position that the issue is solely related to one of the Employer's functions and outside comparables are not appropriate. It asserts that internal comparability should be the basis for making a decision relating to the subcontracting issue. The Employer argues that none of its other bargaining units have language similar to that proposed by the Union. It points out that its highway department employees have not been threatened by the existing subcontracting language and it has never contracted out for services affecting those employees.

DISCUSSION

The first issue raised by the parties that must be considered by the arbitrator is the appropriate comparable group. The Employer asserts that the counties of Langlade, Marathon, Menominee, Oconto, Outagamie, Portage and Waupaca should be the appropriate comparable group because those counties were selected as the comparable group in an arbitration involving the Employer and its sheriff's department employees that occurred in 1986. It takes the position that those counties meet the most objective criteria for selecting comparable employer/employee relationships. The generally utilized criteria are similarity in the level of responsibility and services provided by and the training required of the employees, geographic proximity and similarity in size of the Employer. The comparable group proposed by the Employer meets the similarity in the level of responsibility and services provided by the employees and the training required of them because all of the counties included in the proposed group have employees who work on local highways as well as the state trunk system. The proposed counties all have geographic proximity to the Employer because they are contiguous to it. While there is a degree of similarity in size between most of the counties in the comparable group proposed by the Employer, there is at least one that is not even in the ballpark with respect to

that criterion. Menominee County has less than one-ninth of the population of the Employer and less than one-fifth of the population of the next smallest county in the proposed comparable group. All of the other counties are at least ten times larger than Menominee County and one is almost thirty-four times larger. The per capita gross income of Menominee County in 1986 was \$1,225 and every other county in the proposed comparable group had a per capita income at least five times larger. Menominee County has no real estate devoted to manufacturing or agriculture and has a total real estate tax base that is one-tenth that of the county with the next smallest valuation. The county with the largest valuation in the Employer's proposed comparable group has taxable property almost seventy-six times larger than Menominee County. It is an Indian Reservation with no manufacturing or agriculture and has a real estate tax base consisting of more than 99% residential property and less than 1% commercial property. Except for the fact that it has highway employees and is contiguous to the Employer, it is in no way comparable and should not be included in the comparable group. The Union proposes a comparable group that includes those counties proposed by the Employer plus the contiguous Brown County and the non-contiguous counties of Lincoln, Marinette, Door, Kewaunee, Manitowoc and Calumet and the city of Shawano. The Employer objects to the inclusion of the non-contiguous counties in an appropriate comparable group and objects to Brown County being part of the comparable group because it is almost four times the size of the Employer. It objects to the city of Shawano being included in the comparable group because it is only one-fourth the size of the Employer. Still it takes the position that Menominee County is an appropriate county to be included in the comparable group. Ordinarily, the arbitrator would be satisfied to accept all of the contiguous counties as part of the comparable group. However, Menominee County is not at all appropriate for inclusion as a comparable with the other contiguous counties. While Brown County would probably be more appropriate for consideration than Menominee County, the arbitrator will exclude it from being considered as an appropriate county to be considered as part of the comparable group because of its much larger size and the fact that it contains the much more metropolitan community of Green Bay. Accordingly, the appropriate comparable group on which the arbitrator will rely, hereinafter referred to as Comparable Group A, will include the counties of Langlade, Marathon, Portage, Waupaca, Outagamie and Oconto. Each of those counties was proposed as a comparable by both of the parties and the counties that were objected to as a comparable by one party or the other are excluded.

Although the Employer has reached agreement with all of its bargaining units on a 3.5% increase in 1989 and a 3.5% increase in 1990, it has, in reality, departed from that pattern in its settlement with employees in the sheriff's department. It agreed to give each employee in that department an increase amounting to 3.5% of the wage rate of the highest paid classification in the department. In addition, employees in the sheriff's department were given an additional holiday. As a result there was an increase in the Employer's cost for wages and holidays for each employee in the sheriff's department ranging from 4% to 4.3%. Obviously the Employer did not feel bound by any established 3.5% pattern when it reached agreement with the employees in the sheriff's department. However, the increases in wages and holiday pay that were given to employees in the sheriff's department have a total cost to the Employer substantially lower than the 5% across the board increase sought by the Union. The Employer's proposal is much closer to the pattern of a 3.5% wage increase given to the Employer's other employees.

The Union points out that it tried unsuccessfully to get the Employer to make changes in its health care program that would have resulted in a savings of \$71,187.84 to the Employer. It takes the position that the Employer refused to make those changes so it can not now claim the high cost of health insurance precludes it from offering Highway Department employees a higher wage increase. The Employer points out correctly that the \$71,187.84 that would have been saved by changing insurance carriers was a county wide figure and less than \$7,000.00 of that amount could have been attributed to the Highway Department. It further justifies its refusal to switch carriers by asserting that it had reviewed the proposal to change carriers and found that it was not in the best interest of employees for a number of reasons. It pointed out that not all of its bargaining units joined with the Union in seeking a change in carriers. The arbitrator is satisfied that the Employer is justified in seeking to have a single health insurance program to cover all of its employees. It should be the result of bargaining with all of its bargaining units as opposed to just three units who raised the issue in the latter part of their negotiations. It does seem strange that the Employer did not on its own explore the possibility of obtaining more favorable rates by switching carriers when it learned that its premiums were going to increase dramatically. Such a proposal by the Employer to all of its bargaining units might have saved it a substantial amount of money and improved the coverage offered. It is even stranger that the Employer contends that a carrier that offers broader coverage at a lower premium would not be in the best interest of the employees. In any event, the amount that the Employer would have saved by switching carriers would not have been sufficient to justify a 5% wage increase to employees in the Highway Department when other bargaining units settled on terms that resulted in a lower percentage increase in the total package cost.

The Union argues that its proposal is closer to the average of the comparable group than the Employer's proposal if Menominee County is not included in the comparable group. Using the Employer's own exhibits, the average wage in Comparable Group A for a patrolman helper or common laborer is \$9.40 an hour. The Employer's proposal would provide a wage 5 cents per hour more than the 1989 average and the Union's proposal would be 19 cents per hour higher. The 1989 average wage in Comparable Group A for a Class III truck driver and oil distributor operator was \$9.77 an hour. The Employer's proposal of \$9.55 is 22 cents below the average and the Union's proposal is 8 cents below the average. The 1989 average wage in Comparable Group A for a patrolman, gas truck driver, stock clerk, paver operator, roller operator and miscellaneous equipment operator was \$9.87. The Employer's proposal of \$9.68 is 19 cents an hour below the average and the Union's proposal of \$9.82 is 5 cents below the average. The 1989 average wage in Comparable Group A for a shovel operator, sign painter, front end loader, tractor operator, motor grader operator, crusher operator and breaker operator was \$10.03. The Employer's proposal of \$9.81 per hour is 22 cents below the average, while the Union's proposal is 8 cents per hour lower. The 1989 average salary in Comparable Group A for a Class VI mechanic was \$10.26. The Employer's proposal of \$9.94 is 32 cents below the average and the Union's proposal of \$10.08 is 18 cents below the average. For Class II patrolman helper and common laborers, the Employer's proposal for 1989 is higher than the wage paid in four counties in Comparable Group A and the Union's proposal is higher than the wage paid in five counties. However, in every other classification, Langlade is the only county in Comparable Group A that would pay a lower wage in 1989 than either the Employer's proposal or the Union's proposal

would provide. Under either the Employer's proposal or the Union's proposal, the Highway Department employees would have the next to the lowest salaries in Comparable Group A for every classification but patrolman helper and common laborer. The Union's proposal would provide wages lower than the wage paid in every classification but the patrolman helper and common laborer in Comparable Group A. If Menominee County and Brown County are excluded from the comparable group to which the Employer is compared, the Union's proposal is much closer to the average wage than the Employer's proposal. The Union's proposal is closer to the average rate paid in Comparable Group A. The Employer's Highway Department employees are paid wages that are lower than those paid by any of the contiguous counties in every classification other than patrolman helper and common laborer in every contiguous county except Langlade County and Menominee County.

The mere fact that the Employer's Highway Department employees are paid wages that are among the lowest in Comparable Group A, does not, by itself, justify the selection of the Union's proposal. Unless a decision is made to pay all employees in the same classification in the same comparable group the same wages, there are always going to be employees that are paid higher or lower than the average. Collective bargaining determines who ranks at the top and who ranks at the bottom. There may be circumstances where employees of one particular member of a comparable group may fall too far below the average wage paid to other employees in the comparable group performing similar work. However, this does not appear to be that kind of a case. The Employer's proposal for 1989 maintains almost the same differential between the wages it proposes to pay its employees and the average wage paid to employees doing similar work in Comparable Group A in prior years. Thus it would appear that the Employer's Highway Department employees are retaining their same ranking in Comparable Group A and differentials similar to those that existed in 1988.

The Employer's proposal is consistent with the voluntary settlements it has reached with its other bargaining units. They all agreed on increases of 3.5%. Some law enforcement employees in the lower paid classifications received wage increases of slightly more than 3.5%. As pointed out earlier, they all received an increase of 3.5% of a traffic officer's salary. With that slight variation, the Employer's proposal to the Union is identical to the settlements previously negotiated with its other bargaining units. In 1988 the Employer reached agreement with all of its employees for the same percentage increase. Over a period of time, the Employer has developed a practice of providing similar percentage increases to all of its employees. There is no evidence that any outrageous distortions have developed as a result of those settlements. When collective bargaining has developed a pattern of increases over a substantial period of time, it would not be proper for an ad hoc arbitrator to award an increase that would disrupt the relationships that have been worked out between the Employer and its employees as a result of many long and tedious hours of bargaining. There is no evidence indicating that there has been substantial changes in conditions for this bargaining unit that would justify an increase for it more than 40% larger than the increase given to any of the Employer's other bargaining units.

The settlements reached by other counties in Comparable Group A for 1989 were in the 3% to 3.5% area. Outagamie County gave most of its employees a 3.5% increase, but a few received increases of almost 4.8% because of a restructured

salary schedule. Marathon County and Oconto County are the only counties in Comparable Group A that have reached agreement with their highway employees for 1990 and in each case it was a 3.5% increase in wages for the year, although Marathon County highway employees will receive a 4% lift in 1990 because they will receive a 2% increase on January 1 and another 2% on July 1. In the face of this evidence, there is no significant consideration that would justify an increase to the Employer's Highway Department employees over and above the 3.5% increases proposed for 1989 and 1990 by the Employer.

From January of 1988 to January of 1989 the Consumer Price Index increased by 4.6%. In the next six months it increased another 2.5%. The Employer's total package offer for 1989 totaled 6.97% which surpassed the increase in the cost of living from January, 1988 to January, 1989 by more than 2%. The Employer's wage proposal for 1989 of 3.5% was less than the increase in the cost of living. The Union's wage proposal of a 5% increase for 1989 was more than the increase in the cost of living during the preceding year. The Union's 1989 total package offer resulted in an increase in the Employer's costs of 8.35%, which exceeded the increase in the rate of inflation by more than 3.5%. While the percentage of increase in wages is a factor to be measured against the increase in the cost of living, it should not be the only factor considered. One must look at the total value of the economic package that employees would receive as a result of the Employer's offer and the Union's offer. The employees' ability to adapt to changes in the cost of living is not affected solely by salary, but also by the value of fringe benefits, such as health insurance. The Employer's total package offer for 1989 represents an increase in wages and benefits of 6.9% over 1988 and an additional 5.37% in 1990. Its proposal is closer to the increase in the Consumer Price Index than the Union's proposed total package increases of 8.35% for 1989 and 6.68% for 1990. The Employer had an increase in health insurance premiums of 45.7%. While health insurance premiums increased substantially throughout Comparable Group A, the Employer's increase in premium was at least 50% larger than that of any other county. Even though the Employer's Highway Department employees received wages near the bottom of the ladder in Comparable Group A, the arbitrator is persuaded that the very large increase in the cost of health insurance makes it impossible for him to consider any sort of "catch up" for them. The Employer can not be expected to bear the burden of skyrocketing health insurance costs for all employees and then give its Highway Department employees a wage increase of 5% each year, while the rest of its employees reached voluntary settlements providing for increases of 3.5%. Under the circumstances, there is no basis for considering any "catch up" increases for the Highway Department employees.

With respect to the subcontracting language, the Union does not propose to take away the Employer's right to subcontract. All it seeks is language that would insure that no employee would lose a job because of subcontracting of work by the Employer. The Employer has already given similar language to its sheriff's supervisory bargaining unit and to its deputy sheriffs. It has agreed to bargain the impact of any subcontracting with the bargaining unit representing its professional health care employees. The Union points out that highway departments in the counties of Manitowoc, Waupaca, Portage and Marinette have contract language that provides some protection on contracting out services and Kewaunee County and Oconto County have a guaranteed work week for the employees. Of course, the counties of Manitowoc, Marinette and Kewaunee are not in the comparable group that the arbitrator has deemed appropriate for compari-

son to the Employer. In any event, there is a wide range of language restrictions with respect to subcontracting. The Employer points out that its Highway Department employees have never been threatened by the existing subcontracting language. It has never contracted out for services that affected these employees. There is no evidence that it plans to do so in the near future. Generally, arbitrators are reluctant to change contractual language unless there is a legitimate problem that requires attention and the proposed language is designed to effectively address that problem. Since there is no evidence of any threat by the Employer to subcontract out any of the work of the Highway Department and lay off employees, the arbitrator is reluctant to change the language when both the internal and external comparables are split on the issue.

Based on the foregoing analysis, the arbitrator finds that the Employer's final wage offer is consistent with the settlement pattern developed and maintained in negotiations between it and its other bargaining units. While the Employer's final offer results in its Highway Department employees continuing to receive wages somewhat below the average paid to employees doing similar work in the appropriate comparable group, their wages have not slipped in relation to those other employees. Even though the Employer's proposed wage increase is below the increase in the cost of living, the percentage increase of its total package offer is well above the increase in the cost of living. The arbitrator finds that the Employer's position to maintain the status quo with respect to subcontracting is not unreasonable in the absence of any demonstrated need for change.

It therefore follows from the above facts and discussion thereon, that the undersigned renders the following:

AWARD

After full consideration of the criteria set forth in the statutes and after careful and extensive evaluation of the exhibits and briefs of the parties, the arbitrator finds that the Employer's final offer more closely adheres to the statutory criteria than that of the Union, and directs that the Employer's proposal contained in Exhibit B, as amended at the hearing, be incorporated into an agreement containing the other items to which the parties have agreed.

Dated at Sparta, Wisconsin, this 29th day of December, 1989.



Zel S. Rice II
Arbitrator

EXHIBIT A

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MAY 15 1989

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MAY 04 1989

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

Name of Case: Shawano Co. (Highway Dept)

The following, or the attachment hereto, constitutes our final offer for the purposes of 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. Further, we (do) ~~(do not)~~ authorize inclusion of nonresidents of Wisconsin on the arbitration panel to be submitted to the Commission.

5-2-89
(Date)

John W Miller
(Representative)

On Behalf of: Urban Local 1520

Exhibit A-2

RECEIVED
MAY 15 1989

Union Second Final Offer

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

The following is the second final offer submitted on behalf of Local 1520, Shawano County Highway Department Employees, AFSCME, AFL-CIO, for the year beginning January 1, 1989 and ending December 31, 1990.

1. Five Percent across the board increase effective January 1, 1989.
2. Five weeks of paid vacation after 25 years to become effective January 1, 1989.
3. See attachment Exhibit "A" on Union proposal for subcontracting.
4. Five Percent across the board increase effective January 1, 1990.
5. Delete lines 26-27, Page 20, of the current Labor Agreement which reads:

C. There shall be no payout of unused compensatory time to Employee's terminating Employment with Shawano County.
6. Two year agreement to become effective January 1, 1989, and up to and including December 31, 1990.
7. Amend all dates to reflect the two year agreement.
8. Include all tentative agreements as agreed to by the parties.
9. All other articles of the contract to remain as presently written.

FOR THE UNION.

James W. Miller
Staff Representative

Date

Exhibit A-3

EXHIBIT "A"

Amend Section 3, Vested Right of Management:

The County Board, through it's Highway Committee and Highway Commissioner shall have the sole right to contract for any work it chooses, said contracting shall not have the effect of displacing bargaining members,

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MAY 15 1989

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

EXHIBIT B

RECEIVED
MAY 18 1989

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

Name of Case: Shawano County (Highway Dept)

The following, or the attachment hereto, constitutes our final offer for the purposes of 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. Further, we (do) do not authorize inclusion of nonresidents of Wisconsin on the arbitration panel to be submitted to the Commission.

5/17/89
(Date)

Alvin J. Stupis
(Representative)

On Behalf of: SHAWANO County

Exhibit B-2

SHAWANO COUNTY
REVISED FINAL OFFER

SHAWANO COUNTY HIGHWAY UNION CONTRACT, AFSCME

RECEIVED
MAY 18 1989
WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

1. Two (2) year contract

2. Wages:

1/1/89	3½% across-the-board
1/1/90	3½% across-the-board

3. Add to Vacation:

Five (5) weeks after twenty-five (25) years

4. Add to Sick Leave:

Sick Leave Bank: In addition to the preceding sick leave accumulation of 90 days, employees may accumulate sick leave days into a reserve account. Such account shall be limited to 30 days, may be used only after all other sick leave has been depleted, shall not be calculated in sick leave conversion for payout, and shall accrue in the following manner:

91st day of sick leave accumulation equals 1 day in the reserve account. 92nd day of sick accumulation equals 2 days in account and progressing through 30 reserve days.

5. Status Quo on all other contract provisions