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STATE OF WISCONSIN  
WISCONSIN EMPLOYMENT RELATIONS COMMISSION

WISCONSIN EMPLOYMENT  
RELATIONS COMMISSION

BEFORE THE ARBITRATOR

In the Matter of the Interest Arbitration between

Sun Prairie Water and Light Commission

and

International Brotherhood of Electrical Workers,  
Local 2150

Case 27

No. 49070 INT/ARB-6856

Decision No. 27716- A

Appearances:

Melli, Walker, Pease & Ruhly, Attorneys at Law, by Thomas R. Crone, appearing on behalf of the Utility.

Previant, Goldberg, Uelmen, Gratz, Miller & Brueggeman, Attorneys at Law, by Marianne Goldstein Robbins, appearing on behalf of the Union.

**ARBITRATION AWARD**

International Brotherhood of Electrical Workers, Local 2150, on April 6, 1993, filed a petition with the Wisconsin Employment Relations Commission to initiate Interest Arbitration pursuant to Section 111.70(4)(cm)6 of the Municipal Employment Relations Act to resolve a collective bargaining dispute between IBEW Local 2150 and the Sun Prairie Water and Light Commission. On July 8, 1993, the WERC certified that conditions precedent to the initiation of arbitration had been met. On July 28, 1993, Kay B. Hutchison was appointed arbitrator in the dispute. Arbitration hearing was held at Sun Prairie, Wisconsin on October 12, 1993. The parties had full opportunity to present relevant testimony and evidence. Post-hearing briefs were filed and exchanged by the arbitrator on December 6, 1993.

Statutory Criteria:

Under Section 111.70(4)(cm)7, the arbitrator is required to select one of the parties' final offers in total having considered and given 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.
- e. Comparison of the 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 generally in public employment in the same community and in comparable communities.
- f. Comparison of the 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 in private employment in the same community and in comparable communities.
- g. The average consumer prices for goods and services, commonly known as the cost-of-living.
- h. 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.
- i. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- j. 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.

Positions of the Parties:

The parties' complete final offers appear on the following pages. In substance, the offers differ as follows:

- Union offer: (1) 4%/4% across the board wage increase 1993/1994
- (2) 4%/4% wage increases for H. Honish, J. Chase, M. Marohl
- (3) \$380 cap on employer contribution toward health insurance in 1994
  
- Employer offer: (1) 3.25%/3.25% across the board wage increase 1993/1994
- (2) 3.25%/3.25% increase for Chase and Marohl 1993/1994; 3.25% increase for Honish for 1993, on scale for 1994
- (3) \$370 cap on employer contribution toward health insurance in 1994

All references are to the 1991-92 Agreement between Sun Prairie Water and Light Commission and Local Union 2150, International Brotherhood of Electrical Workers, AFL-CIO. No change is proposed in any Article, Section or Appendix not specifically referred to.

1. Introduction. Amend date to reflect new date of execution.

2. Article 13 - Hours of Work. See attached memorandum of understanding.

3. Article 16 - Funeral Leave. Amend Section 16.01 to add:

In cases of extenuating circumstances, up to an additional two (2) days may be approved. Such additional days shall be taken at the time of the approved funeral leave and shall be deducted from the employee's accumulated sick leave.

4. Article 22 - Insurance. Amend Section 22.01(b) as follows:

b) The Employer agrees to pay one hundred percent (100%) of the single premium for full-time employees who elect such coverage. Effective January 1, 1993, the Employer further agrees to pay, for employees who elect family coverage, up to \$350.00 per month toward the premium for family coverage. Effective January 1, 1994, the dollar cap shall increase to \$370.00 per month. The remaining premium, if any, shall be paid by the employee through payroll deduction.

Amend Section 22.03 as follows:

22.03 Group Dental Insurance. The Employer agrees to maintain and pay the premium on group dental insurance subject to a dollar cap of \$43.18 per month effective January 1, 1993, and a dollar cap of \$45.00 per month effective January 1, 1994. The remaining premium, if any, shall be paid by the employee through payroll deduction.

5. Article 23 - Wages. Amend Appendix B as attached.

6. Article 26 - Dress Code and Uniforms. Amend Section 26.02(d) as follows:

d) Effective January 1, 1993, the Employer will contribute \$25.00 each October toward the cost of steel-toed shoes which are required to be worn by all outside employees.

7. Article 27 - Miscellaneous. Amend 27.01 as follows:

27.01 Employees required to use their personal vehicle(s) for Employer business shall be reimbursed at the rate of twenty-five cents (\$0.25) per mile, and shall, prior to such use, acknowledge receipt of a copy of the current policy pertaining to use of personal vehicles, and agree to comply with said policy requirements.

8. Article 31 - Termination. Amend as follows:

31.01 This Agreement shall be in full force and effect for the period from January 1, 1993 through December 31, 1994, and shall continue from year to year thereafter unless written notice of desire to terminate the Agreement is served by either party on the other at least sixty (60) days prior to the date of expiration.

**APPENDIX B**

Effective January 1, 1993, the following wage schedule shall apply:

	Start	6 Mos	12 Mos	18 Mos	24 Mos	30 Mos	36 Mos	42 Mos	48 Mos
Lead Lineman	17.35								
Lineman (Journeyman)	16.81								
Lineman (Apprentice)	10.09	10.80	11.53	12.26	12.97	13.69	14.42	15.14	16.81
Substation Tech	12.65	13.42	14.18	14.96	15.76				
Water Operator	8.09	8.65	9.25	9.82	10.41	11.00	11.56	12.14	13.48
Meter Reader	6.44	6.97	7.52	8.06	8.59				
Inventory Control	8.06	8.59	9.14	9.66	10.21				
Customer Service I	6.99	7.52	8.06	8.59	9.14				
Customer Service II	5.92	6.20	6.44	6.71	6.99				
Data Processing	6.99	7.52	8.06	8.59	9.14				

Employees currently at or above the wage schedule shall be red-circled, except as follows:

Employee	Current	1/1/93
Mary Marohl	10.61	10.90
Jim Chase	11.70	11.97
Harold Honish	17.04	17.60

Employer final offer

**APPENDIX B**

Effective January 1, 1994, the following wage schedule shall apply:

	Start	6 Mos	12 Mos	18 Mos	24 Mos	30 Mos	36 Mos	42 Mos	48 Mos
Lead Lineman	17.91								
Lineman (Journeyman)	17.36								
Lineman (Apprentice)	10.42	11.15	11.90	12.66	13.39	14.13	14.89	15.63	17.36
Substation Tech	13.06	13.86	14.64	15.45	16.27				
Water Operator	8.35	8.94	9.55	10.14	10.75	11.36	11.94	12.53	13.92
Meter Reader	6.65	7.22	7.76	8.32	8.87				
Inventory Control	8.32	8.87	9.44	9.97	10.54				
Customer Service I	7.22	7.76	8.32	8.87	9.44				
Customer Service II	6.11	6.40	6.65	6.93	7.22				
Data Processing	7.22	7.76	8.32	8.87	9.44				

Employees currently at or above the wage schedule shall be red-circled, except as follows:

Employee	1/1/93 Rate	1/1/94 Rate
Mary Marohl	10.90	11.20
Jim Chise	11.97	12.25
Harold Honish	17.60	17.91

May 10, 1993

FINAL OFFER OF IBEW, LOCAL 2150

FOR

SUN PRAIRIE WATER & LIGHT COMMISSION



WISCONSIN EMPLOYMENT  
RELATIONSHIP COMMISSION

1. The office staff shall also be allowed to schedule alternate work schedules (summer hours) along with the other departments. This will be on a trial basis, by side letter agreement.

2. Article 16 - Funeral Leave.

Section 16.01 - Add the following:

In cases of extenuating circumstances, up to an additional two (2) days may be approved. Such additional days shall be taken at the time of the approved funeral leave and shall be deducted from the employee's accumulated sick leave.

3. Article 22 - Insurance

Section 22.01 (b) - Amend as follows:

The Employer agrees to pay one hundred percent (100%) of the single premium for full-time employees who elect such coverage. Effective January 1, 1993, the Employer further agrees to pay, for employees who elect family coverage, up to \$350.00 per month toward the premium for family coverage. Effective January 1, 1994, up to \$380 per month toward the premium for family coverage.

Section 22.03 - Group Dental Insurance - The Employer agrees to maintain and pay the premium on group dental insurance subject to a dollar cap of \$43.18 per month effective January 1, 1993 and \$45.00 per month effective January 1, 1994. The remaining premium, if any, shall be paid by the employee through payroll deduction.

4. Article 26 - Dress Code & Uniforms

Section 26.02 - d) Increase amount Employer contributes to \$25.00.

5. Article 27 - Miscellaneous

Section 27.01 - Employees required to use their personal vehicle(s) for Employer business shall be reimbursed at the rate of twenty-five cents (\$0.25) per mile, and shall, prior to such use, acknowledge receipt of a copy of the current policy pertaining to use of personal vehicles, and agree to comply with said policy requirements.

6. Article 31 - Termination

Section 31.01 - Language should reflect dates of a new two (2) year agreement January 1, 1993 through December 31, 1994.

7. Appendix B -

Increase wage rates effective 1/1/93 by 4%.

Increase wage rates effective 1/1/94 by 4%.

8. All negotiated wages and/or benefits shall be paid retroactive back to the date of expiration, to all employees in the bargaining unit.

APPENDIX B

January 1, 1993, the following wage schedule shall apply:

<u>OCCUPATION</u>	<u>START</u>	<u>6MOS.</u>	<u>12MOS.</u>	<u>18 MOS.</u>	<u>24 MOS.</u>	<u>30 MOS.</u>	<u>36 MOS.</u>	<u>42 MOS.</u>	<u>48 MOS.</u>
Lead Lineman	17.47								
Lineman (Journeyman)	16.93								
Lineman (Apprentice)	10.16	10.88	11.62	12.34	13.06	13.79	14.53	15.25	16.93
Substation Tech	12.74	13.52	14.29	15.07	15.88				
Water Operator	8.15	8.73	9.32	9.89	10.48	11.08	11.65	12.23	13.58
Meter Reader	6.49	7.04	7.57	8.12	8.65				
Inventory Control	8.12	8.65	9.20	9.73	10.29				
Customer Service I	7.04	7.57	8.12	8.65	9.20				
Customer Service II	5.96	6.24	6.49	6.76	7.04				
Data Processing	7.04	7.57	8.12	8.65	9.20				

Employees currently at or above the wage schedule shall be red-circled, except as provided below:

<u>Employee</u>	<u>01/01/93</u>
Harold Honish	17.72
Jim Chase	12.17
Mary Marohl	11.03



APPENDIX B

January 1, 1994, the following wage schedule shall apply:

<u>OCCUPATION</u>	<u>START</u>	<u>6MOS.</u>	<u>12MOS.</u>	<u>18 MOS.</u>	<u>24 MOS.</u>	<u>30 MOS.</u>	<u>36 MOS.</u>	<u>42 MOS.</u>	<u>48 MOS.</u>
Lead Lineman	18.17								
Lineman (Journeyman)	17.61								
Lineman (Apprentice)	10.57	11.32	12.08	12.83	13.58	14.34	15.11	15.86	17.61
Substation Tech	13.25	14.06	14.86	15.67	16.52				
Water Operator	8.48	9.08	9.69	10.29	10.90	11.52	12.12	12.72	14.12
Meter Reader	6.75	7.32	7.87	8.44	9.00				
Inventory Control	8.44	9.00	9.57	10.12	10.70				
Customer Service I	7.32	7.87	8.44	9.00	9.57				
Customer Service II	6.20	6.49	6.75	7.03	7.32				
Data Processing	7.32	7.87	8.44	9.00	9.57				

Employees currently at or above the wage schedule shall be red-circled, except as provided below:

<u>Employee</u>	<u>01/01/94</u>
Harold Honish	18.43
Jim Chase	12.66
Mary Marohl	11.47

The Employer is a water and light utility located in Sun Prairie, Wisconsin. The Union is the exclusive collective bargaining representative of all non-supervisory employees of the Employer. The bargaining unit consists of 16 positions including six linemen, three water operators, one station technician, one meter reader, and five clericals. The parties negotiated their first agreement in 1991-92. The instant dispute concerns certain provisions to be contained in a successor agreement for 1993-1994.

The Union's final offer contains an across-the-board increase of 4% in each year of the contract for all unit employees. The Employer's final offer proposes an across-the-board increase of 3.25% each year. The Employer's offer further proposes that three employees (Honish, Chase, and Marohl), who have been compensated above the negotiated salary structure, receive a 3.25% increase in 1993 and that Chase and Marohl receive a similar increase in 1994 while Honish receive an increase consistent with placement at the top of the negotiated schedule. There is a difference of \$10 per month in the parties' final offers on the cap on the Employer's contribution toward health insurance for 1994.

The Union notes that this is the first time these parties have invoked arbitration and that therefore no set of appropriate comparables has been established. The Union offers the utilities in Jefferson, Elkhorn, Lake Mills, Oconomowoc, Kaukauna, and Wisconsin Rapids as appropriate comparisons, as well as the City of Sun Prairie. The Union argues its comparables are closer geographically to Sun Prairie than those offered by the Employer, share the same labor market, and have similar economic conditions.

The Union contends that its final offer is supported by wage settlements among the appropriate comparables. The Union asserts that contracts among the comparables provided at least a 4% annual wage lift and that the Employer's offer of 3.25% in each year of the two-year agreement is substantially below comparable settlements. The Union acknowledges that both offers exceed the recent CPI but argues that the CPI had the same impact on comparable utilities but which mainly settled upon 4% increases.

The Employer's final offer contains a 3.25% wage increase for 1993 and for 1994. The Employer offers the following utilities as appropriate comparables: Hartford, Jefferson, Plymouth, Reedsburg, and Stoughton. Those utilities, according to the Employer, are more similar to Sun Prairie in customer base and revenue than the comparables proposed by the Union. The Employer contends that its final offer of 3.25% each year will maintain Sun Prairie's wages as the highest among the comparables.

The Employer further argues that the Union's final offer is not in the interest and welfare of the public as it exceeds recent CPI increases by almost 50% and extends such increases to three employees who were well above the wage scale of the parties' first agreement.

The Employer states that at the time the parties entered their first contract, seven employees were agreed to be above the salary scale and were red-circled. Four of them were

placed on the salary scale in 1991-92, while three remained above scale. The Employer proposes that those three employees receive a 3.25% increase for 1993, and that Honish be placed on the top of the scale in 1994 while Chase and Marohl continue above scale with a 3.25% increase that year. The Employer indicates that Honish was \$.24 above scale at the end of 1992 and would be \$.26 above scale under the Union offer. The Employer contends that all three employees are more highly paid than their counterparts among comparable utilities and would continue to be so under the Employer's final offer.

The Union contends that throughout these negotiations it has indicated that it would not agree to a lower increase for those employees, and that an across-the-board increase would have to apply to them as well as to the entire unit. The Union claims that the three employees are above the salary schedule because they each perform additional duties and possess skills not generally a part of the classification title they hold. The Union argues that Honish, Chase, and Marohl are entitled to the same 4%/4% increase proposed for the unit.

The parties have agreed to a \$350 cap on the Employer's contribution for health insurance premiums for 1993. The Union's final offer contains a \$380 cap for 1994 while the Employer proposes a \$370 cap in 1994. The \$10 difference in the offers amounts to a total of \$1320. Health insurance premiums for 1994 had not been set at the time of the arbitration hearing so the exact impact of the respective offers is unclear.

The Employer states that premiums, in general, increase substantially one year and modestly the next. In 1993, under the agreement of the parties, the Employer paid 81% to 89% of the health insurance premium depending on the plan selected.

The Union indicates that under the \$350 cap on the Employer contribution in 1993, employees will pay between \$44 and \$82 a month for family health insurance coverage. The Union argues that among the comparables, the employer either pays all of the premium or the employee's contribution amounts to only \$10 to \$25 a month. The Union claims that health insurance premiums for the unit have increased on average by 10% each of the past four years. Assuming a 10% increase in 1994, according to the Union, employees would pay \$64 to \$105 per month (depending on coverage) for under the Employer's offer and \$54 to \$95 under the Union offer.

#### Discussion:

The arbitrator has reviewed the parties' respective sets of proposed comparables and concludes that utilities in Reedsburg, Stoughton, Lake Mills, Jefferson, Oconomowoc, Elkhorn, and Hartford are the most useful for comparison to Sun Prairie based on customer base, revenue, and geographic proximity. Four of the selected comparables are municipally owned (Stoughton, Lake Mills, Oconomowoc, and Hartford). The remainder are independent entities. In 1992 Sun Prairie was the largest utility in terms of customers and had the third highest revenue.

Utility	1992 customers	1992 revenues
Reedsburg	3106	\$ 5,964,000
Stoughton	6307	4,956,000
Lake Mills	3237	2,853,000
Jefferson	3028	5,495,000
Oconomowoc	6140	7,756,000
Elkhorn	2879	3,596,000
Hartford	3938	4,827,000
Sun Prairie	6390	5,810,000

The table below presents 1993 and 1994 wage rates among selected comparables for the top classifications of lineman and water operator. Either final offer will maintain the Employer's relative position on wages among the comparables identified by the arbitrator.

Utility	1993 journeyman lineman	1994 journeyman lineman	1993 top water operator	1994 top water operator
Hartford	\$15.05	NA	\$13.19	NA
Jefferson	\$16.10/16.26*	\$16.75/16.92	\$14.20/14.34	\$14.77/14.92
Reedsburg	NA	NA	NA	NA
Stoughton	\$15.75	NA	\$12.88	NA
Lake Mills	\$13.75/14.03	\$14.45/14.74	\$11.65/11.88	\$12.24/12.48
Elkhorn	\$14.90/15.20	\$15.66/15.97	\$14.06/14.34	\$14.77/15.07
Oconomowoc	\$18.45	\$19.19	NA	NA
Sun Prairie-Employer offer	\$16.81	\$17.36	\$13.48	\$13.92
Sun Prairie-Union offer	\$16.93	\$17.61	\$13.58	\$14.12

\*mid-year increases indicated by split rates.

Clearly Sun Prairie is among the top-paying area utilities for journeyman linemen with only Oconomowoc paying higher wages. Two of the comparables will pay more than Sun Prairie for top water operators in 1994.

The following table presents the actual 1993 and 1994 wage increases among comparables and the wage lift over the two-year period for two classifications. The arbitrator is persuaded that significant weight should be given to the actual two-year percentage increases observed among the comparables. Those utilities, while general serving a smaller customer base than Sun Prairie, established two-year wage increases closer to 8% than 6.5%. Those utilities were equally affected by the CPI and general economic conditions. The arbitrator concludes that the final offer of the Union more closely approximates wage settlements among comparable utilities and is the more reasonable of the two offers.

Utility	1993 percent increase	1994 percent increase	1993-94 actual	1993-94 wage lift
Reedsburg	NA	NA	NA	NA
Stoughton	8%	NA	NA	NA
Lake Mills	3/2%	3/2%	8%	10%
Jefferson	3/1%	3/1%	7.0%	8%
Oconomowoc	4%	4%	8%	8%
Elkhorn	2.5/2%	3/2%	7.5%	9.5%
Hartford	4%	NA	NA	NA
Sun Prairie-Employer offer	3.25%	3.25%	6.5%	6.5%
Sun Prairie-Union offer	4%	4%	8%	8%

The Employer's final offer proposes the placement of one of three positions, that have been above the salary scale, on the schedule in 1994 and increases of 3.25% for two other employees off schedule. Standing alone, the undersigned would be inclined to find support for the Employer's position with respect to placing Honish's position on schedule. It appears that Honish's duties have changed over time and that his current assignment falls within the classification on the wage scale. The arbitrator, however, must select one final offer in its totality. In the undersigned's opinion, the larger issue is reasonableness of the final offers on the wages for the majority of the unit.


The arbitrator notes that the parties agreed upon a \$350 cap for the Employer's contribution toward health insurance premiums in 1993 and remain \$10 apart on the cap for 1994. Among the comparables, employers pay the full premium in Lake Mills and Elkhorn; in Jefferson an employee pays \$15 per month; in Oconomowoc, \$25. With the exception of the latter, it may be posited that the lower wage rates among comparables is partially attributable to the level of employer contribution toward health insurance. In Sun Prairie, employees currently pay between \$44 and \$82 a month for family coverage. Assuming the historical 10% annual increase in premiums, the least expensive family coverage would increase \$39. Under the Employer's offer the employee would pay \$19 of the increase and the Employer would pay an additional \$20. Under the Union offer, the employee would pay an additional \$9 and the Employer an additional \$30. Without knowing the exact premium for 1994 it is not possible to judge the impact of the respective offers. The arbitrator finds no convincing evidence to support one position over the other. Moreover, the arbitrator has concluded that the parties' offers on wages for 1993 and 1994 are determinative of the dispute and has found the Union's final wage offer to be the more reasonable.

Based on the above and foregoing, the arbitrator makes the following

#### AWARD

The final offer of the Union is selected for inclusion in the parties' 1993-94 collective bargaining agreement.

Given this 3<sup>rd</sup> day of March, 1994, at Madison, Wisconsin.

  
\_\_\_\_\_  
Kay B. Hutchison  
Arbitrator