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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

STATE OF WISCONSIN
Before the Interest Arbitrator

In the Matter of the Petition)
)
 of) Case 54
)
 Wisconsin Professional) No. 45189 MIA-1589
 Police Association,) Decision No. 26938-A
 LEER Division)
)
 For Final and Binding)
 Arbitration Involving Law)
 Enforcement Personnel in the)
 Employ of)
)
 City of Oconomowoc)
 (Police Department))
)

APPEARANCES

For the Association: Richard Little, Business Agent
Robert Pechnach, Business Agent

For the City: Roger E. Walsh, Attorney
Ronald S. Stadler, Attorney

PROCEEDINGS

On August 29, 1991 the undersigned was appointed Arbitrator by the Wisconsin Employment Relations Commission pursuant to Section 111.77 (4)(b) of the Municipal Employment Relations Act,

to resolve an impasse existing between WPPPA, hereinafter referred to as the Union, and the City of Oconomowoc, hereinafter referred to as the Employer.

The hearing was held on October 31, 1991 in Oconomowoc, Wisconsin. The Parties did not request mediation services. At this hearing the Parties were afforded an opportunity to present oral and written evidence, to examine and cross-examine witnesses and to make such arguments as were deemed pertinent. The Parties stipulated that all provisions of the applicable statutes had been complied with and that the matter was properly before the Arbitrator. Briefs were filed in this case and the record was closed on December 13, 1991 subsequent to receiving the final briefs.

ISSUES

The issues of this case are as follows:

<u>Association</u>	<u>County</u>
Wages	Wages
1/01/91-3% across the board	1/01/91-4% across the board
7/01/91-2% across the board	
1/01/92-3% across the board	1/01/92-4% across the board
7/01/92-2% across the board	

The Parties are in agreement as to the duration - 1/01/91 through 12/31/92.

The Parties are also in agreement on the hospitalization proposals.

Should the Arbitrator select the final offer of the Association or the final offer of the City as final and binding on the Parties?

ASSOCIATION POSITION

The Association made the following arguments on its behalf:

The lawful authority and the stipulations of the Parties are not at issue in this arbitration. The welfare of the public is always a concern, but there is no evidence as to a problem in this area. Likewise, the City did not raise as an issue the inability to pay question.

The Association stated that its comparables should be used due to the relative size, geography, and urban/rural nature of its comparables. When using these comparables, the Association members fell from third place to sixth place over the last several years. The Association offer would raise the top patrol pay from the sixth rank to the fifth rank that is only a slight

improvement. The City offer would result in no improvement at all. The Association noted that the result would place the unit below the comparable units in Waukesha County. The split nature of the Association's proposed increase is common among area offers, and the resulting 5% lift is appropriate under the circumstances. The total lift of the Association offer would be 10.4% as compared to 8.2% of the City.

The internal comparables should not be given any weight by the Arbitrator as recent arbitral opinion suggests separate bargaining units should be allowed to bargain independently. The employees cited have varying communities of interest. Unless the City can point to some strong reason urging uniformity, there is no reason for the Arbitrator to select the City's offer based on this criteria. Also, the average consumer price index for goods and services supports the Association's final offer. The members of this unit deserve some measure of protection against inflation; and in keeping with this, the Association has framed its final offer in a fair and equitable manner.

The Association concluded that it has applied the specific statutory criteria set forth in Section 111.77, and it is its offer that is more reasonable than the final offer of the City. Therefore, the Association requested that the Arbitrator accept its final offer as final and binding on the Parties.

CITY POSITION

The following represents the arguments and contentions made on behalf of the City:

The City maintained that its comparables should be the ones used by the Arbitrator. It has taken communities within a 30-mile radius of the City of Oconomowoc, yet it has eliminated those units that are in Metro Milwaukee. The Association is trying to tailor the comparable pool. The comparables were established in a 1979 interest award. Using its comparables, the City's offer maintains the status quo of ranking. Therefore, the Arbitrator should not disturb this status quo without substantial reason. It is the City's offer that maintains the City's ranking near the top of appropriate comparables. It is the Association that wishes to be paid at the top. It is the Arbitrator's obligation to determine what the Parties would have agreed to if they had been able to reach an appropriate agreement.

The City also maintained that the internal comparables support its position. There have been settlements with the IBEW and Department of Public Works, and they compare to the final offer made to this unit. Only the police dispatchers were offered substantially more on a percentage basis, but they were in a catch-up situation. The City also maintained that other

benefits are not appropriate to be used when considering each side's position.

The City concluded that had the Parties been able to voluntarily settle this contract, the wage rate would have been most likely similar to that of the City's offer. The City's offer maintains the wage rate in relation to other municipalities in the longstanding comparable pool, a relationship that has developed over the years through voluntary agreements. The City's wage increase is also in line with the wage increases voluntarily settled with other units within the City, and for these reasons the City asked that its offer be accepted by the Arbitrator.

DISCUSSION AND OPINION

The Association and City have not been able to reach an agreement on the wage increases for the two year period under discussion. They also failed to agree on the appropriate comparables. There are many cities and towns that appear on both lists. The Arbitrator feels that some of these may not be particularly appropriate. However, if the Parties are happy using them as comparables, then the Arbitrator will make them part of his consideration. Those communities are as follows: Beaver Dam, Delafield, Fort Atkinson, Hartford, Hartland, Jefferson, Mukwonago, Town of Oconomowoc, Watertown and

Whitewater. There are several communities that are in dispute.

The City argued that the comparables were set in a 1979 interest arbitration involving Arbitrator Fields. While it was appropriate to include communities such as Delavan, East Troy, Elkhorn, Horicon, Lake Mills, Mayville and Waupun in 1979, there have been substantial changes in the City of Oconomowoc during that 12 year period. Oconomowoc has evolved from a recreational community serving many non-permanent residents in surrounding lake communities to a transitional community (urban to rural). While it is premature to categorize Oconomowoc as suburban Milwaukee, the City seems to be moving in that direction. The completion of the Highway 16 extension and the future plans of the City of Oconomowoc have changed the basic character of the community. All the communities on the City list are either too far, not comparable or too small equated to the City of Oconomowoc. Likewise, the Association's attempt to include West Bend will be rejected. It is just too far to be directly comparable to the City of Oconomowoc. If West Bend should be considered, then perhaps Cedarburg and Grafton should also be part of the comparables. The Arbitrator will, therefore, reject all communities that are not on the joint comparables listing. The Arbitrator has looked at the maps of the area and sizes and locations of communities and can see no other communities that would be appropriate comparable communities at this juncture. Therefore, he declares the communities that appear on both the

City and the Association lists to be the comparable communities for the purposes of this arbitration.

Of the factors that are normally considered in interest arbitrations, only three have been cited by the Parties for consideration by the interest Arbitrator. The Arbitrator has reviewed all the statutory factors and has concluded, as have the Parties, that none of the other factors are appropriate to this hearing. The factors that will be considered are the internal comparables, the cost of living statistics and the external comparables.

The Association vigorously objected to the Arbitrator's consideration of the internal comparables. The Arbitrator is aware that this is a separate bargaining unit and it does deserve the right to negotiate its own agreement. The Arbitrator is also aware that this is a police unit and not directly comparable to a department of public works or a maintenance unit. For those reasons, the Arbitrator does not feel that internal comparables should be a primary factor, defined as one that on its own would turn an arbitration case. It is a factor that should be considered under criteria J of the statute. Internal comparables are generally considered by interest arbitrators as one of several factors that should weigh in the decision of a case. The Arbitrator finds that the internal comparables favor the City's position in this matter.

Cost of living, as measured by the CPI, has been a volatile and variable measure over the years. During the last few years the CPI has been relatively stable; even so this criteria is difficult to apply and weigh. The cost of living data provided would slightly favor the Association's position. Due to the anticipated declining rate of increase, the City's offer and the Association's offer are so relatively close that neither offer would be totally inconsistent with the cost of living factor.

We are then left with the external comparables. Using each side's position, during 1991 the top patrol officer pay scale will place the City in fifth position among the 11 comparables. The Association position will also maintain this fifth position. Regarding the detective/sergeant position, the 1991 respective proposals will leave that group in the third position overall. Reviewing the 1992 proposals, there are 6 of the 11 comparables that have not settled. However, it does appear that the relative rankings noted above would not change under either offer. The Association has argued that over the last 10 years, it has lost relative ranking and, therefore, this justifies the higher proposed wage increases. These settlements between the City and this bargaining unit resulted from voluntary settlements. The Arbitrator was not made privy to trade-offs that may have occurred during this time. However, in looking at the comparable salaries listed, both proposals would maintain the relative

rankings. There is no evidence among the appropriate comparables that would favor the Association's position, particularly considering comparison of the percentage increases requested by the Association in comparison to the percentage increases granted in other comparable communities. While the ranking would not change, the Association's offer would put the unit closer to the next rank and change the status quo. Therefore, the external comparables slightly favor the City's position.

In summary, the cost of living data somewhat favors the Association's position. The external comparables somewhat favor the City's position, and the % offer to the Association by the City is consistent with % offers made to other bargaining units within its jurisdiction. As is usual in these cases neither side has made an offer that is 100% appropriate. The Arbitrator has determined after reviewing all the facts and evidence presented that it is the City's proposal that is more reasonable.

AWARD

On the basis of the foregoing and the record as a whole, and after full consideration of each of the statutory criteria, the undersigned has concluded that the final offer of the City is the more reasonable proposal before the Arbitrator, and directs that it, along with the predecessor agreement, as modified by the stipulations reached in bargaining, constitutes the 1991-1992 agreement between the Parties.

Signed at Oconomowoc, Wisconsin this 13th day of January, 1992.


Raymond E. McAlpin, Arbitrator