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IN THE MATTER OF FACT FINDING

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STATE OF MICHIGAN
EMPLOYMENT RELATIONS COMMISSION
DETROIT OFFICE

NORTHWESTERN REGIONAL AIRPORT COMMISSION
(d/b/a CHERRY CAPITAL AIRPORT),

EMPLOYER

and

Case No. ⁶95-I-1005
Errol A Goldman,
Fact Finder

TEAMSTERS LOCAL 214

UNION

FACT FINDER REPORT

March 17, 1997

Northwestern Regional Airport Commission

FACT FINDING REPORT

The fact finding hearing regarding the impasse between Teamsters Local 214 and the Capital Capital Airport was held on Monday, February 24, 1997. It concluded in one (1) day of hearing.

FOR THE UNION

Joseph Valenti - President
Perry Irwin - Steward
Gerald Cooper - Employee

FOR THE AIRPORT

Michael Alanson - Attorney
Steve Cassens - Director
Bob Clouthier - Supervisor
Jeff Nagel - Operations Mgr.

During the hearing, documents were submitted and testimony taken from both parties.

Each party had the opportunity to cross examine witnesses and question the data.

Following the closing of the hearing, a letter was submitted by the Union changing its demand for the first year. This was submitted as a clarification to its original position.

I. Issues

The parties agreed that the following issues are in dispute:

- a. Seniority
- b. Fringe Benefits
- c. Wages

A. Seniority

The Union has proposed that seniority be used to determine vacation schedules and shift schedule. These sub-issues will be addressed separately.

I. Seniority as the basis for vacation selection.

The current contract states in Article XVIII, VACATIONS, Section 6:

"The Employer shall have the right to approve requests for vacation leave, with particular regard to seniority and the efficient and effective operation of the Airport. Between January 1st and March 1st of each year, each employee shall indicate on a yearly calendar his vacation request. Within a reasonable time after March 1st of the applicable year (specifically, on or before April 1st), the Employer will notify the employees of the approval or disapproval of requested vacation periods. After March 1st, all employees failing to timely submit their vacation request will receive whatever time is left available on a first come, first-serve basis. The Employer shall post a list of all scheduled and approved vacations. Vacations scheduled and approved may be canceled by the Employer in the event of an emergency requiring the services of those employees scheduled for leave."

The Employer's position on this issue is that the contract language requires no modification. The Union is seeking a mandatory selection by seniority.

Recommendation: It is the recommendation of the fact finder that if two or more vacation requests are received for the same period of time, and not all of the requests can be honored, then seniority will be the determining factor.

ii. Seniority as the basis for shift assignments.

The Union has also proposed that shift assignments be determined by seniority. During the testimony it was indicated that each individual in the bargaining unit must be familiar with all the duties in the contract. In addition, it was clarified that each employee brings his own specialization to the position and that expertise is used in determining shift assignments.

The Employer is open to the issue but provided no proposal on the matter.

Recommendation: It is the fact finder's recommendation that, once the skill levels are known for each shift over the course of the year, shift assignments be rotated over a period of time depending on the seniority and expertise of the bargaining unit members.

B. Fringe Benefits

The Union has raised the issue of an increase in the amount of life insurance and the payment of the increased cost of Dental insurance.

i. Dental insurance increase.

The bargaining unit is part of the Teamsters Dental and Vision Fund. For at least 15 years prior to 1995, there had been no increase in the weekly contribution to this fund. It had been \$5.00 per week per employee for full family coverage. Effective January 1, 1995 this weekly amount increased to \$6.40 per week. The Employer has been paying the increase since it went into effect.

Recommendation: The increase in the dental and vision fund weekly rate had not increased in at least fifteen years and the Employer has been paying the increase since it went into effect January 1, 1995. As a result, it is the recommendation of the fact finder that the Employer continue to pay the increase in the dental and vision cost.

ii. Life insurance increase.

The Teamsters have proposed that the level of life insurance be increased from \$10,000 to \$20,000. The Employer contends that this increase must be included as part of the total employment package. The Union has presented comparison data showing the life insurance levels of its comparable groups.

Recommendation: It is the recommendation of the fact finder that the life insurance remain at its current level of \$10,000.

C. Wages

Both parties have submitted proposals for a three year contract beginning January 1, 1996 through December 31, 1999. The top step of the last contract (1995) is listed below and is effective after five (5) years of seniority. The proposals, identified as rate per hour and percentage, are:

	<u>Union</u>	<u>Employer</u>
1995*	\$12.01	\$12.01
1996	\$13.01 (\$1.00 - 8.3%)	\$12.37 (.36 - 3%)
1997	\$13.76 (0.75 - 5.76%)	\$12.74 (.37 - 3%)
1998	\$14.17 (0.41 - 3.0%)	\$13.12 (.38 - 3%)

Union Argument # 1

The Union raises two (2) separate arguments to support its wage proposal. The first Union argument is to compare the duties and responsibilities of the bargaining unit employees with those employees from other airports who perform similar work. The airports used include Bishop Airport, Flint, MI.; Capital Region Airport, Lansing, MI.; Marquette Airport, Marquette, MI.; Kalamazoo/Battle Creek International Airport, Kalamazoo, MI.; and Muskegon Airport, Muskegon, MI. The Union then reviewed the collective bargaining agreements of those airports and attempted to identify comparable jobs to those performed by the employees of Cherry Capital Airport. This is indeed a

formidable task as the employees at issue have a widely diverse list of duties and responsibilities, some of which overlap titles.

If the fact finder were to accept the premise of Union argument 1, he must be cognizant of the appropriate market areas from which the Union comparisons are drawn. Most of the comparison airports are from down state and/or metropolitan areas where salaries are fueled by competing operations which do not apply to the Traverse City area. However, that is not the case with the Marquette Airport which also happens to be represented by a Teamsters Local.

In looking at the Marquette Airport as the source for comparison, the comparison of job duties again becomes a problem since the Cherry Capital Airport employees perform a variety of duties which span many of the separate job categories identified in the Marquette Airport contract. Marquette Airport has five (5) separate job categories in its contract. Of those, the top two (2) pay levels, AT4 and AT5, require that a vacancy exist at either of those levels. Whether a vacancy exists **is determined by the Employer**. This allows the Employer to determine if anyone will be upgraded and when as the step does not appear to be automatic.

Union Argument #2

The Union's second argument is to use a labor market comparison. The Union compares the duties of the airport employees with the those of the Grand Traverse County maintenance workers and the City of Traverse City general maintenance. The Union presented the job descriptions of the positions and the applicable wage rates

which exceeded those of the airport employees with the difference for 1996 ranging from \$1.31 per hour to \$3.06 per hour.

Employer Argument

The Employer counters Union Argument #1, comparable airport wage rates, with its belief that the best comparison of wage increases is by using an internal comparison. The Employer points out that the wage rates of the current contract were arrived at by agreement between the parties. As a result, if both parties did not believe the past agreements were fair and equitable, no agreement would have been reached. There have been amicable settlements between the parties for at least 15 years. The Employer contends that the Union selected airports have different economic issues which result in the wage rates in those areas.

The Employer also presented a labor market comparison, which included the following employers and positions:

- a) Grand Traverse County Road Commission - light equipment operator;
- b) City of Traverse City Street Department - equipment operator II;
- c) Grand Traverse County Maintenance - maintenance worker assistance;
- d) Leelanau County Road Commission - grade II;
- e) City of Traverse City Maintenance - maintenance worker, and
- f) Leelanau County - maintenance worker.

It was the Employer contention that when the total employment costs of the above positions were converted to an hourly rate, the airport employees rate of pay was comparable to the above positions in this labor market. The hourly rate calculated

by the Employer included not only the hourly wage but also longevity, and shift premium. Neither party has proposed changing the shift premium or longevity rates.

Evidence and testimony was presented by the Employer regarding the amount of time the airport employees spent on various job responsibilities. This issue addressed both of the Union arguments on wages as well as providing a basis of comparison put forth by the Employer. Testimony was presented that the percentage of time by responsibility categories, over the course of a year, are as follows: Lawn work - 36%; Snow removal - 31%; General Maintenance 14%; Janitorial 12% and 7% in electrical, plumbing, auto/truck repair and fire fighting.

The foundation for this information was testimony as well as a summary work orders. It was also based on the supervisor's assessment having been promoted from the bargaining unit after many years in the same position as the airport employees. The Employer argues that when comparing the duties of the airport employees to the other positions in the labor market, the level of work responsibility must also be considered.

Recommendation:

In reviewing the evidence, testimony and arguments, it is the fact finders recommendation that:

- a: **For 1996**, a three percent (3%) increase on each step of the 1995 schedule making the top step \$12.37 per hour.
- b. **For 1997**, a three percent (3%) increase on each step of the 1996 schedule making the top step \$12.74 per hour. In addition, it is recommended that an

additional step be added, after six (6) years of seniority, with a pay level which is 1.5% above the previous top step of \$12.74. This will result in a new top step of \$12.93 per hour.

c. **For 1998**, a two percent increase on each step of the 1997 schedule effective January 1, 1998. This will result in the wage rate for the new top step being \$13.19 per hour. In addition, effective July 1, 1998 an additional two percent (2%) increase on each step of the January 1, 1998 salary schedule. This will result in the new top step being \$13.45 per hour effective July 1, 1998.

The top step of the schedules will look as follows:

	<u>After 5 years of seniority</u>	<u>After 6 years of seniority</u>
1996	\$12.37	
1997	\$12.74	\$12.93*
1/1/98		\$13.19*
7/1/98		\$13.45*

* New top step

Respectfully Submitted,



Errol Goldman
Fact Finder
March 17, 1997