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LABOR AND INDUSTRIAL  
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LABOR RELATIONS DIVISION

STATE OF MICHIGAN  
DEPARTMENT OF LABOR  
EMPLOYMENT RELATIONS COMMISSION

In the Matter of  
CITY OF ROMULUS

Case No. D71 D-1112

-and-

TEAMSTERS STATE, COUNTY  
AND MUNICIPAL WORKERS

LOCAL UNION NO. 214

On November 15, 1971 the undersigned, Leon J. Herman, was appointed by the Employment Relations Commission as its hearings officer and agent to conduct a fact finding hearing relevant to the matters in dispute between the above parties, pursuant to Section 25 of Act 176 of Public Acts of 1939 as amended, and the Commission's regulations. Accordingly, and upon due notice, hearings were scheduled and held on December 14, 1971 at the City Hall, Romulus, Michigan.

*Romulus; City of*

Elsman, Young & O'Rourke, Attorneys, by Peter O'Rourke; Hyle J. Carmichael, Mayor; Albert L. Glinski, Treasurer; Brooker R. Edwards and Bill Oakley, Councilmen; and Leonard Folmar, Clerk, appeared on behalf of the City.

Joe Valenti, President; Jack Ford; Geraldine Sanders, Treasurer; Walter Kusak and Mary L. Carter represented Local Union 214.

Prior to this hearing in fact finding the parties had reached agreement as to a number of items which had been incorporated in a proposed contract. Fourteen issues were left open for recommendation in fact finding, plus a wage structure.

Item 1

Classification of Equipment

The Union has demanded the right to survey all equipment whenever it feels that it has not been properly classified. The City has agreed to incorporate such a provision in the agreement.

Item 2

Holidays

The City presently pays holiday pay for Washington's Birthday, Lincoln's Birthday, Veteran's Day, Thanksgiving Day, Christmas Day, New Years Day, Memorial Day, July 4 and Labor Day. In addition it allows a 1/2 day holiday on Good Friday, 1/2 day Christmas Eve, 1/2 day New Year's Eve and the day of any state or federal election.

The Union asks that they be granted all day Christmas Eve, New Year's Eve and Good Friday and that Columbus Day be added for a total of 2 1/2 additional days.

The City now grants 10 to 11 full holidays and 3 half holidays in a year. This is equal to, if not better than is allowed in most other municipalities or in industry generally. I recommend that the holiday allowance remain unchanged.

The City takes the position that an employee must work the scheduled work day before and the scheduled work day after each holiday or be on approved leave of absence beginning not more than one week before the holiday nor more than one week following in order to qualify for holiday pay. The Union asks that this provision be changed to provide that the employee must work the scheduled day before and the scheduled day after each holiday or be on approved leave of absence.

The City objects particularly to the latter clause on the ground that an employee could be off for years on approved leave of absence and thereby obtain holiday pay. The Union has acknowledged that such a situation might occur and therefore has reduced its proposal to a 90 day limit on approved leaves of absence.

I believe the City's position is too stringent on this point and that the Union offers far too liberal an allowance. I recommend that employees must work the scheduled work day before and after the holiday in order to qualify for holiday pay or that they be on approved leave of absence beginning not more than 60 days prior to the holiday and ending not more than 60 days after the holiday.

Item No. 3

Subcontracting

The parties have agreed to wording on subcontracting contained in Article 5 of the proposed agreement. As to extra contract agreements referred to in Article 6 the parties have agreed upon the first paragraph of Section 1 thereof.

Section 1a of Article 6 provides that a Civil Service Commission, if one be established, may make such rules and regulations as it feels proper. The parties have agreed that this clause shall stand, provided that it be amended to read that such rules and regulations shall be subject to and in no way controvert the terms and conditions of the contract to be agreed upon.

Item No. 4

Changes in Duties and Equipment

The Union asks the right to review new or modified classifications and new or modified equipment to the end that a proper rate be established. The proposed article would read as follows:

When new types of equipment are acquired or existing equipment is modified or there are additional duties or changes in work assignments which either involve the application of skills and training not previously

required, the specific change or changes shall be reported by the department in writing to the Union before the operation of the equipment or change in job assignment or change in duties is assigned. The Union believes that the change in the duties involves the application of skills or training not previously required and warrants reclassification to a classification other than the one allocated or that the rate of pay for that classification shall be increased. The Union shall request a conference with the Department involved. The Department involved and the Union shall meet promptly to discuss the changes prior to the Department implementing such changes on a permanent basis. The department involved will make an investigation and determination of the appropriate class and/or new requested rate and make a recommendation to the Union as soon as possible. Should the parties fail to agree, the department may place the equipment in operation or assign duties on a temporary basis pending the outcome of the Union's grievance if any.

The City contends, and I am inclined to agree, that the section is too restrictive and would impose an administrative burden upon its officials. I therefore recommend that the proposed article be amended to the effect that only major modifications of equipment or new types of equipment be included. The City should report to the Union before any change in operation at least 10 working days before the operation or the classification change is put into effect. The Union then may confer with the department and negotiate the proper rate. Nothing in the agreement shall preclude the City from fixing a rate for a classification or placing equipment in operation subject to the negotiations with the Union and possible retroactive adjustment.

Item No. 5

Warning Notice

Under the present practice a warning notice remains upon an employee's employment record for up to 5 years. The Union asks that this period be reduced to 18 months.

I believe the Union proposal to be more than liberal. It is customary practice in industry today to strike a warning notice from an employee's record after a year has elapsed. I therefore recommend that an 18 month period for removal of warning notices from an employee's work record be placed in effect.

Item No. 6

Grievance Procedure

The City proposes that when a grievance has not been satisfactorily settled at Step 3 the dispute should be referred to the Michigan Employment Relations Commission for the purpose of mediation. The City Council agrees to consider the recommendation of the mediator in arriving at its decision.

The Union asks that binding arbitration be provided under the rules of the American Arbitration Association with the fee and expenses of the arbitrator borne equally by both parties.

I am at a loss to understand the City's position in this matter. It would seem that when a grievance has reached a point where settlement has not been reached at Step 3 that the City would be more than anxious to arrive at a fair and reasonable determination

of the grievance so that labor relations may be continued at a high level. A mediator can do no more than recommend and the City is not bound by its proposal to accept his recommendations. Furthermore, the Employment Relations Commission does not normally undertake to mediate grievances of individual employees. It would appear that the City's proposal would merely be an extended exercise in frustration.

On the other hand, an impartial arbitrator will decide fairly and equitably and render a decision which, by its binding nature, would terminate the dispute for all time and permit the parties to go about their business without the disrupting effect of employee dissatisfaction.

I recommend that the final step in the grievance procedure be submission to an arbitrator under the rules of the American Arbitration Association. Whether or not the American Arbitration Association is actually used for purposes of naming the arbitrator in a particular case may be a matter of subsequent agreement between the parties.

#### Item No. 7

##### Reevaluation of Present Job Classifications

The City has caused a review to be made recently by the State Civil Service Department of all of the classifications in this group and plans to put these classifications into effect.

The Union does not necessarily object to the Civil Service proposals but complains that it has not seen them, has

not had a chance to study them and has not been offered an opportunity to make its own suggestions where it deems pertinent. At the present time there are 3 secretaries with 3 different pay scales, although the work of all 3 is substantially the same. It is argued that a review of the proposals is a necessary element of any proposed agreement.

I see no reason why the Union should not be given an opportunity to review and discuss classifications and assignments. I recommend that the City submit to the local its proposed classifications and job descriptions. Should discussions thereafter become fruitless the matter may be processed through the grievance procedure. In the mean time, and without restriction, the City may put such classifications and job descriptions into effect, subject to such adjustment as may result through discussion or the grievance procedure.

Item No. 8

Work Week

The regular work week consists of 5 hours per day Monday through Friday. It allows a lunch period of 1/2 hour or more, depending upon the department, and in certain areas, such as the City Hall and Urban Renewal clerical workers, it allows a 30 minute paid lunch period.

The Union asks that the starting time be fixed so that it can thereby fix the time before or after working hours when



time and one half rates take effect. It proposes some increases in the lunch periods and an extension of the paid lunch period to other employees. The overtime provisions of proposed Article 25 are satisfactory to the Union, provided that starting times be definitely fixed.

I recommend that the City post work schedules for all employees at a starting time between 7:00 a.m. and 9:00 a.m. for a first shift, with subsequent shifts to start at similarly fixed hours. Once the schedules have been posted, the City may not change them except on 30 days written notice to the Union local. It may, of course, call employees before the start of their shift or retain them after close of the shift, but in each case it will pay time and one half overtime rate. I recommend no change in the length of lunch periods nor rest periods. I recommend no paid lunch period except ~~where~~ it is already the practice, and in such cases I recommend that it be continued.

Item No. 9

Longevity Pay

Under the prior contract with another union the City paid a longevity rate to its employees. At the time, the municipality was a township. It also had a pension plan for its employees. It became a city in May, 1970 and has set up a pension plan which must be funded. It therefore proposes that the employees receive either longevity pay or a pension plan, but not both.

I see no reason why longevity pay should not be continued under the same terms as the prior agreement. It is general practice in governmental service to reward employees for length of service. I recommend that the City continue the prior practice.

I further recommend that it continue the pension plan. These employees must have some security when they leave the city service after long years of employment. The City, as the employer, should provide that security. I therefore concur in the inclusion of a pension plan for the members of this bargaining unit.

Item No. 10

Holidays During Vacations

When a holiday falls during an employee's vacation it has been the practice to pay for one day in lieu of the holiday. The Union proposes that the vacation be extended one day for each holiday in the vacation period.

I believe the Union's proposal would be an onerous one to the City. It has only a limited number of employees and scheduling problems would be greatly increased if the Union proposal were to be accepted. The employee loses no money by virtue of the City's proposal, since he gets paid for the holiday in addition to vacation pay. It would be a disservice to the City to require that it extend vacations beyond the contractually agreed time.

I recommend that employees be paid for holidays which fall within their vacation period but that the vacation be not thereby automatically extended.

Item No. 11

Maternity Leave

The City proposes that female employees must take 120 days maternity leave by the end of their 7th month of pregnancy, verified by a doctor's advice by the end of the 5th month. The Union suggests that employees with one or more years of seniority be granted 6 months maternity leave, renewable upon the employee's request for an additional 6 months.

The City wishes this time limited to the 4 months leave of absence allowed by Article 11, Section 2, of the proposed agreement.

There is, to date, considerable question whether maternity leave can be granted over and above the usual medical leave, under the Civil Rights Acts of the State and Federal governments. It seems the safest course would be to follow the City's proposed procedure and permit pregnant employees to take up to 6 months medical leave under the agreement. I therefore so recommend.

Item No. 12

Unused Sick Leave

The prior agreement between the parties permitted payment of all unused sick leave when leaving the City's service. The City proposes that it pay all unused sick leave which has accumulated up to the date of the proposed agreement and thereafter it be frozen at 1/2 the accumulated sick leave, payable at the current rate in cash when an employee dies or retires.

I do not consider the unused sick leave payment procedure of the prior contract to be a heavy burden upon the City. The number of employees leaving for any reason is reasonably minimal. I therefore recommend that the procedure of the old contract be continued in the currently proposed agreement.

Item No. 13

Life, Health and Accident Insurance

The Union has proposed a life, health and accident insurance package as it is included in the national master freight contract which the Teamsters have negotiated. The City is willing to adopt the Union proposal, provided that the rates chargeable to the City do not increase during the term of the agreement and that the Union arrange to extend the same benefits to other city employees, including administrative officials. The Union has agreed to this request.

I recommend that the Union confirm to the City, either in contract or by separate letter which shall have the same force and effect as if included in the contract, that the rates to be charged to the City for Teamsters life, health and accident insurance benefits shall not increase during the term of the agreement and that the insurance benefits will be extended, upon request, to any other city employees, including administrative employees.

Item No. 14

Leave of Absence for Public Office

The City wishes a clause included in the contract to provide that an employee who is a candidate for public office must take a leave of absence effective as of the date he files his petition or before. The Union complains that such a provision would leave the employee without funds to support himself and his family during the period he is campaigning. It proposes instead that no employee shall campaign during his working hours and that violation of such a provision could result in his discharge.

In my opinion the City's proposal is utterly unconscionable. It deprives civic employees of their rights as citizens. Every American has the right to run for public office if he so desires without the risk of punitive measures being taken against him or deprivation of his livelihood because he wishes to exercise his rights as an American citizen.

I recommend that the City withdraw its proposal and that it agree instead to a provision that an employee who is a candidate for public office must not campaign during working hours upon penalty of disciplinary action up to and including discharge.

During the negotiations, the City made proposals for increased salaries which were rejected by the local. At the hearing the City announced that it revoked its offer and proposed instead that it pay a flat 5 1/2% wage increase without retroactivity under the federal Pay Board guidelines.

It should be said at this time that it is doubtful whether anyone can determine what the federal Pay Board guidelines are. They have been fixed in individual cases with so many variations that no one is able to determine in advance what pay scale the government will find receptive in the instant case. Any recommendations that I make, therefore, will be made without reference to any Pay Board guidelines. I recommend instead that the parties adopt an agreement as to wages and then refer the matter to the Internal Revenue Service or to the Pay Board for approval.

The City budget as adopted for the 1971-72 fiscal year indicates that the City is in satisfactory, if not excellent, financial condition. Account No. 650.017 shows anticipated interest on investments as \$90,000. Even were the interest rate as low as 4%, the City would thus have out on investment the sum of \$2,250,000. Proposed capital outlay is set at \$230,000 (Account No. 970). Tax receipts at 92% are expected from current tax rolls. Further, expenditures for "Contingencies, Salaries Administrative, Secretarial Clerical, Other" (Account No. 927) are fixed at \$147,072. "Salaries and Wages Differential" (Account No. 927) is set at \$150,000.

I feel it safe to assume that the City is financially able to meet a fair and reasonable wage scale for its employees.

The City stated at the hearing that it budgeted \$83,762 to cover wage increases for the employees in this bargaining unit. It made a proposal which it calculated would cost \$91,326.56 for the fiscal year. The salaries presently paid, the percentage increases and the offer of salaries for the first year to its hourly rated employees plus the building and sanitary inspectors are as follows:

	<u>Present Salary</u>	<u>Percentage Increase</u>	<u>1st year Offered Salary</u>
Laborer	3.275	19%	3.91
Equipment Operator I	3.625	18%	4.29
Equipment Operator II	3.875	18%	4.59
Auto Mechanic	3.675	24%	4.56
Meter Reader	3.325	19%	3.96
Building Inspector	8,520.00	30%	11,000.00
Sanitary Inspector	8,580.00	30%	11,000.00
Crew Leader	3.375	19%	4.01
Inventory Control	3.775	10%	4.15
Building Attendant 03	3.50	12%	3.91
Building Attendant 04	2.60	54%	4.01

In addition the City offered 6% per year for the second and third fiscal years based upon a contract expiring June 30, 1974. The City also offered a 10% increase to its technical and clerical employees:

	<u>Present Salary</u>	<u>City Offer</u>
Senior Secretary	\$6,760	\$7,436
Senior Clerk Typist	4,940	5,434
Bookkeeper	7,540	(not shown)
Billing Machine Operator	4,940	5,434
Cashier	4,940	5,434
Switchboard Operator	4,680	5,148

The Union offered to accept an increase of 10% for the clerical and office workers if it were made effective as of May 15, 1971 and were increased by 3% on January 1, 1972.

The Union proposed that the City's offer be increased for the labor and trade unit for the year beginning July 1, 1971 by the following amounts: laborer - 23¢; equipment operator I - 12¢; equipment operator II - 19¢; auto mechanic - 30¢; meter reader - 48¢; inventory control - 53¢; building attendant - 21¢; crew leader - 20¢ over class; mechanic helper - a rate between laborer and equipment operator I. In the alternative it offered to accept the employer's last offer, provided that upon release of the Michigan Municipal League Book for 1971 that the rates be established on the average of that basis as of January 1, 1972.

The Union has made settlements with a number of cities in this period. It has presented in evidence the pay scales for Hazel Park, Sterling Heights, Birmingham, Madison Heights and



Redford Township for the fiscal year 71-72. The average of those settlements showed wage rates for laborer of 4.14; equipment operator I of 4.42; equipment operator II of 4.66; auto mechanic of 4.94; meter reader of 4.43; inventory control of 4.61; and building attendant 03 of 4.02. Birmingham shows no rate for mechanics helper. The average for the other four cities is 4.43.

A survey of 23 cities in the Detroit metropolitan area shows that building inspectors are paid salaries ranging from \$11,669 to \$13,218 per year for an average of \$12,444. The Union asks an increase to \$12,400 for building and sanitary inspectors.

I believe a composite of the Union's proposal modified by the 1971 average Teamsters settlements in the area would be an equitable wage scale for the labor and trades group. I recommend the following pay rates for this unit, effective as of July 1, 1971, the beginning of the current fiscal year: laborer - 4.01; equipment operator I - 4.35; equipment operator II - 4.66; auto mechanic - 4.75; meter reader - 4.10; building inspector - \$12,400; sanitary inspector - \$12,400; crew leader - 20¢ over crew rates; inventory control - 4.35; building attendant 03 - 4.02; building attendant 04 - 4.12; mechanics helper - 4.15. I further recommend that these rates remain in effect until and including June 30, 1972. I recommend an increase of 5.5% for the fiscal year beginning July 1, 1972 and a further increase of 5.5% for the year beginning July 1, 1973, under a contract effective July 1, 1971 and terminating June 30, 1974.

The clerical and technical employees are, by comparison with other cities in the area, grossly underpaid. To bring those salaries in line with area averages, without undue burden to the City, I make the following recommendations as to clerical and technical employees in the bargaining unit:

The current wage rate shall be increased by the City's offer of 10% effective July 1, 1971 and continuing through December 31, 1971 and an additional 3% shall be paid for the half year beginning January 1, 1972 and ending June 30, 1972.

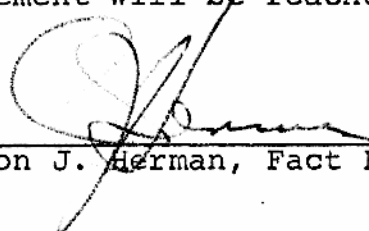
For the year commencing July 1, 1972 these employees shall be paid the average rate for similar classifications as shown by the Michigan Municipal League Book for 1971 in Area I cities of equivalent population, provided that no pay rates shall be reduced.

For the half year commencing July 1, 1973 these employees shall be paid the average rate for similar classifications as shown by the Michigan Municipal League Book for 1972 in Area I cities of equivalent population, provided that no pay rates shall be reduced.

For the half year commencing January 1, 1974 these employees shall be paid the average rate for similar classifications as shown by the Michigan Municipal League Book for 1973 in Area I cities of equivalent population, provided that no pay rates shall be reduced. In this way the pay scale of these employees will reach the average paid in this area by cities of similar population grouping during the final six months of the agreement.

I believe that these rates are fair and equitable, reasonably within the City's ability to pay, comparable to rates paid in the area for similar work and providing of fair compensation to the City employees. It is obvious that rates currently paid are far lower than the area scale and should be increased accordingly. Beginning classifications and intermediate grades should be paid at a rate proportionate to that presently enjoyed.

I trust that these proposals will meet with favor by both City and Union and that an agreement will be reached.



Leon J. Herman, Fact Finder

Southfield, Michigan  
January 14, 1972