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FACT-FINDER'S FINDING

RE: MERC CASE #G89-L-0590

CITY OF TRAVERSE CITY, MI, LIGHT AND POWER BOARD
AND
UTILITY WORKERS' UNION OF AMERICA

The following is the final report of the fact finder in the above-entitled matter. Meetings were held on Thursday, February 15, 1990, preliminary reports sent to your office on February 22, 1990, and again on Thursday, March 8 and Friday, March 9, 1990. The issues previously mentioned, for the most part, were not resolved and the fact finder after hearing testimony and having numerous discussions with both parties, finds as follows with regard to each issue:

COST OF LIVING ALLOWANCE

Presently, the contract contains language with regard to the cost of living. That language permitting an adjustment of cost of living ranging from one cent to thirty cents per hour, depending on a point change in the Consumer Price Index.

EMPLOYER PROPOSAL

Elimination of cost of living language rolling in previous years' cost of living change into present wages.

UNION'S PROPOSAL

Roll in cost of living and maintain existing language.

FACT FINDER'S RECOMMENDATION

That cost of living language presently existing in the contract remain in the contract and additional language be added indicating that the COLA language presently is dormant and subject to negotiation at the end of this contract,

which will be 1992 (the assumption being that the previous cost of living allowance be rolled into wages pursuant to the Employer's proposal.

HEALTH COST CAPS

Presently, the Union enjoys health care benefits with a cost to the Employer per month as follows: full family coverage- \$379.73; two member family coverage - \$362.20; single coverage- \$160.75.

EMPLOYER'S PROPOSAL

That the health care benefits be the same as all other City employees with the exception of the Firefighters' Association, which has yet to be negotiated. The plan is called "Flexplan" and has various options. The Employer's proposal does not apply to presently existing dental and optical coverage.

UNION'S PROPOSAL

Maintain existing coverage with current cost figures until June 30, 1990, and for the following two years, maintain this cost figure at the new cap for insurance premiums. Any additional costs to be split, half to be paid by Employer and half to be paid by Union.

FACT FINDER'S RECOMMENDATION

That the present health care coverage be maintained for the remainder of the first year of this contract, which will be until June 30, 1990. For the following two years, that the Employer's proposal be put into effect (with the four

alternative options) and that the caps not apply to dental and optical, pursuant to the Employer's proposal.

PROMOTIONAL LANGUAGE

Although there is promotional language in the contract, as a result of an arbitration decision by Arbitrator Nathan Lipson dated April 13, 1989, the Employer wishes to change the language of the contract employing the Arbitrator's decision.

UNION'S PROPOSAL

That the language remain the same.

FACT FINDER'S RECOMMENDATION

That no change in the language take place and that the Arbitrator's decision speaks for itself.

CONTRACTING AND LAYOFFS - BULK POWER PURCHASES

Presently, Traverse City Light and Power Board purchases bulk power from other light and power companies for peak periods. To date there has been no dispute with regard to their right to do so.

EMPLOYER'S PROPOSAL

That language be placed in the contract clarifying the Employer's right to make bulk power purchases.

UNION'S PROPOSAL

That the contract remain the same.

FACT FINDER'S RECOMMENDATION

No change in the contract.

LAYOFFS/BIDDING

The Employer proposes that certain jobs presently done by the Union, be put out for public bid for outside contractors and that there be negotiations with regard to the Employer's right to layoff if that work can be done in a less expensive and more efficient manner by an outside contractor.

UNION'S PROPOSAL

That this not be done.

FACT FINDER'S RECOMMENDATION

No change.

ENTRY LEVEL RATES - TREE TRIMMERS

EMPLOYER'S PROPOSAL

That a new classification be established, i.e., tree trimmers, and that the entry level rates be as follows:

00	A	B	C	D	E	F
	\$ 7.50	\$ 7.65	\$ 7.80	\$ 7.88	\$ 8.10	\$ 8.16
10	9.65	9.85	10.05	10.15	10.43	10.51

UNION'S PROPOSAL

That if the new classification is established, the entry level rates remain the same as those presently, for all other members of this Union.

FACT FINDER'S RECOMMENDATION

That the tree trimmer classification be established and the Employer's rates be put into effect subject to verification that the rates above referred to are correct and proposed by the Employer.

WORKER'S COMP BENEFIT ACCRUAL

Presently the language in the contract indicates that

vacation and sick leave benefits during workers compensation leave "shall not prevent the interruption of continuous service for the purpose of receipt of fringe benefits." The practice, however, has been not to enforce this contract section.

EMPLOYER'S PROPOSAL

That the contract language be enforced.

UNION'S PROPOSAL

That the contract language is of no effect since it was not enforced.

FACT FINDER'S RECOMMENDATION

That the contract language presently in the contract remain and that the language be enforced by the Employer.

LONG TERM DISABILITY INSURANCE

Presently the waiting period for long term disability insurance is six months.

EMPLOYER'S PROPOSAL

No change.

UNION'S PROPOSAL

That the six months be reduced to three months waiting period.

FACT FINDER'S RECOMMENDATION

No change.

ADDITIONAL HOLIDAY

UNION'S PROPOSAL

Additional holiday.

EMPLOYER'S PROPOSAL

No change.

FACT FINDER'S RECOMMENDATION

No change.

RETIREMENT BENEFITS

As a result of an appeal by retirees to the Light and Power Board and subsequently to the City Council, retirees independent of the Union, were awarded a cost of living benefit in addition to their existing retirement benefits. This was called an E1 benefit. The Employer now proposes that cost of living language be placed in the present pension portion of the contract for all present members of the Union who will be eligible for retirement and be considered in part of the money package.

UNION'S RECOMMENDATION

That they not be forced to accept this due to the fact that the Employer places a cost factor on this benefit which the Union has not requested.

FACT FINDER'S RECOMMENDATION

That the E2 benefit proposed by the Employer be placed into effect when actuarially possible and as permitted by MERS.

UNION'S PROPOSAL

That employees at age 50 with 25 years service be eligible for retirement. Present language requires age 55 and 25 years service.

EMPLOYER'S PROPOSAL

No change.

UNION'S PROPOSAL

That the age be reduced to age 50 with 25 years service.

FACT FINDER'S RECOMMENDATION

That the Union's proposal of age 50 with 25 years service be put into effect when actuarially possible and when permitted by MERS.

WAGES

EMPLOYER'S PROPOSAL

	<u>RANGE I</u>	<u>RANGE 11-3</u>	<u>RANGE IV-8</u>
1st year	.5%	.5%	.5%
2nd year	1.0%	2.5%	4.0%
3rd year	1.0%	2.5%	4.0%

UNION'S PROPOSAL

4% per year for all employees.

FACT FINDER'S RECOMMENDATION

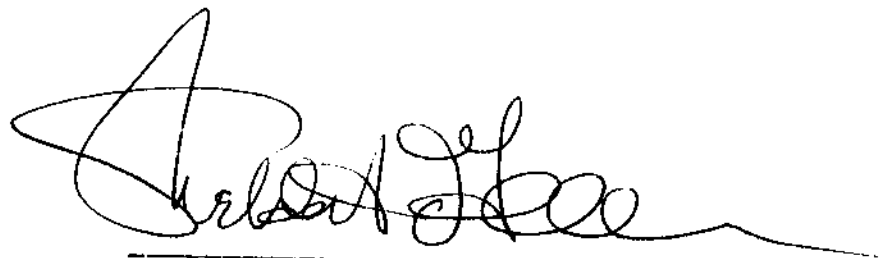
As of March 9, 1990, all employees to receive 4% increase prospectively from that date to June 30, 1990. For the second two years of the contract, all employees to receive a 4% increase per year.

RETROACTIVITY

The only items covered under retroactivity would be insurance and wages and those items have already been mentioned.

The detailed findings in this report are consistent with the fact finder's findings drafted on March 9, 1990, at the conclusion of the hearing. Any inconsistencies or problems are to be resolved in favor of the March 9, 1990, document which is

attached hereto and incorporated herein by reference.

A handwritten signature in black ink, appearing to read 'Sheldon Adler', with a long horizontal line extending to the right.

Sheldon Adler
Fact Finder

SA:ds
March 9, 1990


FACT-FINDER'S FINDING
RE: MERC CASE #G89-L-0590
CITY OF TRAVERSE CITY, MI, LIGHT AND POWER BOARD
AND
UTILITY WORKERS' UNION OF AMERICA

The Fact-Finder finds, as follows, with regard to the issues presented:

- A. COLA (cost-of-living language) that presently exists in the Contract, which expired in 1989, remains in that Contract, and additional language to be added indicating that the COLA language presently in the Contract is dormant and subject to negotiations at the end of this Contract, which will be 1992.
- B. Health care cost caps for the year 1989-90, which is the first year of this Contract, the present health care coverage remains in effect. For the second two(2) years of the Contract, the Employer's cap proposal, pursuant to their original proposals dated July and August, 1989, will be the health care benefit for the second two(2) years of the Agreement.
- C. Promotional language--no change in the promotional language. The Arbitrator's decision of 1988 remains the interpretation of that language.
- D. Contracting and layoffs--no change. Language in the Contract remains as is--there is no change with regard to contracting or layoffs.
- E. Entry-level positions, tree trimmer rates--the rate as proposed by Mr. Fricke and agreed to by the Union for 00 and 0, to be verified between the parties.

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- F. Workers' Compensation benefit accrual--no change. Contract remains the same.
- G. LTD Insurance--no change.
- H. Additional holiday--no change.
- I. Retirement benefits--E2 Benefit to go into effect; 50/25 Benefit to go into effect, as permitted by MERS.
- J. Wages--as of March 9, 1990, 4% across the board for the first year of the Contract; 4% across the board for the second two(2) years of the Contract (4% per year).
- K. No retroactivity before March 9, 1990 on wages. Retroactivity for health care benefits. Wages are not retroactive.



Sheldon Adler
Fact-Finder

SA:ds
March 9, 1990