

STATE OF MICHIGAN  
DEPARTMENT OF LABOR

COMPULSORY ARBITRATION - P.A. 312

MICHIGAN EMPLOYMENT RELATIONS COMMISSION

In the Matter of:

CITY OF ANN ARBOR,

Public Employer

-and-

TEAMSTERS, STATE, COUNTY AND  
MUNICIPAL WORKERS LOCAL 214  
(Representing the Ann Arbor  
Police Administrative Command Unit)

Petitioner

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Pursuant to  
Act 312, P.A. of 1969  
as amended

CASE NO. ~~D6~~ D-0570

<sup>D93</sup>  
Arbitrator: PAUL JACOBS  
FED. I.E. # 38-1902880

APPEARANCES:

FOR THE ACT 312 ARBITRATION PANEL

PAUL JACOBS, Chairman  
RICHARD N. PARKER, Esq., City of Ann Arbor Delegate  
JOSEPH VALENTI, Union Delegate

OPINION AND AWARD

## INTRODUCTION:

Teamsters Local 214 (214), representing the Ann Arbor Police Department, Deputy Chiefs, filed a petition for arbitration pursuant to Act 312, P.A. of 1969, as amended (MCLA 423.231 et seq.)

The Union's petition in Paragraph 4 recites as follows: "The petitioner has engaged in good faith bargaining and mediation and the parties have not succeeded in resolving their disputed matters." The following is a statement of any unresolved issues in dispute, and the facts related thereto:

1. Wages
2. Uniform allowance

The current labor agreement expired on June 30, 1993, and the City and the Union both desire a new two year agreement. The Michigan Employment Relations Commission (MERC) appointed Paul Jacobs as the impartial Arbitrator and Chairperson of the Act 312 panel. Richard N. Parker, Esq. and Joseph Valenti are the Delegates respectively for the City and the Union.

The impartial Chairperson convened a pre-arbitration conference, at which time the parties agreed they would submit to him a letter indicating that they waive the time limits under Section 6 of P.A. 312, and accepted the jurisdiction of the arbitrator. The parties also agreed that the two issues listed above were the only two issues before the panel. That both issues are economic issues. The parties then agreed that there would be a hearing in the City of Ann Arbor on Thursday, June 16, 1994. The Chairperson convened

the hearing and the proceedings were recorded by Philip Liburdi, a certified court reporter assigned by MERC. The impartial Arbitrator took the oath as administered by the court reporter and the hearing commenced.

The Chairperson directed the parties to address themselves to Section 9 of Act 312. Section 9 states as follows:

The arbitration panel shall base its findings, opinions and order upon the following factors, as applicable:

- (a) The lawful authority of the 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 these costs.
- (d) Comparison of the wages, hours and conditions of employment of the employees involved in the arbitration proceeding with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally:
  - (i) In public employment in comparable communities.
  - (ii) In private employment in comparable communities.
- (e) The average consumer prices for goods and services, commonly known as the cost of living.
- (f) The overall compensation presently received by the employees, including direct wage compensation, vacation, holidays and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment and all other benefits received.

- (g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- (h) 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.

Each of the parties presented extensive exhibits which were marked and received by the chairperson; in addition, each of the delegates made an opening statement and proceeded to describe his position.

#### DISCUSSION:

The City of Ann Arbor has a population of approximately 109,000 persons. The City, in the package of materials which it introduced as City Exhibit 4 contained a list of what the City believes to be comparable communities. The parties really had no significant disagreement as to the comparables. Too few statistics were submitted by either party to create any conflict in the determination of comparables. The Union asserted that for purposes of comparability, one need only look to the contract between the Ann Arbor Police Supervisors (Staff Sergeants, Lieutenants and Captains), all represented by Local 214. The reasoning being given was straightforward, e.g., that there has always been a 13.5% wage differential between the Supervisors and the Deputy Chiefs. That

214, on behalf of the Deputy Chiefs, only seeks to maintain the same wage comparability. The impartial Chairperson finds this argument both plausible, logical and reasonable. Accordingly, the Arbitrator will not rule out the Union's request that he go no farther than the City of Ann Arbor in the search for a perfectly comparable city and that the current and past agreements between the City and the Staff Sergeants, Lieutenants and Captains be considered the baseline for comparability.

#### ISSUES:

##### Issue #1 - Wages

##### UNION'S FINAL OFFER OF SETTLEMENT:

It is the position of the Union that the same percentage amount that was negotiated in the Supervisory Command unit contract be granted to the Deputy Chiefs of Police positions which is:

Effective July 1, 1993	- 3%
Effective January 1, 1994	- 3%
Effective July 1, 1994	- 3.5%
Effective January 1, 1995	- 3.5%

##### EMPLOYERS FINAL OFFER OF SETTLEMENT:

The City offers a three (3%) percent wage increase effective July 1, 1993, and a one (1%) percent wage increase effective July 1, 1994.

## DISCUSSION

The City's offer is based upon its exhibit and argument that the offer for the period July 1, 1993 to June 30, 1994 is 43% higher than the Consumer Price Index (CPI-W) rise at the 3/4 mark, whereas the Union demand is 114% higher. The City also cites the latest salary increases for 1993-94 with other employee unions as follows:

<u>Employee Unit</u>	<u>1993-94</u>	<u>1994-95</u>
AFSCME	3%	1%
Police Clerical	3%	Open
Police Comm/Operators	3%	Open
Non-Union	3%	Open

The City also cites the increasing cost of health care.

The Union also represents the Supervisory Command Bargaining Unit. It has represented both units for more than twenty years prior to the latest Supervisory Command Contract negotiated. There was a percentage differential of 13.5%. This wage differential was also maintained during the 1992/1993 contract year when the Supervisory Command officers negotiated a wage freeze June 30, 1993, and effective July 1, 1992 to June 30, 1995.

The Arbitrator firmly believes that it is important to note the Union's argument, not only as to comparability, but as to comparable duties and responsibilities when the executive Deputy Chief retired in late July 1992, his position was not filled. It remains vacant to this day. As a result, the two remaining Deputy Chiefs now shoulder the responsibilities of the vacant position,

even through some of their duties are now shared by Captains under the Supervisory Command contract. In fact, one of the Deputy Chiefs, Lunsford, serves as Acting Chief.

I believe that it should also be noted that the contract period about which we are deciding began July 1, 1993, more than a year ago. Whatever retroactive benefits that are going to be paid will be paid interest free. The first years benefit is thus actually diminished in value because it was not paid at the beginning of the new contract period.

For all of the above reasons I believe the panel should adopt the Union's final offer of settlement.

#### Issue #2 - Uniform Allowance

##### UNION'S FINAL OFFER OF SETTLEMENT:

It is the position of the Union that effective July 1, 1993, the uniform allowance of the Deputy Chiefs of Police be increased to One Thousand One Hundred Fifty Dollars (\$1,150.00) and maintained at that level throughout the agreement.

##### EMPLOYER FINAL OFFER OF SETTLEMENT:

Status Quo. The amount of the current uniform allowance is adequate and is considerably above what is paid in other comparable Michigan Cities.

##### DISCUSSION:

Of the two economic issues presented for arbitration, the uniform allowance received the least attention. The Deputy Chiefs seek the same increase negotiated for the Supervisory Command.

The argument proffered by the Union is the same as for the wage issue. Namely parity with the Supervisory Command. Accordingly it would seem that the Arbitrator having determined that the Union's position as to wages was correct, that its position as to uniform allowance is likewise correct.

The Arbitrator was not shown any evidence of the amount expended by the Deputy Chiefs for uniforms. It would be easy to say that since the amount of increase is small, that the requested increase as requested by the Union in its Final Offer of Settlement should be adopted.

The fact that the amount of increase requested is small, and mirrors the increase received by Security Command Unit, cannot be the basis for the issuance of an award without sufficient proofs having been received. The record does not provide an adequate basis for granting an increase although some might consider it small.

The City's Final Offer of Settlement is adopted.

All other economic issues, benefits, and conditions of employment, and all language contained in the present contract, unless specifically changed by the panel, will remain in full effect through June 30, 1995, and continued as the contract and/or law provides.

Date: September 1, 1994

A handwritten signature in black ink, reading "Paul Jacobs", with a stylized flourish at the end.

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PAUL JACOBS, Arbitrator



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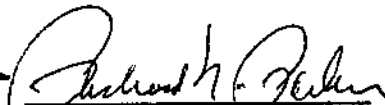
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AWARD

The arbitration panel adopts the award set forth below and also notes that the panel members have indicated those issues on which they concur and those issues on which they do not concur.

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|----|-------------------|-------|
| 1. | Wages             | Union |
| 2. | Uniform Allowance | City  |

		
Chairman Paul Jacobs	Joseph Valenti Union Delegate	Richard N. Parker Employer Delegate
	Concurs on Issue #1	Concurs on Issue #2
	Dissents on Issue #2	Dissents on Issue #1