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STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
MICHIGAN EMPLOYMENT RELATIONS COMMISSION
ACT 312, PUBLIC ACTS OF 1969 AS AMENDED

In the Matter of the Act 312
Arbitration Between:

CITY OF CENTER LINE

MERC Case No. D06 C-0318

v.

**POLICE OFFICERS ASSOCIATION
OF MICHIGAN**

**ARBITRATION PANEL'S FINDING OF FACT,
OPINION AND AWARDS**

**George T. Roumell, Jr., Chairman
Nancy L. Bourgeois, City Delegate
James Tignanelli, Union Delegate**

APPEARANCES:

FOR THE CITY OF CENTER LINE:

**FOR POLICE OFFICERS ASSOCIATION
OF MICHIGAN:**

Brian S. Ahearn, Attorney
John R. Riley, Interim Director of
Public Safety

William Birdseye
John T. Barr
Kevin Loftis
Bill Dempsey

Background

The City of Center Line, Michigan is located in Macomb County. It employs a Public Safety Department consisting of 17 persons who are in the bargaining unit represented by the Police Officers Association of Michigan. These include nine Public Safety Officers, four Corporals and four civilian dispatchers. In addition, the Public Safety Department has five Command Officers, three Sergeants and two Lieutenants.

The City has four bargaining units, including the Police Officers Association of Michigan. The Command Officers Association of Michigan represents the five Command Officers in the Public Safety Department.

The Governmental Employees Labor Council represents clerical employees of the City. Michigan Council 25, American Federation of State, County and Municipal Employees, AFL-CIO and its Local 1103 represents the City's DPW and Recreation Department employees.

Previous collective bargaining agreements for all four bargaining units, including the Police Officers Association of Michigan, expired on June 30, 2006. The City was able to reach agreement and enter into successor collective bargaining agreements with three of its bargaining units, namely, Local 1103, the Governmental Employees Labor Council and the Command Officers Association of Michigan, covering the period July 1, 2006 – June 30, 2009. The City was not able to reach agreement with the Police Officers Association of Michigan (POAM) as to the successor contract which expired on June 30, 2006.

POAM and the City bargained for a successor agreement. The parties also engaged in one mediation session on June 19, 2007. Subsequently, POAM filed a Petition for Act 312, listing the issues in dispute as:

1. Uniform Allowance
2. Shift Premium
3. Pension
4. Wages
5. Duration

The bargaining unit was described as:

All full-time public safety officers
All full-time public safety corporals
All full-time clerk/dispatchers

The Chairman was appointed and the parties chose their Delegates. As a result, a hearing was conducted on Friday, October 10, 2008 that began as a pre-trial, but was converted into a

hearing by the Chairman. At that time, the parties presented the history of this dispute, permitting the Chairman, on behalf of the Panel, to reach certain conclusions and awards.

Findings of Fact – Opinion

At the time of the hearing in this matter, as already noted, three bargaining units had reached agreements, setting a wage pattern as well as the duration of the contract. The duration of the three settled contracts was from July 1, 2006 through June 30, 2009. There is no reason, given the collective bargaining history within the City, not to follow the same pattern as to duration.

There are certain other patterns that have been developed among the bargaining units that have settled, including the Command Officers Association of Michigan. It should be recognized that, although there has been a delay in reaching agreement in this matter between these parties, there is no reason to suggest that wages should be other than retroactive to July 1, 2006. After making this observation, the Chairman also believes that the City's offer of a 1% wage adjustment for July 1, 2006, for July 1, 2007 and for July 1, 2008 is consistent with the pattern, namely, on each of those anniversary dates there will be a 1% wage adjustment.

The issue of uniform allowance was one of attempting on the part of the POAM to have the same uniform allowance as the Command Officers Association of Michigan for the uniformed officers. The offer that has been made reaches this goal. It also provides for a uniform allowance for dispatchers.

Sick leave has been a concern between the parties. The Chairman reviewed the sick leave provisions of the three settled contracts and in particular in the COAM contract. The City has offered sick leave provisions that essentially are consistent with the sick leave provisions of the other bargaining units and there is no reason not to adopt this proposal.

There was a proposed change as to Article 8, Grievance Procedures. As the Chairman reviewed same, he believes that the change is reasonable in that it expedites the arbitration procedure.

Health care was an issue at the bargaining table with all of the bargaining units. Essentially, the City wished to consolidate the plans it offered. The consolidation among the various units varied, depending on the population of the unit. There was a movement for the POAM to move employees to the Blue Cross/Blue Shield Blue Care Network Plan. This could afford some economies for the City and the City could still offer a health care package consistent with its previous offerings without premium co-pays by the employees. The Chairman listened to the arguments of the parties and concluded that the arrangement for officers and dispatchers who are in the Health Alliance Plan to enroll in the Blue Cross/Blue Shield Blue Care Network plan and continue to have identical or superior benefits as provided by HAP is reasonable considering that it is in the interest of both the City and the employees to modulate health care costs.

There was a problem, however, as to the insurance retroactivity. It did take time for the parties to get to the point where a 312 proceeding was necessary to resolve the dispute. Fortunately, the proceeding, once initiated, moved with reasonable dispatch, particularly noting that the Chairman was appointed on September 23, 2008 and the hearing in this matter was held on October 10, 2008. The Chairman recognizes that insurance cannot be retroactive; that it is in the best interest to establish a new program going forward. This accomplishes the City's purpose of attempting to modulate health care costs. The City may have preferred to have the insurance program in place earlier, but the circumstances were such that the parties could not reach agreement earlier. Yet, there is still about eight months to go on this contract and the new

program will be in place. It is for this reason that the Chairman has opted for the Article 35, Hospitalization, Medical, Dental and Optical Insurance program discussed at the hearing.

The Petition did mention other items. But there is only so much that can be done in one Act 312. In other words, what the Panel is prepared to address is Article 8, "Grievances," Article 24, "Sick Leave," Article 35, "Hospitalization, Medical, Dental and Optical Insurance," Article 38, "Uniforms," Article 40, "Rates of Pay Per Annum," and finally Duration. All other provisions of the contract will be carried over from the previous expired contract.


It is based upon this analysis that the majority of the Panel have adopted the following Award.

Panel Members Nancy L. Bourgeois and James A. Tignanelli have agreed to waive their signature and that the signature of the Chairman will represent a majority award of the Panel on each of the issues addressed.

A W A R D S

1. A majority of the Panel, on the issue of Article 8, "Grievances," Article 24, "Sick Leave," Article 35, "Hospitalization, Medical, Dental and Optical Insurance," Article 38, "Uniforms," Article 40, "Rates of Pay Per Annum," and Duration, have agreed that Exhibit 1 attached hereto represents the Awards as to these issues by a majority of the Panel.

2. All other provisions of the Collective Bargaining Agreement shall be carried over from the Agreement expiring on June 30, 2006.


GEORGE T. ROUMELL, Jr., Chairman
Signed on behalf of a majority of the Panel

October 13, 2008

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**TENTATIVE AGREEMENT
BETWEEN THE CITY OF CENTER LINE
AND THE
POLICE OFFICERS ASSOCIATION OF MICHIGAN (POAM)**

July 15, 2008

1. Article 8, Grievances, sub-section (d) Step four (4), to read:

In the event the grievance shall not have been satisfactorily settled in the three preceding steps, either party within seven (7) working days after the date of the conclusion of Step Three above may, by letter to the American Arbitration Association (AAA), submit the matter to said service for arbitration and an earnest effort shall be made by both parties to expedite arbitration.

2. Article 24. Sick Leave, all paragraphs amended to read:

Sick leave, with pay, shall be granted to each full-time employee, but shall be allowed only in case of necessity as follows, and shall not be considered a right which the employee may use at his or her discretion.

- (a) Due to personal illness or other non-job related injury or physical incapacity, subject to the provisions of the Limited Duty Policy of the City.
- (b) Due to illness or physical incapacity of a member of the employee's immediate family who requires the employee's personal care and attention. "Immediate family" in this case includes the employee's son, daughter, spouse and parents of the employee only, in accordance with the Family Medical Leave Act (FMLA) definition.
- (c) In order to receive compensation while absent on sick leave, for any of the reasons above, the employee shall notify his or her immediate supervisor or, the City Manager, prior to the time set for beginning his or her daily duties, or as may be specified by City policy. The department head shall request medical verification for three (3) or more consecutive days of illness.
- (d) The following shall apply as pertains to the accumulation of sick leave, which is in conjunction with the accident and sickness (short-term disability) insurance program adopted by the City:
 - 1. Each employee upon the execution of this agreement shall be advanced 50 days maximum of sick leave, which may be used as described in sub-sections a & b above. In addition, sick leave may be used as follows:
 - a. Sick time may be taken in a minimum of ¼ day increments.
 - b. Sick time may be taken to supplement 100% of employee's wages when on Short-term Disability and Long-term Disability.

2. Sick leave shall be earned by full-time employee at the rate of one (1) work day for each calendar month of service effective upon the signing of the contract. Unused sick leave shall accrue and may be accumulated to a total of not more than sixty (62) days provided, that the total shall be reduced each July 1st to not more than fifty (50) days. New employees hired after the effective date of this contract shall earn and accumulate one (1) day per month to add to the employee's sick-leave bank for sick leave use.
3. Up to five (5) days of sick leave may be anticipated, that is it may be used before it is earned, with the approval of the City Manager. In the event an employee is separated from employment, the appropriate deduction from the employee's final pay shall be made for any anticipated sick leave taken which has not been earned. *NEB*
4. Each full-time employee who terminates employment with the City by reason of death or retirement shall be paid for 100 percent of his or her earned accumulated sick leave ~~vacation~~ balance to a maximum of thirty (30) days, which shall be calculated into the employee's final average compensation (FAC) for retirement earnings. *TYPD*
5. Each full-time employee with at least five (5) years of continuous service who resigns or retires from employment with the City shall be paid no more than one third (1/3) of his or her accumulated sick leave balance to a maximum of twelve (12) days. Those employees with more than five years on continuous service with the city shall be paid up to a maximum of thirty (30) days of accumulated sick leave, which shall be calculated into the employee's final average compensation (FAC) for retirement purposes.
6. In order to reward employees who continue to show good work attendance after their fifty (50) days of advanced sick leave is granted, the following shall apply:
 - a. Each employee shall be paid at his or her straight time rate for 100 percent of the sick leave days accumulated up to twelve (12) days, or that which is accumulated over 50 days as of June 30 of each year. Payment shall be made annually on the last pay in July.
 - b. An employee may elect annually to add a maximum of twelve (12) of his or her unused sick leave days accumulated in excess of fifty (50) days, as of June 30 of each year, to the employee's vacation bank, providing that not more than a maximum of thirty (30) vacation days, including unused sick leave days added to the vacation bank, as of June 30 of each year, may be carried over into the next fiscal year, pursuant to City policy.

- c. After an employee exhausts seven (7) or more consecutive sick leave days in a fiscal year, he or she shall be placed on the City's short-term disability (STD) program for a period not to exceed 25 weeks, subject to the City's short-term disability insurance policy. Employees on short-term disability shall be eligible for 66.67% their weekly salary, not to exceed one-thousand (\$1,000) and their benefits will be continued but limited to Hospitalization Insurance, Dental Insurance, Optical Insurance and Life Insurance.
 - d. An employee who has been on short-term disability for 26 weeks and cannot return to work full-time without restrictions, shall immediately be placed on the City's long-term disability (LTD) program, subject to the City's long-term disability insurance program. Employees on long-term disability shall be eligible for 66.67% of their weekly salary, not to exceed one thousand dollars (\$1,000), but their fringe benefits will not be continued. Employees unable to return to work in a full-time capacity without restrictions after the first 26 weeks of long-term disability leave, shall be considered to have their employment terminated.
7. In no case shall a City Employee who has been discharged be entitled to pay for accumulated sick leave days.

3. Article 35, Hospitalization, Medical, Dental and Optical Insurance

- (a) The employer shall provide hospitalization insurance and medical benefits by assuming the monthly premiums for each eligible Employee and their eligible dependents who participate in the Blue Care Network of Michigan (BCN5), the year 2006 plan.
- (b) Following the ratification by both parties, the Employer shall provide hospitalization insurance and medical benefits for qualified Employees, retirees and for their eligible dependents as follows: For those employees that continue in the Michigan Blue Cross/Blue Shield, Comprehensive Major Medical (CMM) Program (500/1,000), (80/20) with a PPO Prescription Drug Rider (APDBP), with a co-pay of \$10.00 for generic drugs and \$20.00 co-pay for brand-name prescription drugs, including riders, MOPD, PDC and PD-CM, the city shall pay up to the monthly premium paid under the Blue Care Network of Michigan, (BCN5). Any additional cost of said premium(s) shall be paid by the employee on a monthly basis, through a payroll deduction from the employee's paycheck.
- (c) For those employees who choose coverage in the Blue Cross/Blue Shield of Michigan, Community Blue Plan 3 with \$10.00 co-pay for generic drugs and \$20.00 co-pay for brand-name prescription drugs, Riders: MOPD, PDC and PD-CM, the City shall continue to assume the

monthly premiums and will reimburse employees 50% of all costs incurred

on a monthly basis for deductible and co-payments, upon submission of appropriate medical payment receipts for the Blue Cross/Blue Shield of Michigan, Community Blue Plan 3.

- (d) Payment to employees in lieu of health insurance coverage for those who elect to opt out of health insurance coverage, will be paid pursuant to the terms of the Section 125 Cafeteria Plan, adopted by the City Council, in the amounts of \$5000 per year for those eligible for family coverage, and \$3,000 per year effective for both active Employees and retirees at the end of the next renewal period, after the effective date of the signing of the bargaining agreement, to be made in February of each benefit year.

4. Article 38, Uniforms, amended to read:

- (a) The employer will provide each Officer joining the bargaining unit after July 1, 2007 with an initial uniform allowance of Five Hundred and Fifty Dollars (\$550.00).
- (b) Effective July 1, 2007, all other officers shall be granted a uniform allowance of One-Thousand (\$1,000.00) per year.
- (c) Dispatchers will be granted a uniform allowance of up to Two Hundred and Fifty (\$250.00) per year.
- (d) All uniform payments shall be made in September of each year.

5. Article 40. Rates of Pay Per Annum with retroactivity to:

- | | |
|--------------|------------------------|
| July 1, 2006 | one % wage adjustment. |
| July 1, 2007 | one % wage adjustment. |
| July 1, 2008 | one % wage adjustment. |

6. A three-year agreement from July 1, 2006 through June 30, 2009

TENTATIVELY AGREED TO THIS _____ DAY OF _____, 2008.

**FOR THE POLICE OFFICERS ASSOCIATION
OF MICHIGAN:**

FOR THE CITY OF CENTER LINE:

James A. Tignanelli
Business Agent

Nancy L. Bourgeois
City Manager/Clerk

William Dempsey
President

Nicholas Chakur
Interim Director of Public Safety

Michael Gerald
Vice-President

Memorandum of Understanding
Between the
Police Officers Association of Michigan
And
The City of Center Line

Reference: Article 35, Hospitalization, Medical, Dental and Optical Insurance

The following is an agreement made this _____ day of _____, 2008 between the Police Officers Association of Michigan, hereinafter referred to as the "POAM" and the City of Center Line, hereinafter referred to as the "City".

The parties agree that the nine (9) employees in the POAM who currently subscribe to Health Alliance Plan (HAP) for hospitalization and medical insurance (identified on attachment "A") will immediately enroll in the Blue Cross and Blue Shield Blue Care Network Plan which was specifically prepared on behalf of the City to provide identical or superior benefits to that which has been provided by the HAP plan that is currently in place. This conversion will occur as soon as practicable following ratification by both parties of a successor bargaining agreement bearing effective dates of July 1, 2006 through June 30, 2009. The nine affected members will continue to subscribe to the BCN plan until a new agreement is reached or until the first open enrollment period following expiration of the above noted contract, whichever comes first.

City of Center Line

Police Officers Association of Michigan

Mary Ann Zielinski
Mayor

James Tignanelli
Business Agent, POAM

Nancy L. Bourgeois
City Manager/Clerk

William Dempsey
President

Nicholas Chakur
Interim Director of Public Safety

Michael Gerald
Vice President

ATTACHMENT "A"

David T. Allen, Public Safety Officer

Kenneth J. Frizzell, Corporal

Lisa Grace, Public Safety Officer

Todd Haugh, Public Safety Officer

Daniel L. Merciez, Public Safety Officer

James E. Northrup, Public Safety Officer

Danny K. Petroff, Public Safety Officer

Mary B. Szostak, Clerk-Typist-Dispatcher

Carl C. Winn, Public Safety Officer