

STATE OF MICHIGAN
DEPARTMENT OF LABOR
MICHIGAN EMPLOYMENT RELATIONS COMMISSION
ACT 312 PUBLIC ACTS OF 1969, AS AMENDED ARBITRATION PANEL

In the Matter of the Act
312 Arbitration Between:

CITY OF PORT HURON

-and-

MERC Case No. D83 D-1107

POLICE OFFICERS ASSOCIATION
OF MICHIGAN (Patrol)

ARBITRATION PANEL'S FINDINGS, OPINION AND ORDERS

APPEARANCES:

FOR THE CITY OF PORT HURON:

William J. Smith, Labor
Consultant
Doug Alexander, Assistant to
City Manager
Guy C. Provost, Personnel
Officer
Herman Dusellier, Chief of
Police

FOR THE POAM (PATROL):

Ann Maurer, Labor Economist
James E. Carmody, Unit
President

The parties have come before this Panel with the
following items for their proposed Collective Bargaining
Agreement succeeding the Agreement that expired on June 30,
1983. The issues are:

1. Duration
2. Retroactivity
3. Wages
4. COLA
5. Rate of Pay for Holidays and Holidays
6. Health Insurance - Master Medical
7. Vacation - Increase Allotment
8. Pensions
9. Sick Days
10. Disability Pay
11. Meter Attendant

There were also several items that the parties have stipulated to that they have requested to be included in the Orders of this Panel. As to these matters, namely changing of the references in the Agreement to POAM, provisions for advance payment, permanent shifts, longevity, changes in the Grievance Procedure and incorporating memoranda into the Agreement. They will be incorporated into the Order of the Panel by unanimous vote.

DURATION AND RETROACTIVITY

The hearing in this matter was set for May 9, 1984 following the appointment of the Chairman by letter dated March 21, 1984. All time limits were waived by the parties. Nevertheless, recognizing that the previous Contract had expired on June 30, 1983 it became a question as to whether or not the duration should be one year as proposed by the Employer, or a longer duration, namely two years as proposed by the Association. Though the parties moved with dispatch in this matter after the appointment of the Chairman, it would not be practical to have a contract expiring on June 30, 1984, because the efforts expended in negotiating for the successor to the expired June 30, 1983 Agreement as well as the efforts in preparing for an Act 312 hearing. The Union had always maintained that there should be a two year agreement.

After discussion with the parties, both parties concurred with the Impartial Chairman concerning a three year agreement expiring June 30, 1986, retroactive, for the purposes

of wages only, to June 25, 1983. Otherwise the Agreement would be retroactive to July 1, 1983, except as to the provisions concerning holiday pay when worked. Since both parties concurred with the Chairman regarding a three year Agreement with the retroactivity as suggested above, the Order will reflect the adoption by the Panel of a three year Agreement.

WAGES AND COLA

Wages and COLA are intimately connected. The problem with wages is that the City has been concerned particularly following June 30, 1983, with its economic condition. As a result it settled with other bargaining units, including fire fighters for approximately a three (3%) percent increase in 1983. By going to Act 312 the police have registered their dissatisfaction with such a settlement and there is reason for this. Below are the comparables of the fire fighters' salaries in Area II Cities in Michigan:

<u>City</u>	<u>Employee Pension Contribution</u>	<u>1982-83</u>	<u>1983-84</u>
East Lansing	.0%	\$22,696	\$23,377
Jackson	7.5%	23,368	23,368
Midland	5.5%	23,935	24,895
Bay City	6.0%	26,062	27,664
Holland	5.0%	21,636	23,179
Kentwood	3.0%	22,153	24,147
Portage	.0%	25,191	Arbitration
Muskegon	6.0%	23,573	Negotiation
Average	4.2%	\$23,577	\$24,438
Port Huron	7.0%	\$24,121	\$24,845
Difference	2.8%		

An analysis of the above comparisons will indicate that with a three (3%) percent increase, Port Huron Fire Fighters were above the average Area II Cities by at least \$400.00. On the other hand, when one compares the same Area II Cities with police officers salaries, a three (3%) percent increase would not put the Port Huron Police in the same position that the fire fighters find themselves in.

An examination of the same Area II Cities reveal the following:

<u>City</u>	<u>Employee Pension Contribution</u>	<u>1982-83</u>	<u>1983-84</u>
Burton	5%	\$22,515	Arbitration
Holland	5%	22,921	\$24,065
Muskegon	6%	23,395	24,097
Kentwood	3%	23,821	25,965
East Lansing	0%	22,484	24,065
Midland	5.5%	24,473	26,215
Jackson	7.5%	23,918	Arbitration
Portage	0%	27,030	Arbitration
Bay City	<u>6%</u>	<u>24,731</u>	<u>Negotiation</u>
Average	4.2%	\$23,920	\$24,881
Port Huron	2%	22,677	-
Difference	+2.2%	-\$ 1,243	-\$ 2,204
		(5.5%)	(9.7%)

The Chairman notes that Port Huron does have one advantage over most cities in Area II, although not all, in that the employee pension contribution is 2% as compared for example with a high of 7.5% in Jackson and frequently a 5% contribution as in Holland.

When the City therefore offers a three (3%) percent increase in the first year of the Contract for 1983-84, and wage reopeners in 1984-85 and 1985-86, the City's offer does not comply with the facts as enumerated above. Such an offer would not put the police in the same comparable position as the fire fighters.

On the other hand, the Union's offer for a wage increase that amounts to 6.7% or a maximum for the 1983-84 year of \$24,196, or approximately 6.7%, in the 1984-85 year a maximum of \$25,164, or 4%, with a wage reopener the third year of the Contract would seem to be consistent with the comparables with the Area II Cities for police compensation.

No such increase is needed for the fire fighters because in comparison with the Area II Cities the Port Huron fire fighters compare well. But additional increases were needed for the police to make the police competitive.

On the other hand, the Chairman agrees with the City that the cost of living should be frozen both for 1983-84 and 1984-85 and that the matter of the cost of living for the third year be subject to negotiation. With the type of increases that the Chairman is voting for there is no need for a cost of living in 1983-84 or 1984-85.

Within the bargaining unit there is a Meter Attendant. The Union has proposed an equity adjustment in the Meter Attendant salary of \$250 to the base. The majority of the Panel

believes that this is equitable. Therefore, the Meter Attendant's wage as it now stands will be increased by \$250. Once this is done, the 6.7% will be added to that rate for 1983-84 and the 4% added on to that 1983-84 rate to arrive at the 1984-85 rate.

HEALTH INSURANCE - SICK DAYS

The Union has sought in its last best offer to add master medical to the health insurance plan. The City has countered as its last best offer a change in the sick leave provisions, particularly as the matter concerns producing medical documentation. Because the other units did not receive master medical, the Chairman believes that there is no justification for master medical in the police contract. Likewise, the Chairman believes that as the City has been able to operate with the present sick leave language there is no reason to change this language. Therefore the Order will not adopt the changes of either the City or the POAM in these areas.

HOLIDAYS AND VACATIONS

The Union proposes an additional vacation day, no reduction in holidays and time and one-half pay for holidays worked. The City did not object to time and one-half pay for holidays worked, but wishes to reduce the holidays from nine to six, but increase the eleven days vacation time by four so that the total time off for police officers will be twenty-one days. The Chairman believes that this approach of the City is correct. It accomplishes an additional day for police and yet fits in

with the general scheme that the City wishes to adopt for its uniform services. For this reason the last best offer of the City will be adopted.

MISCELLANEOUS

The Order will reflect the miscellaneous stipulations and changes as already discussed herein. The Chairman has adopted the Orders. The Union Panel Member has concurred in part and dissented in part, concurring on the adoption of the Union's last best offers dissenting as to the adoption of the City's last best offers. The City Panel Member has concurred and dissented on the same basis as the Union, namely concurring with the adoption of the City's last best offers and dissenting as to the adoption of the Union's last best offers. The Panel is unanimous on the stipulation of changes.

ORDER OF THE PANEL

The Panel hereby orders as follows:

1. WAGES

Bargaining unit employees shall receive 6.7% across the board effective June 25, 1983 and 4.0% across the board effective July 1, 1984. The wages of police officers effective June 25, 1983 will be \$24,196 per year at the maximum. Effective July 1, 1984 the wages will be for the maximum, \$25,164 per year. Effective July 1, 1985 there will be a wage reopener.

Meter Attendant Effective June 25, 1983 the Meter Attendant will receive an increase of \$250. After the \$250 is added to her base rate, she then will receive, effective July 25, 1983 a 6.7% increase. Effective July 1, 1984 the Meter Attendant shall receive a 4% increase.

2. COST OF LIVING

Cost of Living will be frozen from 1983-84 and 1984-85 and will be subject to reopening for Contract year beginning July 1, 1985. The cost of living language shall contain the following paragraph:

A "freeze" will be placed on cost-of-living adjustments subject to reopening for the third year of the Agreement. Employer agrees to fold in present cost-of-living monies to employee's base rate of pay.

3. HOLIDAY PAY, VACATIONS AND HOLIDAYS

The Contract shall contain the following language as to annual leave and holidays:

(a) Police Department employees who work shifts will be allowed fifteen (15) work days per calendar year as vacation leave plus six (6) additional work days leave in lieu of holidays for each twelve (12) months of service. It is the intent to provide the shift employees with twenty-one (21) work days annual leave.

(b) Police Department employees whose work schedule is Monday through Friday will be allowed fifteen (15) work days per calendar year as vacation leave plus six (6) days on the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

(c) Effective May 24, 1984, employees who work on the calendar day of any holiday listed above, shall be paid at the rate of

time and one-half (1-1/2x) for all hours worked. The calendar day shall be defined as beginning at 12:00 midnight and ending at 12:00 midnight.

(d) Each regular full-time employee will be allowed vacation leave in accordance with this section except that no employee will be entitled to vacation leave until he has served the employer at least six (6) months, after which time he shall be entitled on the January 1st following the date of full-time employment to that portion of vacation leave accumulated during the previous calendar year. Thereafter all vacation leave will be accrued on a calendar year basis with each employee entitled to vacation leave as earned in the previous calendar year. Vacation leave will be accrued as of the date an employee enters the service of the City.

4. PENSIONS

Although pensions were an issue, the parties by their respective last best offers have agreed to permit pension to be a reopened subject in the third year of the Contract. Otherwise the pensions will remain as they are now. The Order will reflect this.

5. THE STIPULATIONS

A. All references in the Contract to the union shall be changed to POAM.

B. Advance Pay. The following language shall be placed in the Contract:

Notify your Department Head of your request for an advance pay one week prior to the ending of the pay period in which you desire the money. The Payroll Department will determine the approximate amount of earnings and will issue a General Fund Check. This advance check will be distributed to the

employee along with the regular pay. Any difference between the employee's check and the advance received will be paid to the employee in his next check.

C. Permanent Shifts. The following language as to permanent shifts shall be placed in the Contract:

Permanent Shifts by Seniority

In September - Union President or his designee shall poll the membership regarding shift preference and such assignments shall be made in seniority order. Such shift assignment shall commence with the first payroll period in October and shall remain in effect for 12 months.

D. Longevity. The following language as to longevity will be placed in the Contract (Section 2-5):

...absence, in which case that period of time shall be deducted from total length of service provided that such unpaid leave of absence exceeds 30 days.

E. Memoranda. The Memoranda dated October 13, 1980, December 1, 1980 and January 7, 1981 now attached to the expired Agreement shall be incorporated where appropriate into the Collective Bargaining Agreement.

F. Grievance and Arbitration Procedure. Attached hereto is Appendix A which shall be placed into the Contract.

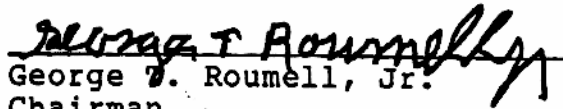
6. TENTATIVE AGREEMENTS

All tentative agreements shall become incorporated into the Agreement.

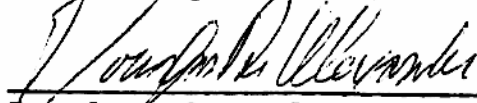
7. DURATION

The duration of the Agreement will be from July 1, 1983, expiring June 30, 1986, except that the wage portion will be retroactive to June 25, 1983 as will the provision concerning

freezing the cost of living and except for the provision for holiday pay which shall be effective May 24, 1984. Additionally, wages, COLA, and pension shall be subject to reopening for the period July 1, 1985 to June 30, 1986.


George T. Roumell, Jr.
Chairman

Concurring and Dissenting:


Douglas Alexander
City Delegate

Concurring and Dissenting:


Ann Maurer
Union Delegate

Dated: May 11, 1984

APPENDIX A

ARTICLE V

GRIEVANCE AND ARBITRATION PROCEDURES

Section 5-1 - Grievance Procedure.

The employer will answer in writing any grievance presented to it in writing by the Union.

The grievance must be presented in writing by the Union signed by the grievant to the immediate supervisor within ten (10) days after knowledge of its occurrence in order to be a proper matter for the Grievance Procedure.

Any employee having a grievance in connection with his employment shall present it to the employer as follows:

Step 1: If an employee feels he has a grievance, he shall discuss the grievance with his supervisor and failing to resolve the issue he then shall discuss the grievance with the Union.

The Union may discuss the grievance with the immediate supervisor as outlined in Section 1-4. If the matter is thereby not disposed of within three (3) working days, it will be submitted by the Union in writing on forms supplied by the Union to the immediate Supervisor. The immediate Supervisor shall answer the grievance within three (3) working days.

Step 2: If the grievance is not satisfactorily settled in Step 1, the Union may within five (5) days, appeal the grievance to the Personnel Officer. A meeting will be held between at least two (2) representatives of the Union and at least two (2) representatives of the Employer to discuss the grievance within seven (7) calendar days from the date the appeal is received by the Personnel Officer. The Personnel Officer shall submit to the Union, within five (5) days after this meeting, an answer stating the Employer's position concerning the grievance as a result of the meeting.

Step 3: If the representatives of the employer and the Union do not dispose of the matter, and the Union believes that the matter should be carried further, it shall then refer the matter to the POAM. The representative of the POAM will review the matter, and if they wish to carry the matter further, they will, within thirty (30) days of the Employer's answer, meet with the Employer for the purpose of further discussing and attempting to resolve the grievance.

Section 5-1 - Arbitration.

Should the parties fail to reach agreement after Step 3 above, the Union may request, within twenty (20) days, to arbitrate the dispute through the services of the American Arbitration Association in accordance with its rules, or the Federal Mediation and Conciliation Service (FMCS) in accordance with its recommended rules.

The Employer and the Union agree that fees regarding arbitration procedure shall be borne by the losing party in such arbitration.

Time limits may be extended by mutual agreement.

Finality of Decisions. There shall be no appeal from any Arbitrator's decision. Each such decision shall be final and binding on the Union, its members, the employee, or employees involved, and the Employer.

Section 5-3 - Payment of Back Pay Claims and Computation of Back Wages.

In determining payment of back pay claims and computation of the back wages, the employer and the Union agree that the Arbitrator will, as nearly as possible, attempt to make the employee whole. In so doing, the Arbitrator will take notice of that income earned from other sources as a set off that would not have been able to be earned otherwise and also allow proofs to be submitted regarding losses suffered by the employee as a direct result of the Employer's decision.