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STATE OF MICHIGAN DEPARTMENT OF LABOR & ECONOMIC GROWTH (2014) EMPLOYMENT RELATIONS COMMISSION

IN THE MATTER OF THE ACT 312 ARBITRATION BETWEEN

City of Lincoln Park, Employer,

And

Case No. D07 B 0205

Police Officers Labor Council

ACT 312 ARBITRATION AWARD

Donald Burkholder Panel Chair & Arbitrator

For the Employer:

For the Union:

Chet Kulesza

DELEGATES

Steve Duchane, Manager City of Lincoln Park 1355 Southfield Rd. Lincoln Park, MI 48146

ADVOCATES

Howard L. Shifman, P.C. 370 E. Maple Road, Ste. 200 Birmingham, MI 48099 Tom Zulch

Police Officers Labor Council 667 E. Big Beaver. Ste. 205

Troy, MI 48083 - 1413

Police Officers Labor Council 667 E. Big Beaver, Ste. 205 Troy, MI 48083 – 141

STATUTORY AUTHORITY

MICHIGAN EMPLOYMENT RELATIONS COMMISSION [MERC]

Section 8 of Act 312 requires that, in relation to economic issues, "an arbitration panel shall adopt the last best offer of settlement which... more nearly complies with the applicable factors described in Section 9" of Act 312. Section 9 contains the eight factors that the arbitration panel must consider as applicable.

Section 9 of Act 312 provides for the following:

Where there is no agreement between the parties, or where there is an agreement but the parties have

begun negotiations or discussions looking to a new agreement or amendment of the existing agreement,

and wage rates or other conditions of employment under the proposed new or amended agreement are in

dispute, 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 those 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 price for goods and services, commonly known as cost of living;
- f. the overall compensation presently received by the employees, including direct wage compensation, vacations, 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 hearing;
- 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.

Section 10 of Act 312 provides that the decision of the Arbitration Panel must be supported by "competent, material and substantial evidence on the whole record." This has been supported by the Michigan Supreme Court's decision in City of Detroit v. Detroit Police Officers Association, 408 Mich 410 (1980). The decision shows that the legislature evinced no intention in Act 312 that each factor of Section 9 is to be accorded weight. Rather, they provide a compulsory checklist to insure that arbitrators render an award only after taking into consideration those factors deemed relevant by the legislature and codified in Section 9.

The MERC letter of appointment was dated August 23, 2007. The parties held a prehearing conference on November 20, 2008. The Agreement had expired June 30, 2007, there were drastic differences in the parties' bargaining positions, and the Employer's financial situation was near desperate. Arbitration hearings were held at Lincoln Park City Hall on January 29th, March 6th, March 10th, and March 31st, 2009. The Employer requested reopening of the record following announcement of the State's budget cuts and appropriations reductions, including further reductions to revenue sharing income, with a subsequent request to submit revised Last Best Offers. Section 9 (g) requires that changes during the pendency of the Hearing be dealt with; therefore both Employer requests were granted.

COMPARABLE COMMUNITIES

The parties agreed to the following comparables:

Allen Park, East Pointe, Ferndale, Garden City, Southgate, Trenton, Wyandotte.

Although there was agreement on these comparables, the Employer emphasized that none of them were realistically comparable to Lincoln Park because of the City's extremely dire financial circumstances. An especially pertinent factor in reviewing the comparables is indicative of the dissimilarities. The maximum base rate of pay for a patrol officer in the other communities indicated a dramatic disparity, with Lincoln Park officers' pay significantly lower than all of the comparables both in January 2007, the last year of the expired agreement, and since.

THE ISSUES (as numbered by Employer)

		Emplyr, Union,	<u>Econ., N</u>	Non-economic		
		or Joint				
1.	Art. 28 Duration	Jo	oint	Econ		
2.	Art.2 Purpose & Intent	E	mployer	Non-econ		
3.	Art. 3, Wages/Retroactivity	Jo	oint	Econ		
	(Employer position is 0% fo	loyer position is 0% for all three years. Union accepts Employer proposal				
	that employees hired after the date of the Award will be employed on a salary					
	schedule that is based on four (4) eighteen month step increases from the date of					
	hire and maximum wage will be reached after six (6) years of service.)					
4.	Art. 5-1 Compensated Fring	e Benefits Ei	mployer	Econ		
	(number of holidays)					
5.	Art. 5-1 Compensated Fring	e Benefits Ei	mployer	Econ.		
	(system for compensation)					
6.	Art. 26, Pension Benefits	E	mployer	Econ.		
	(employees contrib. rate 109	%)				
7.	Art. 26, Pension Benefits	Ei	mployer	Econ		
	(defined benefit pension par	ticipation)				
8.	Art. 26, Pension Benefits	Et	mployer	Econ.		
	(new hire pension)					
9,	New Hires – establish VEBA	A accounts Er	mployer	Econ		
	(Sec. 125 Retiree Health Care, & new article re Health Retirement					
	Savings Account)					
10.	Art. 8 – 1 Leave Time, Sick	Leave Et	mployer	Econ		
11.	Art. 8 – 2 Leave Time, SLIF	e Et	mployer	Econ		
12.	Permissive Topics of Bargai	ning Er	mployer	Non-econ		
	(deletion of language)					
13.	Art. 7 – 1 Physical Examina	ations Er	mployer	Econ		
14.	Art. $16 - 2$ Hours of Work/C	Overtime Er	mployer	Econ		
	(c) (d) (f) [eliminate all banl	c options]				

15.	Eliminate gun at retirement	Employer .				
16.	Art. 17 (e) Discipline	Employer	Non-econ			
	(re disciplinary records)					
17.	Art. 5-4 Compensated Fringe Benefits	Employer and	Econ.			
		Union (sep issues)				
	(longevity: Union seeks to unfreeze, Emplyr seeks status quo)					
18.	Art. 7 – 2 Fringe Bens./Med. Insurance	Employer	Econ.			
19.	Art. 7-2 Fringe Bens/Med Insurance	Employer	Econ			
	(drug card)					
20.	Art. 7 – 2 Fringe Bens/Med Insurance	Employer	Econ			
	(new language)					
21.	Art. 7 – 2 Fringe Bens/Med Insurance	Employer	Econ.			
	(self insurance, wrap-around plans, etc.)					
22.	Art. 7 – 2 Fringe Bens/Med Insurance	Employer	Econ			
	(employer right to put in place a healthcare					
	program in lieu of Community Blue 3, for					
	active employees)					
23.	Art. 7 – 2 Fringe Bens/Med Insurance	Employer	Econ			
	urth					
	year of contract)					
24.	Art 7-2 Fringe Bens/Med Insurance	Employer	Econ.			
	(mandatory mail in for maintenance drugs)					
25.	Art. 7 – 2. Fringe Bens/Med Insurance	Employer	Econ.			
	(retirees to remain at same benefit level if					
	change in benefit level for current employes	3)				
26.	Art. 7 – 2, Fringe Bens/Medical Insurance	Employer	Econ.			
	(city drops issue re health care at retirement only					
	for eligible member and eligible spouse)					
27.	Art. 7-2 Fringe Bens/Medical Insurance	Employer	Econ.			
	(Com Blue-3 the base plan for eligible members of					
	bargaining unit who retire after issuance of this award.					

ACT 312 SECTION 9 FACTORS CONSIDERED

Section 9 (c) provides that the panel consider "the interest and welfare of the public and the financial ability of the unit of government to meet those costs." It is standard practice in a 312 proceeding, as other 312 chairs have noted, for the panel to consider the interest and welfare of the public as a whole, along with the local government's ability to meet the costs of the economic issues set forth. The 'n' or universe of financial factors must be dealt with in its totality; thus the Employer's present financial status must be considered in the context of the future impact of current proposals and decisions. Lincoln Park's financial condition is drastic. Not only is it on the Michigan Treasury's list of financially distressed cities. Its very survival as a corporate entity is a significant concern. It is certain that without the skilled guidance provided by City Manager Steve Duchane it would be even in much worse financial condition.

Although all Section 9 factors, a through h, are examined prior to ruling on each of the issues, the Panel considers Section (c) the most significant element of its decision. The Employer's financial position is and has been precarious for a number of years, and in view of serious economic weakness throughout the state and the region generally, there is an overwhelming case for the city's position. The Employer has well defined legal and fiduciary requirements, and therefore has the authority and clear necessity to manage its finances responsibly.

Testimony, exhibits and other written communication emphasized the Employer's dire financial straits even prior to the stock market crash, the near-loss of the American auto industry, the decrease in property values and subsequent decrease in property tax revenue. Additionally, the significant decrease in state revenue sharing dollars, which provide 24% of Lincoln Park's budget, is largely responsible for the drop of \$24 m for general fund programs to \$26 m today. Municipal expenditures have been cut drastically, with the City offering only very basic services. Action was undertaken to reduce the growth of expenditures generally, with special attention to

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legacy costs. An early retirement incentive was offered, the voters were asked for and approved a temporary millage, and employee staffing was reduced by approximately one third over the past ten years, with the City attempting to maintain the same or improved services. Concurrently, taxable value of property was decreasing, there was little or no new building activity, investment earnings decreased, further impacting legacy costs. The value of the City's pension funds decreased by more than one third, translating directly into higher required contributions from the general fund, including a ten percent increase from 2008 to 2009 in the Police and Fire Pension Fund.

City manager Duchane as well as professional public accountants testified in detail regarding the situation. In his May 11, 2009 Budget Message, Duchane summarized Lincoln Park's position succinctly as follows:

> While no Michigan community should be planning an increase in revenue unless they have a huge new development Lincoln Park is worse off than the others as it is an older community on the border of the City of Detroit that has lost its industrial base which affects (the city) as a place where workers reside. The residential property tax base doesn't support any revenue increases. Our pension and OPEB liabilities are higher than the others as the level of benefit did not match the income available to the city. The city only began to change to Defined Contribution plans since 2005. The DDA is creeping along whereas others have used this for new facilities and organized new development around it... The city does not have an Act 345 plan to fund the police and fire pension system The court is at best a small drain, not a benefit of revenue over expense as found in nearby communities.

It is abundantly clear that the City has been diligent in formulating a budget proposal which makes significant reductions in personnel and expenditures, and therefore in services. The financing of capital needs has been delayed to the point that annual capital outlay for the City is only about \$130,000, of which all but \$10,000 is obligated to police car replacements. With no possibility of or space for significant economic development, and considering the burdensome, continuing, and increasing cost of long term commitments, especially Other Post Employment Benefits, the expectation of any degree of economic improvement is unrealistic. Notably, health care costs are projected to increase as a result of the early retirement incentive program and the fact that health care costs continue to increase at high rates. The present nationwide recession, falling property values, drastic reduction in revenue sharing, steadily increasing costs for retirees, are decisive factors in estimating the City's increasingly dire financial position.

Following careful review of the issues presented, I have determined that the Employer has no realistic option other than to seek significant reduction in the regularly increasing cost of the patrol unit. This can be accomplished not only through the economic issues but through manning and discipline, which also have major significant cost implications. Lacking such action, receivership by the State is a looming possibility, with the City listed as fifteenth on the Michigan Treasurer's list of financially troubled entities.

The Government Finance Officers Association's recommended standard for estimating the financial health of a governmental entity is as follows: the General Fund Balance, or the excess of revenues over expenditures at the end of the fiscal year should be approximately ten per cent (10%), within context and in consideration of related factors. For the year ended June 30, 2008, the City's General Fund Balance was \$928,496, or barely more than 4 % (four per cent) of the \$22,153,020 in revenue for the year.

With special attention to the eight factors set forth in Act 312 Section 9, especially the financial condition of the City present and future, I find that the Employer position on all but two of the economic issues is justified beyond any reasonable doubt. The reasons for awarding the Union position on the economic issues, health care premium and pension contribution, are that a duration of four years, which is the Union position, provides the opportunity to learn about the feasibility and potential cost savings of the health care plan, and not to burden employees whose income level will not increase with an increased pension contribution.

AWARD SUMMARY

The Arbitrator's economic findings, as stated herein are the basis for the awards on each issue and the controlling factor under Section 9. The Arbitrator is convinced that the following awards are necessary to for the City to succeed. The Panel adopts the language of the prevailing party as stated in their last best offer on each issue except the non-economic issue 16 regarding discipline for the reasons stated in the detailed findings. In addition to Issue 16, the Panel has addressed a detailed finding on

the following issues: 1 - duration, 2 - wages, 12 - manning, and 23 - insurance payroll deduction and future .

The panel provides the following summary of it's award based upon the employer's numbering of the issues:

A.

Issues withdrawn by either party and shall remain status quo. Issue 2 – Purpose and Intent Issue 15 – Gun at retirement Issue 26 – Retiree dependant care

B.

Issues awarding the Union's last best offer.

Issue 1 – Duration

Issue 6 – Pension Employee Contribution

Issue 20 – HMO Option

Issue 23 - Insurance contribution and future premium increase cost sharing

C.

Issues awarding the City's last best offer of settlement.

Issue 3 – Wages and retroactivity

Issue 4 – Eliminate 2 Holidays

Issue 5 – Eliminate Holiday Bank

Issue 7 - Pension transfer to MERS

Issue 8 – New Hire Pension

Issue 9 – New Hire Retiree Health

Issue 10 - Sick Leave

Issue 11 – Sick Leave Incidents

Issue 12 – Manning Provision

Issue 13 - Physical Exams

Issue 14 - Eliminate Book Time

Issue 16 – Discipline (LBO modified see detail below)

- Issue 17 Current Level and New Hires
- Issue 18 Active Base Insurance Plan
- Issue 19 Prescription Drug Card
- Issue 21 Insurance Options for self- insurance, WRAP, etc.
- Issue 22 Insurance Option for H.S.A.

Issue 24 – MOPD -2 drug rider

Issue 25 – Future Retiree Insurance to Mirror Actives

Issue 27 – Retiree Health Insurance Base Plan

AWARD IN DETAIL

<u>CITY & UNION ISSUE #1 – DURATION</u>

My initial inclination was to only grant a three year Collective Bargaining Agreement. In light of the date of the issuance of the award, and taking into account all of the Section 9 factors above, the Union's position regarding duration is awarded by the panel.

In reaching this decision, the panel considered the fact that if the Employer's position was granted, the contract would expire in several months. On the other hand, the Union's position would allow the contract to expire on June 30, 2011.

In light of many of the decisions reached in this award, the parties should have the opportunity to operate under this new Collective Bargaining Agreement for a period of one year. Many of the changes regarding health care and the like will take several months to fully implement and for the cost savings to take effect.

In light of the fact that the parties should not have to begin this process so soon after issuance of this award, the panel believes the Section 9 factors warrant granting the Union's position regarding duration.

CITY ISSUE #3 & UNION ISSUE #2 - WAGES

In light of the Panel's decision regarding duration, the award for the fourth year is the Employer's wage freeze. As indicated earlier, the Employer has set forth an overwhelming case of inability to pay. There is simply no basis to grant a pay raise in the fourth year and a wage freeze is awarded by the panel. While the Panel recognizes the difficulty this causes to members of the Bargaining Unit, the Employer has not proposed a wage cut and in these difficult times the City and the region are facing, their position more closely conforms with the Section 9 factors despite the excellent presentation by the Union.

<u>CITY ISSUE # 12 PERMISSIVE TOPICS OF BARGAINING –</u>

Manning Provision

In this issue, the City has urged that certain provisions in the collective bargaining agreement must be deleted from the successor collective bargaining agreement because they are not mandatory topics of bargaining. The Panel agrees.

In this case, there are requirements regarding a certain number of individuals to be employed by the Police Department, guarantees of positions and rank as well as daily staffing requirements. In each case, the City argues that they may not be carried forward. They are correct.

The City argues and has presented the following arguments which, along with the balance of their arguments, the Panel believes to be dispositive:

"Under Section 15 of the Public Employment Relations Act ("PERA"), public employers and unions are obligated to bargain collectively with respect to "wages, hours, and other terms and conditions of employment." MCL 423.215; MSA 17.455(15). Those topics falling within the category of "wages, hours, and other terms and conditions of employment" constitute mandatory subjects of bargaining. Both parties are obligated to bargain to a point of impasse with respect to mandatory subjects. Permissive topics are those which fall outside the scope of those designated as mandatory subjects of bargaining. Bargaining with respect to a permissive topic is voluntary and neither party may insist on a permissive topic to impasse.

In the leading case of *Metropolitan Council No. 23 and Local 1277 v City of Center Line*, 414 Mich 642 (1982), the Michigan Supreme Court had the opportunity to consider the concept of inherent management rights. The Court began its discussion by quoting from a commentator as follows:

Perhaps the single greatest, and almost universally recognized, limitation on the scope of bargaining or negotiation by state public employees is the concept of managerial prerogative as it has developed in the public sector. In essence, the concept creates a dichotomy between "bargainable" issues, that is, those issues which affect conditions of employment, and issues of "policy" which are exclusively reserved to government discretion and cannot be made mandatory subjects of bargaining. Anno: Bargainable or Negotiable Issues in State Employment Relations, 84 A.L.R. 3d 242, 255-256. 414 Mich at 660.

The Court went on to consider the union's insistence on a clause that would have restricted the City's ability to layoff employees. The Court said, in pertinent part:

We interpret this clause as one that is within the scope of management prerogative. The clause unduly restricts the city in its ability to make decisions regarding the size and scope of municipal services. As the city argued in both oral argument and its brief, the city no longer would be able to base its decision on factors such as need, available revenues, or public interest . . . This severely restricts the city in its ability to function effectively and poses serious questions with regard to political accountability for such decisions. . . While we are aware of the union's interest in the job security of its members and the perceived need to protect police officers from retaliatory layoffs in this case, the clause awarded was beyond the permissible scope of the Act 312 arbitration panel's authority. To so restrict the policy decisions of the city is beyond the legislative words and intent. 414 Mich at 660-61. (emphasis added)

The Court, in *City of Center Line*, also clearly enunciated the jurisdictional basis of an Act 312 Arbitration Panel:

The distinction drawn between mandatory and permissive subjects of bargaining is significant in determining the scope of the Act 312 arbitration panel's authority. Given the fact that Act 312 complements PERA and that under § 15 of PERA the duty to bargain only extends to mandatory subjects, we conclude that the arbitration panel can only compel agreement as to mandatory subjects. It would be inconsistent to conclude that the arbitration panel can issue an award on a permissive subject when the parties do not even have a duty to bargain over such a subject. To hold otherwise would grant the Act 312 arbitration panel a free hand to compel agreement on any matters, even those beyond "wages, hours, and other terms and conditions of employment." It is clear that the Legislature, while interested in foreclosing strikes in police and fire departments and providing an "alternate, expeditious, effective and binding procedure for the resolution of disputes" did not intend for the arbitration panel to have unbridled authority. 414 Mich at 654-55. (emphasis added)

There are several issues which the Union seeks to include in these proceedings that are clearly management rights and, therefore, not mandatory subjects of bargaining. The first of these is set forth in Article XII of the expired collective bargaining agreement which deals with the total minimum staffing and filling of vacancies. This is also modified by the attachment to the end of the contract.

This is also evidenced by the forthwith hiring provisions. Forthwith hiring requires a certain number of Police Officers be hired in the City. It is what is commonly referred to as a "manning provision" which has long been held to be an inherent management right under the leading case of *Metropolitan Council No. 23* v *City of Center Line*, 414 Mich 642, 654, n 5; 327 NW2d 822 (1982). It is a permissive topic of bargaining and the City is under no obligation whatsoever to include this subject in bargaining for a successor collective bargaining agreement. It should be noted in this regard that the Supreme Court, in *City of Center Line*, made clear that the fact that what would be a permissive subject of bargaining has been included in a collective bargaining agreement does <u>not</u> render the topic a mandatory subject of bargaining in negotiations for a successor collective bargaining agreement. The Court said:

It should be noted that even if the parties agree to discuss a permissive subject of bargaining it does not thereafter become a mandatory subject. Thus, the fact that the layoff decision may have been a subject of bargaining in past contract negotiations does not make a subject mandatory for future collective bargaining agreements. 414 Mich at 654, n 5."

Additionally, the City has argued that minimum manpower per shift not be included in the contract. The City cites numerous MERC and Appellate cases in support of its position. The Panel again agrees with the City's position that these are permissive topics and may not be included in the collective bargaining agreement. The arguments by the City on this issue must be determined to be controlling. The Panel would point out in a recent case involving the *Oak Park Public Safety Officers Ass'n v. City of Oak Park, COA Case No. 271767, (2007),* the POAM made many of the same arguments that were made here and they were rejected both by the Michigan Employment Relations Commission and by the Michigan Court of Appeals. This is one of the most recent pronouncements on this issue. In each instance, minimum daily staffing has been determined to be a permissive topic of bargaining. This Panel cannot reach a contrary result.

As a result, there is no question that this Panel may not award these provisions that do not carry forward into the new collective bargaining agreement. While the Panel respects the arguments by the Union, the recent Appellate Decision in the *Oak Park Case* involving the POAM makes clear that these topics cannot be carried forward into a new collective bargaining agreement.

Additionally, the Panel would note that even if the above were not true, in light of the demonstrated inability to pay, the Panel would not award those provisions to carry forward in light of all of the Section 9 Factors.

<u>CITY ISSUE # 16 – DISCIPLINE</u> (NON-ECONOMIC)

In this case, this City has proposed changes in the disciplinary language. Both sides agree that this is a non-economic issue. The City has made a proposal to modify Article 17(e) and the Union has proposed the status quo.

In reaching a decision on this issue, the parties agree that the Arbitrator is able to fashion a position between each of their respective Last and Best Offers. The Panel has given careful consideration to each of the respective positions.

In this case, the language in the collective bargaining agreement, as the City suggests, unfairly in the Panel's view, restricts the ability to use prior discipline.

The City has a significant interest in making sure that Officers who receive serious discipline do not commit such offenses again. In these difficult economic times, it is important to make sure that Officer who receive serious discipline and are not terminated have those issues brought to the attention of a subsequent Arbitrator who is not required to wear blinders regarding a prior disciplinary record.

On the other hand, the position of the Union is to protect individuals who have demonstrated over a period of time that they have corrected their prior behavior.

Taking into account the public interest, the interest of both the City and the Union and all of the other applicable Section 9 Factors, the Panel believes the language should be modified to reflect the following:

Section 17(e) should be modified to read:

"(e) The City, upon written request, shall remove disciplinary records every two (2) years from date of incident from an officer's service file if the discipline imposed is less than one week and no further suspension(s) have been received in the subsequent two (2) year period.

The City, upon written request, shall remove disciplinary records every four (4) years from the date of incident from an officer's service file if the discipline imposed is less than thirty (30) days and no subsequent suspension(s) have been received by the Officer in the four (4) year period.

<u>CITY ISSUE # 23 – HEAL'TH INSURANCE</u>

The next issue is premium sharing. The panel was initially inclined to grant the position of the Employer predicated upon the demonstrated inability to pay. Upon reflection, in taking into account the Union's arguments, the Union's position on premium sharing is adopted by the panel. Some of the reasons will be noted below.

As this award reflects, on all other health insurance issues, the position of the City has been sustained by the panel. Many of these changes will, hopefully, begin to control the costs of health care. They involve higher co-pays and contributions by the members of the Bargaining Unit. In the testimony offered at hearing by the City witnesses, it also appears this is their preferred method of controlling costs both in the short and long term. While premium sharing may be considered by the Employer down the road, the Union's point is well taken that these cost-saving measures should be given the opportunity to see if they work and then the issue of premium sharing can be re-visited in the next Collective Bargaining Agreement.

The Chairman would note that if the City's position on all of the other health care issues had not been adopted by the panel, the Chairman would have granted the City's position on premium sharing. In light of granting all of the other issues, including mirroring after retirement to active employees, the Chairman believes that award which has been fashioned will assist the City in controlling its costs in both the short and long term. Again, the issue of premium sharing can be addressed by both parties should they desire in the next Collective Bargaining Agreement. SPECIAL NOTE -

This case was extraordinarily complex. The Chairman notes with appreciation the thorough preparation, presentation continuing courtesy and helpfulness of the advocates and the delegates. The parties were most professionally and capably represented.

The Union delegate concurs with the four year Duration, the Pension Contribution level, Health Care Premium sharing, and Discipline, dissenting on all other issues.

Chet Kulesza

April 21, 2010

The Employer delegate concurs with all issues except the Pension Contribution level, Health Care Premium sharing, and Discipline, dissenting on all others.

Steve Duchane

April 21, 2010

PANEL CHAIRPERSON:

HAIRPERSON: Dencald R, Baulholde April 21, 2010 May 7, 2010

Donald R. Burkholder

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PANEL CHAIRPERSON:

Donald R. Burkholder

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