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PUBLIC EMPLOYMENT
RELATIONS BOARD

Before
Rex H. Wiant
Arbitrator

*****)
In the matter of arbitration between:)
City of Creston, Iowa)
Water Board)
and)
Teamsters Local #238)

Impasse Arbitration

IA-PERB 731/1

For the Employer:

Gary Ray, Chief Spokesman and Consultant
Patrick J. O'Connell, Attorney
Steven C. Leidinger, Attorney

For the Union:

Mike Stanfill, Chief Spokesman and Business Representative
John Miller, Steward

Jurisdiction:

The parties selected Rex H. Wiant under rules of the Iowa Public Employment Relations Board. A hearing was held on May 23, 2012 at the City Offices in the old train station. Both sides presented complete cases and all evidence was subject to cross examination. The hearing closed with final arguments because of the tight statutory timelines.

Background:

Creston is a town in south central Iowa. It is the county seat of Union County. Its economy is primarily agriculturally based. The town serves as a regional base for

trade, medicine and education. A Community College and Area Education Agency are headquartered there.

The City offers water services to its residents and surrounding areas through a Water Board (hereinafter the "Employer"). The International Brotherhood of Teamsters Local #238 (hereinafter the "Union") represents the nine employees.

Findings of Fact:

The parties bargain under the Iowa Public Employment Relations Act. They began bargaining in the Fall and completed all required steps including mediation. Both sides noted numerous tentative agreements had been achieved. Upon the failure of mediation to resolve all issues they selected the undersigned from a list of the IA-PERB.

At the hearing they agreed that there were three unresolved issues: Wages, Insurance and Leave. Iowa law is very specific as to the standards that the Arbitrator must follow before he makes his decision. Section 20.22(9), Iowa Code, is very clear, that in addition to other relevant factors, the Arbitrator must consider the following:

- Past Agreements
- Comparability
- Ability to pay
- Standard of service

The Arbitrator as required reviewed all factors. The Employer stipulated they were not making an Ability to Pay argument. Both sides agreed that the services received by the citizens would not be affected. Therefore the Arbitrator focused on the first two standards in this decision.

Issue: 1. Family Illness Leave. None is currently in the contract.

- Employer Position: Do not add.
- Union Position: Add five days for immediate family to be deducted from sick leave accumulation.

Family illness leave has not been fully negotiated by the parties. It was raised only once by the Union before the current bargaining and then dropped in negotiations. Internal and external comparability does favor such a change. The biggest question for the Arbitrator is how it would work in such a small unit that has so many certifications. It would be one thing in a unit without job requirements or in positions that might be left open but this unit has specific requirements for both. The parties are the best to answer these questions. It is not fancy but the specifics have to be done before change is agreed upon.

Conclusion of law: The Arbitrator selects the Employer position.

Issue 2. Insurance. Monthly employee contribution Single \$60, Family \$100.

Currently the Employer offers one plan with Single/Family deductibles of \$500/\$1000 and Single/Family out of pocket maximums of \$1000/\$2000. The parties have agreed the Employer will offer three plans with sliding deductibles and out of pocket maximums.

- Employer Position: Monthly employee contribution Single 10%, Family 10%.
- Union Position: No monthly employee contribution.

The parties have already agreed on major insurance changes. To go from a one plan fits all to offering three options is significant. Both history and comparability favor the Employer position. Historically there has been an increased in contributions by the individual employee. Even the Union comparability group shows an overwhelming number of plans where the employee contributes something to

insurance coverage. To go to a “full family” plan is just too big of a jump for this Arbitrator.

The parties do have the right idea on insurance. It is clear that they have steadily worked together in dealing with never ending cost increases. Insurance is like a disease that cannot be cured but it can be managed. That management is not fancy or fun but must be watched and worked with throughout the year.

The Arbitrator does not like the Employer position. He understands that some employees will see their contributions actually go down. A better position is would be a combination between the current S-\$60/F-\$100 and the S-10%/F-10% but that is not an option under Iowa law. The Arbitrator must choose either the Union or Employer position in total. He may not mix or match to his own liking.

Conclusion of law: The Arbitrator selects the Employer position.

Issue 3. Wages.

- Employer Position: 2% across the board. No change in monthly certification pay of \$85 per certificate.
- Union Position: 3% across the board. Increase monthly certificate pay \$5 from \$85 to \$90 per certificate.

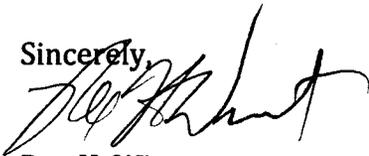
The use of bargaining history and comparability serve as a guide in examining the money question. Creston is unusual for a town it size to have four bargaining units. Teamsters #238 represents the Police, Fire and Water Board, and the Blue collar unit is represented by the Operating Engineers. Historically the parties have negotiated with all their bargaining units in combination. This creates a very strong internal comparability. The other three groups accepted 2% across the board increases for each of the next three years.

Both parties presented acceptable outside comparability groups based on size and location. The most comparable towns include the following: Atlantic, Winterset, Shenandoah, Osceola, Oskaloosa Grinnell, and Greenfield. Of these towns the only one with a negotiated increase of more than 3% is Atlantic at 4%. Most are in the 1.5-2.5% range. The Employer's main group average is 1.8%.

Based on bargaining history and comparability this Arbitrator believes that 2% is the appropriate increase. Iowa law is clear that the Arbitrator can only order a one year agreement. If he could he would order 2% for each of the next three years or the agreement would match those negotiated by other internal comparable units.

Conclusion of Law: the Arbitrator selects the Employer position.

Sincerely,



Rex H. Wiant

Arbitrator

Dated on June 6, 2012 in Kansas City, Missouri.

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CERTIFICATE OF SERVICE

I certify that on the 6th day of June, 20 12, I served the foregoing Award of Arbitrator upon each of the parties to this matter by (_____ personally delivering) (_____ mailing) a copy to them at their respective addresses as shown below:

Grady Ray
4403 ~~Brookline~~ SE Suite 407
CR, IA 52402-3321
Mike Stanfill
IGT 238
2425 Delaware
Des Moines IA 50312

I further certify that on the 6th day of June, 20 12, I will submit this Award for filing by (_____ personally delivering) (mailing) it to the Iowa Public Employment Relations Board, 510 East 12th Street, Suite 1B, Des Moines, IA 50319.



(Print Name), Arbitrator

IMPORTANT REMINDERS FOR ARBITRATORS

1. Please read PERB's "Procedures For Establishment and Maintenance of Neutral Lists." These are the agency's policies governing qualifications of neutrals and the addition or removal of neutrals to/from PERB lists. The policies include provisions for neutrals to withdraw from lists or to request temporary inactive status. If you do not have a copy please contact our office.
2. Issuing Arbitration Awards:
 - a. Sign, date, and serve the written decision on the parties and on PERB (by mail or personal delivery) within 15 days after the commencement of the hearing. If the parties have mutually agreed to a different deadline, indicate this in your decision and notify PERB.
 - b. Fill out Certificates of Service and attach to your decision.