
<p style="text-align: center;">In the Matter of Interest Arbitration</p> <p style="text-align: center;">Between</p> <p style="text-align: center;">THE CITY OF WOODBINE (“City”)</p> <p style="text-align: center;">and</p> <p style="text-align: center;">TEAMSTERS LOCAL UNION NO. 554 (“Union”)</p>	<p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p>	<p>PERB CEO #1221, Sector 1</p> <p>Police and Public Works Bargaining Unit</p> <p><u>Decision and Award of:</u></p> <p>Lon Moeller, Arbitrator</p>
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Preliminary Statement

This is an interest arbitration proceeding under Iowa Code §20.22 involving the City’s bargaining unit represented by the Union. The City and Union waived the statutory time lines of Iowa Code §20.22, and entered into an independent impasse agreement which culminated in binding interest arbitration. An interest arbitration hearing was held on May 11, 2015 at Woodbine City Hall, located at 517 Walker Street in Woodbine, Iowa. The parties stipulated at the arbitration hearing that the two impasse items before the Arbitrator are wages and public works certification pay.

Appearances

For the City:

Kelly L. Hasner, City Administrator and Spokesperson
R.C. Androy, Public Works Director

For the Union:

Jay M. Smith, Attorney and Spokesperson
Todd Bell, Union Recording Secretary/Business Agent

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I. Discussion and Analysis

The parties negotiated their first collective bargaining agreement in March 2013, which remained in effect until July 1, 2015 (Union Exhibit 2, p. 22). They subsequently negotiated an extension of their first collective bargaining agreement to June 30, 2017, subject to a reopener provision “for negotiation for wages, terms & conditions of employment for the period beginning June 30, 2015 through June 30, 2017” (Union Exhibit 2, p. 1).

This interest arbitration case involves the parties’ 2015-2016 and 2016-2017 contract years. The bargaining unit consists of “[a]ll regular full-time employees in the City’s Public Works and Police Departments including Street and Gas Maintenance employees and Police

Officers” (Union Exhibit 2, p. 4). Four bargaining unit employees are covered by the parties’ collective bargaining agreement: two police officers and two public works employees (Union Exhibit 1, p. 6).

The undersigned’s review of the reasonableness of the parties’ final offers on the two impasse items is framed by the requirements of Iowa Code §20.22(7), which obligates interest arbitrators to “consider, in addition to any other relevant factors, the following factors:”

- a. Past collective bargaining agreements between the parties including the bargaining that led up to such contracts.
- b. Comparison of wages, hours, and conditions of employment of the involved public employees with those of other public employees doing comparable work, giving consideration to factors peculiar to the area and the classifications involved.
- c. The interests and welfare of the public, the ability of the public employer to finance economic adjustments and the effect of such adjustments on the normal standard of services.
- d. The power of the public employer to levy taxes and appropriate funds for the conduct of its operation.

The Wages Impasse Item (Base Wage Rates for the 2015-2016 and 2016-2017 Contract Years)

The City proposes a base wage increase of 2.5% in each of the two contract years (Union Exhibit 1, p. 4; Union Exhibit 3, pp. 1-3; and City Exhibit 2, p. 15). On a cents per hour basis, the City’s final offer would result in the following wage increases:

Police Officers (Employees #1 and #2):

Current base wage rate:	\$14.90
2015-2016 wage rate with 2.5% wage increase:	\$15.27
2016-2017 wage rate with 2.5% wage increase:	\$15.65
Total hourly base wage increase:	+.75

Public Works Employees:

Employee #3:

Current base wage rate:	\$16.00
2015-2016 wage rate with 2.5% increase:	\$16.40
2016-2017 wage rate with 2.5% increase:	\$16.81
Total hourly base wage increase:	+.81

Employee #4:

Current base wage rate:	\$20.30
2015-2016 wage rate with 2.5% increase:	\$20.81

2016-2017 wage rate with 2.5% increase:	\$21.33
Total hourly base wage increase:	+\$1.03

(Union Exhibit 1, pp. 6-7; Union Exhibit 3, p. 2; and City Exhibit 2, p. 12).

For its part, the Union proposes the following:

2015-2016: A 5% base wage increase for police officers and a 0% base wage increase for public works employees (Union Exhibit 1, pp. 4, 7). A 5% base wage increase amounts to a .74 per hour wage increase for the two police officers - \$15.64 per hour (Union Exhibit 3, p. 2).

2016-2017: A 3% base wage increase for police officers and a 2% base wage increase for public works employees (Union Exhibit 1, pp. 4, 7). The 3% base wage increase for Woodbine police officers amounts to a .47 wage increase (\$16.11 per hour) and the 2% base wage increase for the two Woodbine public work employees would result in a .32 increase for employee #3 (\$16.32 per hour) and a .41 increase for employee #4 (\$20.71 per hour) (Union Exhibit 3, p. 2).

The Union and City base their arguments on the wages impasse item on the criteria of Iowa Code §20.22(7) (a) and (b). Although it does not claim an inability to pay, the City additionally emphasizes the public interest and welfare supports fiscal restraint for the next two contract years, and as the City maintains, this is the time to “tighten its belt.”

The parties negotiated 3.5% base wage increases for all bargaining unit employees for the 2013-2014 and 2014-2015 contract years (Union Exhibit 1, p. 5). The Union offers four cities with police and/or public works bargaining unit employees as comparable to the City of Woodbine: Onawa, Corning, Akron, and Urbana (Union Exhibit 1, p. 8). Based on population, Woodbine (1,459) is smaller than Onawa (2,998), Corning (1,635), and Akron (1,486), and larger than Urbana (1,458) (Union Exhibit 1, pp. 5, 8). As a secondary group of comparables, and a group apparently discussed during the parties’ most recent negotiations, the Union additionally proposes several non-union police and/or public works departments located in southwestern/western Iowa cities with populations similar to that of Woodbine (1,459): Logan (1,534), Oakland (1,527), Avoca (1,506), Akron (1,486), Earlham (1,450), Kingsley (1,411), and Holstein (1,396) (Union Exhibit 1, p. 14).

The Union and City acknowledge that Woodbine police officers are underpaid compared to other police officers. The only city among the Union’s proposed comparable group with a unionized police department is Onawa. Onawa police officers negotiated a 2% wage increase for each of the 2015-2016 and 2016-2017 contract years. The wage rate of the lowest paid Onawa police officer is significantly higher (by \$1.94) than the current base wage rate of the Woodbine police officers (Union Exhibit 1, p. 9). The Union’s final offer (5% for 2015-2016 and 3% for 2016-2017) does decrease the hourly wage differential between the lowest paid Onawa police officer and Woodbine police officers compared to the City’s final offer (2.5% for each of the two contract years). The current base wage rate differential between Woodbine police officers and the lowest paid Onawa police officer is -\$1.94; under the Union’s final offer, that differential

would be -\$1.41 by the 2016-17 contract year and the differential under the City's final offer would be -\$1.87 by the 2016-2017 contract year (Id.).

Comparisons between the current base wage rates for Woodbine police officers and police officers working for non-union police departments (Logan, Avoca, Akron, Earlham, Kingsley, and Holstein) show a similar base hourly wage rate differential (Union Exhibit 1, pp. 15-16). The same is true looking at the City's wage information for Manning police officers (City Exhibit 3, p. 1). Woodbine police officers, compared to the lowest paid non-union police officers working for these cities, are paid anywhere from \$1.10 per hour to \$8.75 per hour less than these other police officers, with an average per hour difference of \$3.34 (Union Exhibit 1, pp. 15-16; City Exhibit 3, p. 1).

Turning to public works employee comparisons, the City is correct in noting that true "apples to apples" comparisons are difficult given the variety of services provided by city public works departments. Public works base wage rate comparisons do, however, offer a glimpse of the market rate for the City's public works bargaining unit employees.

With the exception of Urbana, which is located in eastern Iowa, the Union's comparable group consists of cities located in southwestern/western Iowa. Comparisons with unionized public works employees included in the Union's comparable group, excluding Urbana, show the following:

- Onawa public works employees received 2% wage increases for 2015-2016 and 2016-2017. The current 2014-2015 Onawa public works hourly wage rates range from \$16.67 to \$24.47.
- The 2015-2016 wage increases for Corning's two public works employees are 4.3% and 4.5% respectively, and their 2016-2017 wage increases are 3.3% and 3.5%. The current 2014-2015 Corning public works hourly wage rates for the two public works employees are \$15.87 and \$16.71.
- Akron public works employees will receive a 2.5% wage increase for 2015-2016, and their current 2014-2015 hourly wage rates are \$17.60 (water/sewer) and \$17.04 (street department).

(Union Exhibit 1, pp. 10-12).

Of the Union's secondary group of comparable non-union public works employees, Woodbine's 2014-2015 base wage rates for employee #3 (\$16.00) and employee #4 (\$20.30), place employee #3 at five of the seven comparisons for lowest public works wage rates and employee #4 is second of the seven comparables at the highest public works wage rate (Union Exhibit 1, pp. 15-16).

The Union has made the case that Woodbine police officers are in need of wage catch up compared to other police officers. While a wage freeze proposal from a union is unusual, the Union's proposal for Woodbine public works employees does not significantly alter their relative wage position compared to other public works employees for the 2015-2016 and 2016-2017

contract years. It is also a decision the bargaining unit has made in presenting this final offer to the City.

Although the Union's proposed base wage increase for the public works bargaining unit workers is less than the City's proposed increase, a 2% wage increase for 2016-2017 matches the negotiated Onawa public works base wage increase. Under the Union's final offer, employee #4's base wage rate continues to be higher than the highest paid Corning public works employee for both the 2015-2016 (\$20.30 vs. \$17.46) and the 2016-2017 (\$20.71 vs. \$18.06) contract years. The same is true when employee #4's base wage rate is compared with the highest paid Akron public works employee for the 2015-2016 contract year.

The City's 2.5% base wage increases are a full percent less for each contract year compared to the 3.5% base wage increases the parties agreed to in their past collective bargaining agreements. Its final offer for the 2015-2016 and 2016-2017 contract years will not allow Woodbine police officers to make significant progress on catching up to the hourly wage rates of comparable police officers.

Based on the relevant statutory criteria of Iowa Code §20.22(7) applied to the record evidence, the Union's final offer on the wages impasse item is the most reasonable.

The Public Works Certification Pay Impasse Item

The Union proposes to modify the parties' collective bargaining agreement (effective for the 2015-2016 contract year) to require the following additional payments based on public works employee certifications:

- \$1.00/hour for OQ certification
- \$.50/hour for CPO certification
- \$.50/hour for Lagoon 1 certification (Union Exhibit 1, p. 4)

For its part, the City maintains *status quo* contract language which does not specifically require additional payments for the OQ, CPO or Lagoon 1 certifications (Union Exhibit 1, p. 4; Union Exhibit 3, pp. 1-3). It emphasizes Woodbine municipal service workers are expected to hold certain licenses and certifications (See City Exhibit 1, p. 2).

The parties' bargaining history suggests the public works certification pay issue was a "sticking point" in their negotiations. Public works employee #3 does not currently have the OQ, CPO or Lagoon 1 certifications (City Exhibit 2, p. 14), while public works employee #4 has the OQ and Lagoon 1 certifications (Union Exhibit 3, p. 2).

The City and Union discussed proposals on public works certification pay, and the City counter-proposed (on March 10, 2015) a \$1.00 per hour wage adjustment for OQ certification, .50 per hour wage adjustment for the CPO certification, and .50 wage adjustment for Sewer Lagoon 1 certification (City Exhibit 2, p. 10). This proposal was included in the two proposals (proposal A and proposal B) which were presented to the City Council on March 16, 2015 (City

Exhibit 2, pp. 11-12; Union Exhibit 3, pp. 1-2), and which was ultimately included in the Union's final offer.

The City has indicated employee #3 will receive certification pay (.50 per hour increase for lagoon 1 certification, .50 per hour increase for COP certification, and \$1.00 per hour increase for OQ certification) when he completes the lagoon 1, COP and OQ certifications per his "hire package" (Union Exhibit 4). Employee #4 received a wage adjustment in 1993 (before Woodbine public works employees were unionized) when he received his sewer operator's license (City Exhibit 2, pp. 11, 13), but has not received any pay adjustments for his OQ and Lagoon 1 certifications (City Exhibit 2, p. 14).

The City and Union's arguments reflect an emphasis on comparisons with "other public employees doing comparable work, giving consideration to factors peculiar to the area and classifications involved" (Iowa Code §20.22(7)(b)). The Union's argument based on the equity or fairness of the City's proposal to pay employee #3 the same certification pay proposal included in the Union's final offer, but not make the same payment to employee #4, reflects on "any other relevant factor" in Iowa Code §20.22(7).

Of the unionized southwestern/western Iowa public works comparables, the Corning collective bargaining agreement affords the city council the discretion to "grant pay increases as employees obtain additional grades and/or certifications" (Union Exhibit 1, p. 11 and Union Exhibit 7, p. 12), and Akron water/sewer employees receive certification pay (.50 per hour increase for each of three certifications) (Union Exhibit 1, p. 12 and Union Exhibit 8, p. 17).

While the unionized public work department evidence is limited, it does support the Union's final offer. Likewise, these three certifications are important to the City as demonstrated by its commitment to pay employee #3 for completion of the three certifications. Based on this record, and considering the relevant criteria of Iowa Code §20.22(7), the Union's final offer on this impasse item is the most reasonable.

II. Award

For the reasons set forth above, the Union's final offer is awarded on the wages impasse item and on the public works certification pay impasse item.


Lon Moeller, Arbitrator

Dated at Iowa City, Iowa this
21st day of May, 2015

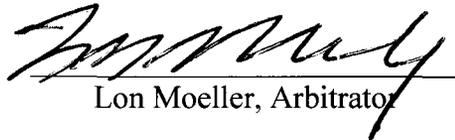
CERTIFICATE OF SERVICE

I certify on the 21st day of May, 2015, I served the foregoing Award of Arbitrator upon each of the parties by mailing a copy to them at their respective addresses as shown below:

Mr. Kelly L. Hasner
City Administrator
City of Woodbine
517 Walker Street
Woodbine, IA 51579

Mr. Jay M. Smith
Smith & McElwain Law Offices
3209 Ingersoll Avenue, Suite 104
Des Moines, IA 50312

I further certify that on the 21st day of May, 2015, I will submit this Award for filing by mailing it to the Iowa Public Employment Relations Board, 510 East 12th Street, Suite, 1B, Des Moines, IA 50319.


Lon Moeller, Arbitrator