

COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA LABOR RELATIONS BOARD

In the Matter of Fact-Finding	:	Fact-Finding Report
	:	and
Between	:	Recommendations
	:	
Collier Township	:	Case No. PERA-F-11-94-W
	:	
and	:	Date of Hearing: May 26, 2011
	:	
General Teamsters, Chauffeurs	:	Date of Report: June 6, 2011
and Helpers, Local 249	:	

Michelle Miller-Kotula  
Fact-Finder

For Collier Township:

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## **Background**

By letter dated April 26, 2011, the Pennsylvania Labor Relations Board (PLRB), pursuant to Section 802 of the Public Employee Relations Act (PERA), Act 195 of 1970 (Act), appointed the undersigned as Fact-Finder in the impasse between Collier Township (hereafter referred to as the "Township") and General Teamsters, Chauffeurs & Helpers, Local 249 (hereafter referred to as the "Union"). The Union represents a unit of approximately 10 bargaining unit employees in the Township's Public Works Department, located in Presto, Pennsylvania.

The parties to this Fact-Finding have an ongoing bargaining relationship and are parties to a collective bargaining agreement (hereafter referred to as the "Agreement") which was effective by its terms from January 1, 2005 to December 31, 2008. The parties met for purposes of negotiating a successor Agreement and reached tentative agreements on several issues, but were unable to reach agreement on all issues raised during the course of bargaining. As a result, the Request for Fact-Finding was initiated.

The parties informed the Fact-Finder of tentative agreements that are referenced in this Report. In accordance with the Board's order, the parties filed written statements of the issues in dispute with the Fact-Finder involving the following provisions of the Agreement:

<b>Article VI:</b>	<b>Wages and Retroactivity</b>
<b>Article VII:</b>	<b>Scheduling and Overtime</b>
<b>Article VIII:</b>	<b>Health Care</b>
<b>Article XIV:</b>	<b>Pension Benefits</b>
<b>Article XI:</b>	<b>Sick Leave</b>
<b>Article XIX:</b>	<b>Clothing Allowance</b>

On May 26, 2011, a formal fact-finding hearing was held in accordance with the Pennsylvania Labor Relations Act before the undersigned in the Township's offices, located in Presto, Pennsylvania. During the hearing the parties were afforded a full opportunity to present testimony, examine and cross examine witnesses and introduce oral explanations and documentary evidence in support of their respective positions.

Executive Session discussions were held on May 31, 2011. Through these discussions, this Fact-Finder was given a thorough understanding of each party's position on the outstanding issues.

To arrive at the following recommendations, this Fact-Finder relied upon, among other things, the following criteria:

The reliable and credible testimony given, the evidence presented at the Fact-Finding Hearing and further clarifications given to questions of this Fact-Finder during Executive Session discussions.

The expired collective bargaining Agreement.

Comparisons of unresolved issues relative to the employees in this bargaining unit and how those issues related to other public and private employees doing comparable work, giving consideration to factors peculiar to the area and classifications involved.

The interest, welfare of taxpayers, and the ability of the Township to finance and administer the issues proposed.

The understanding that each individual issue has been reviewed for its relative individual merit; at the same time, each individual issue has also been reviewed with consideration given to whether or not it appropriately fits into the Agreement created through this process.

## **ISSUES IN DISPUTE AND RECOMMENDATIONS**

### **Article VI: Wages and Retroactivity**

#### **Union Position:**

The Union is seeking annual wage increases of 4% effective on January 1<sup>st</sup> of each year from 2009 through 2013. The Union contends these wage increases should be fully retroactive to January 1, 2009.

The Union agrees to modify the existing new hire wage progression contained in Article XV, Section (h) as proposed by the Township on March 3, 2011.

Township Position:

The Township states the prior Agreement expired on December 31, 2008 and the parties have been observing the status quo ante since that time during negotiations for a successor Agreement. The Township points out there are significant differences between the parties' positions with respect to the percentage increases to the existing scale and retroactivity. The Township contends more than two years have passed since the expiration of the prior contract.

The Township proposes the following pay scale for existing employees:

Pay Raises		Equipment Operator	+ Per Pay	Truck Driver	+ Per Pay
BASE		\$21.13/hr		\$20.89/hr	
2009	2%	\$21.55/hr		\$21.31/hr	
2010	2%	\$21.98/hr		\$21.74/hr	
2011	2.5%	\$22.53/hr	+\$112.00	\$22.28/hr	\$111.20
2012	2.5%	\$23.09/hr	+\$156.80	\$22.84/hr	\$156.00
2013	3%	\$23.78/hr	+\$212.00	\$23.53/hr	\$211.20
2014	3%	\$24.49/hr	+\$268.80	\$24.24/hr	\$268.00
2015	3%	\$25.22/hr	+\$327.20	\$24.97/hr	\$326.40
	+19.397%	+\$4.09/hr			

The Township takes the position the percentage increases proposed by the Union are above market.

The Township argues for retro pay, each employee should receive a check in the amount of \$1768.00 (\$15,912 total) for hours worked during the 2010 year. The 2011 increase will be paid \$.40 / hour for hours worked beginning January 1, 2011.

The Township proposes a pay scale for new hires as follows:

- 1<sup>st</sup> year of employment - 75% of rate
- 2<sup>nd</sup> year of employment - 85% of rate
- 3<sup>rd</sup> year of employment - 95% of rate
- 4<sup>th</sup> year of employment - 100% of rate

Recommendation:

This Fact-Finder recognizes the parties have been working status quo since the expiration of this Agreement occurred on December 31, 2008. The recommendations contained in this fact-finding report are premised on an Agreement effective January 1, 2009 through December 31, 2015.

After careful review and consideration of the evidence on the record, this Fact-Finder recommends the following wage increases:

Pay Raises		Equipment Operator	Truck Driver
BASE		\$21.13/hr	\$20.89/hr
2009	2%	\$21.55/hr	\$21.31/hr
2010	2%	\$21.98/hr	\$21.74/hr
2011	3%	\$22.64/hr	\$22.39/hr
2012	3%	\$23.32/hr	\$23.06/hr
2013	3%	\$24.02/hr	\$23.75/hr
2014	3%	\$24.74/hr	\$24.46/hr
2015	3%	\$25.48/hr	\$25.19/hr

This Fact-Finder also recommends a retro payment be made for the years 2009 and 2010 in the total amount of \$1768 to each bargaining unit employee in the form of a signing bonus. The year 2011 will be paid \$1.40 / hour for hours worked beginning January 1, 2011.

It is also the recommendation of this Fact-Finder the new hire wage scale proposed by the Township on March 31, 2011 and stipulated to by the parties as an area of agreement during the Fact-Finding hearing should be implemented as follows:

- 1<sup>st</sup> year of employment - 75% of rate
- 2<sup>nd</sup> year of employment- 85% of rate
- 3<sup>rd</sup> year of employment - 95% of rate
- 4<sup>th</sup> year of employment- 100% of rate

The new hire wage scale would be applicable to individuals hired into the bargaining unit positions effective on or after the date of the ratification of a new Agreement.

## **Article VII: Scheduling and Overtime**

### Union Position:

It is the position of the Union the language proposed by the Township related to Split Shifts, Compensatory Time and Article VII, Section B should not be added or addressed in the Agreement.

### Township Position:

It is the position of the Township it is management’s right to schedule employees, and to adjust those schedules to address operational issues. Weekend work is necessary and appropriate. Starting and quitting times should change depending on operational needs. Additionally, there is an issue over the recognition of and use of compensatory time off in lieu of overtime. All overtime should be paid as overtime.

The Township proposes the following new language or language changes:

Split Shifts – There will be no split shifts scheduled. Start times may be flexed by two (2) hours either earlier or later to the work day provided four (4) full days’ notice has been given by Management before scheduled change is to occur.

Article VII Section B: delete and replace with “Management reserves the right to create alternate work weeks and or shifts which may include Saturday and Sunday as part of the normal work week/shift. This alternate workweek / shift schedule would be first offered to members based on seniority and eventually be required to be filled by the lowest members in seniority if needed. Members will be notified and given the option to fill alternate schedule nine (9) full days before alternate workweek/shift schedule is to begin.

Compensatory Time – Employees may elect to exchange overtime hours worked for an equal number of hours of compensatory time, which may be taken as paid time off. Example: Four (4) hours of overtime work may be exchanged for six (6) hours of compensatory time. Compensatory time will then be paid the employee’s straight time rate. Five and a half (5 ½) hours of overtime will equal one full day of compensatory time at straight pay. Employees must indicate their intention to exchange overtime for compensatory time no later than the normal deadline of time sheets for each pay period. A maximum of forty (40) hours overtime (equaling 60 hours straight time) may be accrued and used in any one calendar year. Compensatory time that is unused or unscheduled for use as of December 1<sup>st</sup> will be paid out by the employer in the subsequent pay. Compensatory time will not be carried over into the next year. Compensatory time may be used in minimum of four (4) hour increments, subject to supervisor/ management approval, on a first-come-first serve basis. Example: employee notifies supervisor on Monday that he would like to utilize four hours compensatory time and leave before lunch on Friday. Compensatory time may also be awarded to individuals for reasons determined by management. This additional compensatory time may be in addition to the maximum forty (40) hours overtime/ sixty (60) hours straight time accrued. Employee can request compensatory hours to be paid out in any pay period provided notice is timely.

### Recommendation:

This Fact-Finder has carefully considered the proposals of the Township related to the Scheduling and Overtime article of the Agreement. The parties have not presented any conclusive evidence to convince this Fact-Finder it would be appropriate to add or change the existing language related to Split Shifts, Article VII, Section B or Compensatory Time. Therefore, this Fact-Finder recommends maintaining the existing language in these two areas.

## **Article VIII: Health Care**

### Union Position:

The Union is willing to accept a health care plan with deductibles, provided the Township reimburses employees for deductibles paid on a self-funded basis, to avoid becoming obligated to pay any portion of the premiums for the health insurance.

### Township Position:

The Township points out the present plan which has been maintained during the status quo period had premium rates increase 66%. There is no employee contribution. The Township proposes to change to a different, less expensive plan and to require employees to

contribute to the cost of the plan, either through some combination of contributions to the premium or the inclusion of deductibles and increases to co-pays.

Recommendation:

This Fact-Finder has carefully reviewed the background information and relevant evidence submitted by the parties regarding the healthcare issue. The cost of benefits needs to be adjusted because of the increasing cost to the Township in providing the health insurance benefits. It is also recognized the plan needs to be redesigned to implement cost savings measures. It is the recommendation of this Fact-Finder the bargaining unit move to the same health insurance plan with the same level of benefits currently in effect for the Police bargaining unit and other Township personnel. This bargaining unit should move to the Police Plan (currently a MEIT plan), effective January 1, 2012. In the event the plan of the Police changes, this Fact-Finder recommends for the parties to reopen this Agreement for the purpose of negotiating a successor health insurance plan.

This Fact-Finder also recommends for the bargaining unit to share in the cost of the Township providing benefits. The bargaining unit employees should be required to contribute toward the cost of the premium at the following rates:

2012	Base year
2013	10% of the increase in premium amount over the base year premium
2014	10% of the increase in premium amount over the base year premium
2015	10% of the increase in premium amount over the base year premium

For example:

Base year: 2012

2012: Monthly Premium = \$1000	Employee Monthly Premium contribution = \$0
2013: Monthly Premium = \$1100	Employee Monthly Premium contribution = \$10
2014: Monthly Premium = \$1200	Employee Monthly Premium contribution = \$20
2015: Monthly Premium = \$1500	Employee Monthly Premium contribution = \$50

Union Position:

The Union is seeking to increase the pension benefit accrual rate of 2.0% of final average salary.

Township Position:

The Township takes the position the pension benefits should not be altered. The Township points out an actuarial study has not been done for the purpose of determining whether or not it would even be permissible to change the pension benefit.

Recommendation:

Upon carefully reviewing the background information and relevant evidence which has been submitted regarding this issue, it becomes readily apparent no change is permissible related to the manner in which pensions are calculated without an actuarial study being conducted. It is this Fact-Finder's recommendation that an actuarial study should be conducted for the purpose of determining whether or not a change would be able to be made to the current pension plan formula. The study should be conducted no later than the end of 2012. Following the completion of such study, this Fact-Finder recommends for the parties to meet to negotiate the matter if the actuarial study determines a change could be made to the manner in which pension benefits are calculated.

**Article XI: Sick Leave**

Union Position:

The Union believes the Fact Finder's recommendations should incorporate an agreement reached by the parties during bargaining on July 13, 2009, which would create a bank of sick leave consisting of sick days donated by bargaining unit employees. The sick leave bank would be available to any bargaining unit member suffering a hardship and in need of additional sick leave.

Township Position:

The Township proposes to create a sick bank for the bargaining unit members.

*Recommendation:*

Upon carefully reviewing the background information and relevant evidence which has been submitted regarding this issue, it becomes readily apparent a sick leave bank should be created because the parties have stipulated an agreement to this issue. This Fact-Finder recommends effective January 1, 2012 for a sick leave bank be implemented for the bargaining unit members. The parties are to negotiate the terms of the sick leave bank.

**Article XIX: Clothing Allowance**

Union Position:

The Union believes the Fact Finder's recommendations should incorporate an agreement reached by the parties during bargaining and approved by the Board on December 9, 2009. This agreement would replace the existing provision of the contract that required the Township to provide bargaining unit employees with five pair of cotton pants with a provision that requires the Township to reimburse employees on an annual basis up to \$150.00 for jeans they purchase on their own, so long as the employee presents appropriate documentation.

Township Position:

The Township proposes providing each employee with an annual allowance from which they will be reimbursed for the purchase of approved clothing items.

*Recommendation:*

At the commencement of the Fact-Finding hearing, the parties stipulated to an agreement related to the clothing allowance language as proposed by the Township. Since the parties are in agreement to such proposal, it would be this Fact-Finder's recommendation for the Township to implement a clothing allowance in the manner which was proposed and stipulate to by the parties as an area of agreement. The new language of the clothing allowance should be made effective, no later than January 1, 2012.

**PRIOR CONTRACT PROVISIONS**

The Fact-Finder hereby incorporates into these recommendations any provision of the parties' prior collective bargaining Agreement, effective January 1, 2005 through December 31, 2008, not otherwise specifically addressed herein.

**CONCLUSION**

In conclusion, the parties are directed to review the Fact-Finding report and within ten (10) calendar days from the date of the issuance of this report to inform the Pennsylvania Labor Relations Board and each other if they accept or reject this report.

Confidentiality of the report should be maintained during the ten-day consideration period and until officially released for publication by the Board in the event of a rejection.

The Fact-Finder submits the Findings and Recommendations as set forth herein.

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Michelle Miller-Kotula  
Fact-Finder  
Washington, Pennsylvania

Issued: June 6, 2011