

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA LABOR RELATIONS BOARD

IN THE MATTER BETWEEN)
)
MILLCREEK TOWNSHIP SCHOOL DISTRICT)
)
AND)
)
MILLCREEK EDUCATIONAL SUPPORT) Jane Desimone, Esq.
PERSONNEL ASSOCIATION, PSEA/NEA) Fact Finder

FACT FINDING REPORT AND RECOMMENDATIONS

APPEARANCES

For the Employer, Millcreek Township School District
Mark T. Wassell, Esq., Solicitor
Janine McClintic, Board Member
Aaron O’Toole, Director of Finance and Accounting

For the Association, Millcreek Educational Support Personnel Association, PSEA/NEA
John Revell, PSEA Region Field Director
Christine Rupnow, PSEA Assistant Director of Research

Mediator: Denise A. Mirandola

INTRODUCTION

Pursuant to Act 88 of 1992 (Act 88) and the Public Employe Relations Act (PERA) as supplemented by 34 Pa. Code §95.61 et seq., the undersigned was appointed by the Pennsylvania Labor Relations Board (PLRB) effective December 20, 2016, to serve as the Fact Finder in an impasse between the Millcreek Township School District (hereafter referred to as the “School District” or the “District”) and the Millcreek Educational Support Personnel Association (hereafter referred to as the “Association”).

The District is one of thirteen (13) school districts in Erie County, located in northwestern Pennsylvania. It is a suburb of the City of Erie, with enrollment of approximately 7000 students. The District currently employs forty-seven (47) full-time and four (4) part-time Custodians, for whom the Association is the exclusive bargaining representative. Custodians are the sole job classification covered by the parties’ collective bargaining agreement.

BARGAINING AND FACT FINDING HISTORY

The parties’ most recent collective bargaining agreement had a term of July 1, 2011 through June 30, 2016. Negotiations for a successive contract began in January of 2016, when the parties met to comply with the requirements of Act 88. Seven (7) negotiation sessions over the next eleven (11) months did not achieve a successor agreement. During this process the parties utilized the assistance of State Mediator Denise Mirandola. On December 16, 2016, the District requested fact finding, with the undersigned being appointed as Fact Finder by the PLRB on December 20, 2016.

Prior to the fact finding hearing, the undersigned was provided with the parties’ respective positions on the unresolved issues, along with a copy of the expired collective bargaining agreement. On January 13, 2017, a formal fact finding hearing was held at the District’s Administrative Offices. At that time, the parties were provided with a full opportunity to present testimony, introduce documentary evidence, and argue in support of their respective positions on the unresolved issues.

UNRESOLVED ISSUES

The following issues were presented as unresolved at the time of the Fact Finding hearing:

1. Article III, Section H – No Subcontracting
2. Article IX, Section A – Health Insurance
3. Article XI, Sections A, B, D – Salary/Shift Premium/Longevity Pay
4. Article XVI, Section D – Effective Date

DISCUSSION AND RECOMMENDATIONS

In analyzing the information provided by the parties, the unresolved issues are addressed in the following recommendations. These recommendations have been made after a careful consideration of all the documentary and testimony evidence presented, including the following:

- Current contractual language;
- Testimony and supportive evidence presented at the Fact Finding hearing;
- Comparisons with contractual provisions utilized in comparable School Districts;
- The interest and welfare of the taxpayer and the District's ability to finance and administer the proposals;
- The lawful authority of the District; and
- Stipulations of the parties.

This Fact Finding Report will constitute the settlement proposal upon which the parties are now required to act as directed by the applicable statutes and PLRB regulations. A vote to accept this report does not constitute an agreement with or an endorsement of any rationale expressed by the Fact Finder with regard to any particular issue, but rather represents only an agreement to resolve the issues by adopting the recommendations.

Issue 1. Article III, Section H – No Sub-Contracting

The District's Proposal

The District's sole proposal at fact finding was the amendment of Article III, Section H to permit subcontracting of all bargaining unit work, to begin as of July 1, 2018. The District maintained that the subcontracting of the bargaining unit work would result in cost savings of \$900,000 per contract year. Citing to an arbitration award currently under appeal (Millcreek Township School District and Millcreek Township Educational Support Personnel Association, PA Bureau of Mediation Case No. 2016-0254, Arbitrator Bernard S. Fabian, November 7, 2016), the District did not submit any documentary evidence in support of the proposed cost savings.

The Association's Proposal

The Association rejects the District's proposal, as it would eliminate the entire bargaining unit effective July 1, 2018. It proposes that the language of Article III, Section H remain unchanged.

Recommendation

The District's proposal is not recommended. The District did not present any information documenting the alleged cost savings that would eliminate the bargaining unit. Furthermore, while the District experienced financial difficulties in the past, it acknowledged that in recent years it has largely become fiscally solvent, with this solvency being supported by submitted financial information. The evidence presented did not support the need to subcontract the entire bargaining unit.

Issue 2. Article IX, Section A – Health Insurance

The District's Position

The District's sole proposal at fact finding was the amendment of Article III, Section H to permit subcontracting of all of the bargaining unit work, to begin as of July 1, 2018. The District did not present any proposal regarding the issue of healthcare insurance.

The Association's Position

The Association proposes a "me too" provision with full family medical insurance that is equal to applicable coverage as set forth in the District's current labor agreement with the Millcreek Education Association. For the term of the Agreement, it proposes that bargaining unit members pay the same premium share paid by the District's teachers.

Recommendation

It is recommended that Article IX, Section A be amended to include a "me too" provision providing bargaining unit members with equal coverage as provided for in the District's current labor agreement with the Millcreek Education Association. The Association's proposal regarding premium share is not recommended. It is recommended that the provision read as follows:

All full-time service personnel shall be entitled to the same full family medical insurance that is equal to the applicable coverage as set forth in the labor agreement with the Millcreek Education Association. Any changes to the MEA plan shall be effective for this bargaining unit at the same time. Benefits will not be available prior to the end of the probation period.

Employees electing to enroll in the District's medical insurance coverage will pay 5% of the prevailing premium applicable to their category of coverage, to be paid through payroll deduction. to their category of coverage, to be paid through payroll deduction.

As permitted by IRS regulations, the District shall establish a Section 125 Plan at no cost to employees to allow for the pre-tax payment of premium contributions.

Issue 3. Article XI, Sections A, B, D – Salary/Shift Premium/Longevity Pay

The District's Position

The District's sole proposal at fact finding was the amendment of Article III, Section H to permit subcontracting of all of the bargaining unit work, to begin as of July 1, 2018. The District did not present any proposal regarding the issues of wages, shift premium and longevity pay.

The Association's Position

With the District's proposed term of four (4) years, the Association proposes that the Section A be amended as follows:

Effective 7/1/16, 7/1/17, 7/1/18, and 7/1/19, all hourly wage rates shall be increased by a percentage equal to the percentage increase in the Consumer Price Index (CPIU – Pittsburgh Index) from January 1 through December 31 of the previous calendar year, provided that in no event will the percentage increase be less than 1.75% or more than 2.5% regardless of the percentage increase in the CPI.

The Association proposes that the shift premium (Section B) and longevity pay (Section D) provisions remain unchanged.

Recommendation

It is recommended that Article XI, Section A addressing salary be amended to read as follows:

Effective 7/1/16, 7/1/17, 7/1/18, and 7/1/19, all hourly wage rates shall be increased by a percentage equal to the percentage increase in the Consumer Price Index (CPIU – Pittsburgh Index) from January 1 through December 31 of the previous calendar year, provided that in no event will the percentage increase be less than 1.50% or more than 2.5% regardless of the percentage increase in the CPI.

It is recommended that Article XI, Sections B and D remain unchanged.

Issue 4. Article XVI, Section D – Effective Date

The District's Position

The District's sole proposal at fact finding was the amendment of Article III, Section H to permit subcontracting of all of the bargaining unit work, to begin as of July 1, 2018. The District did not present any proposal regarding the issue of the effective date or term of the Agreement.

The Association's Position

The Association proposes a five (5) year term for the new Agreement, effective July 1, 2016 through June 30, 2021.

Recommendation

It is recommended that the new Agreement have a term of four (4) years, effective July 1, 2016 through June 30, 2020.

With these recommendations, the Fact Finding Report is complete. It is recommended that all Tentative Agreements reached by the parties be adopted and that all other language in the previous contract not subject to either the parties' Tentative Agreements or the Fact Finder's Recommendations remain as is, without change. Not more than ten (10) days after the issuance of this Report, the parties are to notify the PLRB and each other as to whether or not they accept the recommendations of the Fact Finder. If one or both of the parties reject the report, the PLRB will release the report to the public.

Jane Desimone, Esq.
Fact Finder
January 30, 2017

CERTIFICATE OF SERVICE

It is hereby certified that pursuant to the agreement of the parties, an electronic copy of the foregoing Fact Finding Report was e-mailed this _____ day of _____, 2017 to Larry Cheskawich, Board Secretary of the PLRB at lcheskawic@pg.gov; John Revell of PSEA at jrevell@psea.org; Mark T. Wassell, Esq. at mwassell@kmgslaw.com, Esq.; and Denise Mirandola at dmirandola@pa.gov. It is further certified that on this same day, the Fact Finding Report has been sent by Regular U.S. mail to the following:

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