

FACT FINDING REPORT  
STATE OF OHIO  
STATE EMPLOYMENT RELATIONS BOARD  
December 10, 2001

In the Matter of: )  
 )  
The Stark County Engineer )  
 )  
 )  
and ) 01-MED-06-0605  
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AFSCME Local 2198 )  
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APPEARANCES

For Local 2198:

Larry Stump, AFSCME Staff Representative  
Sullivan Cannel, President Local 2198  
Dave Rice, Vice President Local 2198  
Glenn Beatty, Secretary Treasurer Local 2198  
Debra Resanovich, Secretary Local 2198

For the Engineer:

Randy Wilson, Engineer's Office  
Jack Cannell, Engineer's Office

Fact Finder: Dennis M. Byrne

## Introduction:

The parties to this dispute have some areas of agreement. For example, both sides recognize that the Highway Engineer's employees are somewhat underpaid compared to other county highway engineering departments throughout Northeast Ohio. Therefore, they both agree that the wage increase should be somewhat in excess of the three per cent per year figure that is prevalent throughout the state. However, the parties disagree on the exact size of the wage package, but nonetheless, they are committed to increasing the wages of the union membership.

There are also a number of disagreements that divide the parties. The main reason that the two sides could not reach an agreement is a difference in the way they look at "comparables." The Union used the Stark County Sanitary Engineer's contract as a basis for comparison. The Sanitary Engineer's office is located across the street from the Highway Engineer's office and, as a result, the employees are familiar with each other and their respective contracts. Essentially, the Union's demand(s) is for parity with the Sanitary Engineer's contract.

The two major areas where the use of the Sanitary Engineer's contract as a pattern caused problems were 1) the wage package and 2) the payment of a CDL stipend. The Highway Engineer originally offered a wage increase of four percent (4%) in the first year of the proposed contract and three percent (3%) per year in the second and third years. The Union demanded five (5%) in the first year and three percent (3%) per year in the second and third years. In addition the Union also demanded a thirty-five cent (\$.35) per hour CDL stipend, which equates to approximately a two and one-half percent (2 ½%) increase in wages. These demands were based on the fact that the Sanitary Engineer negotiated a four percent (4%) per year increase with his employees, and they receive a thirty-five cent (\$.35) per hour stipend. While the parties had some disagreements over the wage package, the item that caused the most discussion was the commercial driver's license stipend.

Management objected to the use of the Sanitary Engineer's contract as the base of comparison for a number of reasons. The Engineer's representatives pointed out that the Sanitary Engineer's budget increases annually because of increases in the sewer and water service charges. However, the Highway Engineer's budget does not show a steady growth rate, and it has risen by an average of only 1.6% per year over the last decade. The reason is that the highway department's major source of revenue is the license plate fee, which has not changed since 1968.

Management also pointed out that the cost of running the department continues to increase. To illustrate this point they testified that the price of road salt had risen from twenty-nine dollars (\$29.00) per ton in 2000 to forty-three dollars (\$43.00) per ton in 2001. This price change increased the Engineer's salt costs by approximately five hundred thousand dollars (\$500,000.00). Because of this combination of increasing costs and stagnant revenues, the Highway

Engineer argues that he cannot be considered comparable to the Sanitary Engineer.

Next, management pointed out that the way the department has funded negotiated pay and benefit increases is by cutting the department's manpower. Over the last ten years, employment has fallen precipitously and currently it continues to decline. Both sides agreed that the department's manpower situation is becoming a problem.

As the final salvo in their list of objections to using the Sanitary Engineer's contract as the pattern, Management pointed out that its employees receive a longevity payment of approximately one-half percent (1/2%) per year, and the Sanitary Engineer's contract does not contain a longevity clause. Therefore, Management made the claim that the two contracts are not really similar and a better set of comparables would be other highway engineering departments from contiguous counties. The parties never came to any agreement on what constitutes a comparable department.

**Issue:** Article XXVII Wages.

**Union Position:** The Union demand is for a wage increase of five percent (5%) in the first year and three percent (3%) in the second and third years of the prospective contract.

**Engineer's Position:** The Engineer offered an increase of four percent (4%) in the first year and three percent (3%) in the second and third years of the contract.

**Discussion:** The difference in the parties' positions is one percent per year. The Union's demand is for eleven percent (11%) over the life of the contract. The Union stated that this is less than the twelve percent (12%) that the Sanitary Engineer's contract specifies. Therefore, the Union argued that their demand is reasonable based on a comparison with the most comparable jurisdiction.

Management offered ten percent (10%) over the life of the contract. The discussion on this issue indicated that the main difference between the parties is the way that they view longevity payments. Management pointed out that the current longevity scale adds approximately one-half of one percent (1/2%) per year to the total wage cost. Therefore, management argued that its offer was really one and one-half percent higher (1½%) than it appeared and it contended that this offer was at least as good as the four percent (4%) per year specified in the Sanitary Engineer's contract.

The question of comparability between county highway and sanitary engineers has been debated numerous times. In this particular negotiation the proximity of the two departments causes problems. The employees see each other everyday and discuss areas of mutual concern, like wages, benefits, etc. In addition, AFSCME represents the employees of both departments. Therefore, parity between the two departments is an understandable position. Because the Highway Engineer's contract contains some provisions that are inferior to the

ones contained in the Sanitary Engineer's agreement, the Highway Engineer's employees want to catch up. Consequently, there is an attempt to keep up with "the Jones'."

However, the different job requirements and the different funding sources imply that the two departments are not really comparable. Therefore, the current thinking on this issue by the academic community and labor relations professionals is that the best comparables for a highway department are other highway departments from contiguous counties and other similar situated counties. This is not to say that there cannot be or should not be some rough comparison between the two departments. Obviously there should be some similarity between the pay and benefits of county workers, but there is no reason that the contracts of the different departments should contain the same provisions.

The discussions between the parties indicated that the union membership was somewhat underpaid when compared to other highway departments. The Engineer had studied the situation before the start of the last round of negotiations and found that the Stark County workers were near the bottom of the list in terms of wages and benefits. Consequently, the Engineer had agreed to an above average wage increase for his employees three years ago. The Engineer believes that the gap has been closed somewhat, but there is still some need to increase the wage and benefit levels.

As a result of the discussions at both the mediation and fact finding, the Fact Finder believes that the wages of the union membership are somewhat low. Therefore, the Fact Finder recommends acceptance of the Union's wage demand. However, it must be noted that the longevity payment does increase the offer approximately one half percent (1/2%) per year. This means that the total wage package comes to twelve and one half percent (12 1/2%) over three years. That is, the longevity payment should be considered when the question of wages is discussed.

**Finding of Fact:** The discussions at both the mediation and the fact-finding hearing showed that the employees of the Stark County Highway Engineer's department are somewhat underpaid with regard to other Highway Engineer's departments. Therefore, the Union proved a need for a significant wage increase.

**Suggested Language:** The wage scales in Article XXVII shall be changed to show a five percent (5%) increase the first year and three percent (3%) increases in the second and third year of the new contract.

**Issue:** Article XXVII (New) Commercial Driver's License (CDL) Stipend

**Union Position:** The Union demands a thirty-five cent (\$.35) per hour stipend for anyone who has a commercial drivers license.

**Engineer's Position:** The Engineer offered a stipend of ten cents (\$.10) per hour for anyone who earned a CDL or who upgraded his/her current license.

**Discussion:** There are two issues involved with this demand. The first question is whether the Engineer should pay a CDL stipend. The second is the amount of any potential payment. Turning to the first issue: the Engineer is philosophically opposed to paying a stipend simply because a person holds a CDL. Management argued that a CDL is a necessary requirement for many of the positions in the department and that the employees' earnings reflect the fact that they have the license.

The Union, for its part, believes that its membership deserves the stipend as a matter of equity. The Union argued that a CDL stipend is contained in many agreements and it is a somewhat standard payment throughout the state. The Union also pointed out that the Sanitary Engineer's employees had a stipend of thirty-five cents (\$.35) per hour in their contract. The Union believes that its membership is entitled to this benefit.

After prolonged discussion in the mediation phase of the fact-finding, the Engineer agreed to pay a stipend to any employee who earns a CDL or who upgrades his/her current CDL as an inducement to the employees to get specific training that might improve their chances for advancement. That is, Management's proposal was predicated on the fact that the employees might be able to move into better jobs if they were more highly trained. Therefore, the Engineer crafted his offer to give any employee without a Class A CDL an incentive to earn or upgrade their license. The Union was adamantly opposed to this proposal and argued that all members of the bargaining unit who have a CDL should receive the stipend.

In practical terms the difference between the parties' positions with regard to the number of employees who would receive the stipend is small. There are only a few workers, between ten and twenty, who would not receive the stipend under Management's proposal because they already hold a Class A CDL. However, while the difference in the number of employees who are affected by the parties' different proposals is small, the philosophical distance between the respective positions is immense. After further bargaining, the Engineer agreed to pay the stipend to all bargaining unit members who hold a CDL. It must be stressed that Management believes that it made a major concession on this issue.

The second question is the size of the stipend. The Union argued for parity with the Sanitary Engineer's employees, i.e., a payment of thirty-five cents (\$.35) per hour. This works out to be a two and one-half percent (2½ %) wage increase. The Fact Finder believes that this is excessive by any measure. While it is true that the Sanitary Engineer's employees are paid thirty-five cents (\$.35) per hour, that fact in and of itself does not mean that the Highway Engineer's workers should receive a stipend of this size. Factually, the Engineer has a budget constraint that precludes a payment of this size. In addition, there was no testimony that the Engineer had to pay the stipend to attract applicants for

jobs even though a number of the positions within the department require a CDL as a condition of employment.

The parties finally reached a point where they had reduced the difference in their positions to five cents (\$.05) per hour. The Engineer offered five cents (\$.5) per hour to all employees who possess the CDL and the Union was demanding ten cents (\$.10) per hour.

The Fact Finder believes that Management's position is reasonable in this instance for a number of reasons. First, this is a new benefit and there will be some pressure to increase the stipend in future negotiations. Second, the amount of the stipend is not large, however, given the budgetary constraints faced by the Engineer and considering the cost of other wage and benefit improvements negotiated into the contract, the cost must be considered. Finally, the Engineer was adamantly opposed to paying everyone the stipend; the tradeoff discussed by the parties was a small stipend in return for universal coverage. The Fact Finder believes that this is a reasonable tradeoff in this instance. For those reasons, the Fact Finder is recommending that a five-cent (\$.05) stipend be paid to anyone in the bargaining unit who possesses a CDL.

**Finding of Fact:** Management grudgingly agreed to pay a CDL stipend to any member of the bargaining unit who holds or earns a CDL.

**Suggested Language:** Article XXVII: Section 27.4 (New)

All members of the bargaining unit who currently possess or who earn either a Class A or a Class B Commercial Drivers' License shall be paid a stipend of five cents (\$.05) per hour.

**Note:** Current Article XXVII Section 27.4 shall be renumbered as Section 27.5.

**Issue:** AFSCME Care Article XXX: Section 30.3

**Union Position:** The Union's demand is for an increase in the AFSCME Care medical benefit to AFSCME Care Level II.

**Engineer's Position:** The Engineer believes that the Union membership does not really need the benefit.

**Discussion:** The parties were able to reach an agreement in principle on this issue. Management's position is that the union membership does not need this benefit. The County Commissioners provide dental, hearing, and vision insurance for county employees who enroll in the PPO insurance program. Therefore, the Engineer argued that his employees could get dental and vision insurance at no cost and the funds needed to pay for AFSCME Care Level II premiums could be used elsewhere.

However, the Union pointed out that if an employee does not wish to join the PPO program, and elects to stay in the traditional indemnity program, then

they do not have complete vision and dental insurance. Therefore, the bargaining committee wished to have the AFSCME Level II coverage in the contract. The bargaining committee believes that AFSCME Level II Care is the most affordable way to provide the enhanced insurance coverage and at the same time preserve the employee's right to choose his/her own physician.

**Finding of Fact:** The parties have agreed on the provision of AFSCME Care Level II insurance.

**Suggested Language:** Section 30:3. The employer shall pay the sum of \$38.50 per month per employee for the AFSCME Care Level II Vision, Hearing and Dental II Plan, which amount shall not be changed during the period of this contract.

**Issue:** Assistant Safety Officer Position

**Union Position:** The Union wants the Assistant Safety Officer position filled, preferably with a person who currently works for the Engineer. That is, it wants the job description written in a way that does not disqualify current bargaining unit members based on qualifications and/or experience.

**Engineer Position:** The Engineer does not believe that this issue is subject to collective bargaining.

**Discussion:** The difference here is more apparent than real. The Engineer argues that job descriptions are not subject to negotiations. If the Engineer declares that the position is vacant, it will be filled with a qualified person. The position currently exists on the organizational chart and the job description, qualifications, etc., have been written and are on file. Management agrees that if the position is filled in a way that the Union believes violates the contract, then it can file a grievance.

The Union wants input into the writing of the job description and believes that its members should have a chance to be selected for the position. The discussion on this issue did not indicate that there was serious disagreement on this issue. The debate was more a statement of positions. The parties both stated that this issue needed more thought, and they agreed to meet in the future to continue discussions on the position.

**Finding of Fact:** The parties have agreed to continue discussions on this issue in Labor Management meetings.

**Suggested Language:** None

**Issue:** Article New: Educational Reimbursement

**Union Position:** The Union proposed an educational reimbursement program and then withdrew the demand.

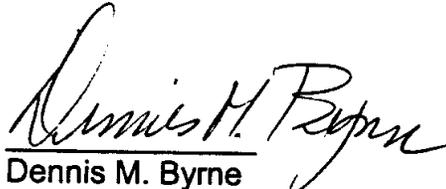
**Engineer's Position:** The Engineer agreed with the Union's demand and offered to institute an educational reimbursement program.

**Discussion:** The Engineer sees human capital formation as a way for his employees to gain the skills necessary for advancement. He desires to have a pool of qualified applicants for promotions or new job openings from his current employees. The Union agreed with this analysis, but decided that any monies that would be used for education payments could be better used to fund the general wage increase. Management argued that more education and training (see the discussion on the CDL stipend) are necessary if the employees are to be ready to use new and emerging technologies. Therefore, the Management stated that it would find the funds to pay for the program. Consequently, Management and the Union reached consensus on this issue and put in place a program to reimburse the bargaining unit up to \$10,000.00 in approved educational expenses.

**Finding of Fact:** The parties agreed to institute an education reimbursement program.

**Suggested Language:** Article New – Educational Reimbursement  
Section 1. The Employer will repay employees for educational expenses up to a limit of \$10,000.00 per year. In order to be eligible for reimbursement, the Employer must approve the course(s) prior to the start of the class. The payment will be made upon proof of successful completion of the course(s). All course work must be completed during non-work hours. Each employee is eligible for \$250.00 reimbursed educational expenses per year.

The parties agreed on a three-year contract retroactive to November 1, 2001. The contract will run from November 1, 2001 until October 31, 2004. In addition, all mutually agreed upon articles and TA's are to be included in the final contract.

  
Dennis M. Byrne