

IN THE MATTER OF INTEREST ARBITRATION

| | | |
|-----------------------------|---|---------------------------|
| BETWEEN |) | |
| THE CITY OF POLK CITY, IOWA |) | Neil Barrick, Arbitrator |
| Public Employer, |) | |
| AND |) | Award Issued June 5, 2016 |
| TEAMSTERS LOCAL 238, |) | |
| Employee Organization |) | |

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 PUBLIC EMPLOYMENT
 RELATIONS BOARD

Appearances:

For the City of Polk City: Matt Brick, Esq.
 For the Employee Organization: Jon Thomas

BACKGROUND

Teamsters Local 238 was certified as the exclusive bargaining representative for all regular full-time police officers (total of 4) of the City of Polk City, Iowa by the Public Employment Relations Board in Case No. 100067 on December 1, 2015. The parties agreed to an extension of the statutory bargaining deadline (March 15) on or about February 1, 2016. (Employee Organization Ex. 1). The parties were able to come to a voluntary agreement on all issues except for wages which is the issue submitted to this arbitrator.

Hearing was held at the City Hall for Polk City on May 25, 2016. Each party had an opportunity to present evidence and argument and each did so. No objections were raised as to the admissibility of either party's exhibits with oral argument presented by each party's representative.

FACTS

The City of Polk City, Iowa is a semi-urban/rural community located just north of the City of Ankeny, Iowa and is adjacent to a large recreational area for central Iowa, i.e. Saylorville Lake. Many of the city's businesses are geared towards those using the lake and campgrounds during the peak season. The population of the community is approximately 3,400 residents, but during summer months, with the activity at and on Saylorville Lake, there are many more persons present in the community.

Prior to certification of Local 238 the City had utilized a federal pay grade program to determine wages for its police officers. Using the current wages of all included officers as last established by this schedule, the average hourly rate for the unit was \$24.03 (FY 2015-2016).

The final offer as submitted at arbitration by the City is to increase that average hourly rate by 2.75% (\$.66) with the Employee Organization's final offer at a 3.3% increase (\$.79).

ISSUE

The only issue for consideration by the arbitrator is the wage adjustment for the upcoming fiscal year-2016-2017 (July 1, 2016-June 30, 2017).

DISCUSSION

The parties are utilizing statutory arbitration procedures under which the Arbitrator, after considering the statutory criteria set forth in Section 22.7 of the Iowa Public Employment Relations Act and any other relevant factors, must award the position of the party on each impasse issue that he/she deems the most reasonable. These factors as laid out within the statute (Chapter 20.22A(7)(a-d) include:

- a. Past collective bargaining contracts 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 operations.

As to the first criteria, there has been no prior collective bargaining between the parties so there is no history to consider. The tentative agreement on all other items to be included within the initial collective bargaining agreement was presented to the arbitrator.

As to comparison data, each party presented separate comparability data. The City utilized a grouping of 16 cities which included several within the Des Moines metropolitan area as well as several communities from around the state

that are of similar population to that of Polk City. They then presented exhibits grouping these communities according to population, average hourly pay rate and by wage increases for the upcoming fiscal year. The Employee Organization's comparison group was made up of 13 communities all within the Des Moines metro area. This comparison included the hourly starting wage rate, the top hourly wage rate, number of years to the top of the wage scale, uniform allowances, shift differential and longevity with an average computed for each of these categories.

It is not possible to come up with a truly representative comparability group for this discussion due in large part to the geographic location of Polk City. Population wise, it is not at all comparable to most of the Des Moines metro cities. However, many of the economic factors involving those cities also impact Polk City because of its proximity to them. After reviewing all the comparability data, I have relied heavily upon the City's Exhibit C which ranked all the communities in its comparability group by average hourly rate of the unit as a whole as well as the wage increase data for FY 2016-2017 from City Exhibit A. Also considered was the information from Employee Organization Exhibits 7a and 7b which considers the impact of the federal wage scale that the City had been utilizing for members of this bargaining unit as if that scale would have continued to have been followed.¹ For purposes of the following discussion, I reviewed City Exhibit C (comparables by average hourly wage) and considered the two cities just above Polk City in average hourly rate (Story City and Carlisle) and the two cities just below Polk City in average hourly rate (West Liberty and Adel) and have made the following calculations:

| City | Current Ave. Hrly Rate | Wage increase | New Ave. Hrly Rate |
|--------------|------------------------|---------------|--------------------|
| Story City | \$24.77 | Unk. | Unk. |
| Carlisle | \$24.51 | 2.5% | \$25.12(\$.61) |
| Polk City | \$24.03 | 2.75%(City) | \$24.69(\$.66) |
| | | 3.3%(E.Org.) | \$24.82(\$.79) |
| West Liberty | \$23.78 | 2.0% | \$24.26(\$.48) |
| Adel | \$23.38 | 4.0% | \$24.32(\$.94) |

I have noted that the difference between the current hourly rate for Carlisle is \$.48 above that for Polk City. The difference between the new average hourly rate for the two communities is \$.43 with the City's proposal and \$.30 with

¹ Discussion at the hearing by the Employer's representative was that this scale was not going to be utilized notwithstanding the certification of the Employee Organization in this case.

the Employee Organization's proposal. The difference between the City's current average hourly rate of \$24.03 and that of Adel is \$.65 and between the new hourly rates for these two communities is \$.37 with the City's proposal and \$.50 with the Employee Organization's proposal.² Under either scenario presented, the gap is narrowed with Carlisle, but Polk City would remain in the same relative position in relation to it as to average starting hourly wage. Similarly, Polk City's relative position would not fall in relation to those cities below it with a lower average hourly wage.

There was no evidence submitted as to the average number of hours per year worked by a Polk City police officer, not considering overtime. Therefore, I have utilized a 2080 hour average year (52 weeks X 40 hrs./wk.) for the following calculations:

2.75% hourly increase = \$.66/hr. X 2080 hrs. X 4 officers = \$5,491.

3.3 % hourly increase = \$.79/hr. X 2080 hrs. X 4 officers = \$6,573.

Difference = \$1,082.

Even though the City has argued it was no longer going to follow a federal wage scale in FY 2016/2017, it has followed it for some time and I reviewed evidence related to the impact of this scale should there not have been collective bargaining between the parties and assuming the scale would have remained in effect. (Employee Org. Ex. 7b). Increases would have been 3.45-3.55% with an average of 3.48%. Both parties' proposals are less than what would have been applied using the City's past practice.

Neither party presented any evidence relative to the criteria set forth in Iowa Code section 20.22(7)(c or d) so no discussion can be had concerning same. However, because there was no evidence presented in relation to the criteria in each of the foregoing subsections, I am assuming that there are no adverse consequences involved i.e. the City does have the power to finance either of the proposals and there would be no adverse impact on the normal standard of services offered by the City under either of the proposals before me.

The Employee Organization did offer three arbitration awards issued that will take effect on July 1st. The awards issued in each was 3% or above. The City countered that a fourth award, not referenced by the Employee Organization, was for less than 3%.

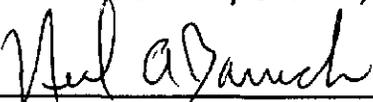
It is noted that the parties in this case each agreed that the proposals submitted by each of them was a fair proposal.

² With the known increases for the communities in the City's exhibit, Adel now moves ahead of West Liberty whereas it was just below it for the current fiscal year.

AWARD

After careful consideration of the evidence submitted by both parties, evidence which indicated the bargaining process generally went well for a first contract and that each party put forth what it believed to be a fair and reasonable final offer in relation to wages, it is my decision that the final offer of the Employee Organization (3.3 %) is the most reasonable and is hereby awarded. This award takes into consideration the minimal difference between the actual costs of the proposals, the lack of any apparent negative impact on the Employer and its ability to provide services to its citizens, the comparison of increases offered by other cities to its police officers and the fact that this award will not alter Polk City's place in relation to the starting wage rates for other communities taken into consideration, and the wage increases awarded by arbitrators in interest cases taken to arbitration for the upcoming fiscal year.

Dated this 5th day of June, 2016, at Johnston, Iowa



Neil Barrick, arbitrator

CERTIFICATE OF SERVICE

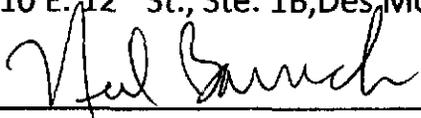
I certify that on the 5th day of June, 2016, I served the foregoing award of the undersigned arbitrator upon each of the parties by mailing a copy to them via U.S. Mail at their respective addresses as shown below:

For the Employer: Matt Brick, Esq.
Brick Gentry P.C.
6701 Westown Parkway, Ste. 100
West Des Moines, IA 50266
Matt.Brick@BrickGentryLaw.com

For the Employee Organization:
Jon Thomas
Teamsters Local 238
2425 Delaware
Des Moines, IA 50317
thomas.j@qwestoffice.net

I also certify that unsigned copies were electronically transmitted to the above representatives at the noted email addresses on or after June 5, 2016.

I also certify that on the 5th of June, 2016, I submitted this award for filing by mailing it to Ms. Susan Bolte, Iowa Public Employment Relations Board (PERB), 510 E. 12th St., Ste. 1B, Des Moines, IA 50317

A handwritten signature in cursive script, appearing to read "Neil Barrick", is written over a horizontal line.

Neil Barrick, arbitrator
8130 Hardwicke Dr.
Johnston, IA 50131

Dated this 5th day of June, 2016
at Johnston, IA 50131