

SPECIAL COUNCIL MEETING

THURSDAY, MAY 20, 1999

At the call of Mayor Oyaski and Council President Cervenik, a Special Council Meeting was held on Thursday, May 20, 1999, at 6:00 PM in the Euclid City Hall Council Chambers.

Members Present: Holzheimer Gail, Gallagher, Korosec, McGarry, Miller, Cervenik
Excused: Dallos, Farrell, Vadnal.

Councilwoman Miller moved to excuse Councilmen Dallos, Farrell, Vadnal. Councilwoman McGarry seconded. Yeas: Unanimous.

Others Present: Mayor Oyaski, Law Director Murphy, Mr. Craig Brown, Clerk of Council Cahill.

LEGISLATION

Res. (502-99) 130-1999

A resolution accepting the Fact-finder's May 17, 1999 report in the labor negotiations between the City of Euclid and the Fraternal Order of Police, Lodge No. 18. (Sponsored by Mayor Oyaski).

Councilman Gallagher moved for passage, Councilman Korosec seconded.

Mayor Oyaski – I want to thank the Council President for joining with me in calling this Special Meeting, number one. Number two, I would like to thank the Council majority for coming tonight. We have one matter of importance to the City of Euclid, Res. (502-99). You've seen a background memo from the Law Director and I think you have the detailed cost estimates. But we have an opportunity to accept the Fact-finder's award on a new 3 year contract for the FOP. The Fact-finder's award was positive for the City of Euclid and it's the right thing to do to accept it. I fully support this Resolution, Mr. Chairman and member of Council and I urge you to support it. It may not necessarily resolve the issue and finalize it, but I think it is appropriate given what's going on within the greater Cleveland public sector labor market. Given the other alternatives that are available that this Fact-finder's award does work to our city's interest. I think the Council would be correct in accepting the Fact-finder's award and authorizing the Resolution. I also want to thank Mr. Craig Brown, who has worked with Mr. Murphy on this matter. Mr. Chairman and I do very much thank the Council for coming in tonight. I'd defer to Mr. Murphy for further remarks.

Director Murphy – I do want to thank you and express appreciation to you for taking the time in calling this special meeting and appearing here tonight to consider this matter. We had what I would characterize as amicable negotiation session with the City Police Department. The Police Department came to the table with basically only 6 open issues. The City also presented several issues to the Police Department. We were able to reach agreement with most of the issues which the City had presented. Of the six issues which the Police Department presented, we were able to reach an agreement on two of them and were therefore required to proceed to the next step with the negotiation process which is fact-finding on four of the issues which the Police union submitted to us in the beginning.

Those issues as I've outlined to you are: wages, a retirement incentive program, uniform allowance, medical coverage provided by the City. I've previously provided to you the Fact-finder's report on those four issues. To summarize them, the Police Department requested an annual increase in wages of 4.5%. The City proposed as it has with all of its unions a 3% increase. The Police Department requested a retirement enhancement program. They call it a retirement incentive but I would more correctly characterize it as a retirement enhancement program. They requested that once an officer declares his intention to retire, three years prior to actual retirement, that the officer's salary will be increased annually by 6% of a base first year police officer salary. The 6% increase each year would then enhance that individual's annual salary and down the line enhance his retirement by increasing his final three year salary for retirement purposes. The police union also requested an increase in its uniform allowance in the amount of \$100 for each year of the three year agreement. Also requested that the out of pocket expenses that each individual incurs for medical coverage be reduced.

When we went to the Fact-finding hearing, as my memorandum to you indicates, the Fact-finder awarded a wage increase of 3% a year, consistent with that we have negotiated with other city unions. Rejected the retirement enhancement proposal submitted by the Police Union. Found that the medical coverage provided by the City and consistent with that agreed to by other unions is the one that should be awarded to the Police Union. Which would include coverage for contact lenses. We were a little mystified during the fact-finding as to where that issue came from, because the city's current coverage does provide for contact lenses for employees. We weren't exactly sure where they were coming from with that issue, but we continued to discuss that and we will ensure that this union, as are all the other unions, do receive the proper and appropriate entitlement for contact lenses which the City's medical coverage provides.

Finally on uniform allowance, the Fact-finder directed that the uniform allowance be increased by a net amount of \$75 per year. The Police Union currently receives a uniform allowance of \$500 a year, once a year and a uniform maintenance allowance of \$400 twice a year. They currently receive \$1300 a year in uniform allowance and maintenance allowance.

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Director Murphy - The Fact-finder directed that each of the \$400 payments received twice a year be increased by \$25 and the one time \$500 a year allowance be increased \$25, for a net of \$75 a year increase. That amount remains constant through the three years. It is not an increase of \$75 each year. It is a one-time increase in that amount remains constant during the 3 year period of the contract.

We think the Fact-finder has ruled very favorably towards the city. As I indicated to you, you could accept this Fact-finder's report without taking any action. However, I think it was incumbent upon the city to let this particular union know that the city is satisfied and is happy with the Fact-finder's report and would accept this finding by the Fact-finder as a basis for a new 3 year contract with the Police union. With that said, I'd ask Mr. Brown if he would like to add anything.

Mr. Brown - There's nothing to add. It is a terrific decision. It is consistent with the position we took with this union and we have negotiated with our other unions. We are pleased with this result and we heartily recommend that you adopt the Resolution and accept the Fact-finder's recommendations.

Director Murphy - I would just finally point out, this is one-sided right now. The fact that you accept it does not terminate these proceedings. The Union has to vote to either accept or reject the Fact-finder's report also. If the Union votes to reject it, your acceptance is essentially mute, null, void, whatever the appropriate word would be. The fact that you accept it does not bind anyone other than the city. The Union can reject it. If the Union votes to accept or does nothing with respect to the Fact-finder's report within the 7 day period which expires next Monday, then the report is deemed accepted and we would have an agreement.

Mr. Brown - Or fails to reject by 3/5 majority.

Director Murphy - Correct. So if they fail to reject or vote to accept, then we would have an agreement depending on your acceptance tonight of the Fact-finder's report. If either side rejects the report, obviously the next step is a binding conciliation process, as I've indicated to you. In that process SERB would appoint a Conciliator. Both sides would make their final settlement offer to the Conciliator. There is no compromise in that situation. The Conciliator must choose one position or the other and rule accordingly. Also, any issue is open to be submitted to the Conciliator that remains open. The fact that the City accepts this, if the Union would come back to us and say, that they accept the uniform allowance, for example, as directed by the Fact-finder, we could reach an agreement on that, take that issue out of the conciliation process. However, any of the issues would still be open to conciliation if the Fact-finder's report was rejected by either party.

Councilwoman Holzheimer Gail - To the Law Director, you said there were two issues that were previously agreed upon. Do those represent changes to the Union contract? I know that doesn't really necessarily affect the Fact-finder's report.

Director Murphy - The two we did agree on? The two we agreed on were minor changes. One related to educational costs. There apparently was an arbitration following a grievance procedure before I got here to the City that was resolved in favor of the union. So language was drafted and will be incorporated in the agreement. In the contract eventually by agreement of both sides relating to the responsibility for educational costs. The other issue they presented related to the use of sick leave, extending that to cover situations, perhaps a mother or father where perhaps the employee is an only child and a mother or father needs to go to a doctor, things like that. I believe the final language we agreed on was that discretion would lie with Police Chief as to whether that's appropriate use of sick leave or not.

Councilwoman McGarry - Is there a historical weight to the Fact-finder's findings in the next process of negotiations? I'm mean like 9 times out of 10; 50% of the time, or is this all over the board?

Mr. Brown - Its all over the board. I think that there is, however, very strong persuasive value to a Fact-finder's recommendations in a conciliation process. You can, however, as in any proceeding, particularly with arbitrators, conciliators and neutrals of this nature, they sometimes want to fashion their own remedy, they want to play Solomon and they'll do what they want to do. But, nevertheless, we're very pleased with this decision and we feel it has important, persuasive and precedential value but it is not binding.

Councilman Korosec - Is there a matter of order in which who votes on this first? Or do both parties have to decide on this by Monday?

Mr. Brown - Both parties have 7 days in which to make their decision as to whether accept or reject.

Councilman Korosec - Is our decision told to them prior to them voting?

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Mr. Brown – I don't understand exactly what kind of process they're using to vote. I understand they're doing a referendum, mail-type of thing, so some of them may have already voted. We are obligated by state law and regulation to advise the union and SERB within 24 hours of this meeting. We will file a paper with the State Employment Relations Board and serve the union with your decision that you rendered this evening, tomorrow.

Councilman Gallagher moved to close debate, Councilwoman Miller seconded. Yeas: Unanimous.

Roll Call: Yeas: Holzheimer Gail, Gallagher, Korosec, McGarry, Miller, Cervenik
Passed.

ADJOURNMENT

Councilwoman Holzheimer Gail moved to adjourn. Councilman Gallagher seconded. Yeas: Unanimous.

Attest:

Clerk of Council

President of Council