

AMERICAN ARBITRATION ASSOCIATION

IN THE MATTER OF THE ACT 111 OF :
1968 INTEREST ARBITRATION :
BETWEEN: :
: :
CITY OF JEANNETTE :
: Case No. AAA-01-16-0004-3107
AND :
: :
JEANNETTE POLICE OFFICERS :
BENEFIT ASSOCIATION :

ACT 111 INTEREST ARBITRATION AWARD

Board of Arbitration:

David V. Breen, Esquire
Impartial Arbitrator

Richard D. Miller, Esquire
Arbitrator for City of Jeannette

Christopher J. Cimballa, Esquire
Arbitrator for Jeannette Police Officers Benefit Association

BACKGROUND

The City of Jeannette and the Jeannette Police Officers Benefit Association, bargaining representative of the City of Jeannette Police Department bargaining unit, engaged in bargaining for a successor collective bargaining agreement to replace the collective bargaining agreement that expired on December 31, 2016. In accordance with Act 111 of 1968, when the parties were unable to resolve their collective bargaining negotiations they pursued interest arbitration and mutually selected the impartial arbitrator, David V. Breen, Esquire, from a panel of arbitrators provided by the American Arbitration Association. A hearing in this case was held on February 28, 2017 at which time both parties were afforded a full and fair opportunity to present evidence in support of their positions. Executive sessions were subsequently held on April 10, 2017, June 19, 2017 and at various other times, and the following Award is hereby issued for terms and conditions of a collective bargaining agreement to replace the agreement that expired on December 31, 2016.

It is noted that this Award is not unanimous as to every issue. However, there are at least two supporting votes for every provision in this Award. Thus, on each point below, there was a majority of at least two votes from the panel of arbitrators. The provisions of the expired agreement that remain unchanged by this Award shall continue and this panel shall reserve jurisdiction to resolve any disputes concerning the compilation of an integrated agreement.

AWARD

1. Article I, Intent and Term, Section 1.2 – The Agreement shall be for a period of four years, beginning retroactive to January 1, 2017 and ending December 31, 2020.

2. Article III, Rates of Pay, Section 3.1 – The wages for bargaining unit members shall be adjusted for each year of the Agreement as follows:

Effective January 1, 2017 — 3.5% Base Wage Increase
Effective January 1, 2018 — 3.5% Base Wage Increase
Effective January 1, 2019 — 3.5% Base Wage Increase
Effective January 1, 2020 — 3.5% Base Wage Increase

Officers hired after July 1, 2017 shall be paid pursuant to a second wage tier under which the salary structure shall be as follows:

| | |
|-------------|------|
| Year One: | 80% |
| Year Two: | 85% |
| Year Three: | 90% |
| Year Four: | 95% |
| Year Five: | 100% |

For the term of the Agreement, the Year Five annual salary rate for this second tier shall be \$50,000.

3. Article VI, Other Compensation and Benefits, Section 6.9, Health Insurance
– The following language shall be added to the end of Section 6.9:

The City shall have the right to change existing health care coverage, including but not limited to hospitalization, medical, surgical, dental, vision and prescription medicine insurance, to a plan that is comparable to the coverage which is presently being provided. Comparable in this context does not mean exactly the same. The employees, however, retain the right to grieve the City's determination that the plan is comparable. If the Union does not agree that a plan selected by the City is comparable, it will so state, in writing, to the City within fourteen (14) calendar days of the plan being provided to the Union by the City, or such longer period as mutually agreed to by the parties in writing. In that event, the City may not unilaterally implement the proposed new plan, however, it may immediately process the dispute before a neutral arbitrator selected pursuant to the arbitration step of the grievance procedure. The decision of the arbitrator on the issue of comparability shall be issued within forty-five (45) calendar days of the Union's written notice contesting that the plan selected by the City is comparable. The decision of the arbitrator shall be final and binding and will determine if the City is authorized to implement the new plan.

If the City receives notice or information indicating that its health care plan costs will subject the plan to the Affordable Care Act's "Cadillac Tax" excise tax, the City will give the Union written notice of that fact and the parties will immediately meet to discuss changes in the plan design, plan and/or plan carrier in order to avoid the imposition of the tax. If no agreement is reached within fourteen (14) days of the City's written notice to the Union regarding this issue, then the parties will proceed to an expedited arbitration proceeding with an arbitrator selected pursuant to the terms of the Collective Bargaining Agreement's grievance and arbitration procedure. The sole purpose for that expedited arbitration proceeding will be for the arbitrator to modify the plan, plan design and/or plan carrier in order to eliminate the exposure to the Cadillac Tax. The decision of the arbitrator on this issue shall be issued within forty (40) calendar days of his or her appointment.

In connection with this provision, Section 6.14 of the Agreement shall be deleted.

4. Article VI, Other Compensation and Benefits, Section 6.9.4, Health Care Contribution – The current language of Section 6.9.4 shall be deleted and replaced with the following:

Effective January 1, 2018, officers will contribute 15% of the premium cost for health insurance coverage. In addition, effective January 1, 2019 and in each year thereafter, officers shall contribute 25% of any cumulative increase in premium costs for all health insurance, vision and dental coverage over base year 2018 without a maximum limit or cap.

5. Article VI, Other Compensation and Benefits, Section 6.10 and Section 6.12, Post Retirement Health Insurance – Employees hired after July 1, 2017 shall not be eligible for any post retirement health care benefits.

6. Article VIII, Retention of Managerial Rights, Section 8.3, Residency – Section 8.3 will be revised to read as follows: The parties do hereby acknowledge that each Police Officer employed by the City shall live within ten (10) air miles of the City's municipal building during the course of their employment. Any current Police Officer who currently maintains a permanent residence outside of the above referenced ten (10) air mile limit, shall be grandfathered at that specific location. In the event a newly hired Police Officer does not live within the ten (10) air mile limit they shall comply with such limit within six (6) months following the completion of their probationary period. The failure of any Police Officer (except any grandfathered Police Officer) to reside within the ten (10) air mile limit, as required by this paragraph, shall subject such Police Officer to immediate discharge; provided however, that a Police Officer who receives prior confirmation from the City that the desired residence is in compliance with the ten (10) air mile limit cannot later be subject to immediate discharge.

The collective bargaining agreement that expired on December 31, 2016 shall be revised to integrate the terms and provisions of this Award. The City shall prepare a new agreement which accurately reflects the modifications in this Award and shall distribute the same to the Jeannette Police Officers Benefit Association within ninety (90) days from the execution of this Award. The new collective bargaining agreement, in addition to implementing the provisions of the Award set forth above, shall be edited in order to eliminate inaccurate section references, incomplete material, incorrect grammar or outdated language. In the event the parties are unable to agree on any specific provision of the collective bargaining agreement to be drafted in conformance with this Award, any disputes between the parties shall be resolved by the Board of Arbitration. It is the specific intent of the Board of Arbitration that no right or benefit to either party shall be added or diminished by the writing of the new collective bargaining agreement mandated by this paragraph except as is set forth in the Award. The Board of Arbitration shall retain jurisdiction over this matter until both parties have ratified and executed a new agreement incorporating the terms and conditions of this Award and solely for the purpose of resolving disputes concerning that integration.

By: David V. Breen
David V. Breen, Esquire
Impartial Arbitrator

Date: 6/27/2017

CITY OF JEANNETTE

JEANNETTE POLICE OFFICERS
BENEFIT ASSOCIATION

By: Richard D. Miller
Richard D. Miller, Esquire

Date: 6/30/2017

By: _____
Christopher J. Cimballa, Esquire

Date: _____