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City of Alpena

and

International Association of  
Fire Fighters, Local No. 623

3/12/76 Arb  
8.2  
Alpena  
City of  
J  
State of Michigan

Act 312

Arbitration

Arbitration Panel

Mr. Edward Seguin

Mr. Richard Legault

Mr. S. Eugene Bychinsky, Chairman

Appearances

For the City of Alpena

Robert R. Ferguson  
James R. Burch  
Donald McNeil

For the Fire Fighters

Robert L. Jason  
Anthony Kowalski  
Larry Wysocki  
David Goodburne

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RELATIONS LIBRARY  
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AUG 2 1976

March 12, 1976

## EXHIBITS

### EXHIBIT NO.

### DESCRIPTION

#### City of Alpena Exhibits

C-F 1	City's Final Offer Dated July 31, 1975.
C-F 2	City of Alpena Proposed Cost of Living Allowance.
C-F 3	City of Alpena Employees Retirement System Supplemental Actuarial Report.
C-F 4	Letter of North American Life Assurance Company to Edward E. Seguin dated September 5, 1975 re: City of Alpena Life Insurance average premium rate.
C-F 5	Collective Bargaining Agreement between City of Traverse City and Traverse City Firefighters Association effective July 1, 1974 and terminating June 30, 1976.
C-F 6	Collective Bargaining Agreement between City of Big Rapids and International Firefighters Association Local 1776 effective July 1, 1975 and terminating June 30, 1977.
C-F 7	Collective Bargaining Agreement between City of Escanaba and Teamsters Local No. 328, effective July 1, 1975 and terminating June 30, 1976.
C-F 8	Collective Bargaining Agreement between City of Menominee and International Association of Firefighters, Local 604, effective September 1, 1974 and terminating August 31, 1976.
C-F 9	Excerpts from 1975 Salaries, Wages, and Fringe Benefits in Michigan Municipalities over 4,000 Population prepared by Michigan Municipal League.

EXHIBIT NO.DESCRIPTION

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|--------|--|
| C-F 10 | Collective Bargaining Agreement between City of Alpena and Department of Public Works effective July 1, 1975 and terminating June 30, 1977.                                  |
| C-F 11 | Collective Bargaining Agreement between Fletcher Paper Company and United Paperworkers International Union, Local 1016 effective July 1, 1975 and terminating June 30, 1978. |
| C-F 12 | Collective Bargaining Agreement between Alpena Manufacturing Company and United Steelworkers of America effective June 30, 1975 and terminating April 1, 1977.               |
| C-F 13 | Collective Bargaining Agreement between Oracle Corporation and United Steelworkers of America effective May 1, 1974 and terminating April 30, 1976.                          |
| C-F 14 | Schedule of Average Hourly Earnings, Gross & Excluding Overtime, of Production Workers in Manufacturing Industries.  |
| C-F 15 | Schedule of Trend in Gross Hours & Earnings of Production Workers in Manufacturing Since 1939.   |
| C-F 16 | Chamber of Commerce Report on Fringe Benefit Costs.  |
| C-F 17 | Schedule of Employee Benefits as Cents per Payroll Hour, by Type of Benefit and Industry Groups, 1973.   |
| C-F 18 | Schedule of Employee Benefits as Per Cent of Payroll, by Region and Industry Groups, 1973.   |
| C-F 19 | Schedule of Employee Benefits as Per Cent of Payroll by Type of Benefit and Industry Groups, 1973.   |
| C-F 20 | Letter from James M. MacConnell, Michigan Employment Security Commission Economic Analyst, to James Burch dated November 18, 1975 re: unemployment rates for Alpena County.  |

EXHIBIT NO.DESCRIPTION

## Firefighters Exhibits

F.F.-1	Statement of Issues
F.F.-2	Collective Bargaining Agreement
F.F.-3	Opinion of the Circuit Court
F.F.-4	Judgment of the Circuit Court
F.F.-5	Court of Appeals, and supplements: 1. Contract between Alpena County Road Commission and the International Union, United Steelworkers of America; 2. Agreement between Alpena General Hospital and the International Union, United Steelworkers of America; 3. Agreement between the Huron Cement Division and Local 352, United Cement, Lime & Gypsum Workers International Union; 4. Agreement between Huron Cement and United Steelworkers of America; 5. Alpena Police Department Index.
F.F.-6	Judgment of the Court of Appeals on rehearing request by the City of Alpena, dated January 7, 1975.
F.F.-7	Judgment of the Supreme Court of Michigan, leave to appeal denied, dated April 24, 1975.
F.F.-8	Opinion of the Circuit Court issuing writ of mandamus.
F.F.-9	Judgment in Mandamus of the Circuit Court.

A panel of arbitrators, above identified, was convened in conformance with the provisions of Act 312 of the State of Michigan, the conditions precedent to the formation of that panel having been met. A hearing was held in the City of Alpena on January 5, 1976 at which hearing both the City of Alpena and the Alpena Firefighters Association had full opportunity to present their last best offer pertaining to all outstanding issues, as well as arguments in support of those issues. The panel of arbitrators then met and considered each of the questions as presented herein. Briefs were received and time was provided for the filing of reply briefs.

This report sets forth the findings and conclusions of the deliberation of that panel.

During the Collective Bargaining and Mediation that preceded the convening of the panel, the parties resolved many issues that had previously separated them from a contract. The following items represent only those items in which differences were not resolved prior to the hearing, and are presented in the sequence in which they were presented to the panel.

The panel directed each party to submit to it, and to each other, its last best offer of settlement on each economic issue. As Act 312, Section 8 directs the arbitration panel to adopt the last offer of settlement, which in its opinion, more nearly complies with the applicable factors prescribed in Section 9 of that Act, each of the issues will be set forth, together with the last position of each side, followed by a

recitation of the more pertinent facts and a determination of which position more nearly complies with the applicable factors of Section 9 of Act 312, which, in each instance, is concurred in by at least two of the arbitration panel members.

#### FIRST YEAR ISSUES

##### ISSUE-First Year #1     Collective Bargaining Agreement

###### Union Position

The City of Alpena to provide each member of Local 623 with a revised copy of the Collective Bargaining Agreement, no later than thirty days after an Arbitration Opinion and Award has been received, said Collective Bargaining Agreement encompassing the 1968-1970 Base Contract, the 1970 Agreement which was a renewal of the 1968 Contract with notations of change, the 1971 Opinion and Award items of change, the 1973 Supplement to Final Offer which was agreed upon between the parties and the 1975 Amendment to Contract entered into pursuant to Judgment of Mandamus of the Alpena County Circuit Court.

###### City Position

The Union position is concurred in.

###### CONCLUSION

The Union position is sustained.

ISSUE-First Year #2      Duration

Union Position

Local 623 proposes a two-year contract from July 1, 1975 through June 30, 1977.

City Position

The Union position is concurred in.

CONCLUSION

The Union position is sustained.

ISSUE-First Year #3      Wages

Union Position

PROPOSED WAGES FOR JULY 1, 1975 THROUGH JUNE 30, 1976

	ANNUALLY
Starting Pay	\$10,689.28
After 6 months	10,958.08
After 1 year	11,361.28
After 3 years	11,529.28
Lieutenant	12,033.28
Captain	12,570.88
Fire-Inspector	12,033.28

(NOTE: Fire-Inspector's increase is in addition to the 12% plus \$250.00 additional sum for Fire-Inspector.)

In essence this demand is for a 12% wage increase.

City Position

9.5% across the board increase for the first year of the contract.

### Findings of Fact

An Alpena fire fighter who is in the three year category received an annual wage of \$10,294.00. In return for this wage, the fire fighter spends 56 hours per week on duty, his duty periods being 24 hours on duty, 48 hours off duty. Thusly while in one seven day period, he may be required to be on duty for 72 hours, in the next seven day period, he will be on duty 48 hours, for an average work week of 56 hours. Further it is recognized that a fire fighter in Alpena has many more duties than fire fighting. Not only must he be on duty during his duty hours, he must also maintain both his equipment and his personal living needs such as cooking, housekeeping etc. He must also be responsible for ambulance service for the community. Ex. 1 attached to the Brief of Local 623 sets forth, clearly and completely, the duties of the Alpena fire fighter. It is readily apparent that in any 24 hour period of duty at the station, his time is pretty well occupied from 8 A.M. to 6 P.M., for all duty days except on Sunday, which day is regarded as a light duty day. The details of his daily responsibilities are for periods when he is not engaged in actual fire fighting, or in attendance at training sessions, or involved in responding to calls for ambulance service.

Considering the wages of comparable fire fighters in other communities it is noted that Traverse City has set the



fire fighter hourly rate at \$5.26 (as contended by the Union) as against the Alpena rate of \$5.42 (as contended by the Union), based on the City's last offer for comparable time in service. A comparison of other cities, such as Big Rapids, Menominee, and Escanaba also indicates that the City proposal would yield an hourly rate higher than that of any of the named cities, even accepting the Union's figures on hourly rate.

The comparison of the Alpena fire fighter with wages from industry is most difficult as there is very little comparability in skill or job related exposure to personal injury which the fire fighter is subjected to.

Further comparison of fire fighter's duties with the duty of law enforcement officers is made complex by virtue of the different schedules that each group observes. A fire fighter, in the absence of a fire run or an ambulance run, will put in about 9 hours of active duty, in a 24 hour period, and a 15 hour period of stand-by duty in that same period. When there is a fire or an ambulance run, he may be required to work beyond that "active duty" period.

Nor can there be any doubt that the injury rate for fire fighters is higher than for law enforcement officers.

It would appear that the best comparison can be made if made on an annual compensation base. On this basis we see that the Alpena fire fighters, based on the City's offer, would, after 3 years of service, receive an annual wage of \$11,271.33, as against a Union demand of \$11,529.28; this is

contrasted with a 3rd year patrolman's wages, in Alpena, of \$11,502.00. It is, however, noted that there is no set pattern that would indicate that fire fighters and police officers should get the same dollar amount. It appears, from the data provided in the City's brief, that, in Alpena, the incidence of fire calls has in fact been rather light. On the other hand, the ambulance runs occur with much greater frequency and the fire fighters provide a splendid service to the community.

Looking next to the cost of living increase July 1, 1974 to July 1, 1975, it is generally recognized that this index rose 9.7% in this period. The offer of the City closely approximates this increase.

There does not appear to be sufficient reason to deviate from the pattern that has prevailed in this community, and indeed, prevails in many other communities of observing a minor degree of difference in comparing fire fighters and law enforcement officers.

Additionally, it is noted that the City's last offer included an additional increase of \$250.00 for the Fire-Inspector.

#### CONCLUSION

The position of the City is sustained.

ISSUE-First Year #4      Shift or Night Premium

Union Position

All employees shall receive, in addition to their regular salaries, a shift or night premium pay at the rate of \$200.00 per year.

City Position

This demand is rejected.

Findings of Fact

This proposed shift or night premium is a new concept to the parties to this contract, and from a study of Union Exhibits 6 and 7, it would appear that this demand represents a concept that has very little acceptance in other communities.

CONCLUSION

City position is sustained.

ISSUE-First Year #5      Holidays

Union Position

2 additional 1/2 day holidays.

City Position

An additional 1/2 day should be granted.

Findings of Fact

Only 1/2 day holiday allowance separates the parties on this issue. A review of practices of other cities in this

benefit showed no uniformity in holiday allowance, nor is there an obvious correlation between the number of days allowed for holidays, and the basis of payment for the holidays that are worked. While a half day holiday is certainly nice, it would seem that the elimination of the sole remaining half holiday would represent a greater benefit than the additional cost would represent.

#### CONCLUSION

Union request is granted.

#### ISSUE-First Year #6    Vacation

##### Union Position

Consider this a second year issue.

##### City Position

The same.

#### CONCLUSION

Issue taken care of in second year of contract.

#### ISSUE-First Year #7    Death Leave

##### Union Position

Mother-in-law and Father-in-law be included in 2 working day leave allowance, and grandparents and grand children be included in 1 working day leave.

City Position

Union demand is rejected.

Findings of Fact

There is no doubt in that a husband should be by his wife's side, and vice versa, in the time of bereavement. While shift trading is a common practice in the fire department, as pointed out by the Union brief, the eventuality of invoking this leave is not an annual event.

CONCLUSION

Union position is granted.

ISSUE-First Year #8      Insurance

Union Position

This issue is resolved and is to be included in the agreement as a second year issue.

City Position

Agrees that this is a second year issue.

CONCLUSION

Include this issue in the second year agreement.

ISSUE-First Year #9      Life Insurance for Retirees

Union Position

The City should provide a \$2000.00 paid up life insurance policy to each employee upon retirement.

City Position

Denied.

Findings of Fact

It is noted that in the schedule of comparative data accompanying Exhibits 6 and 7 of the Fire Fighters Association this is an item that is not included. It is a relatively new demand to request benefits of this sort for retirees, or employees about to retire.

CONCLUSION

City position is sustained.

ISSUE-First Year #10      Retiree Hospitalization

Union Position

Equal sharing of Blue Cross/Blue Shield by employee and by City upon retirement.

City Position

Continue to allow retirees benefit of group rates at retirees cost.

Findings of Fact

There is very little comparable data to view, for other fire fighting organizations, on this issue. It is very difficult to either accept or reject the concept that retirees should receive benefits on retirement beyond that which they

have contracted to receive by virtue of earned out retirement plans. One of the tragedies of our present time is the reduced purchasing power of incomes to retirees and their inability to better their lot due to their age. As pointed out in the City briefs, early retirees have available to them unemployment compensation, and after age 62, the benefits of Medicaid, and Medicare also become available.

#### CONCLUSION

City position is sustained.

#### ISSUE-First Year #11    Food Allowance

##### Union Position

\$200 per each member per year.

##### City Position

Request is denied.

##### Findings of Fact

Exhibit #7 identifies a good many cities in Michigan that provide a food allowance to their fire fighters. The same exhibit shows almost as many that do not provide a food allowance. One thing is clear from this study, and that is that there is a trend toward the granting of such an allowance. Earlier in this report, a comparison of annual salary was made with other communities, which report indicated that the City had made an offer that more nearly matched the criteria set

forth in Act 312. Comparisons, to be valid, must be total compensation including fringe benefits.

CONCLUSION

Union demand is granted.

ISSUE-First Year #12      Pension Computation

Union Position

Final average compensation to be on the best 3 out of the last 5 years of service.

City Position

Final average compensation to be on the highest 36 consecutive months within the last 60 months.

Findings of Fact

It is agrued by the Union that undue hardship could be incurred to a fire fighter who may be injured within the last 5 years of his employment, as during the period of his injury-incurred absence he would draw workman's compensation, which is not used in final average computation for pension purposes, and thereby have his ultimate pension reduced, or be forced into an early retirement.

CONCLUSION

Union position is sustained.



Union Position

Maintain so-called "manpower" provision.

City Position

Eliminate so-called "manpower" provision.

Findings of Fact

As the result of a prior arbitration, followed by litigation, a prior contract has been held to provide for a so-called "manpower" provision. This panel is not involved in the prior issues that pertain to the interpretation of that clause. The sole issue before this panel is the question of whether or not this clause will remain in the new contract together with its court ordered interpretation, or whether this clause should be deleted from the contract. By virtue of the court decision, the subject of the "manpower" provision is a bargainable matter. In considering the various issues raised by the City's brief, this panel must note that all issues raised in this brief were considered by the Court of Appeals and interpreted by that court.

The only concern that this panel can afford to the City position, relates not to the effect of the clause in the prior contract, but rather should the clause be continued in the new contract. There is no effect, beyond the then existant contract, that need be considered in this case. This panel, then, approaches the problem of the "manpower" clause solely with respect

to whether or not it should be included in the new contract. In making this determination, it is noted that in essence, this clause is an economic issue, as the level of manning has a direct relationship to the cost of employing this particular bargaining unit. Thusly the panel is not empowered to modify the terms of the language as to do so would serve to modify its economic effect. The panel must either include the clause, or exclude it.

Now looking at the arguments that were presented by each side, essentially the City position is:

1. Circumstances change manning needs.
2. Ambulance useage has declined with the opening of ambulance service at a local hospital.
3. There is a ready supply of manpower available for call in.
4. Fire fighting equipment and manpower is available from other governmental agencies, or from volunteer groups.
5. It is the City's responsibility to set manpower levels.

On the other hand, the Union contends that:

1. Call in simply has not been used by the City, except for a college dormitory fire.
2. Fire fighters frequently volunteer their services, without compensation or without recognition, when off duty.
3. The critical time of a fire is when the fire fighter first arrives. Delay in response lessens the attainment of control of the fire.
4. There is a critical need for back up men, at a fire, to support those who must enter a building to get at the source of the fire.

5. City requirements for call in include proper authorization and for the fire fighter to be in full gear--further delaying the availability of call in people.
6. Section 2 - Unilateral changes prohibited - would be violated if the City were allowed to alter the existing manning agreement.

Of all of these arguments, as presented by both sides, this panel is constrained to find as follows:

Section 2 has not been cited as a matter in dispute. It clearly represents a limitation on the management rights clause. There being no issue on its inclusion, and as the Court of Appeals has already held that the manpower clause relates to a condition of employment, it is the judgment of this panel that the clause that is objected to by the City, the clause known as the manpower clause, be included in the new contract.

It should be kept in mind that this decision is in no way related to the prior arbitration on the matter. This decision is based on the following.

1. This is a new contract.
2. This new contract has, by virtue of the party's agreement, a clause in it that prohibits unilateral changes relating to "... conditions of employment...".
3. The Michigan Court of Appeals has determined that the manning of a fire fighter bargaining unit is a condition of employment - absent any proof to the contrary.
4. The manpower clause will remain.

#### CONCLUSION

Union position must prevail.

## SECOND YEAR ISSUES

### ISSUE-Second Year #1    Longevity Benefits

#### Union Position

Expansion of the longevity benefits to include the category "6% of base pay after completion of 20 years of service."

#### City Position

Demand denied.

#### Findings of Fact

This demand would cost the City somewhere in the neighborhood of .6 of 1% additional per year. Again, taking the total benefits that have been afforded to the fire fighters by this current decision (including the cost of the manpower clause), this benefit must be denied for this contract.

#### CONCLUSION

City position is sustained.

### ISSUE-Second Year #2    Over time Pay

#### Union Position

Double pay for holiday call in.

#### City Position

Demand is denied.

### Findings of Fact

Currently fire fighters are paid 1 1/2 times normal pay for call in work. There is a provision for minimum hours credit. This, in essence, is an additional compensation matter and must be judged as part of the compensation package.

### CONCLUSION

City's position is sustained.

### ISSUE-Second Year #3    Personal Leave Day

#### Union Position

One personal leave day per year.

#### City Position

Demand is denied.

### Findings of Fact

The fire fighter's schedule being 24 hours on duty and 48 hours off duty, the need for a personal leave day is lessened. Further, the current practice of shift swapping precludes this need.

### CONCLUSION

City's position is sustained.

### ISSUE-Second Year #4    Vacations

#### Union Position

Revised vacation schedule after 15 years service.

### City Position

The City agrees to amend its present contract to provide the following vacation days as to the Fire Prevention Division:

Article XIII, subparagraph C, Fire Prevention Division will provide for 11 working days vacation after completion of one years service.

Subparagraph D, Fire Prevention Division, will be amended to provide member will be granted 16 working days vacation after five years of service.

A subparagraph F will provide for 17 working day vacation after ten years of service.

A subparagraph G will be added to provide 18 working days vacation after fifteen years of service.

A subparagraph H to provide 24 working days vacation after twenty years of service.

### Findings of Fact

A review of fire fighters Exhibits 6 and 7 indicates that vacation allowances vary greatly for different bargaining units. However the timing for years of service to earn out vacation is not indicated. This issue then is treated solely as a cost item.

### CONCLUSION

City's position is sustained.

ISSUE-Second Year #5      Uniform Allowance

Union Position

\$120.00 per year drycleaning allowance.

City Position

Demand denied.

Findings of Fact

There is a lack of evidence on what other cities do on this issue, other than the City's contention that its exhibits do not show this item in those other cities that it studied.

CONCLUSION

City position is sustained.

ISSUE-Second Year #6 and #7      Wages and Cost of Living

Union Position

10% increase in pay on a quarterly base.

City Position

Increase of 1¢ for each .4 of a point upward change in the C.P.I., to take effect when the increase in that index exceeds 8%, on a semi-annual base.

Findings of Fact

The City position will maintain a more consistent municipal policy with respect to D.P.W. and the law enforcement

officers. From present appearances, which, at the time of this writing, the current C.O.L. being somewhat under 7%, it would appear that as long as there is a C.O.L. clause, the fire fighters will be provided for by the increased cost of living.

#### CONCLUSION

City position is sustained on both issues.

#### ISSUE-Second Year #8    Sick Leave Accumulation

##### Union Position

Raise accumulation level to 180 days.

##### City Position

Demand is rejected.

##### Findings of Fact

A study of other communities again indicates a wide divergence in the number of sick leave days that may be accumulated. Rather than extending the number of sick leave days that can be accumulated, the parties are urged to consider some form of a Long Term Disability policy that would take over after, say 90 days of sick leave, and provide for an income until age 65 when Medicaid etc. takes over. Such an agreement could be affected by mutual consent of the parties.

#### CONCLUSION

City position is sustained.



ISSUE-Second Year #9 Insurance

Union Position

Improved coverage.

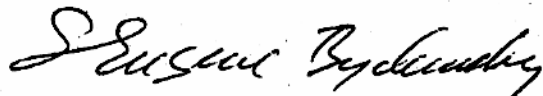
City Position

Increase the life insurance of each fire department member from \$10,000 to \$15,000 coverage.

CONCLUSION

Both parties have accepted the City position.

Respectfully submitted,



S. Eugene Bychinsky, Chairman

Edward Seguin

Richard Legault

March 12, 1976