STATE OF MICHIGAN COMPULSORY ARBITRATION

In the Matter of:

CHARTER TOWNSHIP OF COMMERCE

-and-

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS, LOCAL 2154

Arising pursuant to Act 312, Public Acts of 1969, as amended

Case No. D91 A-0110

ARBITRATION OPINION AND AWARD

APPEARANCES

For the Compulsory

Arbitration Panel:

Mark J. Glazer, Impartial Chairman Robert McGee, Employer Designee Stephen Lyons, Union Designee

For the Employer:

Dennis B. DuBay

Keller, Thoma, Schwarze, Schwarze,

DeBay & Katz, P.C.

For the Union:

James M. Moore

Gregory, Moore, Jeakle, Heinen,

Ellison & Brooks

DATES

Pre-hearing:

January 23, 1992 and July 16, 1992

Hearing:

January 6, 7 and 8, 1993

Executive Session:

April 27, 1993

BACKGROUND

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On April 26, 1991 the seven full-time firefighters of the bargaining unit filed an Act 312 petition with MERC. This was answered by the Township on May 9, 1991. An impartial chairman was appointed on September 30, 1991.

Thereafter, the parties attempted to achieve a voluntary resolution of this case. Failing settlement, comparables were exchanged on August 28, 1992.

The parties have agreed that the new collective bargaining agreement will include the prior April 1, 1988 - March 31, 1991 contract and the present award. The new contract period will be April 1, 1991 through March 31, 1994.

Attached are the last best offers of the parties; since all are economic the panel must select one of the offers on each issue without compromise. This is required by the governing statute. The Union's last best offers are attached and incorporated as Exhibit "A"; the Employer's last best offers are attached and incorporated as Exhibit "B".

Section 9 of Act 312 requires the panel to apply the following factors in reaching its award:

[T]he arbitration panel shall base its findings, opinions, and order upon the following factors, as applicable:

- (a) The lawful authority of the employer.
- (b) Stipulations of the parties.
- (c) The interests and welfare of the public and the financial ability of the unit of government to meet these costs.
- (d) Comparison of the wages, hours and conditions of employment of the employees involved in the arbi-

tration proceeding with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally:

- (i) In public employment in comparable communities.
- (ii) In private employment in comparable communities.
- (e) The average consumer prices for goods and services, commonly known as the cost of living.
- (f) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment and all other benefits received.
- (g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceeding.
- (h) Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration, or otherwise between the parties, in the public service or in private employment.

These Article 9 factors may be given the appropriate weight by the panel. This was the holding of the Court in <u>City of Det</u>roit v. DPOA, 498 Mich. 410; 294 N.W.2nd 68 (1980).

Besides the firefighters, there is an AFSCME bargaining unit and elected and non-union employees in the Township. Supplementing the seven bargaining unit firefighters are thirty-one paid on-call firefighters.

Full-time firefighters are required to maintain a Firefighter II certification; the on-call firefighters need only a Firefighter I certification.

There are three fire stations. Firefighters work a fifty-six

hour week with twenty-four hour shifts. Essentially, three full-time firefighters cover the stations each shift, with a swing person to cover vacations and absences.

The Union seeks retroactivity only on the wage issue; all other issues are to be implemented upon issuance of the award.

COMPARABILITY

The Township has submitted Brandon Township, Groveland Township, Independence Township and White Lake Township as comparables; the Union has submitted Harrison Township, the City of Novi, Plymouth Township and Redford Township. Act 312 does not specifically define comparable communities.

The Township argues that its comparables are most relevant because each is a township form of government, and each is within Oakland County. Further, the Employer notes that its comparables have full-time firefighters and there is similarity in population, SEV, housing units and fire runs. The Township argues that the Union has improperly submitted a city (Novi), and townships outside of Oakland County.

The Union notes that Plymouth and Redford were used in a prior Act 312 proceeding involving these parties. It asserts that unlike Commerce, the Township's proposed comparables of Groveland and Brandon Townships are non-union fire departments. The Union suggests that its comparables fit with Commerce Township in terms of SEV, housing units, square miles and median income.

To a certain extent Commerce Township is unique: it features both lovely lakes and a Cruise Missile factory; however, it also

has old housing stock within a few feet of the Township headquarters.

There isn't a statutory basis to reject any of the comparables. There are relevant and irrelevant aspects to most of them. Therefore, the panel appropriately will consider all of the submitted comparables. However, this is not an endorsement of the submitted comparables for future Act 312 proceedings. Moreover, the comparables will be weighted where appropriate.

AN OVERVIEW

The Union has strongly argued in this proceeding for a number of retirement improvements that would enable its members to retire earlier, with more money and more benefits. However, the Union has also asked for considerable wage improvements.

The panel can consider results that might be obtained in collective bargaining; however, Act 312 is not the equivalent of collective bargaining. The panel is required to follow the law and it cannot craft a result based upon its own view of a desirable settlement.

Further, any creative enterprise on the part of the panel is constrained by the requirement that the panel select one of the last best offers. The compromise that accompanies collective bargaining is denied the panel in Act 312.

As will be discussed in detail later, an overall package in the neighborhood of 15% over three years is appropriate. This follows from the second year increases to Commerce Township non-union employees in the area of 5%, when longevity increases are

considered, and third year increases to non-union Township employees of 4.5%. Further, a package of approximately 15% meets the external comparables.

This package may be awarded under Article 9 by providing wage improvements and some potential benefits for worker's compensation injuries. However, additional pension dollars would place the package well in excess of 15% over three years as would the other economic demands by the Union. These increases are not supported by the record, including the comparables.

Thus, the Union will have to return to collective bargaining to obtain additional retirement benefits; however, the wage increases in this award do provide pension benefits insofar as there is a 10% contribution rate by the Employer that increases along with wages.

In fact, the wage increases provided in this award are arguably better for the Union in terms of retirement than the Employer's package on wages and the Union's proposed increase in the pension rate. In any event, the bottom line is that the panel must follow the Act. This may not lead to the result that would have occurred in collective bargaining, but it is the result that is required by the statute.

THE TOWNSHIP'S ABILITY TO PAY

The Township has conceded an ability to pay at least 4% per year in its wage offer. An additional 1% or less per year is roughly \$1,000 for a firefighter or \$7,000 for the bargaining unit. The record reveals that the Township would be able to pay

this additional amount for a three year contract.

THE COST OF LIVING

An increase of slightly less than 15% over three years exceeds the cost of living adjusted for medical charges, but is supported by the record in this proceeding.

ISSUE I - (UNION)

WAGES

The Union requests 5% effective April 1, 1991; 4.5% effective April 1, 1992 and 4.5% effective April 1, 1993. The Town-ship offers 4% for each of these years.

The internal comparable, the non-union Township employees, received a 4.5% increase in the third year; this would support a similar increase for the bargaining unit in its third year. Further, in the second year, even with an allowance for longevity increases, the total wage increases for non-union Township employees exceeds the 4% offer of the Employer. Overall, the internal comparable supports the Union's wage offer.

The Township's comparable communities also support the Union's wage position. There is nothing in this record which would support a reduction of the Union's position relative to the Township's comparable communities. When the Township's comparables are reviewed, it is revealed that Independence Township received 5.4%, 4.8% and 3.3% or 4.5% averaged over three years. White Lake received 5.9% and 3.8% or 4.85% averaged over two years and Brandon

obtained 5% in one year and Groveland obtained 13.5% in one year.

The Union's offer is approximately an average of 4.6% over each of three years, or 14.7% over three years. This is much closer to preserving the status quo with the Township's comparables than the Township's offer of 4% per year, which would cause the firefighters to lose ground with the Township's comparables.

A yearly average of a 4.67% increase, or a three year increase of 14.7%, would provide the firefighters with an improvement relative to their comparables. For instance Plymouth, which is close in relative salary to the Township firefighters, starting in 1990 with a \$33,964.00 salary versus the Township's \$33,331.00 salary, obtained increases of 4.6%, 4.1% and 4.1%. Thus, an award of the Union's position will create an improved standing for the firefighters in comparison to Plymouth and also in comparison to Harrison and Novi. This would not be true for Redford, which started below the Township.

A 4.67% average increase meets the internal and external comparable criteria of Article 9. The Township has the ability to pay it, and when coupled with an improved benefit on worker's compensation, it provides an appropriate wage increase that meets the requirements of an overall package in the vicinity of 15% over three years.

Finally, since increases in excess of 4% are being provided to the Township non-union employees, it is also appropriate to grant these increases to the firefighters. Otherwise, morale will suffer, which could be detrimental to the interests of the public.

SUMMARY

The Union's wage offer for each of the three years along with retroactivity should be awarded.

ISSUE II - (UNION)

RETIREMENT AGE, YEARS OF SERVICE, PAID HEALTH INSURANCE

The Union proposes in this issue to extend health care and dental benefits to retirees age 55 with twenty-five years of service; currently, retiree health care benefits begin at age 62. The Township opposes any change in the current level of benefits.

The Union asserts that its comparables permit health care benefits prior to the retirement date in the current collective bargaining agreement. The Employer maintains that other Township employees do not enjoy the benefits sought by the Union, and that this is also true of the Employer's comparables.

Family health care premiums for 1990 represented 4.46% of salary. As a result, the payment of premiums for an additional seven years for firefighters could represent a significant expenditure for the Township. This award will provide real dollar retirement increases for the bargaining unit. To increase these improvements further by adding health care payments would unjustifiably increase the total package in excess of the approximately 15% over three years.

This record does not justify requiring the Township to make a speculative investment in health care: one cannot predict what the future will look like in terms of health care coverage. When the overall package for the bargaining unit is considered, the history of prior agreements involving these parties which have not included early retirement health care coverage, and the health care coverage afforded other members of the Township, the Employer's offer best meets the statutory criteria.

The panel can also take notice that health care reform is currently an issue that will soon be addressed by the Clinton administration. No one knows what the cost to the Employer will be under the revised system, if indeed a revision occurs. The parties will soon be in negotiation for a new contract, at which time the cost of health care coverage should be better known. It would seem that the issue of providing additional health care coverage is more appropriately addressed at that time when the health care reforms have been brought before Congress.

The bottom line is that an award to the Union is too open ended, absent a reasonable guess concerning what health care coverage will cost in the foreseeable future.

SUMMARY

The Employer's last best offer on retirement age, years of service, and paid health insurance should be awarded.

ISSUE III - (UNION)

RETIREMENT PENSION CONTRIBUTION

The Union seeks to increase Employer contribution to its defined contribution plan to 11% in the second year of the contract and 12% in the third year of the contract. The current

contribution rate is 10% and the Township requests that it be continued.

The Employer maintains that the current rate of 10% is the most generous of the comparables; also, it notes that other Town-ship employees have a 10% contribution rate.

The Union argues that it is falling behind comparable communities that enjoy a defined benefit plan as opposed to the Union's defined contribution arrangement. It is further noted that Plymouth recently increased its contribution rate to 15%.

Among the comparables that use a defined contribution retirement plan, Brandon Township pays 8% and Groveland, Independence and White Lake Township all pay 10%. The other employees in Commerce also receive 10%.

The only comparable that helps the Union is Plymouth, but it is alone among a number of communities with a 10% contribution rate or less.

Harrison Township, Novi and Redford have defined benefit plans where the contribution by the Employer is determined each year by an actuary; however, there is nothing on the record to suggest that these defined benefit communities have been paying more than

10% per year. Further, Harrison Township has a mandatory 5% employee contribution that doesn't exist for Commerce Township firefighters.

Article 9 does not permit the panel to award an additional 2% in benefits in the absence of sufficient support from the comparables. Most importantly, an additional 2% in the overall pack-

age would push Commerce well in excess of 15% over three years. There isn't support for such a large increase on the record before the panel.

SUMMARY

The Township's last best offer on retirement pension contribution should be awarded.

ISSUE IV - (UNION)

ELIMINATION OF WAITING PERIOD FOR PRE-AGE 55 RETIREE BENEFITS

The Union seeks to eliminate a two year delay in the availability of pension money for pre-55 retirees; the Township is argued to have failed to offer a legitimate reason for withholding these monies. The Employer maintains that it is properly offering an incentive to keep employees from retiring early.

There isn't any internal or external comparable support for the Employer's position. In particular, with its defined contribution plan the Employer doesn't face any actuarial factors: the money in the pension account belongs to the firefighters.

It is understandable that the Township desires to hold on to highly trained and experienced firefighters, but insofar as the pension monies belong to the fighters, there is no support under Article 9 to force a two year waiting period.

SUMMARY

The Union's last best offer on the two year waiting period for pre-55 retirees should be awarded.

ISSUE V - (UNION)

RIGHT TO BORROW AGAINST RETIREMENT ACCOUNT

The Union seeks in this issue the ability to borrow against its retirement account in the same manner as non-union Township employees. It is argued by the Union that insofar as the non-unionized Township employees enjoy this benefit, and it is a no cost item to the Township, it should be awarded by the Act 312 panel.

The Township argues that the firefighters have failed to comply with certain IRS requirements concerning eligibility for borrowing, and that awarding the Union's offer would require an illegal and improper act by the panel.

Whether the borrowing plan can be implemented is an issue for the IRS, the Township and the firefighters. The issue before the panel is whether the borrowing plan should be a part of the contract between the parties.

There isn't any justification under Act 312 for denying borrowing, when the non-unionized employees enjoy this benefit, and there isn't any cost to the Township. If the IRS prohibits borrowing, that is a separate issue, but it is one that need not be addressed here. The award for the Union in this proceeding will only put the right to borrow in the agreement: implementation is a separate issue.

SUMMARY

The Union's offer on borrowing from the retirement account should be awarded.

ISSUE VI - (UNION)

PAYOUT OF ACCUMULATED SICK LEAVE AT TERMINATION

The Union requests the opportunity to have its accumulated sick leave paid out at retirement. Insofar as firefighters can accumulate twenty-four sick days, this could mean that a firefighter would receive payment for twenty-four days upon retirement. The bargaining unit points out that its comparables provide some type of benefit in regard to the payout of sick days upon retirement.

A firefighter could receive payment for five hundred seventysix hours at retirement under the Union's proposal. If even one
firefighter retired during this contract, a full sick day payout
could drive the cost of the total package well in excess of 15%.
The total wages awarded in this proceeding placed the firefighters
at 14.7% and with another benefit to be discussed later, they are
already at the 15% number. Consequently, an award of the twentyfour sick days at retirement cannot be justified based upon the
total package awarded in this proceeding.

SUMMARY

The Township's last best offer on the payment of accumulated sick leave should be awarded.

ISSUE VII - (UNION)

SICK LEAVE - NON-DUTY RELATED DISABILITY

The Union seeks to be allowed to use sick leave hours in addition to disability insurance for a non-duty related injury.

It notes that a member of the bargaining unit experienced a nonduty related disability leave, but yet was unable to use his own sick days.

The Township argues that bargaining unit members receive a generous insurance policy that provides benefits that are at least equal to those provided to other Township employees and the Union comparables. The insurance policy is also seen as being superior to anything offered by the Township's comparables.

A review of the internal and external comparables reveals that there is insufficient support on the record for the Union's proposal. In addition, this is potentially a costly item for the Township, and when the overall package in this award is considered, the record fails to justify the Union's proposal.

SUMMARY

The Township's offer on the use of sick leave time in nonduty related injuries should be awarded.

ISSUE VIII - (UNION)

SICK LEAVE - DUTY-RELATED SUPPLEMENTAL DISABILITY BENEFITS

In this offer the Union seeks to have the difference between worker's compensation and the firefighters regular wage supplemented by the Township for a period of up to one year for a duty-related injury. Currently, a firefighter would receive only worker's compensation for a duty-related mishap.

The majority of the potentially comparable communities offer some form of additional protection for firefighters over and above

worker's compensation. On this issue, external comparables are more important than internal ones: with no disrespect intended, an employee fighting a fire is more likely to suffer a heart attack than an employee typing a report. The potential for serious injury is part of the firefighters occupation, whereas that is less true for other Township jobs.

The interest and welfare of the public is also involved. Commerce Township is not a rural community where only the most basic fire services are expected and can be paid for; this community should want firefighters aggressively fighting fires and rescuing citizens, with the assurance that they are protected if they are injured on the job. Therefore, the Union's last best offer on the supplement to worker's compensation should be awarded.

One final point. The awarding of this benefit can be seen as placing the overall package at 15% for three years.

SUMMARY

The Union's last best offer on supplement to worker's compensation should be awarded.

ISSUE IX

EDUCATIONAL POLICY

The Union proposes that all approved voluntary training be counted as hours worked for purposes of the Fair Labor Standards Act. This means that if a firefighter takes approved voluntary training during his off hours, he would be paid at premium rates.

The Union strongly argues that this is appropriate insofar

as the Township's offer will grossly undercompensate Union members for training which benefits the Department. Further, the Union takes issue with the concept provided in the Employer's proposal, which would grant the chief non-grievable authority to establish training. This would, according to the Union, enable the Department to favor on-call firefighters at the expense of regular firefighters, a situation which the Union feels has already occurred.

The Township strongly argues that not one of the comparable communities includes voluntary training as time for the purposes of the Fair Labor Standard Act. Further, it asserts that three out of the four Union comparables do not provide for voluntary courses to be considered under the FLSA.

Neither of the proposals has particular appeal: the Town-ship's elimination of the chief's selection process from the griev-ance procedure runs counter to the clear intent of the collective bargaining agreement, which is to allow the bargaining unit to grieve decisions that it regards as being unfair or arbitrary and capricious.

On the other hand, the Union's proposal is against the weight of the precedent from the various comparables, which for the most part do not provide premium pay for voluntary training.

The interest of the public would seem to be that firefighters be trained to the greatest extent possible: I am certain that Township residents would prefer to have an advanced EMT arrive at the scene of a heart attack as opposed to a firefighter who has only the basic training. The problem is how to pay for this training.

It would seem that a proper resolution has escaped the parties in their respective offers, and that this is the type of issue that one would expect to be revisited in future collective bargaining.

For the present, the Township's offer is best supported by the comparables and must therefore be awarded. In addition, a significant increase in wages through the payment of premium pay for voluntary training is not justified by the overall award in this proceeding.

SUMMARY

The Township's last best offer on educational policy should be awarded.

ISSUE X - (UNION)

POSTING OF DEPARTMENT JOBS, TRAINING OR SPECIAL POSITIONS

The Union asks in this offer to require the Department to post jobs, training and special positions at all stations for at least two weeks; the Union is upset that positions were filled in the past by on-call firefighters without an opportunity for the full-time firefighters to apply. The Township argues that postings were lost when they were posted at all the stations, and that the current practice of posting at the Station No. 3 bulletin board is the most appropriate.

It is reasonable for the bargaining unit to want notice of various training, promotional and special positions. It is also

reasonable for firefighters to have notice at their own stations, in addition to the main bulletin board. The Township's concern about lost notices is met by the backup location on the bulletin board at the main station. Consequently, a reasonable outcome of collective bargaining would be that the Union would receive notice as requested in its final offer.

SUMMARY

The Union's last best offer on posting should be awarded.

ISSUE XI - (UNION)

SELECTION OF EMPLOYEES FOR JOBS, TRAINING OR SPECIAL POSITIONS

The Union wants the senior, qualified applicant selected for all jobs, training and special positions. It is concerned that the Department has gone outside for positions when there are qualified bargaining unit members available.

The Department states that it wants the flexibility to select the most qualified applicant for a position.

A review of the various comparable communities reveals that the vast majority do not require the Employer to select the senior, qualified applicant. Most allow for the employer to have discretion in the selection of the most qualified employee.

If the Commerce Township Department were to make an arbitrary, capricious or unreasonable selection, even under the current contract language, the Union could contest that selection through the grievance process, except for the situation now created by the new educational policy.

Insofar as the vast majority of the comparables support the Employer's position, the Employer's last best offer should be awarded.

SUMMARY

The Employer's last best offer on selection criteria should be awarded.

ISSUE XII - (TOWNSHIP)

PROBATIONARY PERIOD

In this offer the Employer seeks to require a three year probationary period for new hires: the current practice is to provide for a one year probationary period. The Department maintains that with vacation, holidays and weekends there is not enough time to review a new firefighter.

A review of the comparable communities reveals that a three year probationary period would be unprecedented. There isn't any showing on this record why a review would be more difficult in Commerce Township than in other communities, and an extended probation could unreasonably deprive a firefighter of union membership and protection.

SUMMARY

The Union's last best offer on the probationary period should be awarded.

ISSUE XIII - (TOWNSHIP)

USE OF SUBSTITUTES

The Township asks to make substitutes for firefighters in any manner that it deems appropriate. The purpose of this offer is said to prevent the situation where a firefighter may be call-

ed upon to work more than twenty-four consecutive hours. The Township further says that it is not planning to use this provision to save money by avoiding the use of the seventh (swing) person in the Department. The Union asserts that the Department has failed to show a compelling reason for having a "blank check" to use substitutes.

While the chief is certainly in good faith, a new chief and a new Township board could read the Township's language and delete the use of the seventh person in the Department in favor of paid on-call firefighters. Further, an unanticipated fiscal emergency could allow the potential layoff of the seventh firefighter in favor of the use of on-call firefighters as substitutes.

The proposed Township language is too broad: it is not limited to the situation of a firefighter working more than twenty-four consecutive hours, and the wide reach of the language could lead to insecurity among bargaining unit members.

The interest and welfare of the public is not served by firefighters being unnecessarily concerned about layoffs or loss of compensation. Further, the comparables fail to support the Employer's language.

SUMMARY

The Union's last best offer on substitutes should be awarded.

ISSUE I WAGES

The Union's last best offer on wage scale for each of the three years is awarded with retroactivity.

Mark J. Glazer, Impartial Chairman	Dated: \	June 2	1993
Robert McGee, Employer Designee Concur: Dissent:	Dated:	JUNE 9	1993
Stephen Lyons, Union Designee Concur: Dissent:	Dated:	·	1993
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AWARD			
ISSUE II RETIREMENT AGE, YEARS PAID HEALTH INS		CE,	
The Township's last best offer i	s awarded.	•	
Mark J. Glazer, Impartial Chairman	Dated:	June 2,	1993
Robert McGee, Employer Designee Concur: Dissent:	Dated:	JUNE 9	1993
Stephen Lyons, Union Designee Concur: Dissent:	Dated:		1993

ISSUE III RETIREMENT PENSION CONTRIBUTION

The Township's last best offer is awarded.

Mark J. Glazer, Impartial Chairman	Dated: <u>Tune</u> â, 1993
Robert McGee, Employer Designee Concur:	Dated: JUNE 9 , 1993
Stephen Lyons, Union Designee Concur: Dissent:	Dated:, 1993
AWARD ISSUE IV ELIMINATION OF WAIT! FOR PRE-AGE 55 RETIRE The Union's last best offer is av	EE BENEFITS_
MATS. Mark J. Glazer, Impartial Chairman	Dated: Vune 2, 1993
Robert McGee, Employer Designee Concur: Dissent:	Dated: <u>June</u> 9, 1993
Stephen Lyons, Union Designee Concur: Dissent:	Dated:, 1993

RIGHT TO BORROW AGAINST RETIREMENT ACCOUNT

The Union's last best offer is awarded.

T.	ark J. Glazer, Impartial Chairman Obert McGee, Employer Designee oncur: Dissent:		June 2, 1993
S C	tephen Lyons, Union Designee oncur: Dissent:	Dated:	, 1993
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	ISSUE VI PAYOUT OF ACCUMULATED SICK	LEAVE AT TI	ERMINATION
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	PAYOUT OF ACCUMULATED SICK	is awarded	
	PAYOUT OF ACCUMULATED SICK The Township's last best offer MATHRA	is awarded. Dated:	•

ISSUE VII SICK LEAVE - NON-DUTY RELATED DISABILITY

The Township's last best offer is awarded.

Mark J. Glazer, Impartial Chairman	Dated: Tunk a, 1993	
Robert McGee, Employer Designee Concur:	Dated: June 9, 1993	
Stephen Lyons, Union Designee Concur: Dissent:	Dated:, 1993	ı
AWARD		
ISSUE VIII SICK LEAVE - DUTY-RELATED SUPPLEMENTAL DISABILITY BENEFITS		
The Union's last best offer is aw	arded.	
MAT GAMENT MARK J. Glazer, Impartial Chairman	Dated: <u>Vune</u> d , 1993	3
Robert McGee, Employer Designee Concur: Dissent:	Dated: JUNE 9, 1999	3
Stephen Lyons, Union Designee Concur: Dissent:	Dated:, 199	3

ISSUE IX EDUCATIONAL POLICY

The Township's last best offer is awarded.

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	MATHY Dated: Vune a, 1993 Mark J. Glazer, Impartial Chairman
	Robert McGee, Employer Designee Concur: Dissent:
	Stephen Lyons, Union Designee Concur: Dissent:
The state of the s	AWARD ISSUE X POSTING OF DEPARTMENT JOBS,
	TRAINING OR SPECIAL POSITIONS
	The Union's last best offer is awarded.
	Mark J. Glazer, Impartial Chairman Dated: June 2, 1993
	Robert McGee, Employer Designee Concur: Dissent:
	Dated:, 1993 Stephen Lyons, Union Designee Concur: Dissent:

SELECTION OF EMPLOYEES FOR JOBS, TRAINING OR SPECIAL POSITIONS

The Township's last best offer is awarded.

Mark J. Glazer, Impartial Chairman	Dated: Vune 2, 1993
Robert McGee, Employer Designee Concur:	Dated: JUNE 9, 1993
Stephen Lyons, Union Designee Concur: Dissent:	Dated:, 1993
AWARD ISSUE XII PROBATIONARY P	
The Union's last best offer in offer is awarded.	opposition to the Township's
Mark J. Glazer, Impartial Chairman	Dated: Viene 2, 1993
Robert McGee, Employer Designee Concur: Dissent:	Dated: <u>DUNE</u> 9, 1993
Stephen Lyons, Union Designee Concur: Dissent:	Dated:, 1993

USE OF SUBSTITUTES

The Union's last best offer in opposition to the Township's offer is awarded.

Mark J. Glazer, Impartial Chairman	Dated: Vone 2, 1993
Robert McGee, Employer Designee Concur: Dissent: XXX	Dated: JUNE 9 , 1993
Stephen Lyons, Union Designee Concur: Dissent:	Dated:, 1993

ISSUE I WAGES

The Union's last best offer on wage scale for each of the three years is awarded with retroactivity.

Mark J. Glazer, Impartial Chairman	Dated: Jane 2, 1993
Robert McGee, Employer Designee	Dated:, 1993
Stephen Lyons, Union Designee Concur:	Dated: <u>June 4</u> , 1993

AWARD

ISSUE II RETIREMENT AGE, YEARS OF SERVICE, PAID HEALTH INSURANCE

The Township's last best offer is awarded.

Mark J. Glazer, Impartial Chairman	Dated: June 2, 1993
Robert McGee, Employer Designee	Dated:, 1993
Stephen Lyons, Union Designee Concur: Dissent:	Dated: <u>Lune 4</u> , 1993

RETIREMENT PENSION CONTRIBUTION

The Township's last best offer is awarded.

T. J. J. A.

Mark J. Glazer, Impartial Chairman	Dated: Vue 2, 1993
Robert McGee, Employer Designee Concur: Dissent:	Dated:, 1993
	Dated: <u>June 4</u> , 1993
AWARD	
ISSUE IV ELIMINATION OF WAITI FOR PRE-AGE 55 RETIRE The Union's last best offer is aw	BENEFITS_
Mark J. Glazer, Impartial Chairman	Dated: Vine 2, 1993
Robert McGee, Employer Designee Concur: Dissent:	Dated:, 1993
Stephen Lyons, Union Designee Concur: Dissent:	Dated: <u>June 4</u> , 1993

ISSUE V RIGHT TO BORROW AGAINST RETIREMENT ACCOUNT

The Union's last best offer is awarded.

Mark J. Glazer, Impartial Chairman	Dated: <u>June</u> d, 1993
Robert McGee, Employer Designee Concur: Dissent:	Dated:, 1993
Stephen Lyons, Union Designee Concur:	Dated: <u>June 4</u> , 1993
AWARD	
ISSUE VI PAYOUT OF ACCUMULATED SICK LE	AVE AT TERMINATION
The Township's last best offer is	
Mark J. Glazer, Impartial Chairman	Dated: <u>June</u> 2, 1993
Robert McGee, Employer Designee	Dated:, 1993
Concur: Dissent:	

SICK LEAVE - NON-DUTY RELATED DISABILITY

The Township's last best offer is awarded.

Mark J. Glazer, Impartial Chairman	Dated: <u>Vane</u> 2, 1993
Robert McGee, Employer Designee	Dated:, 1993
Stephen Lyons, Union Designee Concur: Dissent:	Dated: June 4, 1993
AWARD	
ISSUE VIII SICK LEAVE - DUTY-ISUPPLEMENTAL DISABILIT	
The Union's last best offer is awa	arded.
Mark J. Glazer, Impartial Chairman	Dated: Vare 2, 1993
Robert McGee, Employer Designee Concur: Dissent:	Dated:, 1993

ISSUE IX EDUCATIONAL POLICY

The Township's last best offer is awarded.

Mark J. Glazer, Impartial Chairman Robert McGee, Employer Designee Concur: Dissent: Stephen Lyons, Union Designee	Dated: June 2, 1993 Dated:, 1993 Dated: June 4, 1993		
AWARD ISSUE X POSTING OF DEPARTMENT JOBS, TRAINING OR SPECIAL POSITIONS The Union's last best offer is awarded.			
Mark J. Glazer, Impartial Chairman	Dated: Tane 2, 1993		
Robert McGee, Employer Designee Concur: Dissent:	Dated:, 1993		
Stephen Lyons, Union Designee Concur: Dissent:	Dated: <u>June 4</u> , 1993		

ISSUE XI SELECTION OF EMPLOYEES FOR JOBS, TRAINING OR SPECIAL POSITIONS

The Township's last best offer is awarded.

Mark J. Glazer, Impartial Chairman	Dated:	June 2.	1993
Robert McGee, Employer Designee Concur: Dissent:	Dated:		1993
Stephen Lyons, Union Designee Concur: Dissent:	Dated:	dune 4.	1993
AWARD			
ISSUE XII			
PROBATIONARY PER	RIOD		
The Union's last best offer in op	positio	n to the Town	nship'
offer is awarded.			
Mark J. Glazer, Impartial Chairman	Dated:	Jane 2.	1993
Robert McGee, Employer Designee Concur: Dissent:	Dated:		1993
Stephan K. Jone Stephen Lyons, Union Designee Concur: Dissent:	Dated:	June 4.	1993

USE OF SUBSTITUTES

The Union's last best offer in opposition to the Township's offer is awarded.

Mark J. Glazer, Impartial Chairman	Dated: <u>Jul d</u> , 1993
Robert McGee, Employer Designee Concur: Dissent:	Dated:, 1993
Stephan R. Ayora Stephen Lyons, Union Designee Concur: Dissent:	Dated: June 4, 1993

STATE OF MICHIGAN DEPARTMENT OF LABOR EMPLOYMENT RELATIONS COMMISSION

CHARTER TOWNSHIP OF COMMERCE

-and-

MERC Case No. D91 A-0110

COMMERCE TOWNSHIP FIRE FIGHTERS ASSOCIATION, LOCAL 2154, IAFF

UNION'S LAST BEST OFFERS

The Union respectfully submits its Last Best Offers in this matter. Copies of the Union's proposals on the following subjects are attached:

- 1. Wages
- 2. Retirement
- 3. Sick Leave Payout
- 4. <u>Sick Leave Use</u>
- 5. Educational Policy
- 6. Jobs, Training or Special Positions

Retroactivity is sought only for the wage proposal.

Pursuant to the stipulation of the parties, the duration of the contract should be three years: April 1, 1991 through March 31. 1994.

The Union expressly rejects the Township's proposals, except to the extent that portions of the Township's Education proposal are incorporated into the Union's proposal on that subject. Finally, except as modified by Union proposals and the stipulated agreement for a three year term, all provisions of the 1989-1991 collective bargaining agreement should continue.

Respectfully submitted,

GREGORY, MOORE, JEAKLE, HEINEN,

ELLISON & BROOKS

JANUARY 25, 1993

JAMES M. MOORE

Attorneys for the Union 3727 Cadillac Tower

Detroit, MI 48226 (313) 964-5600

LAST BEST OFFER

WAGE SCALE

Change Article VI, Schedule A:

- a) Effective April 1, 1991 Five percent (5%)
- b) Effective April 1, 1992 Four and one-half percent (4.5%)
- c) <u>Effective April 1, 1993 Four and one-half percent</u> (4.5%)

The wage increase awarded shall be retroactive to the beginning of the contract term (April 1, 1991). Retroactive wage increases shall be applied to all retirement contributions, longevity payments and holidays made under this contract.

Any amounts awarded retroactively shall be paid within thirty (30) days of the issuance of the Act 312 Award and, further, shall be remitted separately from other sums due and owing under the Agreement.

LAST BEST OFFER

Schedule A

SALARY SCHEDULE

For Fire Fighters hired before January 1, 1989

<u>Seniority</u>	4-1-91	4-1-92	4-1-93
0-6 Months	27,813.45	29,065.05	30,372.98
6-12 Months	30,477.30	31,848.77	33,281.96
12-24 Months	32,330.55	33,785.42	35,305.76
24 Months +	34,997.55	36,572.44	38,218.19

For Fire Fighters hired after January 1, 1989

<u>Seniority</u>	<u>4-1-91</u>	4-1-92	4-1-93
0-6 Months	25,330.20	26,470.05	27,661.20
6-12 Months	27,747.30	28,995.92	30,300.73
12-24 Months	30,164.40	31,521.79	32,940.27
24-36 Months	32,581.50	34,047.66	35,579.80
36 Months +	34,997.55	36,572.44	38,218.19

Longevity

- A. An employee completing five (5) full years through the ninth (9th) year with Commerce Township shall receive two percent (2%) of base rate of pay.
- B. An employee completing ten (10) full years through the fourteenth (14) year with Commerce Township shall receive four percent (4%) of base rate of pay.
- C. An employee completing fifteen (15) full years through the nineteenth (19) year with Commerce Township shall receive six percent (6%) of base rate of pay.
- D. An employee completing twenty (20) full years, and each year thereafter with Commerce Township, shall receive eight percent (8%) of base rate of pay.

E. Payment of Longevity: Longevity pay shall be due to the employee on the employee's anniversary date and shall be paid on the regular payday which falls on or immediately following the employee's anniversary date each year.

Hired after January 1, 1989

Longevity	4-1-91	4-1-92	4-1-93
	34,997.55	36,572.44	38,218.19
2%	699.95	731.45	764.36
4%	1,399.90	1,462.90	1,528.72
6%	2,099.85	2,194.34	2,293.09
8%	2,799.80	2,925.79	3,057.45

LAST BEST OFFER

RETIREMENT AGE, YEARS OF SERVICE, PAID HEALTH INSURANCE

Replace Article XI, Section C, p. 15 with:

The Board will provide retirees who leave the Fire Department after having attained the age of fifty-five (55) (and with twenty-five (25) years of service), and their spouses and IRS eligible dependents, with health insurance, including Delta Dental Insurance, the same as that provided full-time employees. The Board shall also pay for the MV-65 rider for the retiree and his/her spouse.

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The Township's obligation to pay for the insurance coverages in this Section above shall be subject to the following limitation. Any premium increases that take effect following the effective date of the retiree coverage shall be shared equally between the retiree and the Township.

LAST BEST OFFER

RETIREMENT PENSION CONTRIBUTION

Add to Article XI, Section B, p. 15:

Effective April 1, 1992, the Board's contribution shall be eleven percent (11%).

Effective April 1, 1993, the Board's contribution shall be twelve percent (12%).

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LAST BEST OFFER

ELIMINATION OF WAITING PERIOD FOR PRE-AGE 55 RETIREE BENEFITS

Add to Article XI, p. 15:

E. The present practice of withholding payment of retirement benefits for up to two (2) years from employees who terminate employment prior to age 55 shall be eliminated. Such benefits shall be paid immediately upon termination of employment.

18 4 Commence of the 18 commence

LAST BEST OFFER

RIGHT TO BORROW AGAINST RETIREMENT ACCOUNT

Add to Article XI, p. 15:

F. Bargaining unit members shall be permitted to borrow against their retirement accounts in the same manner as is currently enjoyed by non-union employees.

LAST BEST OFFER

PAYOUT OF ACCUMULATED SICK LEAVE AT TERMINATION

Add to Article XIII:

G. Upon termination of employment, a fire fighter shall be paid in full for all unused accumulated sick leave, up to a maximum of twenty-four (24) days. Payment shall be made at the rate the employee was earning on the date of the termination.

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LAST BEST OFFER

SICK LEAVE, NON-DUTY RELATED DISABILITY

Add to Article VIII, Section A:

A member off as a result of a non-duty related injury or illness may use sick leave hours to supplement disability insurance payments in order to receive an amount equal to his/her normal base salary.

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LAST BEST OFFER

SICK LEAVE, DUTY RELATED SUPPLEMENTAL DISABILITY BENEFITS

Add to Article VIII, Section A:

In the event any member of the Fire Department is injured or becomes ill in the performance of his/her duty, whether during regular working hours or otherwise, he/she shall receive the difference between his/her base pay and any workers' compensation benefits received by him/her for the duration of his/her disability not to exceed one (1) year. The employee shall continue to accrue seniority while on disability, and no sick time will be lost or deducted.

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LAST BEST OFFER

EDUCATIONAL POLICY

Add new Article:

The Township and the Union agree that it is in the public interest for the fire fighters to maintain and improve their professional qualifications. To promote this objective:

- 1) All full time fire fighters shall maintain the following education levels:
 - a) National Fire Fighter Protective Association 1001 Certification
 - b) A current and valid advanced first-aid card
 - c) A current and valid C.P.R. card
- 2) The Fire Chief has authority to approve of requests for fire fighters to attend educational training within the following confines:
 - a) All requests must be within the budgeted amount available from the Township Board.
 - b) All requests must be directly related to fire fighting/medical fields existing within the department as of this date:
 - (1) College courses related to fire fighting
 - (2) National Fire Academy Courses
 - (3) M.F.F.T.C. Sponsored Courses
 - (4) Classes related to the E.M.S. field
- 3) Unit members who attend training approved by the Fire Chief shall be reimbursed for tuition and expenses.
- 4) If expenses are approved, reimbursement is contingent upon successful completion of the program and if grades are given the minimum acceptance is a grade C.
- 5) Hours spent in approved training shall be considered hours worked for the purposes of the Fair Labor Standards Act.

LAST BEST OFFER

POSTING DEPARTMENT JOBS, TRAINING OR SPECIAL POSITIONS

Add to Article XVII:

All Department jobs, training, or special positions shall be posted in all stations for at least two (2) weeks.

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LAST BEST OFFER

SELECTION OF EMPLOYEES FOR JOBS, TRAINING OR SPECIAL POSITIONS

Add to Article XVII:

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Unit members who apply for jobs training or special positions shall, if qualified, be selected, by seniority, most senior first. The Department may establish reasonable qualifications for jobs, training or special positions.

STATE OF MICHIGAN DEPARTMENT OF LABOR EMPLOYMENT RELATIONS COMMISSION

CHARTER TOWNSHIP OF COMMERCE

-and-

ACT 312 MERC Case No. D91 A-0110

IAFF, Local 2154

BEFORE: Arbitrator Mark. J. Glazer, Esq.

CHARTER TOWNSHIP OF COMMERCE'S FINAL OFFERS OF SETTLEMENT

KELLER, THOMA, SCHWARZE, SCHWARZE, DuBAY & KATZ, P.C. BY: DENNIS B. DuBAY Attorney for Charter Township of Commerce 440 East Congress, 5th Floor Detroit, Michigan 48226 (313) 965-7610

STATE OF MICHIGAN DEPARTMENT OF LABOR EMPLOYMENT RELATIONS COMMISSION

CHARTER TOWNSHIP OF COMMERCE

-and-

ACT 312 MERC Case No. D91 A-0110

IAFF, Local 2154

BEFORE: Arbitrator Mark. J. Glazer, Esq.

CHARTER TOWNSHIP OF COMMERCE'S FINAL OFFERS OF SETTLEMENT

A. Union Issues

1. <u>Union Issue</u> - Article VI Compensation and Schedule "A" - Economic.

Township Last Offer of Settlement - Revise Article VI Compensation and Schedule "A" to provide as follows:

Salary schedule for fire fighters hired before January 1, 1989

April 1, 1991 April 1, 1992 April 1, 1993

0-6 months 4% 4%

6-12 months all steps all steps all steps

12-24 months 24 months plus

Salary schedule for fire fighters hired after January 1, 1989

Fire fighters

April 1, 1991 April 1, 1992 April 1, 1993

0-6 months 4% 4%

6-12 months all steps all steps all steps

12-24 months

24-36 months

36-48 months

[The balance of Schedule A to remain unchanged]

Effective Dates: As set forth above.

2. <u>Union Issues</u> - Article XI - Retirement, Section C Retirement, Sub-section 1-A - (Union Ex. 47) - Economic.

<u>Township Last Offer of Settlement:</u> Retain current contract language and add no additional contractual provisions in this issues.

Effective Date: April 1, 1991.

3. <u>Union Issue</u> - Article XI - Retirement, Section B - (Union Ex. 48) - Economic.

Township Last Offer of Settlement: Retain current contract language and add no additional contractual provisions on this issue.

Effective Date: April 1, 1991.

4. <u>Union Issue</u> - Article XI - Retirement, proposed new section E with respect to the two-year waiting period (Union Ex. 52) - Economic.

Township Last Offer of Settlement: Retain current contract language and add no additional contractual provisions on this issue.

Effective Date: April 1, 1991.

5. <u>Union Issue</u> - Article XI - Retirement, proposed new section F with respect to borrowing from retirement account (Union Ex. 53) - Economic.

Township Last Offer of Settlement: Retain current contract language and add no additional contractual provisions on this issue.

Effective Date: April 1, 1991.

6. <u>Union Issue</u> - Article XIII - Miscellaneous, proposed new section G with respect to "termination of employment payout" (Union Ex. 54) - Economic.

Township Last Offer of Settlement: Retain current contract language and add no additional contractual provisions on this issue.

Effective Date: April 1, 1991.

7. <u>Union Issue</u> - Article XIII - Miscellaneous, proposed new section H with respect to the payment for used sick leave (Union Ex. 55) - Economic.

Township Last Offer of Settlement: Retain current contract language and add no additional contractual provisions on this issue.

Effective Date: April 1, 1991.

8. <u>Union Issue</u> - Article VIII - Leaves, Section A. Sick Leave, proposed new Sub-section a with respect to the use of sick leave to supplement disability insurance (Union Ex. 56) - Economic.

Township Last Offer of Settlement: Retain current contract language and add no additional contractual provisions on this issue.

Effective Date: April 1, 1991.

9. <u>Union Issue</u> - Article VIII - Leaves, Section A. Sick Leave, proposed new provision with respect to the use of sick leave to supplement Workers Compensation (Union Ex. 57) - Economic.

Township Last Offer of Settlement: Retain current contract language and add no additional contractual provisions on this issue.

Effective Date: April 1, 1991.

10. <u>Union Issue</u> - Proposed new provision on Educational Policy (Union Ex. 58) - Economic.

Township Last Offer of Settlement: Do not add the Union's proposed contract language to the contract.

Effective Date: April 1, 1991.

11. <u>Union Issue</u> - Article XVII - Promotions, proposed posting provision (Union Ex. 61) - Economic.

Township Last Offer of Settlement: Retain current contract language and add no additional contractual provisions on this issue.

Effective Date: April 1, 1991.

12. <u>Union Issue</u> - Article XVII - Promotions, proposed selection procedure (Union Ex. 62) - Economic.

Township Last Offer of Settlement: Retain current contract language and add no additional contractual provisions on this issue.

Effective Date: April 1, 1991.

B. Township Issues

1. <u>Township Issue</u> - Article III - Rights and Responsibilities, Section 8 (Twp. Ex. 120) - Economic.

Township Last Offer of Settlement: Revise Article III - Rights and Responsibilities, Section 8 to provide as follows:

8. Employees hired new to the Fire Department shall serve a probationary period of three (3) years.

Effective Date: Date of the Arbitration Award.

2. <u>Township Issue</u> - Add a new Article to the contract with respect to substitutes (Twp. Ex. 123) - Economic.

<u>Township Last Offer of Settlement:</u> Add the following new Article to the Contract:

Article - Substitutes

Notwithstanding any other provision of the contract, the Board may fill-in or not for any Firefighter's absence in any manner it desires.

Effective Date: Date of the Arbitration Award.

3. <u>Township Issue</u> - Article XIII, Miscellaneous, proposed new section with respect to Education - (Twp. Ex. 129) - Economic.

Township Last Offer of Settlement:

Sect	ion	

- 1) All full time firefighters shall maintain the following education levels:
 - a) National Firefighter Protective Association 1001 Certification
 - b) A current and valid advanced First-aid card

- c) A current and valid C.P.R. card
- 2) The fire chief has complete discretion and non-grievable authority to approve of requests for fire fighters to attend educational training within the following confines:
 - 1. All requests must be within the budgeted amount available from the Township Board.
 - 2. All requests must be directly related to fire fighting/medical fields existing within the department as of this date:
 - a) College courses related to firefighting
 - b) National Fire Academy Courses
 - c) M.F.F.T.C. Sponsored Courses
 - d) Classes related to the E.M.S. field
- 3) Firefighters must complete the form requesting to attend an educational meeting at least (30) thirty days prior to the scheduled class or it will automatically be denied.
- 4) If expenses are approved, reimbursement is contingent upon successful completion of the program and if grades are given the minimum acceptance is a grade of C.
- 5) Whenever a firefighter renews the training for Basic Emergency Medical Technician (BEMT) the Board will pay them \$100.
- 6) Whenever a firefighter becomes a Certified Fire Inspector, the Board will pay \$100.

Respectfully Submitted,

KELLER, THOMA, SCHWARZE, SCHWARZE, DuBAY & KATZ, P.C.

Dennis B. DuBay (P12876)

Attorney for Charter Township of Commerce

440 E. Congress, 5th Floor Detroit, Michigan 48226

(313) 965-7610

Dated: January 25, 1993