

326

STATE OF MICHIGAN  
DEPARTMENT OF LABOR  
EMPLOYMENT RELATIONS COMMISSION

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In the Matter of:

CITY OF HARPER WOODS,

Employer,

MERC ACT 312

-and-

Case No.: D96 J-3043

HARPER WOODS FIREFIGHTERS  
ASSOCIATION, LOCAL 1188, IAFF,

Union.

GEORGE J. BRANNICK, ESQ., Chairperson  
JAMES LEIDLEIN, Employer Delegate  
ROBERT BALCHUNAS, Union Delegate

OPINION AND AWARD

George J. Brannick  
Arbitrator

Dated: May 20, 1998

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STATE OF MICHIGAN  
DEPARTMENT OF LABOR  
EMPLOYMENT RELATIONS COMMISSION

This is an Arbitration held pursuant to Act 312 of the Public Acts of the State of Michigan, 1969, as amended, MCL 423.231, et. seq., which is better known as the Police and Firemen's Compulsory Arbitration Act, (hereinafter Act 312).

The Parties to this proceeding are, The City of Harper Woods, the Employer, (hereinafter called the Employer) and the Harper Woods Firefighters Association, Local 1188, IAFF, (hereinafter called the Union).

The members of the Arbitration Panel are George J. Brannick, Impartial Chairman; James Leidlein, Employer Delegate; and Robert Balchunas, Union Delegate.

The parties have stipulated that the issues are properly before the Panel, and that all other issues have been resolved. Further, the parties stipulated that there were no jurisdictional or threshold issues for determination.

#### STANDARDS FOR DECISION

Section 9 of Act 312 provides:

" . . . the Arbitration Panel shall base its findings, opinions and order upon the following facts, 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 those costs.
- (d) Comparison of the wages, hours and conditions of employment of the employees involved in the arbitration 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 costs 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 proceedings.
- (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."  
(Emphasis added)

Section 8 of Act 312 requires the Arbitration Panel to identify the Economic issues in dispute at or before the conclusion of the Hearing, and I am satisfied that the parties' identification of Economic issues comports with that mandate. I acknowledge receipt of the parties' Last Best Offers with respect to all issues.

At the hearing held on May 1, 1998, the parties, through their

respective Attorneys, submitted to the Panel their Exhibits, Last Best Offers, and Final Proposals on Non-Economic Issues, together with their position statements with regard to all issues, leaving the decision on the unresolved Issues to the Panel.

Based upon the evidence submitted, the statements of Counsel, and the criteria set forth in the Statute cited above, the following resolution of all unresolved Issues is adopted by this Panel as its Opinion and Award.

1) Pension Multiplier: Add the following at the end of Paragraph 2 of Article X, Section 20:

"For employees retiring on or after 1/1/97, the multiplier shall be 2.75% for all years of service, up to a maximum of 80%."

Also, add the following at the end of Paragraph 1 of Article X, Section 20:

"Effective 1/1/99, the employee contribution rate shall be increased to seven and one quarter percent (7.25%) of gross wages."

2) Pension FAC: Add a new Paragraph 6 to Article X, Section 20 as follows:

"6. For employees retiring on or after 1/1/97, final average compensation is one-third of the greatest aggregate amount of compensation paid to a member or vested former member during any period of three (3) consecutive years of credited service during the member's or vested former member's last five years of credited service."

3) Pension FAC Roll-Ins: Add the following at the end of the paragraph of Article X, Section 20 that begins with "'Gross Wages' means . . .":

"Provided, however, that for employees retiring on or after 1/1/97, final average

compensation for pension purposes shall include lump sum pay-outs for unused vacation up to a maximum of twenty (20) 24-hour days for 24-hour employees, and a maximum of forty (40) 8-hour days for 40-hour employees."

4) Prescription co-pay to be increased to \$10.00 effective upon issuance of the Act 312 Award; Article X, Section 7(A) to be modified accordingly.

5) Wages: For all job classifications, wage increases to be as follows:

"\$1,750 lump sum bonus for each employee employed as of 1/1/97 to be paid upon issuance of the Act 312 award (not rolled into base pay, but is to be included in pension FAC)

3% increase effective 1/1/98 (to be paid within 30 days after issuance of the Award).

3% increase effective the first pay period in January of 1999."

Appendix A to be modified accordingly.

Also, modify Appendix A to provide for employees hired on or after 7/1/98 a wage step progression of 12 months, 24 months, 36 months, and full pay at 48 months.

6) Optical: Article X, Section 7(B) to be clarified by modifying it to read as follows:

"The City agrees to pay the full cost of the Coop Optical Plan 575 for the employee and his family."

7) Grievance Procedure: Step 1 of Article XII, Section 2 to be modified as follows:

"Step 1 - An employee, together with his union steward, may present a written grievance to the Fire Chief. The Fire Chief shall write his answer on the form, sign it and return it to the steward no later than the end of the third calendar day following the day on which the written grievance was presented to him."

Also, delete Step 4 of Article XII, Section 2 (City Council step), and re-number "Step 4" and therein change "Step Four (4)" to "Step Three (3)".

8) Union Business Time: Modify the last sentence of Article VIII, Section 4 to provide as follows, to be effective immediately upon issuance of the Act 312 Award:

"Leave time may be taken by the day or in four (4) hour increments."

9) Sick Leave Accrual: Add the following provision to both Article X, Section 21 and Article X, Section 28(E) to be effective immediately upon issuance of the Act 312 Award:

"An employee may use sick leave, upon approval of the Fire Chief or his designee, for absence due to exposure to contagious diseases which could be communicated to other employees. Employees may also utilize paid sick leave for illness in the employee's immediate family, which is limited to spouses, children, and parents. Proof of illness of the family member may be required for such absence."

10) Sick Leave Accrual: Add the following at the end of the first paragraph of Article X, Section 21:

"Employees hired on or after 7/1/98 shall accrue one-half day (i.e., 12 hours) of Paid Sick Time upon completion of each calendar month of service for the City."

11) Holidays: Modify Article X, Section 8 to change "May 30" to "the nationally observed date."

12) Health Insurance: In Article X, Section 7(A) delete "during 1992, and 1993".

13) Safety Committee: Delete Article XI, Section 10 (Safety Committee), but it is understood that this is without prejudice to the Union's statutory right to bargain under PERA.

14) Duration: Modify Article XIV to provide for a duration of January 1, 1997 through December 31, 1999.

15) Except as provided above, all other terms and provisions of the 1994-1996 collective bargaining agreement, including all attachments thereto, are to be carried forward into the new 1997-1999 collective bargaining agreement.

#### EPILOGUE


This Chairman would be remiss if he did not compliment all of the parties and, especially Counsel, for the excellent presentation of the evidence in this matter and the excellent preparation of Exhibits.

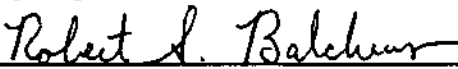
These Arbitrations are exceptionally difficult because the Panels are obligated not so much to decide, but rather to choose with respect to the issues. This has been made substantially easier in this case because of the highly professional and competent work of Counsel representing the parties.

#### CONCUR:

#### DISSENT:

  
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GEORGE J. BRANNICK  
Impartial Chairman

  
\_\_\_\_\_  
James E. Leidlein  
Employer Panel Delegate

  
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Robert Balchunas  
Union Panel Delegate

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