

STATE OF MICHIGAN
DEPARTMENT OF LABOR
EMPLOYMENT RELATIONS COMMISSION
ACT 312 (P.A. 1969) ARBITRATION

In the Matter of Statutory
Arbitration Between

SUMMIT TOWNSHIP
(Jackson County, Michigan)

-and-

LOCAL NO. 1639, I.A.F.F.
(Summit Township Firefighters)

12/3/75

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Summit Township of

The undersigned, Barry C. Brown, was appointed by the Michigan Employment Relations Commission to serve as chairman of a panel of arbitrators established under Act 312 of the Public Acts of 1969. Mr. Townsend Beaman was designated by the Township and Mr. Robert Metcalf was designated by the union as the other members of the panel empowered to resolve the collective bargaining impasse reached between Summit Township and the Summit Township Firefighters. Two organizational meetings were held by the panel on July 11, 1975 and August 29, 1975. Several matters were resolved and the remaining issues were clarified at these informal conferences. The formal hearing was held on October 1, 1975 at Jackson Community College. Time limits were extended as required to meet the restrictions of the Statute.

**LABOR AND INDUSTRIAL
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AUG 18 1976**

Brown, Barry C.

Appearing for the Township:

Townsend Beaman, Attorney and Trustee
John Worden, Fire Chief

Appearing for the Union:

Thomas J. Sullivan, Attorney
Timothy Boyd, President, Local 1639

BACKGROUND

For several years, Summit Township (the "Township") and its Firefighters represented by Local 1639, I.A.F.F. (the "union") have had a collective bargaining relationship. The last formal collective bargaining agreement between the parties was dated April 1, 1973 and expired on March 31, 1975. Negotiations for a new agreement began in January, 1975, and continued without success through February. On March 13, 1975 and thereafter, a state mediator worked with the parties in efforts to bring about a settlement. However, the parties were still at an impasse on March 30, 1975, when the union formally requested arbitration under Public Act 312. Negotiations continued without success through April and May. The appointment of the Act 312 arbitration panel in May stimulated new bargaining and the issues were narrowed and clarified.

At the formal hearing on October 1, 1975 the parties stipulated their agreement on several matters previously unsettled. These stipulations are presented briefly below:

Article VIII(a). The language of Mr. Sullivan's draft in Joint Exhibit 9 is adopted by the parties regarding physical examinations for Township Firefighters.

Article VIII(b). The parties agreed to a new management's rights clause in this article.

Article XIV. The parties agreed to the Township's proposed language and the increase in life insurance coverage to \$20,000.00.

The parties were unable to agree on the Articles and general matters summarized below. All other Articles have been resolved, many of them being continuation of the Articles of the prior agreement. A majority of the arbitration panel agreed that all of the Articles in dispute are economic issues.

Article VI. Hours of Employment

Section (1) Work week

(No other sections in dispute)

Article VII. Assignments, Work Details and Maintenance Work

Article VIII. Manpower Requirements

Section (c) Two men at each fire station.

(New Sections (a) and (b) regarding physical examinations and management's rights agreed to by stipulation of the parties.)

Article X. Section (1) Wages

Section (2) Cost of Living

The arbitration panel, in accordance with Section 8 of Act 312, makes the following findings of fact on these economic issues and issues its opinion and order, adopting the last best offer of settlement by one of the parties, which in its opinion more nearly complies with the applicable factors prescribed in Section 9 of Act 312 of the Public Acts of 1969 (as amended).

FINDINGS OF FACT, CONCLUSIONS AND ORDER

ARTICLE VI. Hours of Employment

The Township seeks to preserve the status quo, which is tied to Act 125, Public Acts of 1925 as amended, and continue a 56 hour workweek. The union seeks to shorten the workweek by the inclusion of another "Kelley day" or an additional 24 hour shift off every fifth shift with no reduction in pay. The union's last offer would effectively reduce the workweek to 50.4 hours.

The union brought out that the Township's original position in negotiations was to reduce both the hours worked and the annual pay of the Firefighters. The Township acknowledged it had initiated a proposed change in this article because of its desires to eliminate the dormitory living associated with the present work schedule and because of its concern over state and federal overtime pay requirements. It has since dropped those proposals for a shorter workweek and reasserts its last offer which is a con-

tinuation of the present hourly schedule for the Summit Township Firefighters.

The union argued that the efficiency and morale of the men would be increased by the shorter workweek. It was their estimate that the new hours would increase the department's force from the present level of 15 to a new level of 17. This presumes that one existing vacancy will be filled in any case. The Township answered that vacations, absences due to illness, and manning requirements at individual stations would require at least 3 new men if the additional Kelley day were added. They disputed the added efficiency to be gained by rest because most of the Firefighters have other employment and additional time off would probably not result in further relaxation for the men.

The Township pointed out that the adjacent Townships of Leoni and Blackmon employ the same 56 hour workweek for Firefighters as does Summit. They also established that the Firefighters are seeking to change the state legislation by lobbying efforts, and therefore, their proposed contractual change would not be necessary if the law was changed. The union showed that the City of Detroit, the City of Toledo and Ypsilanti Township in Washtenaw County have workweeks shorter than 50.4 hours. Also other Firefighters Locals in the state are seeking similar reduction in their work hours. They added that their lobbying efforts should have no bearing on their proposal to improve local working conditions in Summit Township.

The panel concludes that the negative financial and manning requirements upon the Township which would accrue from the Union's proposal outweighs the interests and needs of the Firefighters in this issue. A comparison of the conditions of employment in comparable communities on this issue supports the Township's last offer. Finally, the overall working conditions and compensation enjoyed by the employees under this agreement mitigates a reduction in the hours of the workweek of the Firefighters at this time.

Beaman:	concurs	<u>MB</u>	dissents	<u> </u>
Metcalf:	concurs	<u> </u>	dissents	<u>EM</u>

ARTICLE VII. Assignments, work details and maintenance work.

The Township proposed the following language for this Article:

Station duties, assignments, and fire department related work details and maintenance of equipment, stations and grounds including painting and flushing of hydrants, shall be as required by the Chief or Acting Chief of the department, with reasonable consideration to ability. (Underlined words have been added to prior agreement's language.)

The union's last offer was to accept the first additional words but to oppose the new language regarding fire hydrants.

In support of its proposal the Township cited its desire to achieve maximum utility from its Firefighters during their time on duty when there are no fires to be fought. They said the Township's 548 hydrants were largely concentrated in the northern, built-up areas of the Township. They are currently inspected and flushed in the spring and the fall by water department employees. The painting will be required as needed every four or five years. There are no Township employees now regularly assigned to painting hydrants. It would take one or two men approximately four weeks to inspect and flush all the hydrants in the Township. However future plans to add metaphosphates and flouride to the water system would require flushing of some key hydrants on a more frequent schedule.

The Firefighters will now occasionally shut off a hydrant to frustrate vandals at Halloween or when there is an auto accident and they will shovel out key hydrants in heavy snow but they have not regularly maintained them since 1965. The Township notes that there have been some problems in the past when hydrants were hidden by brush or inoperable when they were needed to fight fires. The program they propose would familiarize firefighters with all hydrant locations and would insure their being in good working order when needed. The Township showed that other fire departments have and do employ firefighters for hydrant work.

The union opposed the Township's proposal because it would tend to split two men crews and to increase the possibility that men would have to fight fires alone. They showed that although the number of families in the Township has grown by 25% in the last five years the number of firefighters has remained constant. Thus, they argued that the department is already understaffed and new duties will diminish their already lowered effectiveness. The firefighters challenge the Township's assertion that hydrant maintenance is a traditional firefighters' duty. They note that the Jackson firefighters only do so occasionally and that Leoni Township uses an off duty firefighter to do this work.

The Township summarized by stating that most hydrant work would be done by two men crews and that the truck radio and walkie-talkier radios or other paging devices would insure a prompt two man response to fire alarms.

The panel concludes that the Township's last offer is a reasonable one that meets the interests and welfare of the public. It increases the utility of Township employees without reducing their primary effectiveness. The panel adopts the language proposed by the Township.

Beaman:	concurs <u>MB</u>	dissents <u> </u>
Metcalf:	concurs <u> </u>	dissents <u>RM</u>

ARTICLE VIII(c) Manning

The Township's last offer was to delete this section and all station manning requirements. The union offered the following

language:

There shall be a minimum of two (2) men assigned at the main Fire Station and two (2) men assigned at all other Summit Township Fire Stations at all times except during emergency runs and road tests. (The underlined words replace "on duty" which appeared in the prior agreement.)

The union gave the history of this manning requirement observing that one fire station had been manned by only one firefighter prior to unionization but that the men were very concerned for their safety because only one man was at a fire scene when the danger was the greatest. They gave examples of major fires where the first, lone man on the scene had to handle heavy equipment or attempt rescues while alone. The arrival of others just four or five minutes later may not be sufficient to protect property or life. Thus, they will not agree with the Township's proposal because it would return them to their hazardous, pre-union working conditions.

The Township observed that one neighboring township, Blackmon, has one man fire stations. They also said they plan to build one or two new fire stations and they must reduce their manning requirements at these stations to keep the Township financially sound. They argued that personnel from another station or alerted off duty firefighters or volunteers would be able to respond promptly and therefore the risk that a firefighter would ever be alone at a fire would be remote. They concluded by observing that the

Township has effective mutual aid pacts with its neighbors which also insure a back-up of professional firefighters whenever a major fire must be fought.

The union replied by demonstrating the destructiveness of a house fire in just seven minutes. Also, they showed that the volunteers and off duty firefighters are often unavailable by either a paging device or by telephone. Finally, they showed that when one station crew is out on a run or backing up a neighboring community under its mutual aid agreement, a lone firefighter would be forced to go to a fire and either stand by until help came or risk his own safety.

The panel concludes that the union's proposal would allow greater utilization of firefighters because they need only be "assigned" to a fire station. This result ties in with the panel's order as to fire hydrants. However, the fact that two men would be available in each station to respond to all fires would provide the level of safety that the firefighters have established is necessary. This determination does not materially affect the Township financially and it is in keeping with the practices of most of the comparable communities shown in the record.

Beaman:	concurs	_____	dissents	<u>MB</u>
Metcalf:	concurs	<u>RM</u>	dissents	_____

ARTICLE X, Section (1) Wages.

The union proposes a 3% across the board wage increase for all firefighters on April 1, 1975 and April 1, 1976 in a two year contract. The employer's last offer was to continue present base annual salaries.

The union presented evidence that their Township was unique among those that surrounded the City of Jackson. They established that adjacent Leoni and Blackmon were not as densely populated nor as affluent as was Summit Township. They argued it was more appropriate to compare Summit Township with like-sized "bedroom" communities near to other metropolitan areas. In this regard, they presented evidence showing Meridian Township (near Lansing, Michigan) and the City of Mt. Clemens (near Detroit, Michigan) to be similar in community population and fire department staff size. They showed their wages to be considerably less than that of these communities (see attachment No. 1). They showed also they were paid almost \$4,500.00 less a year than were the firefighters in the adjacent City of Jackson. They argued that as their community of more than 23,000 persons covering an area of more than 30 miles was growing in population and complexity they should be given compensating increases in salary. The Township is acquiring more up to date equipment, intensifying its training programs and enlarging its responsibility for the protection of larger shopping centers, industries and schools (including Jackson Community College campus) and thus requiring more skills and experience from its firefighters. Thus the two 3% increases will be a fair increase to reflect these factors.

The Township showed that the neighboring Townships of Leoni and Blackmon were paying less annually to their firefighters and therefore Summit Township was well ahead of these comparable communities in its annual wages (see attachment No. 1)

The Township also disputed the comparisons to the City of Mount Clemens and the City of Jackson, asserting that the size, degree of urbanization and taxing powers of these communities made them substantially different from Summit Township. Also the Township pointed out that the members of the Summit unit had already received a 12.2% wage increase on January 1, 1975 and that that wage raise should be sufficient compensation until the next cost of living increase is due in January of 1976.

The panel determines that Summit Township is more urban and that its firefighting work more demanding than that of Leoni and Blackmon Townships. While the cities of Jackson and Mt. Clemens are not comparable for many reasons, the Township of Meridian in Ingham County is closely related to Summit Township in several respects. The 3% wage increase sought by the union will not bring Summit Township firefighters' wages in line with those in Meridian Township but the differences downward can be justified by the lesser taxing powers of Summit Township which is a mitigating factor. Thus, the panel adopts the union's last offer of a 3% across the board wage increase effective on April 1, 1975 and April 1, 1976, establishing a new base for cost of living increases in each of the two years of the agreement.

Beaman:	concurs _____	dissents <u>MB</u>
Metcalf:	concurs <u>AM</u>	dissents _____

ARTICLE X Section (2) Cost of Living increase

The union proposes a continuation of most of the present contractual cost-of-living language. That is, an unlimited cost-of-living adjustment would be calculated upon their base salary, payable over the year 1976 in monthly installments. However, their last offer did modify prior language by leaving the base salary unaffected by each cost of living increase granted over the life of the agreement.

The Township offered the following language:

The wages set forth in Section 1 shall be known as the base wages or salaries on which the cost of living adjustments shall be based for the term of this contract.

The cost of living index used shall be the National Cost of Living Index prepared by the National Bureau of Labor. The adjustment shall be for the period January 1 through December 31 of each year of the contract and shall not be more than 6% or less than 4%.

Thus, both parties had proposed a constant wage base for C.O.L. computations and they had agreed to the basic premises of continuing such a provision. The 6% cap on the C.O.L. clause in the Township proposal is the issue in dispute before the panel.

The Township argued that an unlimited cost of living clause could inflate the wage rates of Summit Township firefighters

well above those in comparable communities. The 12.2% raise secured by the firefighters in early 1975 was added to their base wage rates and it allowed a rapid "catch-up" for this unit. Some of the factors in the national index (for example food and transportation) were not applicable to the Summit Township firefighters who live close to their place of work and who receive a food and uniform allowance. The proposed minimum C.O.L. raise of 4% provides a guarantee in depressed times, while the cap of 6% provides some certainty in the annual personnel costs of the Township. The present total direct wages of the Summit Township Fire Department are approximately \$180,000.00. Thus, every 5% of wage increases adds more than \$9,000.00 to the overall Township budget. The total economic package granted to the firefighters affects other Township employees so it cannot be viewed entirely alone in its economic impact.

The Township also has entered into a similar 4%--6% cost of living contract with their police officers. The policemen had also been granted a 12% wage increase in their wages on April 1, 1975. While the hours and duties of the police officers differ in many ways from those of the firefighters, they are both Township safety officers and obviously their compensation patterns are comparable.

While it was established that the neighboring Townships of Leoni and Blackmon have no cost of living provisions in their

Firefighters Agreement, there was no substantial evidence submitted by either party about the prevalence of cost of living clauses generally for firefighters. Nor were arguments presented regarding a maximum cap on the percentage of increase allowed under such C.O.L. provisions. The union relied on the fact that they already had an unlimited C.O.L. provision. Thus, based upon the evidence available and upon the police agreement of the Township, the Township's proposal is deemed not unreasonable nor inconsistent with comparable agreements.

While the 12.2% C.O.L. raise effective on January 1, 1975 was folded into the salary base and paid to the firefighters during the year 1975, it was compensation for the inflationary effects on their salaries during the year 1974. In the same way the 1976 C.O.L. raise will reflect the inflationary effects on their 1975 salaries. While there is no way to predict accurately the final figure that the Bureau of Labor statistics will calculate for the year 1975, it seems certain that the figure will be in excess of 6%. However, for most of the last two decades the 4% to 6% range would fairly reflect the annual national cost of living increase. The 6% and 3% raises for 1975 coupled with the 12.2% raise already received in January, 1975 represents a substantial step forward for the Summit Township firefighters. To grant a larger increase could represent a greater financial burden than the Township should be required to bear in such a short period.

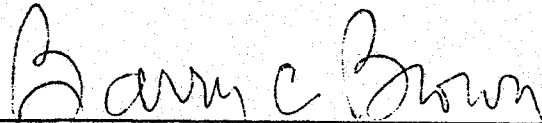
For whatever reasons they deem appropriate the Summit Township voters and their elected representatives have retained a form of government that has limited taxing powers and one that can support only modest public services. Although the average income and average value of homes in the Township demonstrates it is an affluent community, they have not become a charter township, village or city and thus they are currently at their millage limit. Thus, their proposal to place a cost of living cap on their contract with the firefighters has a sound fiscal basis. The percentage of revenue that Summit Township expends on fire safety is greater than most comparable communities (see attachment No. 2). Although this community surely must look to a new form of government in the near future, the present situation requires that they approach their personnel payroll with sound budgeting that can accurately forecast expenses over the life of this agreement.

For these reasons the arbitration panel adopts the Township's last offer and language for the cost of living provision.

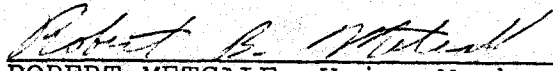
Beaman	concurs <u>MB</u>	dissents _____
Metcalf	concurs _____	dissents <u>RM</u>

SUMMARY OF AWARDS

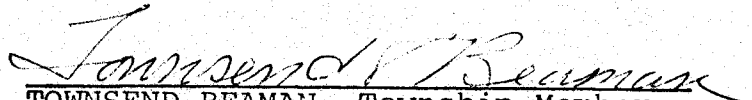
- Issue No. 1. The present workweek is retained.
- Issue No. 2. Firefighters will flush and paint fire hydrants.
- Issue No. 3. At least two men will be assigned to each fire station.
- Issue No. 4. A 3% wage increase will due all firefighters as of April 1, 1975.
- Issue No. 5. The cost of living increase will not be added to base wages and will be within a 4% to 6% range each year.



BARRY C. BROWN, Impartial Chairman



ROBERT METCALF, Union Member
Concurs as indicated in the
Opinion



TOWNSEND BEAMAN, Township Member
Concurs as indicated in the
Opinion

Dated: December 3 , 1975

General Information and Comparisons of Townships, 4-7

Cities and their Fire Departments which in many ways

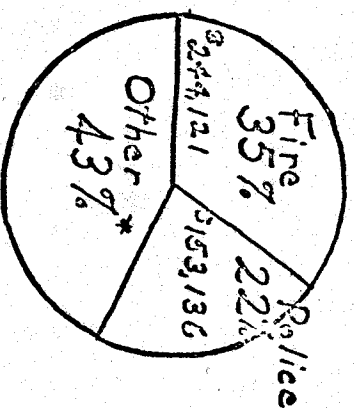
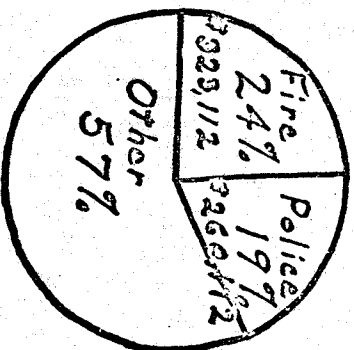
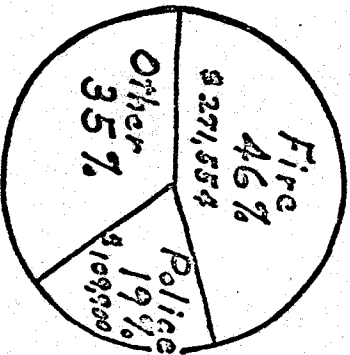
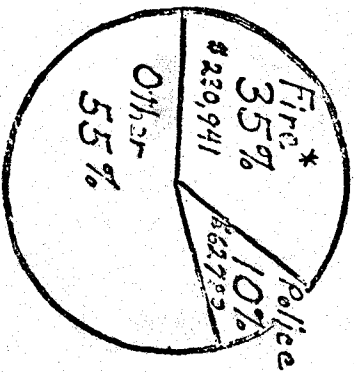
Compare to Summit Township and their Fire Department.

	Leoni	Blackman	City of Jackson	Mt. Clemens	Meridian	Summit
Population	13,749	17,009	45,484	25,000	23,000	23,029 *
Area covered in square miles	56	32	10.25	44	30.5	32
Number of homes (1970 U.S. census)	4234	3944	N/A	N/A	N/A	5472
Number of fire stations	3	3	4	1	2	2
Total firefighters (excluding chief)	13	17	82	20	23	14
Firefighters salary (at 4 years)	9,700	10,345	15,498	14,102	13,194	10,940
Fire chief's salary	13,100	12,500	25,513	N/A	16,800	13,176
No. of people protected per firefighter	1058	1,001	596	1,250	1,000	1,645

* Summit has an additional school population of 14,097; see attachment.

PERCENTAGE OF FIRE and POLICE BUDGET TO TOTAL BUDGETS

Leon Blackman Meridian Summit



* Leon receives a fire millage and without this would be paying an even higher percentage to the fire budget.
 $\frac{\$230,941}{\$230,941 + 440,002} = 53\%$
 Fire millage
 The \$230,941 with millage

* 12% of this expense is on \$80,000 Public improvement fund created for excess monies and added to annually.

ATTACHMENT #2

Note: These figures do not include Federal Revenue Sharing funds Meridian-Jenl, 1974 or previous year carry over funds.

Source: Annual reports to Jan 1, 1975
 All others Apr. 1, 1974 to April 1, 1975.