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**IN THE MATTER OF INTEREST ARBITRATION BETWEEN:**

**CITY OF NEW BEDFORD, MASSACHUSETTS**

**AND**

**NEW BEDFORD  
INTERNATIONAL ASSOCIATION OF FIREFIGHTERS, LOCAL 841**

**JOINT LABOR- MANAGEMENT COMMITTEE (JLMC)  
FOR MUNICIPAL POLICE AND FIRE  
JLMC# 13-2548**

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**INTEREST ARBITRATION AWARD**

**ARBITRATION PANEL**

**Bonnie J. McSpiritt, Neutral Arbitrator, Chair  
Judith Robbins, City-Designated Arbitrator  
Jay Colbert, Union-Designated Arbitrator**

**FOR THE CITY OF NEW BEDFORD, MA**

**Attorney Jane Medeiros Friedman, First Assistant City Solicitor  
Attorney John Markey, Assistant City Solicitor**

**FOR THE NEW BEDFORD, MA FIREFIGHTERS**

**William Straus, Esq. of the Law Office of William Straus**

**HEARING DATES**

**June 24, 2014  
July 8, 2014**

**WITNESSES FOR THE CITY**

**Deputy Fire Chief Paul Coderre, Jr.  
Fire Chief Michael Gomes  
Chief Financial Officer Ari Sky  
Labor Counsel Arthur Caron**

**WITNESSES FOR THE FIREFIGHTERS**

**Fire District Chief James Fortin  
IAFF, Local 841 President and Firefighter William Cabral  
Financial Analyst/Consultant Kevin Dasey  
Retired Local 841 President James Allen**

**PANEL MEETING**

**October 1, 2014**

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### **INTRODUCTION**

The City of New Bedford, Massachusetts (City) and the International Association of Firefighters, Local 841 (Union or Firefighters) are parties to a collective bargaining agreement (Agreement), effective July 1, 2010 through June 30, 2012 resulting from a Memorandum of Agreement (MOA) signed by the parties on October 27, 2011. In that Agreement, the parties' agreed to abide by the terms of the parties' July 1, 2007 through June 30, 2010 Agreement unless duly modified or amended by the MOA. In Article 20 – Wages, the parties specifically agreed that the firefighters would receive no wage increase in Fiscal Year 2011 (FY11) and in FY12 that either party may reopen wages and other terms and conditions of employment on or after July 1, 2011.

The parties met four times; once before the reopener language expired and then three times, to negotiate a successor agreement but did not reach an accord. As a result, the Union filed with the JLMC for mediation and arbitration in January 2013. The parties met with a mediator twice, April 4, 2013 and September 2013 but were unable to reach an agreement. The JLMC appointed a tri-partite arbitration panel to resolve the dispute in interest arbitration. Hearings were held on June 24, 2014 and July 8, 2014

and the parties were afforded a full and fair opportunity to be heard and present evidence. All witness were examined and cross-examined. Post hearing briefs were submitted and the Arbitration Panel met on October 1, 2014.

## **BACKGROUND**

### **CITY**

The City of New Bedford is located in Bristol County in Southwestern Massachusetts. The City is 28 miles southeast of Providence, RI and approximately 56 miles south of Boston. Towns bordering New Bedford are Freetown to the north, Acushnet and Fairhaven to the east, Dartmouth covers its western borders and Buzzard's Bay is due south. The City in 2012 had a population of 94,929 residing in approximately 24.1 square miles, the City's labor force was 44,008 and the EQV Per Capita was \$61,295. In April 2014, the unemployment rate for New Bedford was 8.6 as compared to Massachusetts unemployment rate in July 2014 of 6.1%<sup>1</sup> and 6.5%<sup>2</sup> in the country. In FY14 the City's total tax levy was \$96,683,927 and total revenue including the tax levy, state aid, local receipts and other available revenue was \$310,487,748. In FY14, free cash was \$4,280,305, the overlay reserve was \$2,151, 685 and the FY 13 stabilization fund was \$12,605,584.

The City of New Bedford is a densely populated urban area which includes large clusters of multi-story, multi-family wood frame houses<sup>3</sup>, 19<sup>th</sup> century construction and manufacturing buildings, 12 high-rise buildings, a hospital, a county jail complex, an

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<sup>1</sup> <http://data.bls.gov/map/MapToolServlet?survey=la&map=state&seasonal=u>

<sup>2</sup> <http://data.bls.gov/timeseries/LNU04000000>

<sup>3</sup> Out of the nine comparable communities used by the Panel, on average New Bedford Fire Department protects the second highest number of housing units; only 261 housing unit behind Springfield which has the highest number of housing units.

airport, and over 30 public and private schools. New Bedford ranks as the #1 fishing port in the country, with 12 miles of coastline that are utilized by 500 commercial fishing vessels. The City has numerous commercial buildings, two fish storage and processing plants, a marine campus operated by the University of Massachusetts Dartmouth, a zoo, industrial business parks and three state highways that run through the City. Based on the above, the Fire Department's protection of the City is very complex and Firefighters experience special hazards when fighting fires that involve fishing vessels, fuel spills, 2 EPA Superfund Sites, a LNG Facility, 3 bulk fuel storage depots and a 34 acre National Park.

### **BARGAINING UNIT CHARACTERISTICS**

The Firefighters' bargaining unit includes all uniformed firefighters, excluding the Chief and Deputy Chief. There are currently 234 firefighters who man 7 Engine Companies, 3 Ladder Companies, 1 Airport Crash Truck, 1 Fire/Rescue Boat, 3 Zodiac Boats and Regional Units which include a Foam trailer, Decon Shelter, 2 Boom Trailers, MCI Trailer, a Fire Investigation Bureau and a Fire Dispatch Center. The Fire Department is made up of six divisions: Fire Suppression, Fire Prevention, Fire Training, Marine, Fire Alarm and Administration. In 2013, Firefighters responded to 13,593 incidents of which 394 were fires resulting in property losses of \$2.1 million. In 2014, Firefighters have responded to 5,388 incidents which included 167 fires and \$26,000 in property damages. The City has a separate Emergency Medical Service (EMS) entity; however, Firefighters are dispatched to all EMS calls and are often the first responder to a scene. Approximately 7% of Firefighters are EMTs or Paramedics but all Firefighters are trained in use of nasal narkan and automated external

defibrillator; accordingly Firefighters assess, treat, stabilize and care for patients until EMS arrives.

### **JLMC CERTIFIED ISSUES**

At the JLMC 3(a) hearing, the City submitted the following issues in addition to wages and duration:

1. Add new language to Article 2- Payroll Deductions of Union Fees, Dues and Assessments to implement bi-weekly paychecks and direct deposit
2. Amend Article 14 – Personal Leave by decreasing hours from 48 to 42
3. Amend Article 18 - Residing Outside City Limits by requiring Firefighters hired in 2014, after the effective date of the contract, to reside within the City as a condition of employment
4. Amend Article 25 – Transfers by increasing mandatory staff assignment period from one to five years
5. Amend Article 37 – Reporting Injuries by implementing a light duty program for Firefighters out on sick leave at the Chief's discretion

The Union's issues, in addition to wages and duration, are:

1. Amend Article 20 – Wages by including Firefighter's stipends in base salary rates of pay
2. Amend Article 20 – Wages/Educational Incentive by increasing course credit amount from \$.02 to \$.05
3. Amend Article 11 – Vacations by allowing Firefighters to use their fifth and sixth vacation week in single days and allowing Firefighters to buy back their sixth week of vacation
4. Amend Article 15 – Clothing Allowance by increasing benefit from \$675 to \$1000
5. Add new Presumption Language by including heart and cancer bill presumption for services connected to injury status.

### **COMPARABLES**

#### **External**

The Union proposed that the panel consider the following 12 communities because their population range (77,104 to 636,479) are comparable to New Bedford population of 94,929:

Boston	Brockton	Cambridge	Fall River	Lawrence	Lowell
Lynn	Newton	Quincy	Somerville	Springfield	Worcester

The City proposed as comparables the 25 communities that are referred to as “Gateway Cities”. Under Massachusetts General Law, chapter 23A, section 3A, a Gateway City is defined as a municipality with a population greater than 35,000 and less than 250,000; with a median household income below the state average and a rate of educational attainment below the state average. (CX30a) These cities/towns are:

Attleboro	Barnstable	Brockton	Chelsea	Chicopee	Everett
Fall River	Fitchburg	Haverhill	Lawrence	Leominster	Lowell
Lynn	Malden	Methuen	Peabody	Pittsfield	Quincy
Revere	Salem	Springfield	Taunton	Westfield	Worcester

The Panel reviewed the parties' evidence and determined that the following eight comparables were appropriate because the cities/town were submitted by both parties and there was supporting data to make a comparison:

Brockton	Fall River	Lawrence	Lowell	Lynn	Quincy
Springfield	Worcester				

### **Internal**

The Panel placed significant weight on the recent settlement of the City's Police Bargaining Unit because the parties have a history of negotiating base wage parity between firefighters and police.

### **STATUTORY CRITERIA GUIDING INTEREST ARBITRATION**

Chapter 589 of the Acts of 1987 sets criteria to guide interest arbitration awards for police and fire. These criteria include but are not limited to the following:

(1) Such an award shall be consistent with: (i) section twenty-one C of chapter fifty-nine of the General Laws, and (ii) any appropriation for that fiscal year from the fund established in section two D of chapter twenty-nine of the General Laws.

- (2) The financial ability of the municipality to meet costs . . .
- (3) The interests and welfare of the public.
- (4) The hazards of employment, physical, educational and mental qualifications, job training and skills involved.
- (5) A comparison of wages, hours and conditions of employment of the employees involved in the arbitration proceedings with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally in public and private employment in comparable communities.
- (6) The decisions and recommendations of the factfinder, if any.
- (7) The average consumer prices for goods and services, commonly known as the cost of living.
- (8) The overall compensation presently received by the employees, including direct wages and fringe benefits.
- (9) Changes in any of the foregoing circumstances during the pendency of the dispute.
- (10) 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, factfinding, arbitration or otherwise between parties, in the public services or in private employment.
- (11) The stipulation of the parties.

In addition to the criteria above, the Arbitration Panel believes that novel and untried solutions and/or proposals that seek a significant change from a mature Agreement should be rarely awarded in interest arbitration. Quoting fellow Arbitrator Gary Altman, "[A]n arbitrator is reluctant to modify contract provisions where the parties, in past years, have already reached agreement, the contract article has been in the contract for a considerable period of time, and there has been no ascertainable problem with the contract language". Therefore, the Panel has rendered its award after considering the parties' proposals and arguments in conjunction with all the criteria listed above.



**ISSUE #1**  
**ARTICLE 47 – DURATION**

**Current Contract Language**

1. The provisions of this Agreement, unless otherwise specified, shall be effective July 1, 2010 and shall extend through June 30, 2012, except wages and other terms and conditions of employment may be subject to modification or reopened on or after July 1, 2011 during the term of this Agreement. Either party wishing to terminate, amend or modify this Agreement for a successor collective bargaining agreement must so notify the other party in writing after January 1, 2012 and collective bargaining shall commence no later than sixty (60) days after such notice has been received. Any modification during the terms of this Agreement shall be by mutual consent only and shall not be subject to the grievance procedure. If no agreement is reached by the expiration date of the contract the terms of this Agreement shall be continued in full force until such time that an agreement is reached.
2. Retroactive Provisions.

All articles are effective July 1, 2007, unless otherwise noted.

**City Proposal**

A three year Agreement starting July 1, 2012 and extending through June 30, 2015.

**Union Proposal**

The Panel notes that the Union although clear in proposing wage increases on July 1<sup>st</sup> of FY11, FY12, FY13, FY14 and FY 15, was not specific with regard to proposing the duration of the Agreement. However, the Panel concludes they were seeking sufficient Agreements to cover the period of time between July 1, 2010 and June 30, 2015.

**City Position**

The City contends there cannot be an Agreement that includes FY11 and FY12 for two reasons: one, the parties already have an Agreement that covers that time period, and two, Chapter 150E, section 7(a) limits the term of a collective bargaining agreement to no more than three years. In the second year of the July 1, 2010 to June 20, 2012 Agreement, either party had the right to reopen the contract to negotiate wages and benefits. The City chose not to do so, and although the Union stated they did reopen the contract, there is no evidence establishing that.

The City's evidence was based on the testimony of Labor Counsel Arthur Caron, (Attorney Caron or Mr. Caron) who met with the Union on February 9, 2012 to explain that it was unlikely that any progress would be made in negotiations because Mayor Jon Mitchell had just begun his term and needed more time to get acclimated. During that meeting, Mr. Caron recalled that the Union did not raise the issue of the FY12 wage reopener. The next time the parties met was on August 28, 2012 which was after the two-year Agreement had expired. Attorney Caron remembered during this meeting the Union did not raise or discuss the FY12 wage reopener.

On September 12, 2012, the parties met in a negotiating session and the City told the Union that they wanted a three year agreement to cover July 1, 2012 to June 30, 2015. In addition, the City presented a written proposal bi-weekly pay periods and direct deposit but made no wage offer. According to Mr. Caron, the Union verbally discussed what they wanted to talk about in negotiations but did not give the City written proposals and did not mention the wage reopener. The parties met again on January 17, 2013 and Attorney Caron received a written proposal from the Union stating they wanted a "pay increase for all employees" with no further elaboration. Shortly after this negotiation session, the Union filed for mediation and arbitration with the JLMC and a mediator was assigned to assist the parties in resolving their dispute. The parties mediated twice but Mr. Caron stated that the Union never presented a wage proposal through the mediator regarding the FY12 wage reopener.

Between the mediation dates, Attorney Caron met with the Union on June 25, 2013 and discussed concepts in an attempt to reach an agreement for the three year period. He indicated in Year 1 – July 1, 2012 there would be no wage increase and on July 1, 2013 there would be a flat dollar lump sum increase in pay but not on the base. In the final year of the Agreement on July 1, 2014 the City gave examples of a wage increase that would go into the base. During that meeting, Mr. Caron recalled that the parties did not discuss the FY12 wage reopener and, in his mind, this was appropriate because the parties were dealing with a successor agreement and the City was not looking back to an agreement that was made under a previous administration. Furthermore, Attorney Caron believed that the wage reopener was off the table because it was never discussed or raised until the JLMC 3(a) hearing. When the Union raised the issue, the City argued that the Panel should not contemplate FY12 but only consider the three year period between July 1, 2012 and June 30, 2015. Based on the above, the Panel should award the City's duration proposal of a three year Agreement beginning on July 1, 2012 and ending on June 30, 2015.

### **Union Position**

The Union contends they did inform the City that they wanted to reopen the Agreement and negotiate over wages and benefits for FY12 as well as FY 13 through

FY15. Union President William Cabral (President Cabral or Mr. Cabral) stated that the reason why the Union agreed to a wage reopener in the current Agreement was because they wanted to settle and they were told by Attorney Caron that outgoing Mayor Scott Lang did not want to address wages in FY12 since Mayor Mitchell was coming into office in January 2012. A negotiation session occurred on February 9, 2012 and Attorney Caron told the Union that the City did not want to discuss the wage reopener or a successor Agreement because according to President Cabral's notes, "[T]he new Mayor needed more time to wrap his head around what he actually has in his budget and in the job itself because he was a brand new mayor". As a result, no proposals were exchanged and the next time the parties met were on August 28, 2012, September 26, 2012 and October 17, 2012.

Mr. Cabral recalled that at one of these meetings the parties' exchanged proposals but no actual negotiations occurred. The City did not give a wage offer because Mayor Mitchell was hiring a Chief Financial Officer (CFO) and the Mayor wanted to wait and see what the City had for money. The parties met again on January 7, 2013, the Union wanted to discuss wages but the City did not because the new CFO was just coming on board. During that same negotiating session, the City gave the Union two proposals, one on direct deposit, and the other on bi-weekly pay checks. President Cabal explained on cross-examination he was not sure whether Union counsel presented a proposal at the January 7<sup>th</sup> negotiation session but the parties did discuss the wage reopener and the City was well aware that the issue was still on the table from the Union's perspective. President Cabral verified at that session, that the Union gave the City a wage proposal without specific numbers stating only that they wanted a "pay increase for all employees".

The Union was surprised and frustrated with the lack of negotiations when they received the City's proposals so they filed at the JLMC on January 16, 2013. Mr. Cabral believed the Union presented a proposal through the mediator which included a wage reopener for FY2012. President Cabral agreed that the parties met on June 25, 2013 without the mediator and that the City offered the following wage proposal:

FY 12 Reopener	0%
FY 13	0%
FY 14	\$500 or \$600 signing bonus not in the base
FY 15 July 2014	1%
June 2015	2%

The offer did not result in a settlement and President Cabral recalled the next time the parties met was at the 3a hearing at the JLMC on February 11, 2014 where they argued that the Panel had the authority to consider a wage increase for FY12.

Based on the above, the Union contends the Agreement should contain a wage increase for FY11-FY15, whether that is in one Agreement or multiple Agreements.

### **Discussion**

The Panel considered the parties' positions regarding the duration of the Agreement and determined that the successor Agreement shall be July 1, 2013 to June 30, 2015 and there shall be no wage increase for FY11 or FY12. Our decision is based on the following. Chapter 150E – Labor Relations: Public Employees, section 7(a) states “[A]ny collective bargaining agreement reached between the employer and the exclusive representative shall not exceed a term of three years; . . .”<sup>4</sup> Pursuant to the statute, the Panel does not have the authority to award an agreement that exceeds three years. The Panel could award two Agreements but pursuant to the MOA that established that the parties had reached an Agreement for July 1, 2010 to June 30, 2012, the Panel finds that we do not have the authority to circumvent the parties current Agreement and replace it with a new one.

The language in Article 20 – Wages is clear that the parties agreed there would be no wage increase effective July 1, 2010 given that the wage schedule in the MOA was the same as the wage schedule in the parties' previous Agreement covering July 1, 2007 to June 30, 2010. While it is true that the MOA, Article 47 – Duration speaks to a reopener it is the Union's burden to prove that they raised and discussed reopening wages and benefits in FY11 and FY12. The Panel finds that the Union's evidence was insufficient and failed to meet their burden. Moreover, the City's Police, Teachers and Administrators received a 0% increase in FY12. Only AFSCME, Local 851 received an

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<sup>4</sup> <https://malegislature.gov/Laws/GeneralLaws/PartI/TitleXXI/Chapter150E/Section7>, September 15, 2014.

increase of 2% in FY12 which was the last wage increase in a prior agreement since the parties are currently in negotiations for FY13.

### **Award**

**Article 47 – Duration shall be deleted and replaced with the following:**

- 1. The Provisions of this Agreement, unless otherwise specified, shall be effective July 1, 2012 and shall extend through June 30, 2015. Either party wishing to terminate, amend or modify this Agreement must so notify the other party in writing on or after January 1, 2015 and collective bargaining shall commence no later than sixty (60) days after such notice has been received. Any modification during the terms of this Agreement shall be continued in full force until such time that an agreement is reached.**
- 2. Retroactive Provisions:  
All articles are effective July 1, 2012, unless otherwise noted.**

**ISSUE # 2**  
**ARTICLE 2**  
**PAYROLL DEDUCTIONS OF UNION FEES,**  
**DUES AND ASSESSMENTS**

### **Current Contract Language**

None

### **City Proposal**

Add the following language:

No earlier than the week beginning June 29, 2014, employee earnings will be paid bi-weekly on Thursdays and by direct deposit (electronic paycheck in lieu of paper payroll notice when available).

### **Union Proposal**

None - The Union seeks to retain the status quo.

### **City Position**

Chief Financial Officer Ari Sky explained that paying Firefighters on a bi-weekly basis is administratively efficient and allows payroll personnel to be used to perform other important functions that have not been performed based on time restraints. The City believes that there is a potential savings of three to four full-time equivalent payroll clerks, which is a savings of \$100,000 to \$150,000. In addition, a bi-weekly system, will ensure that Firefighters get paid for the duties, e.g. details, overtime, when the duties are performed and not weeks after the fact.

The direct deposit aspect of the proposal will save the City approximately \$80,000/year in paper checks. The City's goal is to pay all City employees on a bi-weekly basis and through direct deposit. The Police Unit agreed to make the change, and obtaining this proposal with the Firefighters helps the City get closer to attaining their goal given that the AFSCME bargaining units will be the only Union that has not agreed to the change.

### **Union's Position**

The Union argued that the Panel should reject this proposal because the City presented little or no explanation why they needed to change to a bi-weekly pay period and implement direct deposit except that the Police Unit agreed to the change. The change cannot occur until all the bargaining units agree to it and the AFSCME units have not approved the change. Furthermore, the proposal has nothing to do with the internal operations of the Fire Department and it would impact the livelihood of Firefighters who plan and pay bills on a weekly basis.

### **Discussion**

The City's rationale for changing from a weekly to bi-weekly payroll period and implementing direct deposit is based on increasing payroll efficiency and saving money. Increasing payroll efficiency will benefit Firefighters as there will be fewer errors made and Firefighters will be compensated for duties they perform closer to when they perform them. The savings of approximately \$230,000 will fund Firefighters' wages and other economic benefits in this award and the Panel believes the impact of the direct deposit implementation is minimal. The Panel understands that the implementation of a

bi-weekly payroll is a significant adjustment for Firefighters from planning and paying bills on a weekly basis; however, we find that the benefits of a bi-weekly payroll and direct deposit outweigh the inconvenience to employees which will be present for a short period of time.

### **Award**

**The City's proposal is awarded and Article 20 – Wages, Section 1 shall be amended by adding the following language:**

**No earlier than the week beginning June 29, 2014, employee earnings will be paid bi-weekly on Thursdays and by direct deposit (electronic paycheck in lieu of paper payroll notice when available).**

### **ISSUE #3** **ARTICLE 20** **WAGES**

#### **Current Contract Language:**

Effective July 1, 2010

<u>Firefighters</u>	<u>July 1, 2010</u>
Step 1	38,489.57
Step 2	41,981.77
Step 3	44,940.57
Step 4	48,048.43
Step 5	52,188.25
Lieutenant – 16%	60,538.26
Lieutenant – 17%	61,060.17
Captain, Master Mechanic – 16%	70,224.42
Captain, Master Mechanic – 17%	70,829.61
District Chief, P.R. Rep. – 16%	81,459.89
District Chief, P.R. Rep. – 17%	82,162.14

\* \* \*

#### **Union Proposal**

FY 11	July 1, 2010	5%
FY 12	July 1, 2011	5%
FY 13	July 1, 2012	5%

FY 14	July 1, 2013	5%
FY 15	July 1, 2014	5%

Add a Step 6 to the Firefighters wage scale at a 2% increase over Step 5

Officers' rank differential continues to be calculated off Step 5 and not the new Step 6

### **City Proposal**

FY 13	July 1, 2012	0%
FY 14	January 1, 2014	1% increase to steps 1-5 on base salary for Firefighters
FY 15	July 1, 2014	1% increase to steps 1-5 on base salary for Firefighters

### **Union Position**

The Union's proposal seeks to address the Firefighters' significant workload in that they work on a daily basis in a diverse, complex and extremely hazardous environment while their wages lag substantially behind the City's Police Officers and firefighters in comparable communities. The Union contends that the City's wage proposal is not supported by comparable community data and is significantly below what the Police Unit recently received. The Union argued that the City is required to make a comparison between Firefighters wages and terms and conditions of employment with Police Officers and firefighters in comparable communities and no such comparison was made. The Union's consultant, Kevin Dasey, presented considerable evidence that the average wages in FY13 for career Firefighters lagged behind New Bedford Police Officers by 21.8%. In addition, their external comparisons at 15 years with EMT certification and an associate degree shows the City's Firefighters lag behind by 21%. The Union's proposal cumulative cost is approximately \$16.8 million over the five fiscal years or \$3.4 million if the Panel awarded the wage increase provided to the Police Officers and the Union's other wage and benefits proposals.<sup>5</sup> The Union believes the City has the ability to pay the amount needed to eliminate the lag in wages with comparable communities, bring the Firefighters on parity with Police Officers and recognize the significant workload the City Firefighters have.

### **Parity with City Police Officers**

The Union requested that the Panel rely totally on their comparison data and award their proposals because the City failed to provide comparability data which is required by the JLMC statute and their proposal provides parity between Firefighters and Police Officers. The Union's data takes into account the fact that City Police

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<sup>5</sup> UX1, July 8, 2014, p.15.



Officers work 12.5% fewer scheduled hours than Firefighters since Police Officers have a repeating 37.5 hour work week and Firefighters work on average a 42 hour work week. Therefore, "[T]he extra hours worked by Firefighters allow the City to avoid 12.5% in coverage for overtime or additional headcount. This equates to a cost avoidance of at least \$1.4 million annually based on the size of the Fire Department's budget".<sup>6</sup>

Furthermore, historically the parties have preserved through negotiations and past JLMC awards<sup>7</sup> total compensation parity and without the awarding of the Union's proposals that will be lost. The Union's data established that Firefighters wages are substantially behind Police Officers as a result of the wage increase given to the Police with the difference being anywhere from \$4,486/year to \$15,120/year.<sup>8</sup> This gap stems from the lump sum payment to each Police Officer of \$2500 and an average wage increase of 11.3% over FY13 to FY15. In addition, the Union proposes that Firefighter receive a 4% equity adjustment to the base wage figures to restore parity for the Firefighters.

#### External Comparison with Comparable Communities

The Union proposed 12 comparable communities and ranks a New Bedford Firefighter with 15 years of service and EMT certification with an Associate degree in 13<sup>th</sup> place with a 20.7% lag. Even with the 9 comparable communities used by the Panel, Firefighters with 15 years of service and EMT certification with Associate degree rank in 8<sup>th</sup> place and lag in total compensation by \$7710 or a lag of 12.1%. Therefore, Firefighters need an equity adjustment in their base wages.

#### Ability to Pay

The City's argument that they do not have the ability to pay for the Union's proposals is not supported by the evidence given that the City is enjoying a stable and improving financial position. The Union's contention is that what the City has done in the past combined with their promising outlook established that the City has the ability to pay but is not willing pay. One, Mayor Mitchell's reforms over the past two years which included a significant restructuring of four major City departments have limited spending and decreased the need for additional tax revenue. The reforms restricted non-education spending that resulted in a zero increase in the FY15 general operating costs. Two, if the City Council approves proposed budget transfers, department operating expenditures would reflect a net decrease between FY14 and FY15. Three,

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<sup>6</sup> UX1, July 8, 2014, p. 13.

<sup>7</sup> Arbitrator Richard Boulanger, JLMC # 00-08F Interest Arbitration Award 2000 and Arbitrator Gary Wooters JLMC # 03-12F Interest Arbitration Award 2003

<sup>8</sup> UX1, June 24, 2014, p. 19.

FY15 fixed costs are increasing by only 2.8% and the budget overall restricts spending as the City prepares for the elimination of the "SAFER" grant which pays the salary and benefits for one-third of the City's Firefighters.

Four, the new Renewable Energy Power Purchase Agreements have allowed the City to purchase "green" energy at discounted rates which will save approximately \$30 million in electricity savings over the next 20 years. Five, both Moody's and Standard & Poor's bond rating services have assigned investment grade A series ratings for the City and reports that the City's economic outlook is stable. Six, although the City has avoided tax increases for the last four years, Mayor Mitchell indicated in his FY15 Budget address that an increase in the real estate levy is in the future. In addition, the Mayor highlighted the fact that New Bedford has the third highest capacity of "unused levy" in percentage terms among the 22 Gateway Cities. These monies can be used to fund the Union's proposals.

The Union requested that the Panel find Chief Financial Officer Ari Sky (CFO Sky or Mr. Sky) testimony purporting that the City's financial status was far less than stable and unable to cover the cost of the Union's proposal is irrelevant and should not be considered. CFO Sky admitted that his testimony was no different from what he testified to at the Police's JLMC hearing in January, 2014. During the hearing, Mr. Sky reported that the City was unable to pay significant wage and benefit increases but then the City, with the support of CFO Sky, found the monies to fund substantial increases for Police wages, educational bonuses, longevity and "outside road details" paid by the City itself. As a result of the Police Settlement, the Union contends that the current Police Agreement clearly does not reflect a dismal financial situation. Instead, the City's action highlight the City's support of Police over Firefighters.

The Union contends that the City has the ability to pay based on the fact it has \$4.28 million in certified Free Cash, \$8.84 million in its Stabilization Fund balance for a total of \$13.12 million. In addition, there is \$3.42 million in the Indicated Health Insurance Trust Fund Surplus which takes into account an estimated 70% City Share and \$782,692 in the General Fund which includes a conservative estimate of 50% of other amounts potentially available in the General Fund. Furthermore, there are certain free cash deductions that include Intra-Entity Advances and Tax Foreclosures of \$1.7 million which also includes a conservative estimate of 15%. Finally, the City's available funds has an estimated total before excess levy capacity of \$19 million and an unused and "legally available" levy capacity of \$9.71 million. Based on the above, the City has a grand total of \$28.7 million to fund the Union's proposals<sup>9</sup>

In addition, Mayor Mitchell in his FY15 Budget address expounded on the past and future economic growth and development as well as revenue receipts that will continue to keep the City on a solid financial track. Taking this positive track and adding

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<sup>9</sup> UX1, June 24, 2014, p. 21.

the City's current increase in Local Aid from the State is all the evidence the Panel needs to award the Union's request. Also, the City's Treasurer reported in the City's Annual Report filed on March 27, 2014 depicted the City's finances in a stronger light than what the City did in their presentation to the Panel.<sup>10</sup> Furthermore, the Union notes that the City's long term liabilities are not unlike the majority of communities in Massachusetts and Firefighters in those communities continue to receive significant wage increases.

Finally, the City's contention that the elimination of the SAFER Grant (SAFER Grant or Grant) in FY16 must be considered as a negative impact on Firefighters wages and benefits during FY13 to FY15 should not deter the Panel from awarding the Union's wage proposal. Although, the Union understands that the City is concerned about the Grant being eliminated; the Union contends that Firefighters can still receive the wage increases for the following reasons. One, the Police Unit and the Schools also have grants that will cease to exist but this was not raised as a concern when the City settled with Police Officers and Teachers. Two, Chief Gomes testified that the current SAFER Grant has money built into it to give the Firefighters covered by the Grant a raise which the City is now contending they cannot provide.

Three, the SAFER Grant is currently set to expire after the contract period and CFO Sky testified that the elimination of the Grant results in a City-wide financial issue and not just for the Firefighters. The Union knew that the City would argue that the elimination of the SAFER Grant will result in Firefighters being laid off and create problems as has occurred in the City of Fall River. However, the Union contends here that the Panel should rely on Mr. Sky's testimony, at least in the aspect of the SAFER Grant, and let the City come up with a plan to deal with the loss of funding which will impact all Departments. Finally, the City knew when it originally applied and then reapplied for the SAFER Grant that it was not a permanent part of the budget and what the Grant provided for would need to be funded by another source in the future. Specifically, the application requested in Element 3-Financial Need that the Fire Department show how they will fund the Grant upon its expiration.<sup>11</sup> The Fire Department responded that the funding would come from the forth coming significant economic development associated with the offshore wind energy industry and developing new revenue sources, e.g. fire response billing and EMS. Based on the above, the City cannot argue that the expiration of the SAFER Grant should in any way prevent Firefighters from receiving wage increases.

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<sup>10</sup> Ibid, p. 7.

<sup>11</sup> UX5, p.26.

### **City Position**

The City argued that the Union's wage proposal is unreasonable and cost prohibitive. CFO Sky calculated that there would be \$12.4 million in retroactive pay and current costs would be increased by \$4.3 million for a total impact of \$16.8 million. To put this into perspective, the Fire Department's current direct expenditures are \$16.7 million and benefits cost are \$7.6 million for a total of \$24.3 million; therefore, the Union is seeking wage and benefit increases that are more than what the City is paying for current direct expenditures. Mr. Sky believes whether using the Stabilization Reserve, the unused levy capacity or any other available fund, the City cannot cover wage and benefit increases of this size. In addition to tapping out reserves and available funds, the Union has not recognized what Mayor Mitchell and the City Council had to do in the past two years to get the City to its' current stable economic point so that sustained growth can occur.

### **Parity with City Police Officers**

The City contends based on the April 2014 BLS data there is no parity between firefighters and police given that this data established that police officers are paid more than Firefighters.<sup>12</sup>

### **External Comparisons with Comparable Communities**

New Bedford looks at other Gateway cities for comparison purposes, e.g. Brockton, Fall River, Lowell and Lynn, and specifically referred to data included in the 2013 Department of Revenue Report.<sup>13</sup> This data established that the City was the lowest in 2010 DOR Income Per Capita and in the 2012 EQV Per Capita when comparing the five cities. With regard to FY13 Revenues by Source – New Bedford received the second to lowest amount of state aid – approximately \$140 million. Single Family Average Value in 2013 was second to lowest at \$192,844 and had the highest amount of Tax liens, Tax Foreclosures/Possessions and Utility Liens. According to 2014 DOR data<sup>14</sup>, average single family home values decreased to \$183,305 which was the second lowest of the comparables while the unemployment rate for May 2014 was the second highest at 9.2% with the state average being 5.2%.

Looking at May 2013 Bureau of Labor Statistics (BLS) Occupational Employment Statistics Report<sup>15</sup> the Annual Mean wage for all occupations was \$43,600 while

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<sup>12</sup> CX11

<sup>13</sup> CX7

<sup>14</sup> CX30c-d

<sup>15</sup> CX33b

Firefighters were \$51,000. This represents a 91% increase in wages for Firefighters from 2001 to 2013 as compared to all occupations in the same time frame which only increased by 34.9%. In addition, the City contends that the Union's comparison of New Bedford Firefighters to other municipalities firefighters who perform Emergency Medical Technician (EMT) services as part of their duties is inappropriate considering that the City maintains a separate Emergency Medical Services Department staffed with non-firefighters Paramedic level EMTs. According to M.G.L. c. 111, Sec 201, City Firefighters are only responsible for responding to medical calls at a first responder level.

### Ability to Pay

The City is facing challenges and priorities in the future that will greatly impact its' budget. One, funding the public education system so that it is back on course and not in jeopardy of being taken over by the State. Two, there is a need to recognize the economic and fiscal pressures on residents and city government while turning the schools around. Three, the City's operating cost have been held in check but "fixed" costs, i.e. debt service, health insurance, life insurance and pension, continue to increase and put pressure on the entire budget.

Four, the City's financial status has been impacted by the cuts in State Aid which have steadily decreased from \$30.9 million in FY09 to \$22.9 million in FY14. Five, the unfunded liabilities for the City's retirement system and Other Post-Employment Benefits has placed a substantial drain on the City's budget and ability to spend freely. Six, CFO Sky testified that although the City is in the process of appealing a 2012 ruling of the Commonwealth Employment Relations Board dealing with imposed furloughs during the recession; if the appeal is lost the City would be liable for \$1.8 to \$1.9 million. Seven, in fifteen months the City's SAFER Grant will expire and a FY15 value of \$6.2 million will disappear with the greatest impact falling on the Fire Department. While the City knows this is coming, important decisions will need to be made on how to accommodate the decrease in funding. The City argued no matter what decisions are made higher wage increases for Firefighters may result in the need for layoffs in the Fire Department. The City has to only look to Fall River to see the impact of combining significant wage increases for firefighters and the expiration of the SAFER Grant in that Fall River was forced to reduce their firefighter's workforce from 213 to 175.

Finally, the City is responsible to provide essential municipal services in an efficient and cost effective manner. In an effort to do so, the City continues to improve its fiscal stability by contributing to the Stabilization Fund, adopting fiscal policy, settling collective bargaining agreements and implementing a long-term capital plan. As a result, the City's bond rating was upgraded to AA- with Standard and Poor's, the best rate in 40 years, and Moody bond rating service gave the City an A1 rating. However,

according to CFO Sky relying on funding from reserves for ongoing obligations, i.e. the Firefighters' wages and benefits, would be detrimental to the City's and the Fire Department's long term financial stability.

### **Discussion**

The Panel has spent the majority of our time analyzing the evidence and reviewing the parties' briefs concerning wages for the Firefighters. The City, through Mayor Mitchell, his administrative staff and the City Council, have done a good job increasing New Bedford's financial status from the lows of the recession and stabilizing it enough so new growth can be achieved and supported. The City defends their position that they do not have the ability to pay the increases sought by the Union. The Panel agrees that the Union's insistence on receiving 5% wage increase in FY12 though FY15 when no one; not fellow Police Officers, other City bargaining unit employees or the comparable communities have received these types of increases is cost prohibitive and unjustifiable. Having said this though, the Panel finds the City has the ability to pay "reasonable" wage increases which are similar to the wage increases recently received by the City's Police Officers, with one exception that the Firefighters shall receive a two percent (2%) increase in FY13 on July 1, 2012.

History shows that the parties' have maintained "base wage parity" between Police and Fire, since 2000, with one exception occurring in January 2006 when Police Officers received an additional 2%, and the Panel concludes that this fact alone justifies that base wage parity should continue. The Union contends that there is also a history of "total compensation parity" between Police Officers and Firefighters but the evidence does not support their contention. One, the City agreed to implement the Quinn Bill provisions for Police Officers which resulted in Police receiving more money than

Firefighters for education and two, although police and firefighters have some of the same benefits, e.g. clothing allowance, longevity, vacation, etc., the compensation was not the same.

The Panel also finds that the City can pay Firefighters similar wage increases as Police Officers because the City's ability to pay presentation was insufficient to prove otherwise. CFO Sky testified that he presented the same financial evidence<sup>16</sup> at the Police Interest Arbitration Hearing in January 2014 to explain why the City was unable to pay for the wages and benefits requested by the Police Union. However, less than a month later he supported the Police settlement which resulted in an 11.3% increase to Police base salaries and a \$2,500 signing bonus. This clearly exemplifies when the City wants something they have the ability to pay yet they are unwilling to pay comparable wage increases to settle the Firefighter's Agreement.

The Panel also assigned little weight to the City's SAFER Grant argument being a deterrent for this Panel to award wage increases. The City has known from the beginning the funding would expire yet they took the risk and hired additional Firefighters to support the City's fire suppression and prevention divisions. This helped the entire City because money that should have gone to the Fire Department was distributed to other departments. As a result, the City should not require the Fire Department to bear the entire burden of absorbing the cost of the soon-to-be expired Grant and the funding to replenish the SAFER Grant should be spread out across the City's budget. In any event, the fact the Grant will be expiring does not justify that Firefighters should receive either no salary increase or a minimal salary increase as

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<sup>16</sup> CFO Sky stated that he had updated the information but did not identify what this information was.

proposed by the City for five years when Police Officers have received and will continue to receive wage and benefit increases.

Chief Gomes testified without rebuttal that the SAFER Grant has monies available for wages and benefit changes. This fact reduces the amount of money the City needs to take from available reserves to fund wage increases for all Firefighters. Finally, according to the SAFER II Application<sup>17</sup>, the City has a plan to fund the Grant after it expires with monies from the nationally renowned Marine Commerce Terminal and other new revenue sources. If this was not the plan then the City should be concerned because they are receiving federal funds under false pretenses.

The Panel assigned more weight to the Union's presentation on the City's ability to pay given that the City failed to rebut the Union Consultant's data that the "estimated available funds"<sup>18</sup> were available to pay for the wage increases and benefit items awarded herein. In addition, the Panel recalled the remarks of Mayor Mitchell in his FY15 Budget address<sup>19</sup> which spoke to the accomplishment of not increasing real estate taxes in four years but then indicating this could not continue. The Mayor also spoke to the City having the third highest capacity of untapped levy than the 22 Gateway Cities. The Panel sees that Mayor Mitchell's remarks make way for tapping into the unused levy and increasing real estate tax which can be used to pay for the Union's proposals. In addition, the Panel recalculated the cost of the entire award determining it to have an approximate cumulative cost of \$3.1 million over the three year Agreement at an estimated average annual cost of \$1.0 million. This cost is

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<sup>17</sup> UX5

<sup>18</sup> UX1, June 24, 2014, p. 21.

<sup>19</sup> APP33



considerably lower than the Union's original wage proposal of a cumulative total of \$16.8 million at an average annual cost of \$3.4 million.

Finally, the Panel agreed with the City that the Union's comparability data for external communities was inappropriate given that the base salaries shown were Firefighters/EMTs and the City does not require Firefighters to be EMT certified<sup>20</sup>. However, the City failed to provide any salary comparability data for their "Gateway" communities so the Panel, who is required by statute to consider external comparable communities, used the Union's data<sup>21</sup> and found the following. One, the base salary for a New Bedford Firefighter/EMT with 15 years of service either no degree or an Associate degree was in eighth place out of the nine comparables. Finally, a Firefighter/EMT with 15 years and a Bachelor Degree was in ninth place. Based on this, the wages and benefits awarded herein are reasonable and not inappropriate based on the external comparables given that Firefighters move from eighth/ninth place to fourth place. This may appear to be a substantial increase in placement but when there are only three comparables with FY15 data it is reasonable to predict the Firefighters placement will change when the remaining five comparable communities settle their Agreements.

### **Award**

#### **Three- Year Agreement – July 1, 2012 to June 30, 2015**

**July 1, 2012 – 2% increase to base salary for steps 1-5.**

**As soon as possible after the date of this award, the City shall pay a \$2,500 incentive payment payable as a lump sum in a separate check to Firefighters and**

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<sup>20</sup> UX1, July 8, 2014, pgs. 6-8.

<sup>21</sup> The Panel only considered the data from the eight comparable communities and New Bedford and subtracted the amounts under the "Other" column because the benefits were too unique to consider.

**ranking officers (not including Chief and Deputy Chief), not to be included in the base.**

**January 1, 2014 – 1.5% increase to base salary for steps 1-5.**

**July 1, 2014 - 1% increase to base salary for steps 1-5.**

**January 1, 2015 – 1.5% increase to base salary for steps 1-5.**

**June 28, 2015 – 1.5% increase to base salary for steps 1-5.**

**ISSUE #4**

**STIPENDS ROLLED INTO BASE SALARY:**

**ARTICLE 15 – CLOTHING ALLOWANCE**

**ARTICLE 20 – WAGES (EDUCATION INCENTIVE)**

**ARTICLE 38 – LONGEVITY**

**ARTICLE 39 – NIGHT/STAFF DIFFERENTIAL**

**ARTICLE 43 – HAZMAT/SPECIAL HAZARDS RESPONSE**

The Panel notes that Union President Cabral stated that all Firefighter stipends would be rolled into base salaries; however, when asked by opposing counsel to identify which stipends; he listed only those referenced above. In addition, these were the only stipends discussed in the Union's brief. Therefore, the Panel's award only pertains to these stipends.

**Current Contract Language**

**Article 15 – Clothing Allowance**

\* \* \*

Effective July 1, 2009 the Clothing Allowance shall be \$675.00 per year payable quarterly for all employees . . .

\* \* \*

**Article 20 – Wages (Education Incentive)**

\* \* \*

**Section 3.** Each permanent employee shall receive as part of his basic wages, in addition to that provided by Section 1 hereof, two (\$.02) cents per hour times the number of hours in his regular weekly schedule for each college credit he has achieved in fire science technology or other related subjects. Thus, if an employee has ten (10) college credits, his basic hourly wage is to be increased by twenty (\$.20) cents. If an employee continues to attend college beyond the associate degree in fire science technology, he/she will be entitled to educational benefits for the additional credits

earned. The program beyond an associate degree in fire science technology shall be reviewed by the Director of Labor Relations and Personnel for approval.

No employee shall be compensated for any credits earned in excess of those credits required for a bachelor's degree in fire science technology or equivalent program approved by the Director of Labor Relations and Personnel. December benefit payment for college credits and longevity will be paid by the City on the second pay date in December of each year; June payments for any such benefits will continue. Any benefit made pursuant to this section shall be included in regular compensation for the calculation of retirement benefits.

Section 3. [Sic] Notwithstanding the restrictions in Section 3, an employee who receives Emergency Medical Technician credits or National Fire Academy Credits will be compensated for such credits.

Any compensation received under this section as educational benefits shall not be computed for overtime purposes which a firefighter is otherwise entitled to under any provision of this contract or law. . .

\* \* \*

#### Article 38 – Longevity

1. Employees with nine (9) or more, but less than fourteen (14) years of service as of December 31 of the calendar year shall receive \$450.00.
2. Employees with fourteen (14) or more, but less than nineteen (19) years of service as of December 31 of the calendar year shall receive \$550.00.
3. Employees with nineteen (19) or more, but less than twenty-four (24) years of service as of December 31 of the calendar year shall receive \$650.00.
4. Employees with twenty-four (24) or more, but less than thirty (30) years of service as of December 31 of the calendar year shall receive \$750.00.
5. Employees with thirty (30) or more years of service as of December 31 of the calendar year shall receive \$850.00.
6. Employees with thirty-five (35) years of service as of December 31 of the calendar year shall receive \$1000.00.

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#### Article 39 – Night/Staff Differential

A night/staff differential will be paid to all bargaining unit members. This benefit will not be paid for scheduled tours of duty for an employee beyond his fourth consecutive tour of duty for an absence arising out of the use of sick leave or service-connected injury.

Differential is to be paid weekly.

July 1, 2010

	Per Week
Step 1	30.72
Step 2	33.51
Step 3	36.59
Step 4	38.35
Step 5	41.66
Lt 16%	48.32
Lt 17%	48.74
Capt. 16%	56.05
Capt. 17%	56.53
D.C. 16%	65.00
D.C. 17%	65.58

The calculation of the Night Differential benefit provided in XXXIX of the contract, and reflected in the Interim Agreement (with attached summary of the night differential benefit) concluded between the parties in April 2006, was determined based upon maintaining the same comparative percentage difference for this benefit between Fire and Police that presently existed. This difference was identified as a Fire night differential of approximately eighty three (83%) percent of that existing in the Police Department.

Article 43 – Hazmat/Special Hazards Response

\* \* \*

In recognition of the requirement for employees to respond to and enter into situations involving unknown hazardous materials, including biological, etiological and infectious disease hazards, there shall be a Hazardous Duty Supplemental Wage of 3% of the base pay of a top step firefighter for all members of the bargaining unit.

Union Proposal

The above referenced stipends shall continue to be identified and costed separately in the Agreement but shall be rolled into a Firefighter's base salary.

City Proposal

None – The City seeks to retain the status quo.

Union Position

The Union argued the proposal does not increase City benefits costs but provides a benefit to Firefighters under the current state pension regulations which exclude these types of stipends from retirement calculations. The individual stipends

would remain as listed in the Agreement but would be included in a Firefighter's base salary and paid out in his/her regular paychecks.

### **City Position**

The City contends that longevity payments, educational incentive, hazmat pay, and night/staff differentials are currently all considered as regular compensation for retirement purposes and are taken into account when retirement calculations are made; therefore, there is no need to roll these stipends into the base. The only stipend that is not considered is clothing allowance which was specifically excluded from retirement calculations in the outside section 116 to Chapter 131 of the Acts of 2010.

The City disagrees with the Union's contention that there is no cost associated with the proposal because overtime would now be calculated on base salaries that have increased substantially due to the stipends being rolled into the base salary. In addition, each Firefighters base salary would need to be individually calculated to determine an overtime rate, this would result in each employee having a separate pay code that could continually be in a state of flux.

### **Discussion**

The Panel does not support a change to the current language for the following reasons. One, the City's contention that longevity payments, educational incentive, hazmat pay and night/staff differentials are already considered as regular compensation for retirement purposes and calculations was un rebutted; therefore, Firefighters already receive the benefit. Two, the City's argument that the outside section of section 116 to Chapter 131 of the Acts of 2010 specifically exclude clothing allowance from retirement calculations is correct and the Panel received insufficient evidence or reason to include a stipend that the Legislature has explicitly excluded. Three, the Union's contention that the proposal would not increase benefit costs was not substantiated. Finally, the Panel believes, even if the clothing allowance stipend was excluded, that rolling the other stipends into the base could potentially increase overtime costs. As a result, the Panel

finds that even the potential of increasing cost in an area where Firefighters already receive the benefit sought by the Union is unnecessary.

### **Award**

**The stipends of clothing allowance, education incentive, longevity, night/staff differential and hazmat/special hazards response shall remain as status quo in that they are individually identified in the Agreement and not rolled into Firefighters' base salaries.**

## **ISSUE #5** **ARTICLE 20 – WAGES** **EDUCATION INCENTIVE**

### **Current Contract Language**

See Issue #4 above for current contract language.

### **Union Proposal**

The Union's proposal seeks to increase the existing education incentive from \$0.02 cents per credit hour to \$0.05 cents per credit hour.

### **City Proposal**

None – The City seeks to retain the status quo.

### **Union Position**

The Union proposed the increase is an attempt to reach parity with the Police Unit. In that Agreement, the City agreed to incrementally increase the educational funding over the three years culminating in Police Officers receiving 100% of the Quinn Bill by the end of their Agreement on June 28, 2015. This equates to a cost that is nearly doubled what the Police were receiving in July 2013. In addition, the Union argued that their education benefit has only been increased once in the 21 years that it has existed and the cost of the \$.03 increase is substantially lower than what the Police received in their Agreement.

### **City Position**

The City is opposed to increasing the current educational incentive from \$.02 cents per credit hour to \$0.05 for the following reasons. One, the cost of the proposal is

prohibitive. At the end of FY14, Firefighters received over \$400,000 in educational benefits. This number will more than double and could reach one million dollars if a \$.03 cents increase is approved by the Panel. Two, the Firefighters educational incentive is better than the Police Officers because they are paid as credits are earned, as such, they receive their benefit sooner and they do not have to complete a degree which Police Officers are required to do before they receive pay. Three, although the City did restore a benefit that was taken away from the Police when the State stopped contributing 50% of the funding for the Quinn Bill, the City received in exchange language that substantially reduced the educational benefit for new hires. The Union's proposal only benefits Firefighters at a significant cost with no benefit to the City.

### **Discussion**

This Panel believes that educated Firefighters and Police Officers are a valuable asset to the City. In the past, the City argued that they should not pay more for Firefighters educational incentive because they were only required to pay 50% of the financial obligation of the Quinn Bill and the City's payment was given only for completed degrees.<sup>22</sup> In the recent Police Agreement the City, who already volunteered to pay approximately 60% for several years when the State did not pay its 50% portion, agreed to fund 100% of the Quinn Bill by the end of the Agreement. The City's action negates their previous argument that they should not have to pay more towards Firefighters' educational incentive. The Panel finds that the City's decision to fully fund the Quinn Bill for current police officers is significant and clearly demonstrates when they want to provide additional compensation that they have the ability and are willing to pay. The Panel finds that Firefighters should be treated in the same manner and concludes that the City has the ability to pay a \$.03 increase in the Firefighters' education incentive for a total of \$.05 per credit hour.

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<sup>22</sup> Arbitrator Richard Boulanger, City of New Bedford and IAFF, Local 841 Interest Arbitration Award, JLMC #00-08F, p.19

**Award**

**Effective June 28, 2015 the Education Incentive in Article 20 – Wages - shall be increased by \$.03 cents to a total of \$.05 cents per credit hour.**

**ISSUE #6**  
**ARTICLE 11- VACATIONS**

**Current Contract Language**

Section 1. . . . Each employee who has twenty (20) or more years of service as of December 31<sup>st</sup> of the calendar year shall receive five (5) weeks and two (2) days of vacation with pay for that calendar year. Each employee who has thirty (30) or more years of service as of December 31<sup>st</sup> of the calendar year, shall receive six (6) weeks of vacation with pay for that calendar year.

\* \* \*

Section 2(e). As many as 20 fire company employees, but no more than 5 per group, shall be allowed to be on vacation at any one time throughout the City, regardless of assignment, including special vacations. Special vacations shall be granted though individual needs requests approved by the Chief; examples of special requests that may be granted are, but not limited to: marriage, marriage of children, illness of family, etc. Should an additional fire company be commissioned, the limits in this section and section 4 shall be 22 fire company employees and 6 per group.

\* \* \*

Section 2(i). The fifth (5<sup>th</sup>) and sixth (6<sup>th</sup>) vacation week shall be scheduled, if required, in current non-vacation periods; provided, however, that in such periods, employees entitled to the fifth (5<sup>th</sup>) vacation shall be given priority as to vacation scheduling as determined by the Fire Department. Employees entitled to the fifth (5<sup>th</sup>) vacation week shall be limited to no more than two (2) employees per group on a fifth (5<sup>th</sup>) vacation week at any one time. The maximum of 20 fire company employees set forth in section 3(e) shall include any employees taking their fifth (5<sup>th</sup>) and sixth (6<sup>th</sup>) vacation week. Provided further, after selection of vacations by employees with less than four weeks vacation, those employees with five weeks of vacation may request by seniority, use of their fifth week in open vacation periods identified in a list provided by the City; said list to be provided by the City shall not include open vacation periods after September 1 in each calendar year.

\* \* \*



**New Language from July 1, 2010 – June 30, 2012**

Members who have more than five (5) weeks vacation shall be allowed to take their vacation periods beyond the fifth week in full shift increments (10 and 14 hours). Provided that a minimum of two (2) weeks notice shall be given and the requirements and limitations, as provided for in Article 11, are complied with. Provided further that two (2) days of vacation may not exceed twenty-four (24) hours of leave and one (1) week shall not exceed forty-eight (48) hours. If no such request is made, members will take their vacations as assigned according to the current vacation schedule.

**Union Proposal**

The Union has two proposals regarding vacations. First, they proposed that the 5<sup>th</sup> week of vacation can be taken as individual days/tours, and second, that Firefighters can sell back either their 5<sup>th</sup> or 6<sup>th</sup> week of vacation. Hence, Firefighters would receive pay for their vacation week instead of being forced to take the week at a time of year that is undesirable.

**City Proposal**

None – The City seeks to retain the status quo.

**Union Position**

Under the Agreement, Firefighters are assigned vacations and are not allowed to pick their vacation times. As a result, a Firefighter's fifth and sixth vacation week is usually assigned in unattractive times of years such as December, January, etc. in entire week blocks of leave time. Currently, Firefighters who are at five and six weeks of vacation can take the extra two days associated with the fifth week and the whole sixth week as individual days/tours. The Union contends that since the City is already scheduling the two days and the sixth week as individual days/tours then allowing the fifth week to be taken in the same manner is not a burden to the City. However, the change would give Firefighters an additional opportunity to take vacation time at desirable times of the year as opposed to during the worst part of winter into early spring. The Union is not proposing to change any limitations or restrictions currently in the contract and understands that their request would be submitted and approved under current contract language. In addition, Police Officers have been allowed to use their fifth week of vacation in single days since 2006 and the Panel should award the same benefit to Firefighters since there is no cost to the City.

With regard to selling a fifth or sixth week back instead of taking a vacation week the Union believes this would save the City money because they would not have to cover the Firefighter's vacation week with overtime. The Union also disagrees with the City's argument that by selling a week back Firefighters would get 53 weeks of pay

instead of what is legally required which is 52 weeks of pay. In their opinion, Firefighters would be working an additional week of work which would help curb overtime and/or if there is no overtime in the budget, making the change would stop the City from being forced to shut down fire apparatus.

### **City Position**

In the last Agreement, the parties agreed that Firefighters who are eligible for five weeks of vacation and two days and/or six weeks of vacation can request to use the two days and the sixth week as individual days/tours. To date, the Fire Department has been able to accommodate Firefighter's request; however, the City is concerned that if eligible Firefighters were allowed to break up their fifth week into individual days/tours that there is not enough time in the calendar year to accommodate and schedule all their requests.

With regards to the Union's proposal to sell back their fifth or sixth week of vacation the City contends that the vacation benefit is to provide employees with paid time off where they can rejuvenate themselves and spend time away from work. The City argued that allowing Firefighters to sell back a week vacation provides a financial windfall for employees and is prohibitive under the Agreement. Article 11- Vacations, Section 2 states, ". . . in no instance shall any employee receive pay for more than fifty-two (52) weeks in any one (1) calendar year." If the 74 Firefighters that are eligible for fifth and sixth weeks of vacation decided to sell back one of their weeks the City would be paying for a fifty-third week of payroll at the end of each fiscal year. This is cost prohibitive and violates the Agreement.

### **Discussion**

With regard to the Union's proposal to sell back either a fifth or sixth week vacation, the Panel finds no compelling reason to provide this new benefit to Firefighters. As referenced in the Statutory Criteria Guiding Interest Arbitration section of this Award, the Panel believes that this part of the Union's vacation proposals falls under the criteria that "proposals that seek a significant change in a mature Agreement are not awarded in Interest Arbitration". This proposal must be discussed at the bargaining table and the change should occur in the "give and take" of negotiations.

As to expanding the current vacation benefit to include both the fifth and sixth weeks of vacation time as individual days/tours, although the Panel finds the Union's proposal to be reasonable again we see no compelling reason to make the change. The Firefighters just received the benefit in the last Agreement and have offered nothing to the City to expand the new benefit. Even though Deputy Chief Coderre thought it was doable, it would increase his workload and put a strain on scheduling vacation time for all employees. The Panel gave no weight to the Union's argument that the Police have had the benefit since 2006 because overall the Police get less vacation time than Firefighters do.

### **Award**

**Article 11 – Vacations shall remain at status quo.**

## **ISSUE #7** **ARTICLE 14 – PERSONAL LEAVE**

### **Current Contract Language**

Section 1. Employees shall be allowed annually in any combination of day and night tours or parts thereof not to exceed in total hours taken each year forty-eight (48) hours, as personal leave with pay and without benefit loss.

\* \* \*

### **City Proposal**

The City seeks to reduce Personal leave from 48 hours to 42 hours.

### **Union Proposal**

None – The Union seeks to retain the status quo.

### **City Position**

All City employees get Personal Leave based on the number of hours they work per week, e.g. if an employee's total work week is 35 hours then s/he receives 35 hours of personal leave. Prior to the Firefighters current schedule of 24 hours on, 24 hours off, 24 hours on and five days off, they worked four days on and four days off. The four days Firefighters were working consisted of two 10 hour days and two 14 hours days for a total of 48 hours of work. Since they worked 48 hours they received 48 of personal leave.

Currently, the average workweek for Firefighters is 42 hours, based on the current number of hours worked the City seeks to reduce from 48 hours to 42 hours of personal leave. This would bring the Firefighters' benefit in line with all City employees. In addition, Firefighters receive five consecutive days off to take care of personal business which is substantially different from all other City employees, who only get two days off so the need for 48 hours of personal leave is not necessary.

### **Union Position**

The Union contends that the City gave no rational reason to decrease the amount of personal leave other than a goal to cut Firefighters' benefits, therefore, the City's proposal should be not be awarded. In addition, the Union disagreed with the City's contention that the reason why Firefighters received 48 hours of personal leave was based on their previous work schedule of four days on and four days off. Former Union President James Allen (Mr. Allen), now retired, testified that the implementation of the 48 hour personal leave occurred after the Firefighters went to the current work schedule of 24 hours on, 24 hours off, 24 hours on and 5 days off. When this schedule started, Firefighters were only receiving 42 hours of personal leave based on their average 42 hour work. However, according to Mr. Allen, this caused a problem because Firefighters who were taking their personal leave all in one week were only coming in for partial shifts which was causing a scheduling and coverage problem for the Fire Department. As a result, during a previous round of negotiations under Former Mayor Lang, the City proposed to increase the number of personal leave hours from 42 hours to 48 hours and the Union accept the proposal. Finally, the average work week of 42 hours is based on Firefighters working seven 48 hour work weeks and one 24 work week, therefore over an eight week cycle Firefighters work a majority of 48 hour work weeks.

### **Discussion**

The Panel finds no compelling reason to reduce Firefighters personal leave. If the City wants a reduction in personal leave hours then the change should occur at the bargaining table during the “give and take” of negotiations and not through an interest arbitration award.

### **Award**

**Article 14 – Personal Leave shall remain at status quo.**

## **ISSUE #8** **ARTICLE 15 – CLOTHING ALLOWANCE**

### **Current Contract Language**

\* \* \*

Effective July 1, 2009 the Clothing Allowance shall be \$675.00 per year payable quarterly for all employees . . .

\* \* \*

### **Union Proposal**

The Union is seeking to increase the clothing allowance to \$1000.

### **City Proposal**

None – The City seeks to retain the status quo.

### **Union Position**

The Union made this proposal to reach parity with Police Officers whose clothing allowance just increased to \$1000. In addition, the Union contends that the increase cost of clothing and maintaining regular and dress uniforms also supports the increase. Firefighters, in the course of their employment, come in contact with carcinogens and hazardous materials, as such, their work clothes must be kept and cleaned separate from their non-work clothes and their families’ clothing which is an additional cost.

### **City Position**

The City contends that the current uniform allowance is more than sufficient to cover the cost and maintenance of regular and dress uniforms. Chief Gomes estimated that three complete sets of work uniforms would cost approximately \$500 and the remaining \$175 is more than enough to maintain Firefighters dress uniforms. The City argued Firefighters should not receive an increase in this benefit based solely on the fact that Police Officers receive it. Police Officers wear their uniforms on a daily basis and Firefighters do not. Firefighters are not required to work in their dress uniforms and the Chief in accordance with Article 26-Working Conditions, Section 5 can only require Firefighters to report to work in their dress uniforms three times per year. In addition, the Fire Department provides all other equipment required to perform their duties without cost to the Firefighters. Based on the above, adding \$325 to the current clothing allowance is unreasonable.

### **Discussion**

The Panel reviewed the Union's comparability evidence to make our determination on increases the clothing allowance from \$675 to \$1000 because it was the only data available.<sup>23</sup> The Panel recalculated the average by deleting the communities we concluded were not appropriate comparables, i.e. Boston, Cambridge, Newton and Somerville. We deleted the City of Lynn because it had the lowest clothing allowance payment of \$500 which is mainly for cleaning uniforms because the City provides firefighters all their work and dress clothing. We also deleted the City of Quincy because it had the highest clothing allowance of \$1569. This left four communities plus New Bedford for a total of five communities. The average for these five communities was \$995. Therefore, based on the comparables the Union's request to increase their clothing allowance to \$1000 is justified and awarded.

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<sup>23</sup> UX1, July 8, 2014, pgs.6-8

**Award**

**Effective July 1, 2012 Firefighters' Clothing Allowance shall be increased to \$1000.**

**ISSUE #9**

**ARTICLE 18 – RESIDING OUTSIDE CITY LIMITS**

**Current Contract Language**

Employees who have been members of the Department for at least four years shall be allowed to reside in other cities/towns which are within a 15 mile radius of New Bedford. In order to be hired initially, prospective employees must reside within the City of New Bedford.

**City Proposal**

Strike the final sentence and replace with the following:

Employees hired in 2014, after the effective date of the contract, shall reside within the City of New Bedford as a condition of continued employment.

**Union Proposal**

None – The Union seeks to retain the status quo.

**City Position**

Currently, out of 226 Firefighters, 143 live in the City and 83 live outside the City. The City wants employees to live within New Bedford so if there are multiple alarms, the Fire Department can draw on off-duty manpower. The City is willing to grandfather in current Firefighters but wants new hires to live within the City limits. It is the City's contention that since the 24 hour schedule was implemented that more Firefighters, now having five consecutive days off, are tempted to get an apartment in New Bedford and reside outside the City limits. In addition, the City Council has requested the Mayor to require Firefighters to live in the City. They want all public sector employees to reside in the place where they make a living because it supports the tax base, the school system and reflects a commitment to the community.

**Union Position**

The City's current residency provision has been in existence for approximately twenty-five years and it " . . . is a logical and fair system which reflects the success of

mutually bargaining in good faith”.<sup>24</sup> The Union recognizes that the issue has been raised many times over the twenty-five years depending upon whether an Administration wants to make a change; nonetheless, a change has not occurred. In 2012, the City Council made a resolution to require city employees to live within City limits and believes that this is reason why the City is seeking the residency change.

The Union contends that this issue is not problematic considering that in the twenty-five years that it has been in existence that the City has never taken any disciplinary action against a Firefighter for violating the residency requirement which is their rights to do so. The City contends that they have certain information regarding where Firefighters live but they have not confronted the issue. Therefore, the Union believes it is a non-issue and should remain as current contract language. Furthermore, Police Officers have the same language as the Firefighters but the City did not seek to change the residency requirement for them.

### **Discussion**

The residency language has been in place for approximately 25 years and has remained unchanged despite the desires of mayors and city council members. The Panel concludes that the language should remain as status quo because arbitrators are reluctant to modify Agreements where the contract language has been in place for a considerable period of time, i.e. approximately 25 years, and there is no ascertainable problem with the language.

### **Award**

**Article 18-Residing Outside City Limits shall remain at status quo.**

## **ISSUE #10** **ARTICLE 25 – TRANSFERS**

### **Current Contract Language**

\* \* \*

**Section 1(a).** Firefighters or officers who are promoted shall remain in their new assignment for a period of one year from the date of promotion and may not be

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<sup>24</sup> Union Brief, pgs. 28-29



transferred or bid during the one year period, provided that the Chief may, at his discretion, permit a transfer when no employee has bid on an opening during this one year restriction.

\* \* \*

### **City Proposal**

Amend Section 1(a) by inserting the following at the end of the subsection:

Notwithstanding the previous sentence, employees in Fire Prevention, Training, Signal Room and other staff positions shall remain in their assignments for a minimum of three (3) years.

### **Union Proposal**

None – The Union seeks to retain the status quo.

### **City Position**

The City argued that this is a priority for the Chief because the staff positions assigned to Fire Prevention, Training and the Signal Room, etc. are special, technical functions that require a lot of training and mentoring on the job experience. Under the current Agreement, Firefighters promoted or assigned to these positions are only required to remain in them for one year. So all the time, training and money invested in getting Firefighters proficient in these areas is for naught because they leave and then the Department has to start training anew. The Chief understands that Firefighters prefer working on the fire companies because of the 24 hour schedule as compared to a Staff Firefighter who works four to five days per week; however, the Chief believes this is counterproductive and not cost effective.

In this Agreement, the City initially proposed that Staff Firefighters would be required to remain in them for five years but recalled that back in 1992, the parties had agreed that transfers to the Fire Prevention Bureau would be for a three year period and that Firefighters could not bid out of their staff positions, without the approval of the Chief. The City contends returning to language similar to this provision is a reasonable compromise and would stop the revolving door and provide consistency as well as proficiency in these important jobs.

### **Union Position**

The Union contends the three year requirement was eliminated because requiring Firefighters to remain in staff positions for that length of time impacted their

moral and their effectiveness to perform the functions. Even Chief Gomes admitted that he did everything he could to avoid being assigned to a staff position. The Union contends that the City needs to analyze why employees want to leave these positions and suggests that if the City made them more attractive then Firefighters would stay in them longer of their own accord.

### **Discussion**

The Panel concurs with the Union's argument that the City needs to evaluate and examine the staff positions to find out why there is such a turnover in these positions and make changes to improve the desirability of the positions. Despite the Panels concurrence we believe based on the investment of time and money that goes into training Firefighters for staff positions and for the betterment of the Fire Department that Firefighters should remain in the positions for two years unless the Chief approves otherwise. The Panel considers a two year commitment as a compromise from the City's initial five to three year minimum. If the City wants a longer commitment in the future they will have to justify and obtain the change at the bargaining table. The Panel also views this as a "quid pro quo" for the \$.03 cent increase in the education incentive stipend.

### **Award**

**Article 25- Transfers, Section 1(a) shall be amended by inserting the following language at the end of subsection:**

**Notwithstanding the previous sentence, employees in Fire Prevention, Training, Signal Room and other staff positions shall remain in their assignments for a minimum of two (2) years.**

**ISSUE #11**  
**ARTICLE 37- REPORTING INJURIES**

**Current Contract Language**

Employees shall report injuries incurred in the line of duty as soon as possible but not later than ninety-six (96) hours after the injury occurred. In the course of treatment for line of duty injuries, employees shall notify the City of a change in his or her primary care physician.

**City Proposal**

Insert the following paragraphs at the end of the section:

A firefighter who is on leave without loss of pay status pursuant to Chapter 41, Section 111F of the Massachusetts General Law may, in the discretion of the Chief, be required to perform limited duty on either a full-time or part-time basis, provided the Chief, in his/her discretion, determines that there is limited duty available to be performed by such individual and orders such person to do so. Notwithstanding any provision in the collective bargaining agreement to the contrary, including, but not limited to, those provisions relating to shift bidding and seniority, if any, the Chief shall have full authority to assign and reassign such employee to any shift/tour or limited duty necessary for the efficient implementation of this article.

Light duty assignments shall include any duty to which such employee might otherwise be assigned, consistent with such individual's physical limitations, including, but not limited to clerical, dispatching, training, investigative assistance, court work, inspections, station monitoring or similar duties.

**Union Proposal**

None – The Union seeks to retain the status quo.

**City Position**

Chief Gomes testified that at any one time there are six to ten Firefighters out on Injury on Duty Leave (IOD). Most of the time, the injuries keep Firefighters from performing their fire suppression function; however, there are times when the injury is less severe, e.g. a fractured finger, and the Firefighter could be performing "light duties" within their physical limitations prescribed by their physicians. In addition, there have been times when Firefighters have approached the Chief and asked to work light duty when they are unable to work and/or are using sick leave for a non-work related injury. In each of these case, the Chief has attempted to accommodate their requests if possible.

In this proposal, the Chief would have the authority to review IOD documents, decide if a Firefighter could perform light duty work and require them to return to work in a light duty capacity. Obtaining this proposal would be beneficial to the Department because it would put employees on a path to full employment while performing much needed administrative and/or staffing functions.

### **Union Position**

The Union argued that the Panel should not consider the City's proposal for Light Duty for several reasons. One, the City did not propose light duty language at any time during negotiations. Implementing this type of provision is a major operational change for the Department that should be discussed fully and negotiated at the bargaining table. Two, the City, who agreed to extensive pay and compensation increases with the Police Unit, did not receive this management right or any other work place concession in return. The concept was not even raised with the Police Unit. Three, the City did not present evidence establishing the Department is concerned with the number of Firefighters being out on IOD or that there is an abuse of IOD procedures. Finally, placing Firefighters on light duty would affect the ability of Firefighters to recover from their IOD injuries in a timely manner so they could return to their fire suppression duties. It is clear that the City did not even take this into consideration when they presented this proposal.

### **Discussion**

The Panel finds there is no compelling reason to make a major operational change as would occur with the implementation of a light duty provision as proposed by the City. As mentioned in the introduction section under criteria; proposals that seek significant change, i.e. a new benefit, in a mature agreement is rarely awarded in Interest Arbitration. The Panel believes the creation of a new benefit, and one as significant as mandating Firefighters to return to work on light duty for injuries sustained in the performance of their duties, should occur at the bargaining table after significant discussion and negotiations and not as a result of an arbitration award.

### **Award**

**Article 37 – Reporting Injuries shall remain at status quo.**

**ISSUE #12**  
**ARTICLE 11 –**  
**NEW LANGUAGE – PRESUMPTION**  
**(INCLUSION OF HEART AND CANCER BILL PRESUMPTION FOR**  
**SERVICES CONNECTED TO INJURY STATUS)**

**Current Contract Language**

None

**Union Proposal**

The Retirement Presumption would apply to services connected injury status, i.e. Injury on Duty (IOD)

**City Proposal**

None

**Union Position**

Currently, under Massachusetts General Law (MGL), Chapter 41, section 111F Firefighters who have a job-related injuries or illnesses, e.g. heart disease and lung cancer, etc., shall be granted leave without loss of pay for the duration of the injuries or illnesses. In addition, under MGL, Chapter 32, section 94 there exist a statutory presumption of job-related cause for heart disease and lung cancer for retirement purposes. The Union argued that,

It is unfair that a firefighter will be presumed to be eligible for job related retirement status under the exact same condition which required him or her to be absent from work and “out sick” prior to his retirement, yet his pre-retirement status is not deemed job-related.<sup>25</sup>

In addition, the Union anticipated that the City would argue that the proposal is not properly placed before the panel and disagrees contending that Chapter 41, Section 111F can be modified under Chapter 150E by agreement of the parties.

**City Position**

The City argued that this proposal is not new but has been presented by the Union during several negotiations. The City has always opposed the provisions because the law does not allow it and specifically it has been determined by the

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<sup>25</sup> Union Brief, p. 25

Massachusetts Supreme Judicial Court that the presumption in MGL, Chapter 32, section 94 was not applicable to MGL, Chapter 42, section 111F. In addition, the City believes that the benefits under MGL, Chapter 42, section 111F are very lucrative because Firefighters instead of receiving 63% of their pay under worker's compensation they receive 100% of their pay which is non-taxable. The City is not questioning the current benefit but is opposed to making a binding presumption that a Firefighters' injury or illness is work related when the Legislature does not recognize this and the Supreme Judicial Court has determined that it is not. The City believes it is in the hands of the Legislature to fix this; not at the bargaining table and or from the Panel.

### **Discussion**

The Panel understands the Union's frustration that this benefit has not been granted by the Legislature and agrees that the Union has the right to bring the issue forth at the bargaining table. However, the Panel, as discussed above in Issue #10 – Article 37 – Reporting Injuries, finds that the Agreement is not the appropriate vehicle to make a major operational change and create a benefit that is unsupported by the Legislature and the Supreme Judicial Court. In addition, the Panel works off the criteria that if a proposal seeks significant change, i.e. a new benefit, in a mature agreement it is rarely awarded in interest arbitration. The benefit should be discussed at the bargaining table where the "give-and take" of negotiations will determine if the proposal will be agreed to and not as a result of an arbitration award. Furthermore, there are no comparable communities that have the provision and the Union's evidence presented on this issue was minimal at best.

### **Award**

**The Panel does not award the Union's proposal regarding the Retirement Presumption being applied to services connected to injury status.**

## **SUMMARY OF AWARD**

### **ISSUE #1: ARTICLE 47 - DURATION**

**Article 47- Duration shall be deleted and replaced with the following:**

- 1. The Provisions of this Agreement, unless otherwise specified, shall be effective July 1, 2012 and shall extend through June 30, 2015. Either party wishing to terminate, amend or modify this Agreement must so notify the other party in writing on or after January 1, 2015 and collective bargaining shall commence no later than sixty (60) days after such notice has been received. Any modification during the terms of this Agreement shall be continued in full force until such time that an agreement is reached.**
- 2. Retroactive Provisions:  
All articles are affective July 1, 2012, unless otherwise noted.**

### **ISSUE #2: ARTICLE 2 - PAYROLL DEDUCTIONS OF UNION FEES, DUES AND ASSESSEMENTS**

**The City's proposal is awarded and Article 20 – Wages, Section 1 shall be amended by adding the following language:**

**No earlier than the week beginning June 29, 2014, employee earnings will be paid bi-weekly on Thursdays and by direct deposit (electronic paycheck in lieu of paper payroll notice when available).**

### **ISSUE #3: ARTICLE 20 – WAGES**

#### **Three- Year Agreement – July 1, 2012 to June 30, 2015**

**July 1, 2012 – 2% increase to base salary for steps 1-5.**

**As soon as possible after the date of this award, the City shall pay a \$2,500 incentive payment payable as a lump sum in a separate check to Firefighters and ranking officers (not including Chief and Deputy Chief), not to be included in the base.**

**January 1, 2014 – 1.5% increase to base salary for steps 1-5.**

**July 1, 2014 - 1% increase to base salary for steps 1-5.**

**January 1, 2015 – 1.5% increase to base salary for steps 1-5.**

**June 28, 2015 – 1.5% increase to base salary for steps 1-5.**

**ISSUE #4: STIPENDS ROLLED INTO BASE SALARY:**

**ARTICLE 15 – CLOTHING ALLOWANCE**

**ARTICLE 20 – WAGES (EDUCATION INCENTIVE)**

**ARTICLE 38 – LONGEVITY**

**ARTICLE 39 – NIGHT/STAFF DIFFERENTIAL**

**ARTICLE 43 – HAZMAT/SPECIAL HAZARDS RESPONSE**

The stipends of clothing allowance, education incentive, longevity, night/staff differential and hazmat/special hazards response shall remain as status quo in that they are individually identified in the Agreement and not rolled into Firefighters' base salaries.

**ISSUE #5: ARTICLE 20 – WAGES (EDUCATION INCENTIVE)**

Effective June 28, 2015 the Education Incentive in Article 20 – Wages shall be increased by \$.03 cents to a total of \$.05 cents per credit hour.

**ISSUE #6: ARTICLE 11 – VACATIONS**

Article 11 – Vacations shall remain at status quo.

**ISSUE #7: ARTICLE 14 – PERSONAL LEAVE**

Article 14 – Personal Leave shall remain at status quo.

**ISSUE #8: ARTICLE 15 – CLOTHING ALLOWANCE**

Effective July 1, 2012 Firefighters' Clothing Allowance shall be increased to \$1000.

**ISSUE #9: ARTICLE 18 – RESIDING OUTSIDE CITY LIMITS**

Article 18-Residing Outside City Limits shall remain at status quo.

**ISSUE #10: ARTICLE 25 – TRANSFERS**

Article 25- Transfers, Section 1(a) shall be amended by inserting the following language at the end of subsection:

Notwithstanding the previous sentence, employees in Fire Prevention, Training, Signal Room and other staff positions shall remain in their assignments for a minimum of two (2) years.



**ISSUE #11: ARTICLE 37- REPORTING INJURIES**

**Article 37 – Reporting Injuries shall remain at status quo.**

**ISSUE #12: NEW LANGUAGE – PRESUMPTION (INCLUSION OF HEART AND  
CANCER BILL PRESUMPTION FOR SERVICES CONNECTED TO INJURY STATUS)**

**The Panel does not award the Union's proposal regarding the Retirement  
Presumption being applied to services connected to injury status.**

  
\_\_\_\_\_  
Bonnie J. McSpirtt, Neutral Arbitrator, Chair

10/15/14  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Jay Colbert, Union-Designated Arbitrator

10/21/14  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Judith Robbins, City-Designated Arbitrator

10/19/14  
\_\_\_\_\_  
Date

THE UNIVERSITY OF CHICAGO

PHYSICS DEPARTMENT

11/1/51

Robert Serber