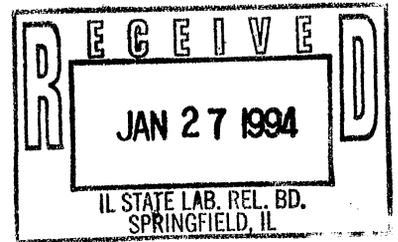


ILLINOIS STATE LABOR RELATIONS BOARD  
INTEREST ARBITRATION



BLOOMINGDALE FIRE PROTECTION )  
DISTRICT NO. 1 )  
)  
)  
and )  
)  
)  
BLOOMINGDALE PROFESSIONAL )  
FIREFIGHTERS ASSOCIATION, )  
LOCAL 3272 )

ISLRB No. S-MA-92-231

HARVEY A. NATHAN,  
Chairman

JAMES F. HENDRICKS, JR.,  
Employer Delegate

J. DALE BERRY,  
Union Delegate

Hearing Held: June 29, 1993  
July 07, 1993

Record Closed: October 28, 1993

For the Employer: James F. Hendricks, Jr.,  
Bell, Boyd & Lloyd, Attorneys

For the Union: J. Dale Berry,  
Cornfield and Feldman, Attorneys

O P I N I O N A N D A W A R D

T A B L E O F C O N T E N T S

	<u>PAGE</u>
I. INTRODUCTION	3
II. BARGAINING HISTORY AND STATEMENT OF THE ISSUES	6
III. STATUTORY CRITERIA	8
IV. FINANCES	9
V. COMPARABILITY	10
VI. OTHER FACTORS	17
A. Internal Comparability and Past Practice	17
B. Cost of Living Considerations	18
C. Other Factors	18
VII. ANALYSIS OF SALARY ISSUE	19
A. Arguments	19
1. The Union	19
2. The District	21
B. Conclusions	22
VIII. ANALYSIS OF SUBCONTRACTING ISSUE	26
A. Background and the District's Case	26
B. The Union's Evidence	29
C. Arguments	33
1. District	33
2. The Union	34
D. Discussion	36
1. Authority of the District	36
2. Stipulation of the Parties	38
3. Interests and Welfare of the Public	38
Ability to Pay	
4. Comparability	41
5. Other Factors	42
AWARD	43

I. INTRODUCTION

This is an interest arbitration proceeding held pursuant to Section 14 of the Illinois Public Labor Relations Act (5 ILL 315/14), hereinafter referred to as the "Act," and the Rules and Regulations of the Illinois State Labor Relations Board. The parties are the Bloomingdale Fire Protection District No. 1, hereinafter referred to as the "District," and Bloomingdale Professional Firefighters Association, Local 3272, hereinafter referred to as the "Union." The panel of arbitrators consists of two persons selected by the parties, respectively, and a third, neutral arbitrator, jointly selected by the parties. The hearing was held in Bloomingdale, Illinois, on June 29 and July 7, 1993. Briefs were submitted to the neutral arbitrator on October 28, 1993, at which time the hearing was closed. The parties have waived the time limits set forth in the Act.

The Employer is a fire protection district established pursuant to the Fire Protection District Act, formerly Ill. Rev. Stat. ch. 127-1/2 ¶21, et seq. The fire protection district covers approximately 18 square miles including all or parts of the communities of Bloomingdale, Glendale Heights, Keeneyville, Itasca, Addison, Hanover Park, Schaumburg, and adjacent unincorporated areas of DuPage County. The District is headquartered in the municipality of Bloomingdale, and its regular full-time employees and most of its equipment are located there. The District operates a second facility in Keeneyville which is staffed exclusively with paid-on-call firefighters, who are not subject to these proceedings. The District services

a population of approximately 35,000.<sup>(1)</sup> The District's governing body is a three member Board of Trustees which has the authority to provide fire prevention and suppression services and emergency ambulance service. The Fire Protection District Act also gives the Board the authority to appoint employees as well as to contract for certain services.<sup>(2)</sup>

The Union was certified as the collective bargaining representative of a unit of all full-time firefighters, firefighter/EMT-A, firefighter/EMT-P (and) lieutenants on March 11, 1992.<sup>(3)</sup> At the time of the hearing there were either 20 or 23 employees in the unit.<sup>(4)</sup>

---

1. This figure is taken from the Annual Financial Report filed by the District with the State Comptroller's Office for the year ending April 30, 1992.

2. The Union points out that the District is also required by the same statute to establish a Board of Fire Commissioners. The Board of Fire Commissioners is the body which does the actual appointment of all members (employees) of the "department" (except for the Fire Chief) based upon competitive examinations and other standards.

3. The Fire Chief, the Assistant Fire Chief, certain civilian communications and clerical personnel, and the paid-on-call firefighters are excluded from the unit. For the purposes of this Award, "EMT-A" will be referred to as "EMT" and "EMT-P" will be referred to as "PM." As used in this Award, the term "employees" refers to bargaining unit employees.

4. Union Exhibit lists the names of twenty employees. However, Union Exhibits 2, 3 and 11, prepared by the Union's outside consultant, uses a figure of 23 for the size of the unit. Union Exhibits 30 and 43 list 23 names of unit employees and their levels of training. The Village uses 23 in its brief. However, Fire Chief Randecker testified there were 20 unit employees.

They consisted of at least 14 firefighter paramedics (firefighter/EMT-P), 3 firefighter EMTs (fire-fighter/EMT-A), 1 firefighter and 2 lieutenants. (5)

The District operates a three shift system with each shift working 24 hours at a time, and then being off for 48 hours. The shifts are relatively equal in strength. The District owns three ambulances, five fire engines, one fire truck, one grass truck, and other vehicles. Normally, four or five firefighters and an engine respond to a fire call and two paramedics respond to an ambulance call. The length of service for bargaining unit personnel ranges from 6 years to 18 years, with the average above 12 years. According to the Union, there were 1,423 fire runs and 1,807 ambulance runs in fiscal 1992-93. (6) The District participates in a mutual assistance program with other fire departments in the area. It is part of MABAS Division No. 1. (7)

---

5. The District employes approximately 13 paid-on-call firefighters, one of whom is a paramedic.

6. The District points out that these figures may include runs made by the paid-on-call firefighters. Additionally, the Union's exhibit comparing service runs among comparable fire departments uses the number of 23 as the "total fire department personnel" for the District.

7. MABAS is an acronym for Mutual Assistance Box Alarm System.

The present salary structure for employees has four steps, with longevity increases after 10, 15, 20 and 25 years. There are salary lanes for Firefighters, Firefighters/EMT, Firefighters PM, and for Lieutenants. At the starting rate the premium paid to Firefighters/EMT over Firefighters is 4%, and for Firefighters/PM over EMTs it is 8%. The movement between steps for years 1 through 4 ranges from 10% to 13%. Longevity steps for all ranks is \$500. The schedule in effect for the fiscal year ending April 30, 1992, may be diagrammed as follows:

	<u>Firefighter</u>	<u>Firefighter/ EMT</u>	<u>Firefighter/ PM</u>	<u>Lieutenant</u>
Start	\$24,718.83	\$25,796.91	\$27,799.05	\$41,583.08
2nd year	28,030.07	29,108.16	31,110.31	
3rd year	31,341.32	32,419.40	34,421.54	
4th year	34,652.57	35,730.64	37,732.79	
11th year	35,152.57	36,230.64	38,232.79	42,083.08
16th year	35,652.57	36,730.64	38,732.79	42,583.08
21st year	36,152.57	37,230.64	39,232.79	43,083.08
26th year	36,652.57	37,730.64	39,732.79	43,583.08

## II. BARGAINING HISTORY AND STATEMENT OF THE ISSUES

As indicated above, the Union was certified as the bargaining representative for the unit on March 11, 1992. Bargaining commenced shortly thereafter and continued until the parties reached impasse sometime in early 1993. On March 19, 1993, the Chairman was notified of his appointment in this case and, by agreement, proceedings began on April 30, 1993. Thereafter, at the request of the parties the Chairman served as mediator and, after two mediation sessions, issues involving hours of duty, sick leave, health insurance, paramedic certifications, and definition of agreement (zipper clause) were resolved. Thereafter the arbitration hearings began. There are two

issues in arbitration, wages and subcontracting. The parties' final offers are as follows:

Issue No. 1: General Wage Increase

Union

- 1) Increase all steps of existing schedule by 5% effective 5-1-92;
- 2) Increase all steps of 1992 schedule by 3.5% effective 5-1-93;
- 3) Increase all steps of 1993 schedule by 4.5% effective 5-1-94.

District

1. Increase all steps of existing schedule by 4.5% effective 5-1-92;
2. Increase all steps of 1992 schedule by 3.5% effective 5-1-93;
3. Increase all steps of 1993 schedule by 3.5% effective 5-1-94.

Issue No. 2: Work Preservation

Union

Include as Article XVIII, §6 the following language:

All work within the District relating to fire suppression or emergency paramedic services shall be performed by employees appointed from eligibility rosters established by the Board of Fire Commissioners pursuant to Ill. Rev. Stat. Ch. 127-1/2, §37.04(a), provided that paid on call personnel may continue to be utilized by the District to assist the full time work force in the performance of their duties but shall not be utilized as substitutes for full time employees or to displace employees from any regular or overtime work assignment. This provision shall not interfere with mutual aid agreements.

District

Include as Article XVIII, §6 the following language:

The District retains its right to contract out for services performed by employees covered by this Agreement. The District will give the Union at least thirty (30) days notice of any decision to subcontract said work. The District will, upon written notice, meet with the Union to receive the Union's comments and suggestions. The District will not displace any current bargaining unit employees with contract labor.

III. STATUTORY CRITERIA

Section 14(g) of the Act provides that "[a]s to each economic issue, the arbitration panel shall adopt the last offer of settlement which, in the opinion of the arbitration panel, more clearly complies with the applicable factors subscribed in subsection (h)." Section 14(h) requires that the Arbitrator base his decision "upon the following factors, as applicable:"

- (1) The lawful authority of the employer.
- (2) Stipulations of the parties.
- (3) The interests and welfare of the public and the financial ability of the unit of government to meet those costs.
- (4) Comparison of the wages, hours and conditions of employment in employees involved in the arbitration proceeding with the wages, hours, and conditions of employment of other employees performing similar services and with other employees generally:
  - (A) In public employment in comparable communities.
  - (B) In private employment in comparable communities.
- (5) The average consumer prices for goods and services, commonly known as the cost of living.
- (6) The overall compensation presently received by the employees, including direct wages compensation, vacations, holidays and other excused time, insurance and pensions, medical and hospitalization and benefits, the continuity and stability of employment and all other benefits received.
- (7) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- (8) Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

IV. FINANCES

The District enjoys an enviable financial position. Its tax base is growing and its tax rate is decreasing. It spends less than it budgets and has increasing amounts of money in the bank. Whereas money is a problem for many governmental units, finances are not at issue in this case. The District does not argue an inability to pay and acknowledges that it can afford to pay the Union's salary proposal. Nonetheless, because financial considerations are important factors for both issues in this case, some detailed review is in order.

According to the District's 1992 Annual Financial Report, in 1991-92 the District had total revenues of \$2,480,682 of which \$2,332,127 were general revenues. Anticipated tax receipts (property taxes receivable) were \$2,507,072, with \$2,346,754 for governmental (non-fiduciary) funds. For the same year, 1991-92, the District budgeted \$2,286,100 for the General Fund, but spent only \$1,954,560, for a net of \$321,540.<sup>(8)</sup> It had an unreserved fund balance of \$1,939,232, most of which was in cash or certificates of deposit. For the District as a whole, retained earnings increased \$512,232 for a total of \$4,239,814. Its only indebtedness was for accrued sick leave.

---

8. Actually, it spent \$500,000 less than budgeted for salaries. The net for the District is lower because of overages in other accounts.

On the same date that the District filed its 1992 Annual Financial Report, July 27, 1992, it filed its Annual Budget and Appropriation Ordinance for 1992-1993. According to this document, the District estimated its revenues at \$2,911,100, an increase of \$327,500 from the prior year. It also showed an accumulated working capital fund of \$269,786.31, as opposed to \$7,730.75 the prior year. It showed budgeted salaries for employees at \$1,931,000, although it had only spent \$1,152,273 of \$1,672,500 budgeted last year.

The Treasurer's Annual Report showed an even better picture than the preceding reports. Total receipts were \$2,991,772.18 (including \$249,386.49 in a checking account at the start of the fiscal year). Employee salaries spent were \$1,196,133.29, an increase of \$43,860 over the prior year, but \$734,867 below budget.

Finally, on May 11, 1993, the District's Board of Trustees approved a tentative budget for 1993-94 in the amount of \$3,200,000, an increase of 9.9% over the prior year.

#### V. COMPARABILITY

Comparability is one of the most important factors in interest arbitration because it reflects the marketplace. Terms and conditions of employment for bargaining units with characteristics similar to the one at issue demonstrate what other local employers and their employees' bargaining agents accept as appropriate. A comparability group large enough to be statistically meaningful and possessing characteristics of size, geography and finances similar to the subject unit operates as a powerful force for establishing

the appropriateness of the parties' respective proposals. Indeed, it is accepted in some quarters that except for unusual features or special needs of particular bargaining units, a broad-based comparison group with characteristics truly similar to the unit at issue is the most significant of the factors to be considered by the arbitration panel.<sup>(9)</sup> On the other hand, the arbitration panel can never lose sight of the unique features of the bargaining unit in question. Nor can it be look at isolated provisions without recognizing that what some employers pay in one area may be offset by what is paid in another.

Different parties use different criteria in establishing appropriate comparability groups. Generally speaking population, size of the bargaining unit, geographic proximity and, where, as in this case, most of the revenues come from local property taxes, property

---

9. Laner and Manning, "Interest Arbitration: A New Terminal Impasse Procedure for Illinois Public Section Employees," 60 Chicago-Kent L. Rev. 839 (1984).

values or EAV are appropriate. In some cases the parties locate communities where the terms and conditions of employment support their demands. They then look for common features in order to make a comparability argument, and argue that based on these isolated features the favored communities should form a comparability group. The better view is to find those features which form a financial and geographic core from which a neutral can conclude that terms and conditions of employment in the group having these similar core features represent a measure of the marketplace.<sup>(10)</sup> Both parties in this case went beyond what was necessary so as to find groups which supported their proposals. Neither party presented an acceptable group and, accordingly, some detailed discussion is necessary.

---

10. In City of Aurora and Fire Fighters Local 99 (1991), Arbitrator David Dilts looked primarily at size and geography. In Village of Westchester and Illinios Firefighters Alliance, Council 1 (Berman, 1989), the parties agreed that adjacent communities made up the comparison group. In Village of Skokie and Skokie Firefighters Local 3033 (1990), Arbitrator Elliott Goldstein stated that the significant factors were "geographic proximity, occupational similarity, employer similarity, and the comparisons the parties have used in past negotiations" (Award, p. 36), which is the identical language used by Arbitrator Herb Berman in Village of Lombard and Lombard Professional Fire Fighters Local 3009 (1988) (Award, p. 8). On the other hand, Arbitrator Steven Briggs found that "geographic proximity is the best description of the relevant labor market \*\*\*." Village of Arlington Heights and Arlington Heights Firefighters Association, Local 3105 (1991) (Award at p. 18). He found the criteria of population, assessed value and/or sale tax less significant because they do not bear upon employment opportunities in the way geographic proximity does.

The Union used a variety of factors in establishing an appropriate comparability group. It included organized fire departments abutting the boundaries of the District. Then it reviewed a list of organized districts within a 10 mile radius of the District. (11) From among 26 departments in this larger group, the Union selected those which matched the District in at least four of seven criteria, plus or minus 25%. The seven criteria were:

- Population
- Size of Department
- Per Capita Income
- Median Family Income
- Median Housing Value
- Per Capita Equalized Assessed Valuation
- Total Equalized Assessed Valuation

The Union then came up with the following list of 13 organized departments:

---

11. Ten miles was used simply for the convenience of having a manageable base group. Abutment was considered a critical factor, and therefore separate, because of the interaction of the departments through MABAS.

	<u>Abuts</u>	<u>Population</u>	<u>Uniformed Employees</u>	<u>Contract Employees</u>	<u>Per Capita Income (1989)</u>	<u>Median Family Income</u>	<u>Housing Value</u>	<u>Total EAV</u>	<u>Per Capita EAV</u>
Addison FPD	Y	35,000	47	6	\$15,944	\$46,476	\$139,000	\$ 520,547,586	\$14,873
Carol Straem FPD	Y	38,000	25	12	16,697	49,673	132,400	416,210,685	10,953
Elk Grove Village	N	33,429	84		19,262	53,795	144,800	1,132,004,184	33,863
Glenside FPD	Y	22,000	12	6	15,715	46,085	109,100	207,517,476	7,418
Hanover Park FPD	Y	34,000	23		14,770	45,475	103,000	244,138,192	7,181
Hoffman Estates	N	46,561	74		19,072	53,292	144,200	541,227,874	11,624
Itasca FPD	Y	9,000	13	6	19,501	51,594	149,400	252,289,117	28,032
Lombard	N	39,408	40		18,281	50,848	122,700	613,893,191	15,578
Palatine	N	39,253	68		22,098	57,376	167,400	563,147,731	14,347
Rolling Meadows	N	22,591	45		20,045	50,943	149,300	481,961,900	21,334
Schaumburg	Y	68,586	116		20,286	54,591	141,400	1,729,359,882	25,214
Wheaton	N	51,464	19	12	22,433	60,709	171,600	769,356,962	14,949
Wood Dale FPD	N	13,500	19	3	18,715	48,002	132,700	294,013,602	21,779
<u>BLOOMINGDALE</u>		<u>35,000</u>	<u>23</u>		<u>\$33,008</u>	<u>\$56,642</u>	<u>\$161,700</u>	<u>\$ 490,467,520</u>	<u>\$14,013</u>

Using the Union's criteria, all of the 13 departments qualify on the basis of plus or minus 25% for 4 of the factors, except Glenside, Hanover Park and Schaumburg. However, these three departments are contiguous with Bloomingdale FPD and are therefore included in the group. (12) On the other hand, it is not clear from the record why both per capita income and family income are included, or why both per capita EAV and total EAV are included. EAV is important because it represents the tax base. Per capita EAV seems to be a meaningless statistic for the purposes of this case. So, too, it is unclear how either per capita income or family income are relevant in establishing comparability for a collective bargaining unit of fire fighters in a fire protection district. It would seem that EAV is important because of funding. Department size and population are important in terms of economy of scale, management and productivity. Abutment is important because of the employment market and because of mutual aid agreements. (13)

---

12. Some of the arithmetic on the Union's exhibits was incorrect, particularly with establishing the minus 25% calculation, but the thirteen departments all make the list one way or another.

13. As the Union points out in its brief, of the few employees who have left the District for other employment, most went to nearby communities.

If population, department size, EAV and proximity were factors, the list would include Addison (3 factors), Carol Stream (3 factors), Glenside (3 factors), and Hanover Park (3 factors). Itasca and Schaumburg might be added despite sharp differences in size because they abut Bloomingdale. (14)

The District suggests a comparability group consisting of six organized fire departments all located in the western suburbs. Other criteria the District used in formulating its list were size, similarity of wage scales, and that the District had the actual collective bargaining agreements for each department. (15) According to the District, the six comparison fire departments are as follows:

	<u>Population</u>	<u>Number of Firefighters</u>	<u>Salary Range July, 1992</u>	
Bensenville	17,767	15	2288	3096
Carol Stream	33,946	N/A	2127	2960
Villa Park	23,180	N/A	2204	3116
Westchester	17,301	18	2204	3201
Franklin Park	17,500	16	2278	2951
LaGrange	15,693	9	2308	3194

---

14. However, Itasca presents problems in analyzing salary data because it has a unique salary plan not based on steps.

15. The District argues that the Union did not present the supporting hard data for the departments in its group. Given that the Union's arithmetic computations were wrong, without actual source documents the validity of the Union's entire comparability presentation is in doubt. It should be noted, however, that the District did not have accurate population information for its group and had incomplete information as to department size.

The District's group appears to be an arbitrary selection of mostly smaller communities for which it had copies of their contracts. On the basis of the limited criteria used, the District could have included most of the employers on the Union's list. Moreover, it is inappropriate to use as a criterion for comparability the very measurement in dispute. In other words, it is incorrect to use salary range as a defining feature in establishing a group when salaries are the issue to be compared after the group is established. The idea of comparability is to identify employers with similar demographics, financial resources and proximity and then compare the salaries paid by the subject employer with those paid by the group. If salaries are used to define the group in the first place, there is nothing to measure against. Additionally, several of the District's selected departments are a considerable distance from Bloomingdale as compared with the number of available departments much closer. On the other hand, the Union agreed that it would accept LaGrange and Westchester as valid comparison employers, despite their size and distance away from Bloomingdale (closer to 15 miles than 10) because they possessed other features the Union used as criteria.

## VI. OTHER FACTORS

### A. Internal Comparability and Past Practice

Historically, the District has given the same percentage increases to firefighters and lieutenants (now the bargaining unit) as it gave to managerial and clerical (non-bargaining unit) employees.

Thus, in every year, except for 1986 when there was an adjustment due to the new applicability of the Fair Labor Standards Act, whatever increases were given to senior officers were given to the lower ranks and civilian staff. In 1992, non-bargaining unit employees received a 5% increase, which is what the Union has proposed in this case. In 1993, the non-bargaining unit employees received a 3.5% increase, which is what both parties have agreed to. The increase to be effective May 1, 1994, has not yet been determined for these other employees.

B. Cost of Living Considerations

The "cost of living" data presented was as follows:

Percent changes from May, 1991 to May, 1992:

CPI-U	-	All items	-	3.0%	-	United States (U. Ex. 12)
		All items	-	2.7%	-	Chicago/Gary
			-	2.4%	-	North Central
CPI-W	-	All items	-	2.8%	-	United States
		All items	-	2.7%	-	Chicago/Gary
		All items	-	2.3%	-	North Central

Percent changes from May, 1992 to May, 1993:

CPI-U	-	All items	-	3.2%	-	United States (U. Ex. 13)
		All items	-	3.7%	-	Chicago/Gary
		All items	-	3.2%	-	North Central Region
CPI-W	-	All items	-	3.1%	-	United States
			-	3.7%	-	Chicago/Gary
			-	3.1%	-	North Central

C. Other Factors

The Union introduced the following data showing fire and EMS runs for 1992 among its group of comparable departments. (16)

---

16. Although the Union notes that some departments have contract employees performing some of the work listed, it makes no allowance for the paid-on-call firefighters employed by the District. Yet, the financial data shows that paid-on-call employees were paid substantial sums in past years.

	<u>Number of Employees</u>	<u>Fire Runs</u>	<u>EMS Runs</u>	<u>Runs Per Employee</u>
1. Addison FPD	53	1,058	2,025	58.2
2. Carol Stream FPD +12	37	1,360	1,575	79.3
3. Elk Grove Village	84	1,675	2,375	48.2
4. Glenside FPD +6	18	1,710	940	147.2
5. Hanover Park FPD	23	495	1,304	78.2
6. Hoffman Estates	74	1,378	1,879	44.0
7. Itasca FPD +6	19	461	537	52.5
8. Lombard	40	1,632	2,417	101.2
9. Palatine	68	1,585	3,251	71.1
10. Rolling Meadows	45	1,270	1,900	70.4
11. Schaumburg	116	2,904	3,232	52.9
12. Wheaton +12	31	1,631	1,918	114.5
13. Wood Dale FPD +3	22	659	819	67.2
<u>Bloomingtondale FPD</u>	<u>23</u>	<u>1,423</u>	<u>1,807</u>	<u>140.4</u>

## VII. ANALYSIS OF SALARY ISSUE

### A. Arguments

#### 1. The Union

The Union proposes base salary increases of 5%, 3.5% and 4.5% for each year of the contract, retroactive to May 1, 1992. The District has offered 4.5%, 3.5% and 3.5%. The difference is .5% in the first year and 1% in the last year.

The Union argues that its proposal for the first year is more appropriate for a variety of reasons but it places particular emphasis on the past practices in the District where all employees, whether they were management, sworn personnel or clerical, got the same percentage increase. For the 1992-1993 fiscal year these other employees got a 5% increase. To pay the bargaining unit employees less than this would be to discriminate against them because they organized. There is no financial justification to pay the fire-fighters and lieutenants less money. The District has more than ample financial resources. Indeed, the Union argues, the District

spends substantially less than it budgets. Regarding the difference in the third year, the Union argues that the additional 1% is appropriate because the parties already agreed that firefighters and lieutenants will be paying 1% of their salaries toward the cost of medical insurance beginning in 1994. Thus, the Union asserts, the effective rate of pay for these employees would not increase 4.5%, but only 3.5%. To accept the District's offer, the Union argues, would be to effectively give these employees only a 2.5% increase. This would clearly be below the rate of inflation. Getting a 2.5% increase would move the bargaining unit backwards in terms of salary. Additionally, there is no evidence that non-bargaining unit employees will be required to contribute 1% of their salary toward the cost of health insurance. The Union argues that had there not been collective bargaining, the employees would be paid the additional .5% in the first year and would not have had to pay 1% for health insurance in the third year. Because interest arbitration is a conservative process, merely extending by decree what the parties would have otherwise agreed between themselves, the arbitration panel should not change the course of salary history by awarding the subject employees less than their co-workers are earning.

The Union argues that the salaries paid to Bloomingdale firefighters are low among comparable employers. It suggests that a 5% increase will not affect the District's relative position and that the 3.5% increase already agreed to is less than what some of the departments in its comparability group have agreed to. In this posture, the Union argues, its third year proposal of 4.5% becomes even more important.

2. The District

The District argues that the salary schedule for Bloomingdale firefighters is already a good one. According to one of the Union's exhibits, it takes a firefighter in the comparison departments approximately five years, on average, before reaching the top of the schedule. In Bloomingdale, firefighters earn the top salary after three years. In this group, the District argues, Bloomingdale is about average in salary. Considering that so many of the departments in the Union's group are larger than Bloomingdale, the District's salary scale is fair and competitive. However, the District argues, it is pointless to make comparisons for firefighter salaries inasmuch as all but four unit employees are paid as firefighter/paramedics. Among the Union's comparables Bloomingdale is above average for paramedics' pay. Among its own comparables, the District argues, its proposal of 4.5% for 1992-93 is greater than what was given in the other departments.

The District argues that there is no need to increase salaries by more than 4.5%. Bloomingdale has maintained its staff over the years with very little turnover. The firefighter with the least seniority has been employed for more than six years. The average seniority is more than twelve years.

The District justifies its 4.5% increase as taking into account the total package negotiated by the parties. This includes holdover pay, education pay and a uniform allowance. While the Union argues that the District's proposal disrupts historical internal comparability, in fact, the District argues, when the total package is considered its proposal of 4.5% maintains internal comparability.

The District argues that the CPI has increased less than 4% per annum by any of several measurements since May, 1991. Generally speaking, wage increases in the private sector have been below 4%, and usually closer to 3%. Finally, the District argues that there was no evidence whatsoever in the record to justify a 4.5% increase for the final year of the contract. Its proposal of 3.5% is much closer to what the settlements have been.

B. Conclusions

As indicated above, many of the departments on the Union's comparison list are only marginally comparable with Bloomingdale. In terms of the critical features of population, department size, tax base and proximity, only Addison, Carol Stream, Glenside, Hanover Park and Schaumburg can be considered.<sup>(17)</sup> LaGrange and Westchester are also considered because both sides agreed to include them in the group despite their having less in common with Bloomingdale than some of the rejected departments. Some of the data collected for the group are as follows:

---

17. Itasca, while appropriate based on accepted criteria, cannot be considered because of its non-traditional salary schedule.

	<u>1992 FF/PM Top Base</u>	<u>Firefighter Pay with Longevity After 15 Years</u>	<u>Hourly Rate of Maximum Base</u>	<u>Percentage Increase for 1993</u>
Addison	\$41,024	\$39,824	\$13.35	3%
Carol Stream	35,526	37,126	12.68	4%
Glenside	33,661	33,661	11.01	10%
Hanover Park	31,425*	31,425	10.75	4%
Schaumburg	44,500	43,100	14.44	N/A
LaGrange	38,327**	38,327	N/A	4%
Westchester	39,562***	39,562	N/A	3.5%
<hr/>				
BLOOMINGDALE	\$39,430/39,619****	\$37,212/37,385	\$12.40/12.46	3.5%
<hr/>				

\* No provision for paramedic pay.

\*\* Rate after 11 years. Rate after 4 years (top of Bloomingdale rate) is \$31,164. No provision for paramedic pay.

\*\*\* Rate after 5 years. Rate after 4 years (top of Bloomingdale rate) is \$37,658. No paramedic coverage.

\*\*\*\* The first number includes the District's 4.5% proposal. The second number includes the Union's 5% proposal.

The foregoing is selected data from among many statistics provided, mostly by the Union. It is, in the majority's view, a fair representation of Bloomingdale's status among appropriate comparables. It shows that with the Union's proposal the District would rank 3rd of eight in 1992 in maximum base Paramedic pay, and fourth with the District's proposal. It would rank 5th in maximum Firefighter pay after 15 years under either proposal, but this is misleading because Bloomingdale does not have such senior Firefighters. Senior employees in the District are Firefighter/Paramedics, but longevity data for other departments was not supplied for this classification. The same can be said for the hourly rate, where Bloomingdale ranks 4th of six (data for LaGrange and Westchester not available). Finally, the parties' agreement for a 3.5% increase for the second year appears to be in the mainstream and does not give rise to any special need for a large increase in the third year.

A majority of the arbitration panel finds, based upon the statutory criteria, that the District's final offer for salaries is the most appropriate. In a nutshell, with the CPI as low as it has been there is insufficient comparability data demonstrating a need for a 5% increase in the first year. The Union's reliance on internal comparability is misplaced because it fails to take into consideration the value of the entire package, including many new provisions, some of which, while traditionally considered as non-economic, are clearly of great value to bargaining unit members.

An equally significant consideration is the Union's final year proposal of 4.5%. Based upon the economic data available, increases of 4.5% are unjustified absent some equitable argument for the jurisdiction in question. What few equities exist in favor of such an increase in this department are outweighed by the effect this increase would have on the insurance contribution provision negotiated by the parties. The parties agreed that for the first time employees would take some responsibility for the cost of their health insurance. Contributions are to be based upon one percent of each employee's salary, commencing in the third year of the contract. The effect of the Union's proposal for the third year would be to negate the employees' contributions and erase the bargain reached by the parties in this important area of negotiations. Finally, while it is true that the District can amply afford the Union's proposal, an employer's ability to pay does not establish the appropriateness, or merit, of that proposal. Just as an employer unable to manage its resources should not be permitted to pay its employees below the community scale, employees are not entitled to an otherwise disproportionate salary increase merely because the employer has the resources to pay it. Indeed, except for Addison and Schaumburg which are much larger departments, Bloomingdale employees rank competitively among their peers.

VIII. ANALYSIS OF SUBCONTRACTING ISSUE

A. Background and the District's Case

The respective proposals for subcontracting or, as the Union sees it, work preservation, are sharply different. The Union proposes that all fire suppression and paramedic work continue to be performed by regular employees hired through the Board of Fire Commissioners, except that the District may continue to use paid-on-call personnel as they have been used in the past (to supplement but not substitute for regular employees). The District proposes that it continue to have the right to contract out services presently performed by its employees. It further proposes that if a decision to subcontract is made the District will give the Union 30 days notice and meet with the Union to receive comments and suggestions.

The Bloomingdale Fire Protection District began with only a paid-on-call staff. It started employing firefighters in 1969 and gradually over several years reached the present complement of full time employee firefighters. A few years ago it was determined to employ only firefighters/paramedics. At no time has the District ever utilized the services of an outside contractor for either fire suppression or ambulance (paramedic) services.

In November, 1990, the Board of Trustees decided to commission a survey of the fire protection needs of the District and to determine the need, if any, for a new fire station. The survey was released in July, 1991, and it found that a new station should be built in the southwestern portion of the District. The Board then

asked Fire Chief Richard Randecker to determine how the new station should be staffed. In May, 1992, Metro Paramedic Service made a presentation to the Board. It appeared from this presentation that contracting out services would reduce costs and enable the District to have more persons on staff for the same money as now spent for employees. Based upon the information received from Metro Paramedic, Chief Randecker made the following calculations:

FIREFIGHTER/PARAMEDIC 1991 WAGES  
AFTER 3 YEARS OF SERVICE

Salary	\$37,732.00
Ten (10) paid holidays 80 hrs. x \$12.92	1,033.00
Six (6) sick days at 70%	1,303.00
FLSA - possible 15 periods - est. 10 periods	646.00
Pension - 17.5% of \$37,732.00	6,603.00
Group Insurance - family plan	9,732.00
Workman Compensation	3,924.00
Uniforms	392.00
	<u>61,365.00</u>
Ten (10) vacation days	<u>3,100.00</u>
	<u>\$64,465.00</u>

Extra Costs:

Training: Wages, plus FF II, EMT, Paramedic, Haz Mat

Injury: Injured on job = one (1) yer full pay (replacement wages)

\$64,465.00	x	12	=	\$773,580.00	Paid Firefighters
\$40,000.00	x	12	=	<u>\$480,000.00</u>	Contract
Difference				\$293,580.00	(12 Contract or 7 non-contract)

According to these calculations, Chief Randecker testified, the District could contract for 12 firefighters for the same cost as having 7 employee firefighters. The calculations are based upon 1991 costs. Salary increases for employees for 1992, 1993 and 1994 would augment the savings. Chief Randecker also testified that when the new station opens, which is imminent, he would like to have ten firefighters on each shift, with five at each of the regular fire stations. This would increase the number of full time firefighters to thirty. There would be 10 on each shift, with 5 at each station. Although no decision has been made, the Chief would prefer to increase the complement by utilizing the outside contractor. (18)

Chief Randecker testified that it would not be the intention of the District to replace any present employees with contract personnel, but only to fill vacancies by contracting out. However, employees and contract firefighters would be comingled at each of the two regular stations.

---

18. Chief Randecker testified that the contract firefighters would be certified as Firefighter 2 and as Paramedics. He did not know what experience they would have.

In collective bargaining for this current Agreement, and prior to impasse, the parties agreed to the following management rights language.

ARTICLE III - MANAGEMENT RIGHTS

Section 1. Management Rights

Except to the extent expressly abridged by a specific provision of this Agreement, the BFPD reserves and retains all of its inherent rights to manage the business, as such rights existed prior to the execution of this Agreement. It is agreed that the BFPD alone shall have the authority to determine and direct the policies, modes and methods of operating the business, without interference by the Union.

Without limiting the generality of the foregoing, the sole and exclusive rights of management which are not abridged by this Agreement, include, but are not confined to, the right to determine, and from time to time to redetermine the number, locations, and types of its facilities and operations, including \*\*\*, the right to determine the qualifications for new employees and to select its employees, to determine the size and composition of its working forces; \*\*\* to discontinue, transfer, subcontract, or assign all or any part of its operations; to expand, reduce, alter, combine, transfer, or assign or cease any job, job classifications, department, or operation for a business purpose; \*\*\* and otherwise generally to manage the business and direct the work force. (emphasis added)

B. The Union's Evidence

Dr. Joseph Shanahan, head of emergency medicine at the Glen Oaks Medical Center and Hospital, testified that skilled, experienced paramedics save lives and save hospital resources. He testified as to the importance of having properly trained paramedics whose judgment based on experience can be relied upon by the

hospital's medical professionals. He referred to incidents where the experience of the District's paramedics was of great value in the treatment of injured people. Shanahan testified that he now works with paramedics from nine local jurisdictions, and over his entire career in emergency medicine he has worked with 50 or 60 paramedic providers. Shanahan testified that in his opinion the paramedics from Bloomingdale are the best.<sup>(19)</sup> He rated the paramedics from other jurisdictions, such as Carol Stream, Addison and Glenside as "good," but not excellent.

Kevin Mulligan, a lieutenant for the Carol Stream Fire Protection District and President of the local union, testified that the Carol Stream FPD subcontracts its paramedic services. Mulligan testified that over the years there has been a lot of turnover. There have been 65 contract paramedics assigned to Carol Stream and all but the 12 (present staff) have come and gone. The average length of service for these 12 is three years. Only one has been there for more than five years. According to Mulligan, many of the contract paramedics who left did so to obtain regular appointments as firefighters in other departments. Mulligan testified that inexperienced

---

19. Shanahan testified:

"I think if I had to look at the paramedics in my entire area and numerically rank them, I would put Bloomingdale as No. 1, best overall group of people, wonderful knowledge and the quality of care that I see their patients being rendered and my confidence with them."

paramedics use contract service as a "stepping stone" toward regular employment. (20) There was also testimony that the contractor moves its paramedics among the departments it services. If a department has a problem with a contract paramedic that person is simply switched with a paramedic working in another district.

According to Mulligan, because of the difference in wages, benefits and working conditions, sometimes there is friction between regularly employed firefighters and the contract personnel. He testified that in one community there is practically open warfare between employees and contract staff.

The Union introduced the contract between Carol Stream Fire Protection District and Paramedic Services of Illinois ("PSI"). Under the terms of this agreement the only experience requirement for personnel is that of the four paramedics on each shift one will have at least one year's experience under a municipal contract. The cost for each paramedic for the year June, 1991 to May, 1992, was \$42,831, increasing to \$44,973 for 1992-93. Either party may cancel the contract with sixty days' notice. (21)

---

20. Mulligan testified as to the salaries paid to contract personnel. Based on the amounts he referred to, they are considerably below salaries paid by any department in the comparability group.

21. Mulligan testified that PSI exercised its right to cancel in another community due to animosity between regular employees and the contract personnel.

William Bryzgalski, a Firefighter in LaGrange, testified that there is a contract paramedic service in his department. He testified that the annual turnover rate is 50%. Bryzgalski testified that in LaGrange the contract paramedics are replaced so frequently that management has no knowledge of who is going to show up or what experience they have. Bryzgalski testified that some of the contract paramedics are ungroomed and some have had police records.

Gregory Caudill is a Firefighter employed by the Village of Skokie. Caudill testified as to his experience working with contract firefighters who work in adjacent Lincolnwood. According to Caudill these contract firefighters do not have proper staffing and on at least one occasion their poor command structure may have resulted in additional property damage and injuries.

Among the comparable jurisdictions, Addison, Carol Stream, LaGrange, Westchester and Itasca use contract labor. Schaumburg and Hanover Park do not. Hanover Park recently negotiated a new contract containing a work preservation which is very similar to the Union's proposal in this case. The status of Glenside is unclear. Union Exhibit II indicates that an outside contractor is used. Chief Randecker also testified that Glenside uses outside contractors. However, Union Exhibit 60, supported in part by the language of the March, 1993, Glenside collective bargaining agreement, indicates that paramedics are part of the collective bargaining unit and there is a no-subcontracting provision. However, this language

contains a reference to maintaining "the provisions for paramedic services."

Michael Lass, Director of Collective Bargaining for the Union, testified that most outside contracts for subcontracting were implemented when departments began to expand their ambulance services, either because it was less expensive or because the firefighters then employed were not sufficiently interested in getting into non-traditional duties. In his surveys, Lass did not find any department where the employer had a fully developed paramedic or firefighter/paramedic staff and eliminated these employment positions in favor of an outside contractor.

C. Arguments

1. District

The District argues that through the process of negotiation, the parties agreed that management retained the right to subcontract some or all of its operations. Now the Union wants to take away this reaffirmation of a management right the District always had. The District, on the other hand, is willing to meet with the Union and discuss any decision to subcontract and is willing to protect the job security (from subcontracting) of present employees.

The District argues that subcontracting is a common practice in the area. Several departments abutting Bloomingdale subcontract part of their services. The reason is that a great deal of money can be saved by subcontracting. Chief Randecker demonstrated that the District can utilize almost two outside employees for the cost of one District employee. The District has a responsibility to be

frugal with public funds and it makes sense to get more service for less money.

On a broader scale, the Union's own exhibits demonstrate that numerous jurisdictions recognize subcontracting as a basic management right. Indeed, the District argues, in almost all labor agreements produced by the Union, if the right to subcontract is not preserved in the management rights clause, it is contained in a separate provision elsewhere in the contract. (22)

## 2. The Union

The Union has two major arguments. First, it claims that the District's subcontracting proposal is contrary to the spirit of the law, primarily the bargaining statute, but additionally, it may even be contrary to the statute establishing the Fire Commission for hiring employees. Secondly, the Union argues that subcontracting will result in a lowering of standards and services, that the District has a superior system which should not be tampered with, and that the alleged savings are at best illusory.

---

22. The District objects to the Union's post-hearing submission of the Hanover Park contract which restricts subcontracting. The objection is overruled. Changes in circumstances is one of the standards under Section 14(h) of the Act. The District does properly point out, however, that the Hanover Park restriction is limited to sworn officers, and paramedics are not always sworn officers.

With regard to the first argument, the Union contends that the District's proposal, giving it free rein to eviscerate the bargaining unit, is contrary to the principle of collective bargaining. Under the District's proposal, the District could completely staff the new fire station with contract employees, eliminate paramedic service, or some combination of the two, and neither the Union nor the employees could do anything about it. According to the Union, it would be akin to giving the District a blank check. While the Union acknowledges that many labor contracts have subcontracting rights, most have some limitations, such as limiting it to paramedic services. The District's proposal only limits the District's right to displace current employees.

As for the right to subcontract at all, the Union argues that there may be no such right because the Fire Protection District Act has civil service provisions regulating the appointment of sworn personnel. The District's proposal would circumvent these restrictions because it permits the District to transfer its hiring obligations from a commission to an unregulated outside contractor.

The Union argues that the District would not realize the savings it claims. The amounts used by the Fire Chief in his calculation of current costs are too high. Also, the evidence in the record indicates contract employees are not as experienced or efficient as regularly employed firefighters who accumulate many years of service. The result will be an increase in the costs of fire damaged property and increased costs for the hospitals in the community which will no longer be able to rely upon the expertise

of the experienced Bloomingdale staff. There are also training costs and hidden costs which will result from the District's inability to control who is performing the services. There will also be costs arising out of the friction which has historically developed when one set of employees doing the same work as a second set works under entirely different terms and conditions of employment. Likewise, the Union argues, there are "costs" in providing for protection against a disruption in services caused by an outside contractor with its own labor or financial problems. Contract firefighters can engage in work stoppages and outside contractors can go bankrupt.

D. Discussion

The Act mandates that the arbitration panel base its findings and order on eight factors, where applicable. They are: (1) Authority of employer; (2) Stipulations; (3) Interest and welfare of the public, and the ability to pay; (4) Comparability; (5) Cost of living; (6) Overallly compensation for the employees, and the continuity and stability of employment; (7) Changes in circumstances during the proceedings; (8) Other factors traditionally gauged in labor arbitration. A majority of this arbitration panel finds that, with the exception of some evidence in the area of comparability, the record in this case strongly supports the Union's proposal.

1. Authority of the District

The Fire Protection District Act requires that fire protection districts with more than 15 employees must establish a commission to perform the hiring functions through competitive examinations

and other standards. The purpose of extending civil service protections to fire protection districts is the establishment of a merit system for the appointment of sworn personnel. Employment cannot be based on favoritism, politics, or some other non-objective standard. Present employees of the District work there because they have earned the right to do so. This is the public policy of the State of Illinois. The District's proposal would enable it to circumvent civil service protections by delegating the hiring process to an outside entity. Outside contractors are not be covered by the Fire Protection District Act, nor by any regulatory statute of its type. Except for contractual requirements that the employees of the outside entity have a certain level of certification, the public is left unprotected from the harms civil service protection was designed to avoid. While the Union acknowledges that it has no case law to support this interpretation of the Fire Protection District Act, it is also true that there is nothing in the record showing that any fire protection district has attempted to subcontract the duties of firefighters, as opposed to paramedic or ambulance services.<sup>(23)</sup> In light of the language of the Fire Protection District Act, it seems to this panel that it was encumbant upon the District to show that it had the authority to circumvent the hiring restrictions for sworn personnel.<sup>(24)</sup>

---

23. The Lincolnwood Fire Department does not operate under the Fire Protection District Act.

24. The Union also argues that the District's proposal violates the spirit of the Labor Relations Act because it forecloses future bargaining on subcontracting. While it is true that this would be the effect of the District's proposal, the District has the right to make the proposal, and the Union has the right to resist it. In fact, the Union has the authority to waive its bargaining rights on specific issues. The closure of every negotiation represents some waiver on the issues the Union was unable to resolve in its favor.

2. Stipulation of the Parties

Although there are no stipulations as such, the parties have already agreed that the right to subcontract is among a long list of traditional management rights. Its inclusion in the management rights clause is not dispositive of the issue. A management rights clause is merely an outline of authority which an employer normally has in the absence of a collective bargaining relationship. The rights contained therein exist as a matter of law. That is, in the absence of a labor relationship the employer is free to manage its operation and its employees in any legal manner it sees fit. However, if there is a legal duty to bargain over subcontracting decisions it is doubtful that the mere mention of subcontracting in a management rights clause is sufficient to overcome that obligation. Rather, the right to subcontract without further bargaining should be contained in other sections of the Agreement. Indeed that is why the Employer makes its own proposal. Accordingly, the panel does not agree that the negotiated management rights clause is a binding stipulation foreclosing consideration of the Union's proposal.

3. Interests and Welfare of the Public and Ability to Pay

This factor is the one which most strongly supports the Union's proposal. The interests and welfare of the public in a fire protection district is to secure the best fire and emergency medical service it can buy for the money the public can afford to pay. Saving money, especially at the cost of quality service, is not a goal in and of itself. The business of the District is to protect

the public, not to make money. In this case the District has ample economic resources. Its tax base continues to expand and it budgets substantially more than it spends. It consistently ends its fiscal year with a substantial surplus. Indeed, the District can well afford to employ additional personnel. There is absolutely no financial need to subcontract. While it is true that the District would save some money with each firefighter it hired through a private contractor, the savings would be far less than the Fire Chief calculated. The best measurement is against a starting salary for a firefighter/paramedic, not the salary after three years, as the Chief calculated. The evidence indicates that contractual paramedics rarely last as long as 3 years in one department. If the District subcontracts what it will have servicing the needs of the public is a series of inexperienced personnel who will use the training the District gives them to leapfrog into regular employment in another department. Experienced paramedics, let alone firefighter paramedics, do not leave regular employment to take lower paying contractual positions where they have no job security and few benefits. The flow is in the other direction. There can be no doubt that an inexperienced firefighter or firefighter/paramedic cannot deliver the same quality service as experienced employees. In this case the quality of paramedic service was highly rated by an outside expert. There are no productivity problems; no problems of any kind. There is simply no objective reason to change systems. (25)

---

25. Factoring in the 4.5% and 3.5% increases, a beginning firefighter/paramedic costs the District about \$53,400, and this assumes that all beginners will need family medical insurance, not a likely situation. The cost of replacing this firefighter/paramedic will surely be in excess of \$45,000, the amount paid by Carol Stream for just paramedics.

It is true that the District does not propose replacing its current employees with contract personnel. However, over time the District will lose current employees and their positions, as well as new ones needed for an expanding population, will be taken by personnel unable to secure regular employment in a fire department either because of inexperience or for other reasons such as poor performance, a police record, etc. Additionally, using an outside contractor will expose the District to numerous problems it does not now have. They include lack of control of who comes to work for them, morale problems for the remaining employees, liability risks, as well as risks that the outside contractor would cancel its contract, fail to deliver the requisite number of qualified personnel, be organized by a competing labor organization and/or be subject to a work stoppage.

What is particularly critical here are the risks to morale, teamwork and discipline. Firefighters are sworn personnel in a quasi-military setting because the risks of the profession demand strict discipline and precise teamwork. It is simply beyond understanding how the District would maintain an effective fire fighting force given the lack of discipline and grooming, the inexperience and frequent turnover which occurs with outside contractors.

The bottom line is that as long as outside contractors pay lower wages and benefits than the marketplace rates for firefighters regularly employed in the greater Chicago area, they will be unable to secure and maintain quality personnel. If they were to pay marketplace rates their economic advantage would be lost because

the need to make a profit would push costs beyond what a fire department would pay directly to employees.

4. Comparability

While the District has shown that most comparable fire departments have the right to subcontract, this is misleading. The subcontracting rights of almost all departments considered is limited to ambulance personnel, either by practice or by contract. The District has made it clear that it seeks to continue its practice of using firefighter/paramedics. There is no comparability data supporting this. Rather, all of the evidence looked at outside paramedics, who are not sworn personnel unless they are also firefighters. Nor is there substantial comparability data for departments which used sworn personnel as paramedics and then switched to outside contractors. Most of the departments examined added the outside personnel when augmented ambulance service first began. As colorfully described by one witness, when the ambulance services of fire departments went from a "scoop and dump" operation to a field medical system, many old time firefighters were uninterested. It was easier to secure trained personnel from outside sources. That is not the case with Bloomingdale, whose paramedic services have been historically linked with its firefighters.

5. Other Factors

The remaining factors of cost of living, overall compensation, changes in circumstances and other considerations, are either not relevant to this issue or have been incorporated in the foregoing discussion. (26)

The decision on salary increases was a close one. On balance the consideration of the total package in the first year and the effect of the increase on the bargain for medical insurance contributions in the third year, tipped the scales toward the District's proposal. The proposal on subcontracting is entirely another matter. Given the financial resources of the District and the interests of the public in maintaining superior service, there was simply nothing which would justify the selection of the District's proposal.

---

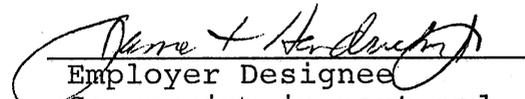
26. Continuity and stability of employment clearly favor the Union's proposal. As discussed above, using contract firefighters working side by side with career employees will be disruptive and result in risks to the employees and the public.

A W A R D

1. The District's proposal on salaries is selected.
2. The Union's proposal on work preservation is selected.

Respectfully submitted,

  
HARVEY A. NATHAN  
Chairman

  
Employer Designee  
Concurring in part and  
Dissenting in part

  
Union Designee  
Concurring in part and  
Dissenting in part

January 7, 1994