

**MOUNT LAUREL FIRE DISTRICT #1
BOARD OF FIRE COMMISSIONERS
REGULAR MEETING**

June 15, 2010

Fire Department Headquarters Station
Meeting Minutes #14

IN ATTENDANCE:

1. Commissioner Cornue
2. Commissioner Nash
3. Commissioner Roura
4. Commissioner Shestack
5. Chief of Department Gallos
6. Administrator Jones
7. Deputy Chief Colucci
8. Solicitor Braslow

NOT IN ATTENDANCE:

1. Commissioner Shapiro

The meeting was called to order by Commissioner Shestack at 7:34 PM.

The Pledge of Allegiance was recited and a moment of silence observed.

The public announcements were ready by Commissioner Shapiro.

APPROVAL OF MINUTES:

3/2/10 Special Meeting, 3/11/10 Special Meeting and 3/16 10 Regular Meeting Minutes. Commissioner Nash made a motion to approve the minutes of these meetings, which was seconded by Commissioner Roura. The motion was unanimously approved by the Board.

RESOLUTIONS:

Resolution #2010-50 "Appointment of the firm Garrison Architects as Architects for the Fire District in Fiscal Year 2010.

Administrator Jones reported that he and the Chiefs had met with a Garrison Architects representative to review the scope of work involved with the Station 362 shower reconstruction. The architect took measurements and listened to our input about what we wanted to have done. He requested the architect to prepare a cost proposal for the Board to review and approve before he proceeded with any preliminary design and specification work. Later that afternoon, the owner of Garrison Architects called him and they were able to negotiate down their cost to do this project to \$3,000 plus expenses such as postage, copying and overnight services. They will do the design, bid documents and construction administration. The architect felt that we were going to have some issues with ADA compliance because the ADA requirements have changed since the building was initially built and that this would not be as cut and dry as we had hoped. Chief of Department and Deputy Chief Colucci approached the Township Construction Official with our argument that because floor is a bunkroom and private staff area and the public will never visit it, there was good reason to waive the ADA accessibility requirements for the showers on this floor but the Construction Official wasn't swayed. We will need to request a waiver for 1" on the shower stall dimensions for the ADA accessible shower that we have to put in and if it is not granted, there will be a significant amount of work that will have to move a wall and fixtures in that area. Commissioner Nash made a motion to approve the resolution, which was seconded by Commissioner Roura. The motion as unanimously approved by the Board.

Resolution #2010-51 "Authorization for the Sale of Surplus Vehicle Assets". Administrator Jones reported that this resolution will allow the sale of 1 vehicle and he is waiting for the other successful bidder to respond with his commitment to fulfill his bid. Commissioner Roura made a motion to approve the resolution, which was seconded by Commissioner Nash. The motion was unanimously approved by the Board.

FINANCIAL MATTERS:

- Commissioner Roura made a motion to approve the June bills totaling \$429,436.21, which was seconded by Commissioner Shestack. The motion was unanimously approved by the Board. Administrator Jones noted that there is a significant difference between what we have spent and the amount of revenue collected this year. He explained that when he prepares the monthly financial statements, he accounts for revenue on a monthly basis. The revenue shown on the revenue statement this month is for the month of May. The 2nd quarter tax revenue check from the Township was received on 6/1, so that revenue will not show up on the revenue statement until next month. He added that the reason for the delay was because the Township has hired a new CFO and it took her a little longer to forward the funds than it usually does.

Commissioner Cornue stated that the Board has decided to remove the "Comments from Division Presidents and Local 4408 President" items from the agenda to streamline our meetings. The "Standing Committees" list would also be eliminated and, instead, each Commissioner that has a Committee report will be given an opportunity to do so.

MONTHLY REPORT BY FIRE OFFICIAL:

- None.

MONTHLY REPORT BY ADMINISTRATOR:

- The Administrator had submitted his monthly report to the Board for their review prior to the meeting. Commissioner Roura noted that since the Township CAP waiver hearing before the Local Finance Board has been pushed off until July, the release of 2010-2011 tax bills will probably be late going out again this year. Therefore, our 3rd quarter tax payment will not likely be available until sometime in early to mid-September. Administrator Jones agreed that, unfortunately, this is likely to happen, so we will have to pay close attention to our cash flow in July and August so that we can cover an extra payroll or two.

Chief of Department Gallos reported that he was at the Township Clerk's office today and was told that they are going to either send out estimated tax bills or float a bond issue if the tax bills have to go out late. He added that the Township is optimistic that their CAP waiver will be granted because of the drastic measures they have already taken. They are laying off 12 employees, eliminating police dispatch services and trying to shift the library expense to the County system, although the library issue will have to go to public vote in November. With the exception of EMS, the Police and Public Works, the remaining Township employees will be furloughed every Friday for the rest of the year, beginning on 7/1. They recognize that there will be more layoffs if the CAP waiver is not granted. He will monitor the situation and keep the Board updated. Solicitor Braslow said some municipalities have been granted CAP waivers but they all have different financial circumstances.

Administrator Jones reported that the 1.5% health benefit contribution deduction took affect in the last payroll and he hasn't received a grievance yet. President Cimino and Shop Steward Evans questioned whether the law applies to our staff because they contend that their contract provisions continue until a successor agreement is reached, therefore their contract has not "expired" as required by the new statute. He advised them that this is not something that pertains to their contracts, that it is state law and requires us to do it because their contracts did "expire" at the end of 2009 even though the contract provisions continue until new agreements are reached. He added that this contribution amounts to \$1,780 each payroll.

MONTHLY REPORT BY DEPUTY CHIEF:

- Deputy Chief Colucci reported that Firefighter Presner presented him with a certificate today recognizing the Board as a "patriotic employer" for supporting him on his military leave.

MONTHLY REPORT BY THE CHIEF OF DEPARTMENT:

- Chief of Department Gallos had submitted his monthly report to the Board for their review prior to the meeting. He reported that he submitted a 2010 AFG Grant application for \$790,000 to replace the 1988 rescue truck, which will require us to include matching funds of 10% (\$79,000) in the 2011 Budget in order to qualify for the grant award. He has still not received notification on the status of our 2009 AFG grant, although grants awarded in each round are for smaller amounts and there are less of them. He added that Senator Menendez' office received our letter requesting support for the grant and they have written a letter on our behalf for the 2010 AFG Grant. He felt that support letters from our elected officials may have something to do with our standing for the 2009 AFG Grant.

He reported that Quint 3614 is once again showing a significant main ladder wear pad problems. The wear pads that touch the ladder at the cradle are wearing down the aluminum main ladder again when the truck is driven down the road. The manufacturer, Emergency One, agreed that it is at a critical stage of wear, but they have provided us with a letter that states that it is okay to use if we really have to. He was not satisfied or comfortable with that and he wants them to acknowledge that it is 100% functional and still meets the 2.5 safety ratio. If they will not, he will drive the truck to Florida and demand a new truck. Commissioner Shestack asked him what it would involve and cost to fix the problem and Chief of Department Gallos stated that this is a problem that cannot be fixed because it requires replacement of the main ladder section. This was one of the reasons that we moved the Quints to Station 361 so that we could rotate them each month and give them a rest. Mechanic Skeenes has been working with E-One on an acceptable solution, but they have not arrived at one yet. Commissioner Nash asked him if the truck was still under warranty and Chief of Department Gallos indicated that this is something that he has to look into further. Commissioner Nash felt that we should be considering taking the main ladder out-of-service until the issue is satisfactorily resolved.

STANDING COMMITTEE REPORTS:

TRAINING:

- Commissioner Nash had nothing to report.

LONG RANGE PLANNING:

- Commissioner Nash had nothing to report.

EQUIPMENT:

- Commissioner Roura had nothing to report.

BUILDING & GROUNDS:

- Commissioner Roura asked Administrator Jones if we still need to bring in an engineer to evaluate the parking lot storm drains. Administrator Jones stated that we can probably skip that based on an inspection by a contractor that has evaluated the problems. Battalion Chief Jones has received a proposal from 1 contractor already and has contacted 2 more to look at the problems this week. We met the contractor at both stations and he pointed out the problems that he saw and identified what needed to be done to repair them. The Station 363 storm drain appears to have been installed improperly without support on one side of the metal grate insert. The Station 361 storm drain boxes were hand-built several decades ago and are now starting to fall apart and needed to be rebuilt to varying degrees. The contractor quoted a price of about \$5,500 to repair all 3. All of the contractors that Battalion Chief Jones has contacted have done work for the MUA and have indicated that they are looking for work. He recommended that the Board authorize him to move forward with these repairs as soon as we get the proposals in from all of the contractors. We know that the worst case price is \$5,500, but it could be significantly less. Commissioner Nash made a motion to authorize the Administrator to proceed with the work when he receives the 3 proposals, which was seconded by Commissioner Shestack. The motion was unanimously approved by the Board.

FIRE PREVENTION:

- Commissioner Shapiro was absent.

COMMUNITY RELATIONS:

- Commissioner Shapiro was absent.

INSURANCE:

- Commissioner Shestack had nothing to report.

INFORMATION TECHNOLOGY:

- Commissioner Shestack had nothing to report.

FINANCE:

- Commissioner Shestack had nothing to report. Commissioner Cornue asked him when the Committee would begin working on the 2011 Budget and Commissioner Shestack indicated that it would begin sometime in July. He felt that it wouldn't be a full Committee but something more like a task force of Board members and management.

PERSONNEL:

- Commissioner Cornue had nothing to report in Open Session.

LABOR / MANAGEMENT RELATIONS (combined):

- Commissioner Cornue had nothing to report.

OTHER MATTERS:

- None.

COMMENTS OF FIRE DISTRICT PROFESSIONALS:

Solicitor Braslow reported on a number of bills introduced in the legislature seeking to change the Fire District election date. One bill moves the election date to the November General Election, another moves it to April and another moves it to November and eliminates the public vote on Board of Education budgets but not Fire District budgets. He is scheduled to meet with the DCA and their acting director, Mark Pfeifer, in early July along with representatives from the State Division of Elections to seriously discuss the implications of these bills. He believes that our election date will get changed, but he will be pushing to keep it away from November and the politicization that will inevitably come with it. His preference, if the date has to change, would be the April date with the Board of Education vote, and if the public vote on their budget is eliminated he hoped to be able to get them to eliminate it on our budget as well. As a minimum, he would push for elimination of votes for capital expenditures because nobody else has to do it the way we do.

Deputy Chief Colucci asked him if the election date changed to November, how would the changeover occur and how would it affect the terms of Board members and our budgeting process. Solicitor Braslow replied that it is hard to tell at present because of the competing bills and they treat these issues differently. Most likely, Title 40A would be re-written to provide an interim solution for the changeover year on the commissioner terms and budgeting, along with the election and balloting issues. He has had discussions with a number of County Clerks and they have agreed that if they change the Fire District election date to either November or April, they will take over conduction of the election and that the cost that we pay will likely quadruple. He believed that a good fall back position is to move us to the non-partisan election date in May. He added that, as has been the case each time this has been proposed, the most significant impediment in changing our election date to any of the other dates is that in multiple Fire District townships, the voting district boundaries often don't align with the Fire District boundaries.

Solicitor Braslow's real concern about changing the election date to November and the politicization that would likely occur is the same as it was when the 4% CAP was first introduced. At a public meeting with Senator Van Drew in southern New Jersey with the room packed with volunteer firefighters and their families, they were willing to accept the new CAP rules but told him that they would walk away if our election and budget became a political football on the November ballot. He felt that there was a lot of hypocrisy on the legislature's part when they say they want everyone to be more accountable and they want greater involvement by the public in the elections, yet they were willing to eliminate a public vote on the Board of Education budgets. Their answer to our concerns about politicization is to create a ballot that has a "political" part and a "non-partisan" part with Fire and School Districts being in the "non-partisan" part.

Administrator Jones added that the County Election Board was concerned about the consolidation of election dates from a different perspective. Their concern was that by adding Fire and School Districts to the November ballot, along with the additional ballot questions they sometimes have, they would not have enough space to get it all onto the electronic voting machines screen. They would then have to borrow or purchase additional machines to split up the ballots, which would be very costly and would wipe out any savings that the election date consolidation would bring. It would be an even bigger problem in a presidential election year when the opportunity to borrow machines from counties in other states is not possible.

Deputy Chief Colucci reported that he has spoken with the Chiefs in the Florence and Voorhees Fire Districts where both are operating a "fee for service" billing program and both implemented it by resolution. He requested that the Board adopt a resolution authorizing the program so that we can get started on billing for our services. Solicitor Braslow agreed that it was his opinion that we can implement this program by resolution, which was verbally confirmed by a representative of the Division of Fire Safety. If there is ever a question about our authority to bill for our services, he felt that he could defend the way we are implementing it. He has had a challenge to a Fire District's right to bill for service in the past and has been able to defend it successfully.

Commissioner Roura felt that we have kicked this issue around long enough and we need to either move ahead with it or forget about it altogether. He believed that we should move forward. Commissioner Shestack was also in favor of it as long as it was clear that it would only be for certain situations and that we only would bill the insurance company. Solicitor Braslow stated that this is what we are proposing because we want to avoid residents saying that they are already paying for our services through their property taxes. He said that we would make sure the billing agency doesn't pursue Mount Laurel residents that don't have insurance, whose insurance did not pay the full amount or those insurance companies that refuse to pay at all.

Commissioner Shestack asked Solicitor Braslow if we adopt a resolution to proceed and the Township challenges it, would they have to do it within a certain time frame or do they not even have the right to do so. Solicitor Braslow replied that his argument would be that certain things can be challenged within certain time frames, and if someone is going to challenge our resolution to bill for services as being outside of our authority or that it is illegal, they would have 45 days to do so. Commissioner Shestack asked him why we had to have an ordinance to authorize changes in our Fire Prevention Code fee structure and he replied that they are regulated by state statute and what we are doing is outside of that. Solicitor Braslow stated that short of getting the Township to pass an Ordinance, it appears that a resolution is our only option to implement billing for services.

Commissioner Nash was opposed to this program because even though we would be billing the insurance companies of our residents, if the insurance company refuses to pay it or passes along the charge to the resident as a premium increase, that is a problem for him. He doesn't have a problem billing non-residents because they don't pay property taxes for our services. Commissioner Shestack said that he was making a good point because insurance companies rate a homeowners' insurance policy and premium based on a number of things, including geographical location. Only a portion of the homeowners insurance premium is attributed to coverage for fire and the rate that they pay is directly related to whether they have a career/volunteer department, our ISO rating, the property's distance from a fire hydrant and how close the nearest station is. He said it could be possible that because Mount Laurel has a Fire District with a specific tax for fire protection, the insurance company will reject any claim that we make. Solicitor Braslow added that something similar to this happened in another Fire District he represented, but it was the resident that said he wasn't paying the bill because he already paid property taxes for fire protection and not the insurance company that refused to pay. He suggested that the Board set up a sub-committee that could meet and bring back to the Board a reasonable compromise that they could support. Commissioners Nash and Cornue agreed with his suggestion and Commissioner Cornue named Commissioners Shestack and Nash, Solicitor Braslow and Deputy Chief Colucci to the Committee and asked them to report back to the Board in July with a draft resolution.

Administrator Jones suggested that we look into not providing our residents with a bill or even a copy of it because it confuses them and even though it is our intent not to collect from residents whose insurance company does not pay, the resident may feel obligated to. He asked if we knew how many incidents that we could expect to bill for if we eliminated those involving Mount Laurel residents and properties. Commissioner Nash didn't think that this would represent a lot of money and if we billed for any incidents outside of Mount Laurel, we could be in violation of mutual aid agreements.

COMMENTS OF FIRE COMMISSIONERS:

- Commissioner Cornue commented on the Junior / Explorer Competition held several weeks ago and gave our team members and their officers credit for the great job they did training for this event in a short period of time. Commissioner Nash added that a resolution was supposed to be prepared commending the members that participated. Administrator Jones stated that he was still waiting for information on the names of the participants and some help with language for the resolution.

PUBLIC PARTICIPATION:

- None.

Resolution #2010-49 "Closing of Meeting Pursuant to Open Public Meetings Act". A motion to approve the resolution was made by Commissioner Roura and seconded by Commissioner Cornue. The motion was unanimously approved by the Board.

**THE OPEN SESSION ENDED AT 8:45 PM.
A CLOSED SESSION BEGAN AT 8:50 PM.
THE CLOSED SESSION ENDED AT 10:45 PM.**

Administrator Jones referenced a copy of the "Sunshine Law" that he had provided to each Board member earlier in the meeting. He pointed out a section that he had highlighted in yellow that apparently changed a few years ago. The section pertained to the topics that can be discussed in Closed Session, particularly those that involve personnel. After attending a recent orientation session for new school board members, he learned that before an employee can be discussed in Closed Session, they had to be served with a 'Rice Notice'. The 'Rice Notice' notifies the employee that they will be discussed in Closed Session and advised them that they have a right to request the Board discuss them in Open Session instead of in Closed Session. School Boards have long been required to provide 'Rice Notices' to their employees when they were involved in disciplinary actions and he has a sample that we can use. He brought this to the Board's attention because he asked the instructor if this requirement applied to all government agencies and not just School Boards and he said that it did. He asked Solicitor Braslow prior to the meeting tonight about this and he agreed in that we are supposed to provide 'Rice Notices' to employees being discussed for disciplinary reasons or if we were going to negatively discuss the employee's performance. He did not believe that this extended to our volunteer members because they were not considered to be employees. Administrator Jones felt that we should begin issuing a 'Rice Notice' whenever we plan to discuss an employee in Closed Session so that we are in compliance.

Commissioner Shestack brought up a personal conflict that Administrator Jones has on the 3rd Tuesday of each month now that he has been elected to the School Board. Our Regular Meeting on those nights conflicts with School Board Work Sessions, which is when they do most of their work. He was bringing this up on behalf of the Administrator because he was uncomfortable asking the Board about it directly. Commissioner Shestack asked the rest of the Board if they would consider changing our Regular Meeting from the 3rd Tuesday to another date. Commissioner Roura suggested that Board members compile a list of those dates that are definitely out based on their personal schedules. Administrator Jones reported that Solicitor Braslow's available dates were extremely limited and that the only date he has available is the 3rd Monday of each month. After a brief discussion, the Board decided to address this at their next meeting after everyone has had a chance to check their schedules.

THE MEETING ADJOURNED AT 11:00 PM.

CLOSED SESSION

Personnel Matters:

Employee Disciplinary Action / Injury Update: Deputy Chief Colucci reported that Firefighter Rafers' knee injury has been evaluated by the orthopedic surgeon and has recommended that he have a full knee replacement. Workers Compensation was evaluating this to determine whether they should cover it because of his previous knee injury and surgery history. Either way, this situation may prevent him from being able to continue in the position of Firefighter. Commissioner Shestack reported that apparently he has had several knee injuries prior to the most recent one that Workers Compensation is currently dealing with. It appears from the physician records that he was required to provide to them that the damage from the previous injuries was cumulative and is now so extensive that the most recent surgery can no longer properly correct it. Workers Compensation is still paying this claim and for part of his lost wages, but may refuse to commit to paying for the knee replacement due to his previous history. Deputy Chief Colucci added that he is scheduled for a follow-up visit with the orthopedic surgeon on 6/30 and at that time they are going to perform some type of function evaluation to determine his capability. Commissioner Shestack added that this evaluation determines the 'range of motion' that he has and if they determine that he has lost more than 30% of that capacity, he won't be able to work as a Firefighter. He could probably continue to work as a Fire Inspector in the Bureau if we allow it and they'll offer him a settlement for the 30% loss of function. Deputy Chief Colucci reported that he had spoken with the head CSG adjuster, who had been told by the orthopedic surgeon that Firefighter Rafer would no longer be able to fight fire if he has a total knee replacement. Unfortunately, it sounds as if his firefighting career may have come to an end. Commissioner Nash added that it sounds like he may qualify for a permanent disability pension. Commissioner Shestack added that he is in the PERS pension system, not the PFRS system that the rest of the firefighters are in.

Deputy Chief Colucci reported that Lieutenant Jones has been cleared for duty and returned to his post on 6/12.

Commissioner Cornue asked Deputy Chief Colucci about the comment in his report regarding a suspected arsonist. Deputy Chief Colucci reported that there have been a number of dumpster and trash fires in the Camber Lane / Martin Way neighborhood that we and the police believe are arsons. Both agencies are actively pursuing this person through their investigation and stakeouts.

Commissioner Cornue asked him about Firefighter Moyers' light duty status. Deputy Chief Colucci reported that after the Memorial Day holiday, Firefighter Moyer reported for work reporting that he may have reinjured the thumb that he had injured in March and received treatment for – it was now painful and swollen. He said he called the Workers Compensation case worker for the original case and they agreed to reopen the claim and provide new treatment. Firefighter Moyer is currently on light duty.

Deputy Chief Colucci reported that he was addressing an issue with an underage volunteer member that was recently involved in a DUI infraction, which will be handled through the disciplinary process and although it is not work related, it still violated our policy.

Contract Negotiation Status (Support Staff): Commissioner Roura had nothing new to report.

Firefighter & Fire Officer Contract Negotiation Arbitration Status: Commissioner Cornue reported that the 2nd mediation session with the arbitrator is tomorrow. He wanted the Board to review the list of most important issues that the task force had developed with Counsel Biviano. Commissioner Cornue went through each item on the list. The first item was a proposal for a 4 year agreement, which everyone accepted. Next were salary increases starting in 2010 of 0% and increases through 2013 tied to the Governors' proposed 2.5% CAP. Commissioner Shestack asked if this item is a bi-product of item #4 because with the current salary table, we will never be able to keep them under the 2.5% CAP because of the steps. Commissioner Cornue stated that this was a good point. The next item was elimination of longevity by rolling it into base salary. Commissioner Shestack clarified what was meant by "rolled" and added that we need to remember that this would affect the annual amount of pension that we owe as the employer. Administrator Jones added that the Division of Pensions might not permit this to be done as they were getting very sensitive to adding things into pensionable base salaries. Commissioner Shestack suggested that if we roll the longevity into the base salary, we may have to ask the union to consider compromising with smaller flat dollar amounts for longevity again so that we can account for the additional pension we would owe as the employer.

Commissioner Roura asked for clarification of our game plan for tomorrow's mediation session and asked if the Board was still under the impression that we wanted to stand firm on these items or are we authorizing the task force to do their best to resolve them before we get into real arbitration sessions in the fall. Commissioner Cornue stated that at the 1st mediation session, the arbitrator asked both sides to look at all of the issues involved and create a short list because he was overwhelmed with the amount of unresolved issues. The list before the Board tonight was the short list that Counsel Biviano had prepared. Commissioner Roura remembered comments made at the last meeting indicating that although our original game plan was to start developing this for the arbitration, at this mediation session everybody was going to stand firm because we knew that the other side was likely to do the same.

The next issue was a reduction in the amount of unused holiday leave that would be payable at the end of each year. The union has agreed with this and this is a big financial item for us. The next item was that, effective 2012, employees would either contribute 100% of the cost of the vision and life insurance coverage or they would discontinue it. Commissioner Shestack suggested that if we couldn't get them to go for that, the cost of this is probably under \$15,000 annually and we could give in on it. The next item was spreading the cash payout of unused leave at retirement over 5 years instead of 1 year as it currently stands. Administrator Jones felt that anything more than the lump sum cash payout at retirement in the current contract will be easier for us to handle, especially with 5 or more of our staff now eligible for retirement. The next item involved scheduling and the required 21 day notice for schedule changes versus the 14 days that we prefer. Deputy Chief Colucci stated that this is not a big deal if we don't get it. The next item was the redefinition of the 5 day work week from 'Monday through Friday' to include Saturdays and Sundays so that we can cover weekends with our career staffing if the need should arise. The next item was the opt-out of health benefits, which was noted on the list as 33% by Counsel Biviano but should be 25%. Commissioner Shestack recommended that we push for flat dollar opt-out amounts such as \$500 per month and added that single and employees with spouses only are more apt to opt out of their health benefits. Administrator Jones added that employees that opt-out by 5/21 got 50%, but after that date, the new state legislation reduces that to 25% for employees that decide to opt-out. He said that under the new federal health care legislation, it is going to be difficult for the SHBP to make significant reductions in benefits or in coverage limits and co-pays because it will affect the plans' "grandfather" status. If the plan loses its "grandfather" status, it would be forced to comply with a great number of new requirements that will increase the plan costs as well as our costs. The last item was the Hold Harmless Liability, which Commissioner Cornue indicated we were trying to limit to the boundaries of Mount Laurel Township. The arbitrator wanted to know more about what our insurance carrier would cover under this clause before he could arbitrate this item.

Commissioner Cornue asked the Board to compare his short list items to Counsel Biviano's to determine what we wanted to push for. He added that items highlighted in yellow are the issues missing from Counsel Biviano's list. One item on his list was the reduced compensation for Fire Inspector certification. He asked if this was something that we feel is important enough to add to the list we just reviewed. Administrator Jones added that this proposal was worth \$45,000 in savings to us, which we did not budget for this year and would have to cover if the current Firefighters contract salary tables remain as they currently are.

Commissioner Shestack stated that when you start adding up the 1.5% of salary contribution for health benefits, the reduction or elimination of longevity pay and the \$1,500 reduction in salary for Fire Inspector certification, at the end of the day it represents between 7 and 10% of an employee's total compensation. Administrator Jones added that there is one thing that we all understand and that is the cost of labor and benefits has been significantly out-pacing our ability to cover under the current 4% CAP. Commissioner Shestack understood that but he still wanted to put into perspective the fact that we are asking employees to give back 7 to 10% of their total pay.

Administrator Jones offered that another way to look at this was that if total labor and benefits costs are \$6,000,000, that 10% reduction Commissioner Shestack is pointing out is worth \$600,000. If we can't get this amount through individual reductions, we may have to find it through staff reductions and that this is a significant amount of staff. Commissioner Cornue recalled that during one of our negotiation sessions, their attorney made a remark about our proposal equaling 'about a 10% giveback by our members'. Commissioner Nash felt that this was a good way to simplify the scale that we are using, reducing labor costs or reducing personnel numbers, all of which may occur over and over again each year.

Commissioner Cornue stated that we are actually working with 3 lists. The first contains all of the changes that we agreed to in 'green' during the 6 months that we directly negotiated with the union. He wanted to push for the arbitrator to at least recognize that work and allow it to be stipulated to although he believed that Counsel Biviano felt that all of those changes just clutters up the arbitrator's thought process. Commissioner Roura felt that all of the changes in 'green' should be at the top of our short list because it's already been agreed to and took a lot of time to work out. He also agreed that we should add the Fire Inspector salary reductions onto the short list. Administrator Jones suggested that the overtime article changes that we pushed for in the 1st arbitration should also be added. He felt that we have the right to use the FLSA exemption for firefighters and that we should be able to take advantage of it.

Commissioner Cornue was concerned that if the arbitrator hasn't seen any kind of list from our side so far, if we voluntarily shrink it down and hand it to him, he won't recognize that we have made a significant effort to try and find common ground. Administrator Jones stated that he didn't think that the arbitrator really cared because his whole mindset is to reduce the issues down to a manageable pile and then determine the impact and equity of each one. He felt strongly that we should be steering him into the areas that we feel are most important for him to resolve for us and making our case as to why.

Commissioner Cornue agreed but felt we should show him the universe of changes that we would really like to see and allow him to whittle that list down so he can see that we are working in good faith toward a resolution and that we are not part of the problem. Commissioner Nash agreed that we should have everything in front of the arbitrator so that he can see the full scope of our proposal but that the list we were working on shows that we are willing to prioritize them. He also recalled Counsel Biviano stating that he was not going to hand over any of our lists to the arbitrator at this point. Commissioner Roura summarized what he considered to be the most important items on the list and stated that it appears that after the arbitrator makes his award, we will have to work with the Union to draft the appropriate language in the contracts to implement it.

Administrator Jones stated that a review of recent awards by this arbitrator hints that if we are able to get him to consider our desire to take advantage of the FLSA overtime exemption for firefighters, he thinks that we have a good shot of getting him to include it in his award. He felt that the potential cost savings that could come from this exemption are significant enough that we should take another shot at getting it into the contract by adding it to Counsel Biviano's list. Commissioner Roura felt that because this was addressed in the 1st arbitration to their benefit, their attorney will argue that this is a dead issue. Administrator Jones reminded everyone that the last line in the arbitration award indicated that the award did not extend to any future agreements and could be addressed in the new CBA's.

Commissioner Nash had reviewed his notes and found a note that we had asked the arbitrator about adding additional steps to the Firefighters salary table for future new hires. He wanted to change the steps from annual increments to 5 year increments, meaning that it would take a new firefighter 5 years to advance from one step to the next and that each year he would only receive the percentage increase that we were agreeing to. He wanted to know how and where the additional steps being considered would go in the table and how many steps the table would now have. Commissioner Roura suggested that they work with Counsel Biviano first thing tomorrow morning to clear this up. Commissioner Cornue asked how additional salary table steps were added in some of the awards that the arbitrator has recently issued. Commissioner Roura replied that he doesn't modify the steps but may award additional steps without indicating where they are added and as far as he can tell the percentages increases seem to be favoring management. He added that in the most recent award that he reviewed, the percentage salary increases were exactly what the Township had proposed.

Overtime Grievance Arbitration Status: Administrator Jones reported that he had notified Counsel Biviano that the Board has decided not to pursue an appeal of the arbitration award. Counsel Biviano indicated that he will communicate this to the union attorney.