

INTEREST ARBITRATION - SECOND CONTRACT

OPINION AND AWARD

IN THE MATTER OF INTEREST ARBITRATION

BETWEEN

TEAMSTERS LOCAL 700

("Union," "Bargaining Representative" or "Local 700")

AND

CITY OF HIGHLAND PARK

("City" or "Employer")

FMCS Case No. 141213-51692-A

Arbitrator's Case No. 14/003

Before: Elliott H. Goldstein
Sole Arbitrator by Stipulation of the Parties

Appearances:

On Behalf of the Union:

Cass T. Casper, Local 700 Staff Attorney
Nicole L. Chaney, Local 700 Staff Attorney
Gus Horemis, Local 700 Business Agent
Rodney Carbajal, Sergeant
Steven Mueller, Sergeant
William Bonaguidi, Sergeant

On Behalf of the Employer:

James Baird, Clark Baird Smith LLP
Ghida Neukirch, Deputy City Manager
Emily Taub, Human Resources Manager
Paul Shafer, Chief of Police
George Pfitzenreuter, Dep. Chief of Police
Nicole Larson, Finance Director
Karen Berardi, Management Analyst

TABLE OF CONTENTS

I. PROCEDURAL BACKGROUND - 1 -

II. FACTUAL BACKGROUND - 2 -

III. STIPULATIONS OF THE PARTIES - 3 -

A. The Union's Final Proposal - 4 -

B. The City's Final Proposal - 5 -

V. RELEVANT STATUTORY LANGUAGE - 5 -

VI. THE SCOPE OF THE CASE - 7 -

VII. POSITIONS OF THE PARTIES - 8 -

VIII. DISCUSSION AND FINDINGS - 17 -

IX. AWARD - 23 -

I. PROCEDURAL BACKGROUND

This matter comes as an interest arbitration between the City and the Union pursuant to Section 14 of the Illinois Public Labor Relations Act, 5 ILCS 315/314 (the "Act"). The Parties are at an impasse in their negotiations for a successor to their first Collective Bargaining Agreement, which had an effective term from January 1, 2010 through December 31, 2012. The parties agree that the term of this Agreement will be January 1, 2013 through December 31, 2015. They each waived the tripartite arbitration panel and so I am appointed as the sole Arbitrator to decide this matter.

The hearing before the undersigned Arbitrator was held on April 23, 2014, at the Highland Park City Hall, 1707 St. Johns Drive, Highland Park, Illinois, commencing at 9:00 a.m. The parties were each afforded full opportunity to present their case as to the impasse issues set out herein, including both testimony and narrative presentation of exhibits. A 265-page stenographic transcript of the hearing was made, and thereafter the Parties were invited to file written briefs as they deemed pertinent to their respective positions. Post-hearing briefs were exchanged on or about June 27, 2014, and the record was thereafter declared closed.

II. FACTUAL BACKGROUND

The City lies within Lake County, Illinois, and is an Employer within the meaning of Section 3(o) of the Act. Its fiscal year runs from each January 1 to the next December 31.

The Union is a labor organization within the meaning of Section 3(i) of the Act. It is the exclusive bargaining representative, within the meaning of Section 3(f) of the Act, for all sworn police officers in the rank of Sergeant, having been so certified by the Illinois Labor Relations Board ("Board") on March 23, 2009, in Case No. S-RC-09-089. The Unit currently consists of six sergeants, four of who are assigned to patrol and one each to the investigations and traffic enforcement units.

This Agreement will be the second labor contract between the parties covering this unit.¹ Their first labor contract was also settled through interest arbitration, which was conducted before Arbitrator Edwin H. Benn. A number of impasse issues were decided by Arbitrator Benn. Of particular significance to this proceeding, each of the parties proposed a three-year wage package to Arbitrator Benn in that case, each covering fiscal years 2010 through 2012. However, whereas the Union also

¹ The Union for many years represented the City's patrol officers. The record reveals that the last labor agreement between these parties covering the patrol unit had an expiration date of December 31, 2010.

proposed a three-year term for the contract, January 1, 2010 through December 31, 2012, the City proposed a four-year term, ending on December 31, 2013, with an additional provision for a wage reopener covering fiscal year 2013. Arbitrator Benn awarded the Union's proposed three-year contract. He issued the award on February 25, 2013. The City Council finally approved the award, and the final agreement, on May 28, 2013. The date(s) on which the parties' representatives signed the agreement is not shown in the record.

The record reveals that the Union demanded bargaining for this successor Agreement on May 7, 2013, and it filed a Request for Mediation form with the Board that same day. The parties thereafter met in an unknown number of bargaining and mediation sessions, and therein reached tentative agreements on several terms for this Agreement, which are by stipulation of the parties incorporated herein, but failed to reach agreement on the issues of wages and retroactivity, which are presented here as a single economic issue.

III. STIPULATIONS OF THE PARTIES

The Parties agreed that the Agreement should have a three-year term, beginning January 1, 2013. The only issue submitted for resolution herein is wages.

In addition to the foregoing, the Parties submitted ground rules that embody the following pertinent stipulations:

1. The only issue in dispute is wages, including retroactive pay. The question of whether wages and retroactive pay constitute a single issue or are separate issues is reserved.

2. The Parties' tentative agreements from the bargaining table will be submitted in this proceeding as Joint Exhibit No. 5.

3. The Arbitrator shall base his findings and decision upon the applicable factors set forth in the Act.

4. Nothing stated in the ground rules will be construed to prevent either party from asserting applicable legal defenses to this proceeding.

The parties further stipulated on the record at the hearing that each waived the tripartite panel provided for in the Act, and that wages and retroactive pay constitute a single economic issue.

IV. THE PARTIES' FINAL PROPOSALS

A. The Union's Final Proposal

Wage Rates

Effective January 1, 2013:	1.50%
Effective July 1, 2013:	1.30%
Effective January 1, 2014:	2.00%
Effective January 1, 2015:	2.00%

Retroactivity: Full retroactivity for all hours worked or paid from January 1, 2013 to present.

B. The City's Final Proposal

Wage Rates

Effective January 1, 2013: 1.75%
Effective January 1, 2014: 2.00%
Effective January 1, 2015: 2.00%

Retroactivity: Full retroactivity for all hours worked or paid from January 1, 2014 to present.

V. RELEVANT STATUTORY LANGUAGE

Section 14 of the Act provides in relevant part:

5 ILCS 315/14(h) - [Applicable Factors upon which the Arbitrator is required to base his findings, opinions and orders.]

- (1) The lawful authority of the Joint Employers.
- (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 of the employees involved in the arbitration proceeding with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally.
 - (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 wage compensation, vacations, holidays and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment and all other benefits received.
- (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.

5 ILCS 315/14(i) - [Limits on the arbitrators authority to issue retroactive wages.]

X X X X

(j) Arbitration procedures shall be deemed to be initiated by the filing of a letter requesting mediation as required under subsection (a) of this Section. The commencement of a new municipal fiscal year after the initiation of arbitration procedures under this Act, but before the arbitration decision, or its enforcement, shall not be deemed to render a dispute moot, or to otherwise impair the jurisdiction or authority of the arbitration panel or its decision. Increases in rates of compensation awarded by the arbitration panel may be effective only at the start of the fiscal year next commencing after the date of the arbitration award. If a new fiscal year has commenced either since the initiation of arbitration procedures under this Act or since any mutually agreed extension of the statutorily required period of mediation under this Act by the parties to the labor dispute causing a delay in the initiation of arbitration, the foregoing limitations shall be inapplicable, and such awarded increases may be retroactive to the commencement of the fiscal year,

any other statute or charter provisions to the contrary, notwithstanding. At any time the parties, by stipulation, may amend or modify an award of arbitration.

VI. THE SCOPE OF THE CASE

The parties presented a full and substantial record of evidence and arguments on a range of Section 14(h) factors going to the issue of the relative reasonableness of their respective offers. Stated briefly, they presented disputed positions on the composition of the external comparables group; the relative weights to be given to the comparables, both internal and external; and also regarding economic factors, such as the City's financial health and its ability to pay; and the consumer price index. Under typical circumstances, my discussion would proceed at this point to a consideration of their arguments as such. However, the City has taken the position that Section 14(j) of the Act precludes me from awarding the Union's wage offer and, ipso facto, leaves me no option but to award the City's proposal. As I will discuss in more detail below, my review of the record has led me to conclude that the City's position is correct. My discussion, therefore, will center on that issue.

VII. POSITIONS OF THE PARTIES

A. Position of the City

The broad meaning of Section 14(j) of the Act is that ordinarily wage increases obtained through interest arbitration are not to be made effective until the start of the Employer's next fiscal year following the issuing of the award, the City observes at the outset, because that is what Section 14(j) states. The earliest that an interest award may be retroactively effective under Section 14(j) however is actually at the start of the Employer's next fiscal year following the "initiation of the arbitration procedures," it also notes. Such procedures are deemed to be initiated by the filing of a request for mediation with the Illinois Public Labor Relations Board. The City reminds me that I have previously explicitly noted the clarity of Section 14(j) provision as to those two basic points. See City of Carlinville and PBLC, S-MA-11-307 (Goldstein, 2012).

The Union's wage proposal includes two wage increases that are retroactive to dates within the City's 2013 fiscal year, which began on January 1, 2013, then says the Employer. Yet the Employer emphasizes the Union did not file a request for mediation in this case until May 7, 2013. The City strenuously urges that this is an uncontested fact on this record. That is the absolute focal point of the City's argument in this case as to the application of Section 14(j) to the facts of record. The

City further urges there is no way to avoid these clear statutory limitation on an Arbitrator's ability to award retroactivity on wages.

As a result of the terms of Section 14(j), I am forbidden by statute from awarding the Union's proposal, in toto, the Employer consequently insists. See, Byron Fire Protection District and IAFF, Local 4755, S-MA-12-005 (Hill, 2005); Village of Midlothian and Teamsters, Local No. 726, S-MA-06-253 (Hill, 2007); Highwood and MAP, Chapter 105, S-MA-99-202 (Kossoff, 2004). The City specifically argues that "the plain language of Section 14(j) lays out parameters that are abundantly clear, directive, non-ambiguous, and non-discretionary. Nothing in the language of the section permits the Arbitrator to waive its requirements." (City Brief, p. 31). [Emphasis mine].

My authority in the instant case, moreover, is limited to choosing between the final offers, the "last and best offer rule," the City further reminds me. The Union proposed at the start of the hearing in the instant matter that wages and retroactivity should be considered a single issue, the City significantly notes, and it continues that the City agreed to that proposal to make wages and retroactivity one indivisible issue, it quickly adds. The Union's final offer in the instant dispute is therefore not severable into two pieces. The Union's wage offer must be rejected, in toto, the City once again

submits because the Union's demand for retroactivity to January 1, 2013 is forbidden by the specific presumption in such a retroactive owing of wages contained in Section 14(j). It adds, "In other words, the City has the only qualifying wage offer in this case because the Union impermissibly made retroactivity for Fiscal Year 2013 an integral part of its final wage proposal." (City Brief, p. 28). The City's wage offer must therefore be adopted, the City firmly maintains.

Once again the City suggests that the central question in this case is whether the wage offers presented on this record will be driven by their independent merits, or whether the clear terms of Section 14(j) voids the Union's wage offer, the Employer suggests. The Union should not be allowed to use the timing of Arbitrator Benn's award, or the City's final approval of it, as an excuse to avoid the effects of Section 14(j), the City stresses.

Filing requests for mediation early as a hedge to preserve retroactivity is a common practice among unions representing protective service units, the City further asserts, and such early requests have been accepted by both the Board and arbitrators who have considered it as initiating the interest arbitration process. See, County of Vermillion, 15 PERI ¶ 2009 (ILRB 1999) (Labor Board denied employer's ULP charge that alleged request for early mediation panel was a sham); see also,

Elk Grove Village and IAFF, Local 3398, S-MA-93-231 (Nathan, 1994) (union initiated arbitration procedures even though most issues brought to the table were unresolved because it "could not risk that bargaining would continue into another fiscal year ..." because "[i]f that occurred any arbitration thereafter held would exclude the present fiscal year from consideration").

This Union certainly could have done likewise, the City specifically reasons. Nowhere did the Union preserve its option by requesting mediation early. Had this been the Union's wish, it would have been a simple matter to file its request for mediation in 2012, the Employer observes. Furthermore, the Union should have anticipated that Arbitrator Benn would select its proposal for a three-year term, ending on December 31, 2012, the Employer asserts. Local 700 should have taken precautions to preserve retroactivity for the first year of this Agreement. To make matters worse for the Union's position, the City notes that its own proposal before Arbitrator Benn did not contain a waiver of Section 14(j) for purposes of the reopener. [Compare, City of Markham and Teamsters, Local 726, S-MA-90-147 (Larney, 1991) (parties waived Section 14(j) requirements for purposes of retroactivity should interest arbitration occur for the wage reopener)].

As a result of the fact there was no such mutual waiver of Section 14(j)'s application the City insists, the Union here

would have been required to request mediation prior to January 1, 2013. In short, the timing of Arbitrator Benn's award for the Parties' initial Labor Contract is not material to this discussion, either factually or legally, the City's argument concludes. It sees no way for this Arbitrator to avoid the clear terms and case law gloss to Section 14(j), it clearly argues.

Accordingly, the Union's proposal must be rejected and the City's proposal must be awarded, the City submits.

B. Position of the Union

To Local 700, the actual language of Section 14(j) and the case law applying its terms is far more open to questions than this Employer would have it. After all, the plain language of Section 14(j) states an exception to the limitation on my authority to award retroactive increases. This exception applies where there is a "mutually agreed extension of the statutorily required period of mediation under this Act by the parties to the labor dispute causing a delay in the initiation of arbitration." Union Brief, p. 22) [citing, 5 ILCS 315/14(j)]. In such cases, the limitation of Section 14(j) "shall be inapplicable, and such awarded increases may be retroactive to the commencement of the fiscal year, any other status or charter provisions to the contrary, notwithstanding."(Id).

In this case, argues Local 700, Arbitrator Benn's "award should be read as creating an arbitral in-road [sic] into 14(j), or as otherwise serving to satisfy the mutual-agreement [sic] requirement" noted above. This is so because Arbitrator Benn's award clearly states that the parties 'should be able to realistically negotiate for 2013,' and that, in his view, it was '[b]etter to start the process for the successor agreement now.'" (Union Brief, pp. 22-23)(citations omitted). This language crafted by Arbitrator Benn was plainly intended to function as an equivalent of a mutual waiver by the parties of Section 14(j), the Union strenuously argues.

In any event, claims Local 700, I should imply an agreement to extend back a request for mediation under Section 14(j) into 2012, given the specific circumstances here, the Union avers. Certainly, the Parties mutually agreed to the selection of Arbitrator Benn to preside over the last interest arbitration. These Parties also agreed to the submission of proposals for contracts of differing lengths in that interest arbitration and agreed to an extension of the 30-day statutory deadline for Arbitrator Benn to issue his decision. Those three agreements by the Parties allowed Arbitrator Benn to issue his award after the start of the 2013 fiscal year, the Union maintains. By these certainly "mutual actions" the parties agreed, at least tacitly, to delay mediation relative to this successor Agreement

that is presently at issue beyond the start of the 2013 fiscal year, Local 700 claims.

The parties could not have known in advance of Arbitrator Benn's decision whether bargaining in 2013 would be for a reopener under an existing contract or for a new contract entirely, Local 700 also argues. Therefore, since Arbitrator Benn contemplated bargaining for 2013 as being outside the Section 14(j)'s restrictions on the Arbitrator's award of retroactivity for 2013, the circle is complete in that the instant Party offers "tracking retroactivity" follow Benn's scheme for bargaining for the instant contract, the Union maintains.

Furthermore, the City's suggestion that the Union should have filed its request for mediation in 2012, before any known bargaining dispute existed, is absurd, the Union suggests. The Union asks the question, how were we to fill out the Board's Request for Mediation form in advance of actual bargaining? The form, in fact, requires that the filer provide information as to the "nature of the dispute, including unresolved issues." (Union Brief, p. 23)(citation omitted). The City simply does not explain whether in filling out the request for mediation form, the Union was to guess at what issues might arise in negotiations yet to be had. It is likely that the Illinois Public Labor Relations Board (IPLRB) would not countenance the

practice that the City suggests here, which "quite pointlessly" promotes form over substance, the Union reasons.

Given these specific factual circumstances, Local 700 concludes, I should find, either as the result of an implied agreement or by a statutory construction of Section 14(j), that the timeline for filing mediation paperwork at the IPLRB was tolled until the proceedings before Arbitrator Benn were exhausted. That "conclusion" of the interest arbitration process before Arbitrator Benn occurred at the point that the City Council approved his award, which it did on May 28, 2013, the Union avers. Under the terms of the Act, those proceedings for the Parties' initial contract did not become final until the City Council ratified Arbitrator Benn's award, the Union goes on to say. At any time leading up to that point of the City Council's approval, the matter of the Parties' first contract was liable to be returned to the Parties for further negotiations, through either a remand by the Arbitrator or by the City's rejection of his award, the Union further contends.

The City's arguments suggest a potential anomaly in which the Parties in this case actually would be simultaneously negotiating both their initial contract and its successor, the Union concludes. That is an impossible and absurd line of argument, it contends. First, the parties in choosing Arbitrator Benn likely knew the Act's timelines would need to be

extended, since Arbitrator Benn's arbitration practice is extensive and demanding. Second, the Parties mutually agreed to the time extension into calendar 2013 for the issuance of the Benn decision. Third, the Parties knew their proposals as to the length of the first contract were different.

These observations suggest to Local 700 at least that on the issue of the application of Section 14(j) to bargaining in 2013 for the Parties' second contract, a tacit mutual agreement to waive Section 14(j) must be found to have been intended by the City and Local 700. The award of Arbitrator Benn itself should be viewed as "creating an arbitral in-road into Section 14(j) under the unique circumstances of this case," the Union finally suggests.

Finally, as the Union sees it, Arbitrator Benn stated clearly in his 2013 decision his view that it would be in the best interest of the Parties to get back to the table immediately to negotiate the successor to the Labor Contract then before him. It cannot be that Arbitrator Benn then intended his award to entangle the Union in a Section 14(j) problem. It is fair to assume that had Arbitrator Benn viewed his award for the Parties' initial contract as creating an issue under Section 14(j), as implausibly suggested by the City here, Arbitrator Benn would have opted for the City's proposed four year duration in order to avoid the issue, the Union asserts. Benn's goal in

awarding the Union's proposal in 2013 was to avoid putting the parties in a position of "making uncertain guesses" as to future negotiations or prejudicing either party in those impending negotiations. It therefore makes no sense to endorse the prejudicial result that the City seeks here, which Arbitrator Benn sought to avoid, the Union concludes. The case should be heard on its merits.

VIII. DISCUSSION AND FINDINGS

Having considered the evidence and arguments as set out above, I am persuaded that the City's position that Section 14(j) of the Act leaves me no option but to select the City's wage proposal. As the City noted, I have indeed recognized that the relevant provisions of Section 14(j) are clear. I stated in my decision in Carlinville, supra, at p. 30:

"The terms of Section 14(j) of the act are not really in dispute. That Section clearly provides a basic rule that 'Increases in rates of compensation awarded by the arbitration panel may be effective only at the start of the fiscal year next commencing after the date of the arbitration award.' This limitation does not apply where the arbitration procedures are initiated in advance of the disputed fiscal year, in this case fiscal year 2010, which began on May 1, 2010. Arbitration procedures are deemed in Section 14(j) to be 'initiated' by the filing of a request for mediation."

The disputed fiscal year is in this case is 2013, which began on January 1, 2013. That the Union's filing of its request for mediation came after that date is not in material dispute. The

City's suggestion that I cannot award wages that are retroactive to any date before the start of the City's 2014 fiscal year is based on a straightforward application of the law to the facts, I find. I therefore agree that the City's final offer is the only valid one in this case. My reasons follow.

First, I am not persuaded by this Union's arguments that suggest an agreement by the Parties, express or implied, to extend the filing for a request for mediation beyond the start of the 2013 fiscal year so as to permit retroactivity to 2013, or a similar express or implied agreement by the Parties to waive the limitations of Section 14(j) altogether. There is no hint in this record that the Parties even discussed such an extension or waiver at any point, I emphasize. I further stress "by the Parties" because there are "escape hatches" in Section 14(j) set out above that permit only the Parties by mutual agreement to modify the general requirement that initiation of the interest arbitration process permits wage raises to become effective solely in the fiscal year following such initiation. One such avenue is the early filing of the Union's Request for Mediation form with the IPLRB, as the Employer in this case has pointed out. See County of Vermillion, ¶2009 (ILRB, 1999). The other avenue is the waiver of the general requirement for wage changes at the next fiscal year after the interest arbitration process ends. Section 14(j) permits wages to change only for the

next succeeding fiscal year, from 2013 in this case, I rule. Once again, that waiver can be only by mutual agreement I note. See City of Markham and Teamsters Local 726, S-MA-90-147 (Larney, 1991). There was no such mutual waiver, I find.

Moreover, while it appears that the Union may have been somewhat confused as to the appropriate timing of its request for mediation in advance of Arbitrator Benn's award, I do not find that such confusion can be attributed to the City's conduct, i.e. in the City's submitting its proposal to Arbitrator Benn for a four-year deal or in its agreeing with the Union to waive the 30-day post-brief deadline for Arbitrator Benn to issue his award. These actions by the City are not such as might be grounds for finding some implied agreement, I rule, because there was neither a direct or implied misleading of the Union as to the terms and requirements of Section 14(j) by these routine agreements or proposals. What the Parties agreed to was a permissible variation from the timeline for briefs and an extension for Arbitrator Benn to issue his decision in the case before him in 2012 and 2013. No relationship of the terms of Section 14(j) was necessarily evident by such conduct, I hold.

A different case might have been made for an implied agreement to waive Section 14(j) had the City proposed a fourth year of wages, not a reopener, I note. I do not suggest a different result would be absolutely required in that case but

it is at any rate clear that the City in fact proposed to reopen that initial contract for further bargaining on wages for that fourth year. I do agree with the City's assertion that the Union would have been required to file a request for mediation before January 1, 2013 in order to preserve retroactivity in the event such a reopener was awarded by Arbitrator Benn.

I am not aware of any cases decided on the issue and it seems to me that a case can be made to the contrary, but in my view the question is sufficiently unsettled that it would have been prudent for the Union to act in advance of that fourth year, FY2013, either by filing for mediation or obtaining an agreement from the City to waive or extend the requirement regarding the application of Section 14(j). In other words, the Union's belief that it could wait for Arbitrator Benn's award before requesting mediation was not sufficient to override the Act, given the clear terms of the Section 14(j) requirements, I hold.

In sum, I do not find the Union's arguments regarding the anomalous nature of bargaining for the successor to an agreement that is not yet finalized, or its inability to complete in good faith the Board's form for requesting mediation before actual negotiations had begun, to be persuasive as to the specific issue before me. Section 14(j) has been in place, in its present form, for nearly three decades, I note. The Board's

mediation form has been in substantially its present form nearly as long. The City, my experience tells me, quite correctly points out that Section 14(j) presents nothing more than a filing requirement, which unions have managed over the years to meet. There is no related requirement, at least of which I am aware, that the parties actually negotiate before the request for mediation is filed.

In any event, I am bound to follow the clear language of the Act, specifically Section 14(j). I cannot depart from that language merely because the Board's forms are not easily adapted to all circumstances that Act covers, I specifically hold.

The result of my ruling in this matter is a heavy detriment to the Union, I recognize. I also appreciate that this result perhaps was not anticipated by Arbitrator Benn when he arrived at his 2013 Decision and Award. Yet, even if I also assume, against the dictum that Arbitrators do not have authority to rewrite statutory language, that an arbitrator possesses the authority under the Act to effectively modify the Act's filing requirements for future bargaining, I nevertheless cannot say that Arbitrator Benn exercised that authority in this case. Arbitrator Benn's award is crystal clear on the issue of the duration of the Parties' initial Labor Contract, but the decision makes no mention of Section 14(j). I will not assume that Arbitrator Benn intended to order the City to extend or

waive the requirements of Section 14(j) by having told the Parties in 2013 to begin bargaining forthwith for their successor Labor Contract. Such assumption goes too far.

The Union's proposal on wages is not a valid proposal as it calls for two increases in wages that are retroactive to dates before the start of the City's 2014 fiscal year, I thus find. Moreover, as the City notes, the parties stipulated that the issues of wages and retroactivity are to be determined as a single economic issue, and not divisible, I also hold. I am bound by that stipulation, I rule. Accordingly, I do not have authority to award any portion of the Union's proposal and, therefore, the City's proposal must be awarded as a matter of law, I hold.

The City has asked me to rule on the included issue of comparables, which were substantially disputed during the hearing, irrespective of my findings as to Section 14(j), I finally note. The parties "spent a great deal of time and effort presenting evidence regarding which communities should or should not be included as external comparables for Section 14 purposes," the City stresses (City Brief, p. 2). It asks that I rule on the issue of which communities should be included as comparables in order to provide guidance to the parties in their future negotiations. I understand the City's point.

As I view the matter though, the City is asking me to make findings that are not necessary to my award in this case or, in other words, to render what is essentially an advisory opinion. I cannot see how my doing so would not violate the basic tenet of interest arbitration that I should avoid any decision which would usurp the normal processes of collective bargaining. I believe it is better for me to pass on the "external comparables" issue and leave it to the Parties to further address it when they reconvene at the bargaining table.

Based on all these considerations, I hold that as a matter of law the City's proposal on wages is the only valid proposal before me. Therefore, it is most reasonable in light of the statutory factors included in the Act. My Award granting the Employer's final offer follows.

IX. AWARD

Using the authority vested in me by the parties under their 2007-2011 Collective Bargaining Agreement and pre-hearing stipulations, and the terms of the Illinois Public Labor Relations Act, I award the following wage increases:

Effective January 1, 2013:	1.75%
Effective January 1, 2014:	2.00%
Effective January 1, 2015:	2.00%

Retroactivity: Full retroactivity for all hours worked or paid from January 1, 2014 to present.

The 2011-2015 Collective Bargaining Agreement shall incorporate the provisions of the predecessor Agreement as modified by the Parties' tentative agreements incorporated herein by the Parties' stipulations.

IT IS SO ORDERED.

October 13, 2014

Elliott H. Goldstein
Arbitrator