On February 27, 2019, Administrative Law Judge (ALJ) Matthew Nagy issued a Recommended Decision and Order (RDO) concluding that Respondent City of Peoria (City) violated Sections 10(a)(4) and (1) of the Illinois Public Labor Relations Act, 5 ILCS 315/1 et seq., (West 2016) as amended (Act), when it refused to give Charging Party International Association of Firefighters, Local 50 (Union) a signed copy of a memorandum of understanding relating to staffing for 17 machines and then violated the terms of the MOU by unilaterally implementing its “brownout” policy. The Respondent timely filed exceptions to which the Union timely responded.

After reviewing the RDO, the record, exceptions and responses thereto, we reject the City’s exceptions and accept the ALJ’s recommendations contained in his RDO for the following reasons:

The ALJ’s conclusion that the City violated the Act was based on finding the City in default for its failure to answer the complaint for hearing (Complaint). Applying Sections 1200.30(c) and 1220.40(b) of the Board’s Rules, the ALJ found the Complaint was presumed served on the City on January 14, 2019, making the City’s answer due fifteen days later or on January 29, 2019. On February 4, 2019, finding no answer to the Complaint had been received, the ALJ ordered the City
to show cause why a default judgement should not be entered against it for its failure to answer. Having received no response to the order to show cause, the ALJ found that according to Section 1220.40(b)(4) of the Board’s Rules and caselaw, the City admitted all of the Complaint’s allegations, providing the basis for finding that the City violated Sections 10(a)(4) and (a)(1) of the Act.

The City’s exceptions focus on its claim that it was not aware the Complaint had issued until it received the RDO and asks the Board to give the City an opportunity to answer the Complaint based on factors courts use in ruling on motions to vacate default judgments. It contends it acted with diligence when it received the underlying charge and submitted its Notice of Appearance. In addition, the City responds to each allegation of the Complaint by characterizing the responses as exceptions to the ALJ’s findings.

The City offers two reasons to excuse its failure to answer the Complaint and reject the default: (1) it did not receive the Complaint until after the RDO issued and (2) since it has a meritorious defense to the charge, allowing the default to stand would come at a substantial cost to the City’s residents. In an apparent attempt to show it did not receive the Complaint, the City claims that after a search of its “physical records,” the “City’s files do not contain any correspondence between the Notice of Appearance filed on July 9, 2018 and the Administrative Law Judge’s Recommended Decision and Order.” A review of the Board’s records, however, tells a different tale of extensive communication from Board staff to the City concerning the underlying charge and the Complaint, including an inquiry whether the City received the Complaint, the Affidavit of Service showing the Complaint was mailed to the City at the correct address, and eventually a Rule to Show Cause why the City had not timely filed an answer. The following timeline shows the great extent of those communications:
June 27, 2018—Union files unfair labor practice charge.

June 28, 2019—Charge mailed to City’s Mayor, Jim Ardis, 419 Fulton St., Peoria, IL 61602.

July 9, 2018—Notice of Appearance submitted for City’s representative: Chrissie Peterson, 419 Fulton St., Room 200, Peoria, IL 61602; tel. no. (309) 494-8593; email address listed as cpeterson@peoriagov.org.

October 5, 2018—Email from Board agent Olivia Campbell Peterson requesting additional information and a position statement from the City. Email sent to Peterson at cpeterson@peoriagov.org.

October 23, 2018—Email from Campbell at 9:44 am to Peterson at cpeterson@peoriagov.org, advising that if the City’s position statement is not received by the end of the day, issuance of a complaint for hearing would be recommended.

October 23, 2018—Email from Peterson at 10:02 am (response to 9:44 am Campbell email) requesting additional time to respond to Campbell’s request. In support of her request for more time, Peterson claims she did not receive Campbell’s prior correspondence and was having problems with her email. Peterson’s email also indicates her email problems had been corrected.

October 23, 2018—Email from Campbell at 10:20 am (response to 10:02 am Peterson email) granting the request for additional time setting deadline for response to October 30, 2019.

November 28, 2018—Complaint issued; Affidavit of Service states Complaint mailed to Chrissie Peterson, Heyl, Royster, Voelker & Allen, 300 Hamilton Blvd., Box 6199, Peoria, IL 61601.

January 2, 4, & 7, 2019—File notation indicates ALJ Nagy attempted to call Peterson at (309) 494-8593, the telephone number listed on the Notice of Appearance, on these dates. The ALJ’s notation indicates there was no answer for each call. The ALJ also notes that although not certain, he may have left a voicemail message.

January 7, 2019—Email from ALJ Nagy to Peterson at email address cpeterson@peoriagov.org (email address given on notice of appearance) and Union’s counsel, Jerry Marzullo, advising of address discrepancy and asking if the City received the Complaint.

January 9, 2019—Affidavit of Service states Complaint was mailed again to Peterson at 419 Fulton St., Room 200, Peoria, IL 61602.

February 4, 2019—Email from ALJ Nagy to Peterson at cpeterson@peoriagov.org attaching Order to Show Cause.

February 18, 2019—Deadline for response to Order to Show Cause.

February 27, 2019—ALJ Nagy issues RDO.

March 5, 2019—Email from Lori Novak at 8:53 am to Peterson at cpeterson@peoriagov.org attaching the Complaint.
March 5, 2019—Email from Peterson at 8:58am to Lori Novak (response to 8:53 am email) acknowledging the receipt of the Complaint attached in the email but noting the City has no record of receiving the Complaint that the Affidavit of Service indicates was mailed on January 9, 2019.

April 2, 2019—City files exceptions via email and hand delivery. Email is from Peterson using cpeterson@peoriagov.org.

The City has offered nothing to contradict the January 9, 2019 Affidavit of Service certifying the Complaint was mailed to the address listed on the July 9 Notice of Appearance. Instead, the City reasons without offering any factual support that since the Complaint was initially mailed to the wrong address, when the Complaint was re-mailed in January, it was likely mailed to the wrong address again. But as can readily be seen, this is nothing more than speculation and provides no basis for the Board to find the Affidavit of Service inaccurately states the address the Complaint was mailed to in January.

Even if the City did not in fact receive the Complaint via the January 9 mailing, the Board’s record demonstrates the ALJ sent emails to the City’s representative, Peterson, alerting the City of the existence of the Complaint and the requirement to provide an answer. But the City failed to respond to the January 7 email from ALJ Nagy to Peterson inquiring about whether the City received the Complaint mailed in November and the February 4, 2019 email ordering the City to show cause why it did not answer the Complaint. Notably, as the Union points out, the City’s exceptions fail to address ALJ Nagy’s Order to Show Cause or claim that it did not receive the emails. Having failed to avail itself of these opportunities to respond given by the ALJ, the City now seeks one more.

Although it did not specifically request a variance from the Board’s rules cited by the ALJ in recommending the default, we construe the City’s request to “vacate” the RDO as a request for a variance from 80 Ill. Adm. Code § 1220.40(b), the rule relating to answering complaints for hearing. Section 1200.160 of the Board’s rules allow for such variances so long as certain criteria
are met: a) the provision from which the variance is granted is not statutorily mandated; b) no party will be injured by the granting of the variance; and c) the rule from which the variance is granted would, in the particular case, be unreasonable or unnecessarily burdensome. 80 Ill. Adm. Code §1200.160. Here, the first criterion is satisfied as the rule relating to answering complaints, Sections 1220.40(b), is not statutorily mandated. The second criterion can also be satisfied for no party would be injured by the six-week delay in filing the answer.

We find, however, the third criterion not satisfied for strict adherence to the rules relating to answering complaints would not be unreasonable and unduly burdensome in this case. The City contends allowing the default to stand would be unreasonable and unduly burdensome because the RDO was “issued without notice or participation by the City” and the substantial cost to the City’s taxpayers would be prejudicial.

In Cook County State’s Atty. v. Illinois State Labor Rel. Bd., 292 Ill. App. 3d 1 (1st Dist. 1997), the court reversed the Board’s decision of the Board to enter a default judgement for failure to file an answer, observing that the Board should have considered the public interest as a mitigating circumstance in its consideration of the third criterion. See Id., at 12-13. Here, however, unlike the facts in Cook County State’s Atty. v. Illinois State Labor Rel. Bd., where the answer was filed one-day late and the Cook County State’s Attorney’s Office availed itself of the opportunities to participate in the case, we find little evidence of the same actions taken by the City.

We consider the third criterion on a case by case basis, and in this case, we find the lack of activity and explanations of such by the City warrants denial of a variance. As the discussion above and timeline illustrate, from the time it submitted its Notice of Appearance in July 2018, to the time the RDO was issued, the City had many opportunities to participate in the investigation
and advise the Board of its opposition to the allegations but failed to avail itself of those opportunities. Indeed, the City’s lack of activity in the investigation of the charge, a charge which the City clearly had notice of, belies its contention that allowing the default to stand would come at a substantial cost to taxpayers. If this case was so significant to the City and its residents, it stands to reason that the City would have been more vigilant during the investigation and in responding to communications from the Board. Accordingly, we deny the request for a variance and reject the City’s exceptions.

For the above reasons, we accept the ALJ’s recommendations and adopt them as a decision of the Board.

BY THE STATE PANEL OF THE ILLINOIS LABOR RELATIONS BOARD

/s/ John S. Cronin
John S. Cronin, Member

/s/ Kendra Cunningham
Kendra Cunningham, Member

/s/ Jose L. Gudino
Jose L. Gudino, Member

/s/ William E. Lowry
William E. Lowry, Chairman

/s/ Thomas Willis
Thomas Willis, Member

Decision made at the State Panel’s public meeting in Chicago and Springfield, Illinois (via videoconference) on June 11, 2019, written decision approved at the State Panel’s public meeting in Chicago and Springfield, Illinois (via videoconference) on August 13, 2019, and issued on August 13, 2019.
International Association of Fire Fighters, Local 50, Charging Party, and City of Peoria, Respondent.

Case No. S-CA-18-160

ADMINISTRATIVE LAW JUDGE’S RECOMMENDED DECISION AND ORDER

On June 27, 2018, Charging Party, International Association of Fire Fighters, Local 50 (Charging Party or Union) filed an unfair labor practice charge against Respondent, City of Peoria (Respondent or City) pursuant to Section 11 of the Illinois Public Labor Relations Act, 5 ILCS 315 (2016)as amended(455,481),(535,513) (Act) and the Rules and Regulations of the Illinois Labor Relations Board (Board), 80 Ill. Admin. Code parts 1200 through 1300 (Rules).

The charge was investigated in accordance with Section 11 of the Act, and on January 9, 2019, the Board’s Executive Director issued a Complaint for Hearing, alleging that the Respondent violated Section 10(a)(1) and 10(a)(4) of the Act when it violated the terms of a memorandum of understanding between the parties and made a unilateral change to a mandatory subject of bargaining without first bargaining the subject with the Union to agreement or impasse. The Complaint contained the following (emphasis in original):

RESPONDENT IS HEREBY NOTIFIED that within 15 days after service of the complaint upon it, pursuant to Section 1220.40(b) of the Board’s Rules and Regulations, 80 Ill. Admin. Code §§1200-1300, it must file an answer to this complaint with Matthew Nagy, at the Illinois Labor Relations Board, 801 South 7th Street, Suite 1200A, Springfield, IL 62703, or electronically at ILRB.Filing@Illinois.gov in accordance with Section 1200.5 of the Board’s Rules and Regulations. Respondent must serve a copy of the answer upon Charging Party. Please note that the Board’s Rules and Regulations do not allow electronic service of the Answer upon Charging Party. Said answer shall include an express admission, denial, or
explanation of each and every allegation of this complaint. Failure to specifically respond to an allegation shall be deemed an affirmative admission of the facts or conclusions alleged in the allegation. Failure to timely file an answer shall be deemed to be an admission of all material facts or legal conclusions alleged and a waiver of hearing. The filing of any motion or other pleading will not stay the time for filing an answer.

The ILRB’s Affidavit of Service notes that the Complaint was sent to Respondent’s legal counsel on January 9, 2019 via mail to the mailing address provided on counsel’s Notice of Appearance. Section 1200.30(c) of the Rules provides that a document is presumed served on a party three days after it is mailed. 80 Ill. Adm. Code 1200.30(c). In computing any period of time prescribed by the Act or Part 1200 of the Rules, “the designated period of time begins to run the day after the act, event, or default and ends on the last day of the period so computed.” 80 Ill. Adm. Code 1200.30. In addition, “when a time period prescribed under the Act or [Part 1200 of the Rules] is less than 7 days, intervening Saturdays, Sundays, or legal holidays shall not be included.” Id. Finally, if the last day of a time period prescribed under the Act “falls on a Saturday, Sunday or legal holiday, the time period shall be automatically extended to the next day that is not a Saturday, Sunday or legal holiday.” Id.

Applying these rules, service of the Complaint on the Respondent was presumed effective on January 14, 2019. Under Section 1220.40(b) of the Rules, a Respondent is required to submit its answer to a complaint within fifteen days of service thereof. 80 Ill. Adm. Code 1220.40(b). Accordingly, the Respondent should have filed its answer within fifteen days after January 14, 2019; in other words, by no later than January 29, 2019.

As of February 4, 2019, the Respondent had not filed an answer to the Complaint. Accordingly, on that date, I, the undersigned, issued an order directing the Respondent to show cause why a default judgment should not issue against it for failure to file a timely answer (Order to Show Cause). To date, Respondent has yet to file its answer.

I. **Discussion and Analysis**

A default judgment issues herein because the Respondent has failed to file an answer.

The consequences for failing to file an answer are laid out in no uncertain terms in the Rules, which provide that “parties who fail to file timely answers shall be deemed to have admitted the material facts and legal conclusions alleged in the complaint.” 80 Ill. Adm. Code 1220.40(b). Further, “(t)he failure to answer any allegation shall be deemed an admission of that allegation.” Id. This language was recited on the face of the Complaint, and the section in which it was
contained was set off by all-caps, bolded lettering. The Rules go on to make clear that “[f]ailure to file an answer shall be cause for the termination of the proceeding and the entry of an order of default.” Id. (emphasis added). These rules have been strictly construed by both the Board and courts, which have consistently held that a respondent’s failure to timely file an answer to a complaint results in an admission of all allegations in the complaint and an entry of default judgment against the respondent. Wood Dale Fire Prot. Dist. v. ILRB, 395 Ill. App. 3d 523 (2nd Dist. 2009), aff’g Wood Dale Fire Prot. Dist., 25 PERI ¶ 136 (IL LRB-SP 2008); Metz v. ISLRB, 231 Ill. App. 3d 1079 (5th Dist. 1992), aff’g Circuit Clerk of St. Clair Cnty., 6 PERI ¶ 2036 (IL SLRB 1990); Peoria Hous. Auth., 11 PERI ¶ 2033 (IL SLRB 1995); Chicago Hous. Auth., 10 PERI ¶ 3010 (IL LLRB 1994); Cnty. of Jackson (Jackson Cnty. Nursing Home), 9 PERI ¶ 2025 (IL SLRB 1993); City of Springfield, Office of Pub. Utils., 9 PERI ¶ 2024 (IL SLRB 1993).

II. Admitted Allegations

The Respondent, by failing to file an answer, has waived its right to a hearing and admitted the following material facts and legal allegations as stated in the Complaint:

1. At all times material, Respondent has been a public employer within the meaning of Section 3(o) of the Act.

2. At all times material, Respondent has been subject to the jurisdiction of the State Panel of the Board pursuant to Section 5(a-5) of the Act.

3. At all times material, Charging Party has been a labor organization within the meaning of Section 3(i) of the Act.

4. At all times material, Charging Party has been the exclusive representative of a bargaining unit composed of all Respondent’s full-time, permanent employees in the job titles or classifications of Firefighter, Fire Engineer, Fire Captain, and Battalion Chief, as certified by the Board on June 23, 2004, in Case No. S-UC-02-010.

5. At Respondent’s November 14, 2017, City Council meeting, the City Council and Fire Chief Chuck Lauss (Lauss) discussed a “brownout policy” and the closure of a Truck Company to address Respondent’s budget deficit.
6. Soon after the City Council meeting referenced in paragraph 6, at a meeting with Charging Party’s officials, Lauss verbally proposed to do the following to address Respondent’s budget deficit: hire three firefighters in Suppression, eliminate the Battalion Chief of Training, transfer a Fire Inspection position to Suppression, transfer a Captain EMS/Quality Assurance Officer position back to Suppression, assign three Bouncing Firefighters to a machine in Suppression, reduce the number of required annual physicals, abstain from using time accrued from the prior year’s Good Incentive Day, and accept straight time in lieu of the following year’s Good Incentive Day in exchange for keeping all 17 machines in service.

7. On November 17, 2017, Respondent memorialized the proposal referenced to in paragraph 6 in an email that included Charging Party’s representatives.


9. On November 21, 2017, Respondent held a Special City Council meeting in which the City Manager presented the proposal referenced in paragraph 6 as part of Respondent’s budget proposal.

10. At the meeting referenced in paragraph 9, the City Council approved Respondent’s budget proposal.

11. In December of 2017, Charging Party presented Respondent with a memorandum of understanding (MOU) that outlined the terms of agreement detailed in paragraph 6.


13. On February 14, 2018, the parties met to discuss the MOU, and Respondent suggested adjustments.
14. During the meeting referenced to in paragraph 13, Charging Party agreed with Respondent’s adjustments to the MOU, made the suggested changes, and presented the amended MOU to Respondent, and the new Fire Chief, Edward Olehy (Olehy), signed the document; however, Respondent did not provide a signed version of the MOU to Charging Party.

15. On April 4, 2018, the parties met again to discuss the MOU, and Respondent indicated that it was not going to sign an agreement that prevented it from closing a machine.

16. During the meeting referenced in paragraph 15, Charging Party responded that it would not have made the concessions detailed in the MOU if Respondent had not agreed to keep all 17 machines operational.

17. On April 13, 2018, the parties met again, and Charging Party reiterated that it only agreed to the concessions in the MOU in exchange for keeping 17 machines operational.

18. At the meeting referenced to in paragraph 17, Respondent indicated that, if the budget did not allow for the staffing of 17 machines, it would only staff the number of machines funded; however, Respondent confirmed that, if it changed working conditions in this manner, it would bargain with Charging Party.


20. The “brownout policy” referenced in paragraph 19 stated that, if a machine required three overtime slots in order to staff it, it would be taken out of service, and, if four to five overtime slots were necessary to keep all machines in service, Respondent would utilize overtime to fill two slots to staff a machine, but, if six overtime slots were necessary to keep all machines in service, two machines would be taken out of service.


23. On June 15, 2018, Respondent informed Charging Party that Good Incentive Day would be “paid out” the following week, reflecting the concessions that were agreed to in the MOU about Good Incentive Day.


25. Soon after, Charging Party made a FOIA request for a signed copy of the MOU, and Respondent denied the request.


27. Respondent refused to reduce an agreement to writing and provide it to Charging Party, as described in paragraphs 14, 24, and 25.

28. Respondent violated the MOU and made a unilateral change without bargaining the subject to impasse or agreement when it implemented “brown outs” as described in paragraphs 19, 21, and 22.

29. By its acts and conduct as described in paragraphs 14, 19, 21, 22, 23, 24, 25, 27 and 28, Respondent has failed and refused to bargain in good faith with the Charging Party, in violation of Sections 10(a)(4) and (1) of the Act.

III. Conclusion of Law

The Respondent violated Section 10(a)(4) and 10(a)(1) of the Act when it implemented its “brown out” policy without first bargaining such with the Union to either agreement or impasse.

IV. Recommended Order

IT IS HEREBY ORDERED that the Respondent, City of Peoria, its officers and agents shall:
1) Cease and desist from:
   a) Failing to bargain collectively and in good faith with the Charging Party with respect to wages, hours, and other terms and conditions of employment of members of its bargaining unit.
   b) In any like or related manner, interfering with, restraining or coercing their employees in the exercise of the rights guaranteed them in the Act.

2) Take the following affirmative action necessary to effectuate the policies of the Act:
   a) Restore the status quo ante as it existed before May 21, 2018 with respect to the staffing of its machines.
   b) Make whole any employees in the bargaining unit represented by Charging Party for all losses incurred as a result of the City’s decision to unilaterally alter its policy with respect to the staffing of its machines, including back pay with interest as allowed by the Act, at seven percent per annum.
   c) Upon request, resume bargaining in good faith over all items which relate to the wages, hours, or terms and conditions of employment of the members of the Union’s bargaining unit, including the staffing of machines.
   d) Post, for 60 consecutive days, at all places where notices to employees are normally posted, signed copies of the attached Notice. The Respondent shall take reasonable efforts to ensure that the Notice is not altered, defaced or covered by any other material.

V. **Exceptions**

Pursuant to Section 1200.135(b)(1)(B) of the Board’s Rules, parties may file exceptions to the Administrative Law Judge’s Recommended Decision and Order and briefs in support of those exceptions no later than 30 days after service of this Recommendation. Parties may file responses to exceptions and briefs in support of the responses no later than 15 days after service of the exceptions. In such responses, parties that have not previously filed exceptions may include cross-exceptions to any portion of the Administrative Law Judge’s Recommendation. Within 7 days from the filing of cross-exceptions, parties may file cross-responses to the cross-exceptions. Exceptions, responses, cross-exceptions and cross responses must be filed with General Counsel Helen J. Kim of the Illinois Labor Relations Board, 160 North LaSalle Street, Suite S-400,
Chicago, Illinois 60601-3103, and served on all other parties. Exceptions, responses, cross-exceptions and cross-responses will not be accepted at the Board’s Springfield office. The exceptions and/or cross-exceptions sent to the Board must contain a statement of listing the other parties to the case and verifying that the exceptions and/or cross-exceptions have been provided to them. The exceptions and/or cross-exceptions will not be considered without this statement. If no exceptions have been filed within the 30-day period, the parties will be deemed to have waived their exceptions.

Issued at Springfield, Illinois this 27th day of February, 2019

STATE OF ILLINOIS
ILLINOIS LABOR RELATIONS BOARD
STATE PANEL

/s/ Matthew S. Nagy
Matthew S. Nagy
Administrative Law Judge
NOTICE TO EMPLOYEES

FROM THE
ILLINOIS LABOR RELATIONS BOARD

Case No. S-CA-18-160
International Association of Fire Fighters, Local 50/City of Peoria

IT IS HEREBY ORDERED that the Respondent, City of Peoria, its officers and agents shall:

1) Cease and desist from:

   a) Failing to bargain collectively and in good faith with the Charging Party with respect to wages, hours, and other terms and conditions of employment of members of its bargaining unit.

   b) In any like or related manner, interfering with, restraining or coercing their employees in the exercise of the rights guaranteed them in the Act.

2) Take the following affirmative action necessary to effectuate the policies of the Act:

   a) Restore the status quo ante as it existed before May 21, 2018 with respect to the staffing of its machines.

   b) Make whole any employees in the bargaining unit represented by Charging Party for all losses incurred as a result of the City’s decision to unilaterally alter its policy with respect to the staffing of its machines, including back pay with interest as allowed by the Act, at seven percent per annum.

   c) Upon request, resume bargaining in good faith over all items which relate to the wages, hours, or terms and conditions of employment of the members of the Union’s bargaining unit, including the staffing of machines.

Post, for 60 consecutive days, at all places where notices to employees are normally posted, signed copies of the attached Notice. The Respondent shall take reasonable efforts to ensure that the Notice is not altered, defaced or covered by any other material.

Date: February 27, 2019

City of Peoria
(Employer)

This notice shall remain posted for 60 consecutive days at all places where notices to our bargaining unit members are regularly posted.

ILLINOIS LABOR RELATIONS BOARD
801 South 7th Street, Suite 1200A
Springfield, IL 62703
(217) 785-3155

160 North LaSalle Street, Suite S-400
Chicago, Illinois 60601-3103
(312) 793-6400

THIS IS AN OFFICIAL GOVERNMENT NOTICE
AND MUST NOT BE DEFACED.