

STATE OF MICHIGAN  
COURT OF APPEALS

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POLICE OFFICERS ASSOCIATION OF  
MICHIGAN,

Plaintiff-Appellant,

v

OTTAWA COUNTY SHERIFF, OTTAWA  
COUNTY, and OTTAWA COUNTY BOARD OF  
COMMISSIONERS,

Defendants-Appellees.

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FOR PUBLICATION  
August 19, 2004  
9:15 a.m.

No. 244919  
Ottawa Circuit Court  
LC No. 02-042460-CZ

Before: Fitzgerald, P.J., and Bandstra and Schuette, JJ.

PER CURIAM.

Plaintiff, Police Officers Association of Michigan (POAM), appeals as of right the order granting summary disposition pursuant to MCR 2.116(C)(10) in favor of defendants, Ottawa County Sheriff, Ottawa County, and Ottawa County Board of Commissioners. We reverse and remand.

I

POAM is a labor organization that serves as the bargaining agent for the sheriff's deputies who are employed by defendants. The collective bargaining agreement that existed between POAM and defendants expired on December 31, 1999. On June 5, 2000, POAM filed a petition on behalf of the sheriff's deputies seeking compulsory arbitration under 1969 PA 312 (Act 312), which provides for compulsory arbitration of labor disputes in municipal police and fire departments. MCL 423.231. In its petition, POAM identified fourteen disputed issues, including "Grievance Procedure" and "Arbitrator's Powers."

The arbitration panel<sup>1</sup> held a prehearing conference on September 19, 2000, and identified all of the issues to be arbitrated as "economic." The panel also identified

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<sup>1</sup> Under Act 312, an arbitration panel is composed of an employer's delegate, and employee's delegate, and an impartial delegate from the Michigan Employment Relations Commission.  
(continued...)

“retroactivity” as an issue. On September 26, 2001, POAM accepted defendants’ offer of settlement but noted that “there were remaining issues concerning ‘duration (retroactive) on wages and grievance procedure duration (retroactive/prospective).”

On October 4, 2001, the arbitration panel conducted an arbitration hearing on the unsettled issues. POAM raised an issue regarding defendants’ refusal to arbitrate grievances that occurred after the expiration of the prior collective bargaining contract. POAM sought retroactive arbitration of the twelve grievances, and defendants contended, in part, that the issue was not timely because the issue of retroactivity of arbitration of grievances was not contained in the initial petition for arbitration.

The arbitration panel issued a majority opinion and award on February 4, 2002,<sup>2</sup> declining to consider POAM’s last best offer concerning the right to retroactively arbitrate grievances because, “the Act and the rules prohibit a consideration of the arbitration related issues at a time near or at the scheduled arbitration hearing.” The panel’s majority opinion cites MCL 423.238, as well as 1999 AC, R 423.505 and R 423.507, in support of its conclusions.

On February 21, 2002, POAM filed a complaint seeking to vacate that portion of the arbitration award that refused to consider POAM’s last best offer on the right to arbitrate pending grievances. POAM argued that MCL 423.238 and Rules 423.505 and 423.507 do not prohibit a party from raising “issues in dispute prior to the close of the hearing, and that both POAM and defendants were ‘on notice of the existence of the dispute throughout the pendency of the arbitration proceeding.’” Both parties moved for summary disposition. The trial court granted defendants’ motion for summary disposition, agreeing with the reasoning of the arbitration panel’s majority opinion.

## II

POAM argues that the arbitration panel erred by refusing to consider POAM’s last best offer regarding the retroactive arbitration of grievances at the hearing and that the trial court erred by granting summary disposition in favor of defendants. This Court reviews de novo a trial court’s grant or denial of summary disposition. *Spiek v Dep’t of Transportation*, 456 Mich 331, 337; 572 NW2d 201 (1998). Similarly, statutory construction is a question of law that is subject to de novo review. *Haworth, Inc v Wickes Mfg Co*, 210 Mich App 222, 227; 532 NW2d 903 (1995).

Section 8 of Act 312, MCL 423.238,<sup>3</sup> provides in relevant part:

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(...continued)

MCL 423.234.

<sup>2</sup> POAM’s delegate on the panel dissented.

<sup>3</sup> MCL 423.238 only applies to economic issues. In basing its decision not to allow plaintiff to raise the issue of the retroactive arbitration of grievances at the hearing, the panel implicitly concluded that the issue was economic. Pursuant to MCL 423.238, the panel’s determination on this issue was “conclusive.”

At *or* before the conclusion of the hearing held pursuant to section 6, the arbitration panel shall identify the economic issues in dispute, and direct each of the parties to submit, within such time limit as the panel shall prescribe, to the arbitration panel and to each other its last best offer of settlement on each economic issue. The determination of the arbitration panel as to the issues in dispute and as to which of these issues are economic shall be conclusive. [Emphasis added.]

The primary goal of judicial interpretation of statutes is to ascertain and give effect to the intent of the Legislature. *Gladych v New Family Homes, Inc*, 468 Mich 594, 597; 664 NW2d 705 (2003). The plain language of MCL 423.238 provides that “the arbitration panel shall identify the economic issues in dispute *at or before the conclusion of the hearing* held pursuant to section 6.”<sup>4</sup> The Legislature’s use of the disjunctive “or” indicates that the Legislature intended to grant arbitration panels discretion to determine the economic issues in dispute either *at the hearing* or *before the conclusion of hearing*. There is no language in MCL 423.238 that requires issues to be determined before the hearing or that precludes the consideration of new issues at the hearing. The arbitration panel’s conclusion that the issue regarding the retroactive arbitration of grievances was precluded under MCL 423.238 because the issue was not raised *before* the hearing does not comport with the plain language of the statute.

Additionally, statutory language should be construed reasonably, keeping in mind the purpose of the act. *Draprop Corp v Ann Arbor*, 247 Mich App 410, 415; 636 NW2d 787 (2001). Because police and fire departments are forbidden from striking, public policy requires an “alternate, expeditious, effective and binding procedure for the resolution of disputes” to maintain the high morale of the employees and the efficient operation of the departments. MCL 423.231. “[T]o that end,” the provisions of MCL 423.231 *et seq.* “shall be liberally construed.” MCL 423.231.<sup>5</sup>

Accordingly, we conclude that the arbitration panel erred in concluding that MCL 423.238 precluded the consideration at the arbitration hearing of POAM’s issue regarding the retroactive arbitration of grievances. Nothing in the plain language of MCL 423.238 precludes a

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<sup>4</sup> Section 6, MCL 423.236, provides in relevant part:

Upon the appointment of the arbitrator, he shall proceed to act as chairman of the panel of arbitration, call a hearing, to begin within 15 days. . . . The hearing conducted by the arbitration panel may be adjourned from time to time, but, unless otherwise agreed by the parties, shall be concluded within 30 days of the time of its commencement. . . .

<sup>5</sup> The arbitration panel also relied, in part, on 1999 AC, R 423.505 and R 423.507(1) and (2) in rejecting POAM’s last best offer regarding the arbitration of grievance issues. Rule 423.505 provides for the submission of a petition to initiate compulsory arbitration under Act 312. Rule 423.507 addresses the prehearing and arbitration hearings. Neither Rule 423.505 nor Rule 423.507 requires the identification of issues in advance of the hearing.

party from identifying a disputed issue at the arbitration hearing. The arbitration panel erred by failing to consider POAM's last best offer on the issue of retroactive arbitration of grievances, and the trial court erred by granting defendants' motion for summary disposition.<sup>6</sup>

Reversed and remanded. Jurisdiction is not retained.

/s/ E. Thomas Fitzgerald  
/s/ Richard A. Bandstra  
/s/ Bill Schuette

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<sup>6</sup> Defendants raise several alternative grounds for affirming the trial court's grant of summary disposition in defendants' favor, none of which we find persuasive.