



**UTILITY WORKERS UNION OF AMERICA**

RE: CONSOLIDATED HEARING:

Whether A Trustee Should Be  
Appointed At Local 132

and

Internal Charges Against  
Local 132 President Correa

**DECISION AND ORDER OF**  
**THE NATIONAL EXECUTIVE COMMITTEE**

## **I. INTRODUCTION**

This is the full Decision of the National Executive Committee of Utility Workers Union of America, AFL-CIO on the matters which were the subject of a Consolidated Hearing. These matters were: (1) Whether a Trustee Should Be Appointed at Local 132; and (2) Internal Union Charges Against Local 132 President Louis Correa. These matters were consolidated for hearing because they are inter-related.

## **II. PROCEEDINGS**

On March 19, 2009, a Notice issued announcing the appointment of a Subcommittee under Article IV. Sec. 6 of the National Constitution to conduct the Consolidated Hearing. The Subcommittee was comprised of National Executive Board Members Steven VanSlooten, Noel Christmas and Shawn Garvey. Executive Vice President VanSlooten chaired the Subcommittee. The Subcommittee was directed to report to the National Executive Committee after the close of the record.

The Notice described the National UWUA's review of several issues affecting the welfare of Local 132 members and identified serious problems at Local 132. There were three basic categories of problems. The first category was Local 132's failure to perform collective bargaining responsibilities by timely processing grievances and arbitrations. The second category was the breakdown of democratic practices. The third category was financial malpractice.

The Notice set forth the guidelines for the Consolidated Hearing. The Hearing took place as scheduled on March 31, 2009, and it lasted from approximately 5 p.m. to 10 p.m. Brother Jim Gennett, assisted by Brother Sam Weinstein, represented the National UWUA. Complainants

Brother Joe Saenz, Brother Stephen Miele and Brother Mark Gerry designated Saenz as their spokesperson regarding their November 2007 charges against Correa. Complainants Brother Kurtis Sakatani and Brother Tom Johnson designated Johnson as their spokesperson regarding their December 2007 charges against Correa. Complainants Sister Nancy Logan, Brother Gaili Lopez, Johnson and Saenz designated Logan as their spokesperson regarding their March 2008 charges against Correa. Local 132 President Correa represented himself. The Local 132 Board members opposing trusteeship designated Sister Anna Sandoval as their spokesperson regarding appointment of a Trustee. Sandoval was designated by Local 132 Board members Corinne Arechiga, Rick Arend, Rodesia Ashley, Kenneth Balderama, Beryl Bryant, Milton Davis, Julie Fermino, Edward Gularte, Jr., Robert Hoffman, Steven Miller, Mark Moore and Jay Waters.

Each party was provided an opportunity to make an opening statement, to present witnesses and evidence, to cross-examine witnesses, to present rebuttal evidence and to make a closing statement. The parties presented testimony and argument and introduced 45 exhibits (some of which are compilations) into evidence. Additionally, several Local 132 members presented their respective views on the issue of trusteeship.

Each party was furnished with all Exhibits. The hearing was transcribed by a court reporter. On April 3, 2009, an expedited transcript was electronically provided to Correa, Sandoval, Logan (who accepted service for all of the Complainants), the Subcommittee and the National Executive Committee.

As explained in the Notice, the record remained open through April 6, 2009 for submission of written statements. Written submissions were made by Alejandro F. Ahumada, an individual member, Blanca Aldana, an individual member, Rick Arend, a Local 132 Board member, Joey

Carrasco, a Local 132 business agent, Javier Manzano, an individual member, Belinda L. Moreno, an individual member, Javier Salas, a Local 132 Board member, and Anna Sandoval on behalf of the Local 132 Board. Additionally, petitions signed by about 300 members opposing trusteeship were submitted. Submissions were provided to the Subcommittee and the National Executive Committee.

Correa represented at the Hearing that he would submit a post-hearing brief, but he made no submission. At the Hearing, Correa stated that:

I can't dispute a lot of the items because obviously it's in the writing, you know. I made some decisions, mistakes and the evidence is in black and white.

Pursuant to the Notice, on April 8, 2009, the Subcommittee made an oral report to the National Executive Committee. Thereafter, based on the entire record and being otherwise fully advised in the premises, the National Executive Committee ruled that: (1) Correa was guilty of violating democratic practices and financial malpractice, and (2) a Trustee should be appointed over Local 132 to address the serious problems set forth in the Notice. This ruling was to be followed by issuance of the full Decision of the National Executive Committee.

### **III. VIOLATION OF DEMOCRATIC PRACTICES BY CORREA AND ACQUIESCENCE BY MAJORITY OF THE LOCAL 132 BOARD**

#### **A. The Second Lease.**

In September 2007, Correa violated a Local 132 Board resolution prohibiting Correa from signing a second office Lease and directing Correa to convene a special meeting. On September 12, 2007, the Board unanimously passed this resolution. Correa never convened the special meeting.

Instead, on September 17, 2007, Correa unilaterally signed a second Lease costing Local 132 over \$22,000 of unnecessary expenses.

Sandoval denied that the Board majority acquiesced in this misconduct by Correa. The record shows that at subsequent Board meetings, the majority took no action against Correa for his misconduct. Instead, the Board majority supported prosecuting Harris and Olague-Pimentel for co-signing the first Lease (which was lawful under Local 132's Constitution and which did not cost Local 132 unnecessary expenses). In short, the majority of the Board majority *supported* Correa's violation of democratic practices with respect to this second Lease.

**B. Refusing to Honor the Members' Designation of Steward.**

In November of 2007, Correa violated a prior Board resolution directing Correa to notify the Company in writing to abide by the Alhambra Base membership's selection (not the Company's selection) of a steward. In December 2007, Correa lied to the Board and said that he had implemented its order.

At the Hearing, Sandoval argued that the Board majority took no action on this misconduct; because the majority thought it was unimportant to Logan, the maker of the original motion. The record contradicts this argument. Johnson and Sakatani pursued charges and appeals on this matter. Logan voiced objections verbally and in writing. Further, it is never unimportant for a Local President to violate a Board order and to lie to the Local Board.

**C. Manipulating Meritless Charges to Undermine a Fair Election.**

During 2007 and 2008, Correa manipulated meritless charges against Harris and Olague-Pimentel for allegedly violating the Local 132 Constitution by signing an office lease without prior Board approval. Correa knew these charges were meritless, because in October 2007 Local 132

obtained a legal opinion that the Local President *was* authorized to sign the lease under the Local 132 Constitution.<sup>1</sup>

Notwithstanding the legal opinion exonerating Harris and Olague-Pimentel, the Board majority went along with prosecuting Olague-Pimentel. Correa scheduled the trial for June 6, 2008 during the Local 132 Secretary-Treasurer election campaign. The Local 132 Board was the Trial Committee. Correa appointed himself chair of the Trial Committee. Notwithstanding the legal opinion exonerating Olague-Pimentel, the Trial Committee majority found Olague-Pimentel guilty. The Trial Committee never prepared a report of its verdict. In fact, on July 18, 2008, the Board majority went along with Correa's "administrative decision" to keep the record open two more weeks to receive evidence and arguments regarding the guilty verdict already issued against Olague-Pimentel in June 2008.

**D. Self-Dismissal of Charges and Violations of Appeal Decisions by the National UWUA.**

Both the National Constitution and the Local 132 Constitution prohibit a charged party from processing charges against himself. On two separate occasions, in November 2007 and again in December 2007, Correa violated both Constitutions by self-dismissing charges against himself.

In March 2008, National President Langford issued a separate Appeal Decision on each of the charges Correa had self-dismissed. Each Appeal Decision directed Correa to remove himself from the processing of the charges and to submit the charges to the Local 132 Board for proper processing.

Correa did not remove himself. Correa did not turn the charges over to the Board. Correa withheld

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<sup>1</sup> The Notice asserts that Correa improperly withheld the exculpatory legal opinion from both Harris and Olague-Pimentel. Correa did improperly assert "privilege" in withholding the legal opinion from Harris. However, as Sandoval pointed out, the exculpatory legal opinion was distributed to the Local 132 Board (including Olague-Pimentel) on October 22, 2007.

these Appeal Decisions from the Local 132 Board. In July 2008, President Langford again ordered Correa to provide his Appeal Decisions to the Local 132 Board. Correa again withheld President Langford's Appeal Decisions from the Local 132 Board.

The Notice of Consolidated Hearing does not assert that the Local 132 Board acquiesced in these violations of democratic practices by Correa. At the Hearing, Sandoval explained that the Local 132 Board did not know about these particular violations of democratic practices by Correa. There is, however, significant contradictory evidence. For example, five members of the Board protested these anti-democratic practices by Correa; while the Board majority claimed ignorance of these anti-democratic practices.

#### **IV. FINANCIAL MALPRACTICE**

##### **A. The Second Lease**

In September 2007, Correa signed a second Lease in violation of a unanimous Board resolution. Correa knew full well that, by signing the second Lease, he exposed Local 132 to liability for thousands of dollars of double rent beginning October 1, 2007. Fortunately, the Whittier Boulevard/Pico Riviera Lease had an escape clause permitting termination by early March 2008; and, as Sandoval pointed out, the Board exercised that option. Correa's financial malpractice meant that Local 132 "only" paid double rent on both Greenleaf Avenue (about \$5,700 per month) and Whittier Boulevard (about \$4,400 per month) from October into early March costing Local 132 at least \$22,000 of unnecessary expense.

Terminating the Whittier Boulevard Lease does not excuse the Board majority of all responsibility for this financial malpractice. After Correa signed the second Lease in violation of the

Board's order, the Board majority prosecuted Olague-Pimentel on meritless charges for lawfully signing the first Lease. Further, the Board majority never took any action against Correa for wasting at least \$22,000 of Local 132's assets.

**B. Personal Attorneys Fees**

In late March 2008, Logan, Johnson, Lopez and Saenz filed charges against Correa for, among other things, misappropriating Local 132 funds to pay for personal attorney fees. These charges were filed with the entire Local 132 Executive Board. The supporting materials demonstrated that Correa had caused Local 132 to pay fees for legal advice and draft writings used by Correa to self-dismiss charges against himself. The December 2007 and January 2008 Treasurer's Reports show that the Stern firm received payments for at least \$260 from Local 132 for such services. These payments were for legal services to Correa and not for legal services to Local 132.

In her post-hearing submission, Sandoval pointed out that the Board did not review these charges until April 11, 2008. That does not excuse the Board's inaction. The Board had a responsibility to remove Correa from handling these charges and to process these charges in accordance with the Local 132 and National Constitutions. Instead, the Board majority did nothing.

**V. FAILURE TO PERFORM COLLECTIVE BARGAINING RESPONSIBILITIES**

In February 2009, the Gas Company announced the dismissal of many discharge grievances which purportedly had not been timely scheduled for arbitration.<sup>2</sup> President Langford then commissioned Weinstein to review and report on the status of contract administration by Local 132. In early March 2009, Weinstein submitted his report disclosing

a large and growing backlog of grievances and arbitrations. Notably, there were about 200 pending arbitrations. In the last 3 years, only 2 arbitrations had been conducted and 4 arbitrations had been withdrawn or settled.

To some extent, the backlog predates Local 132's present administration. But Local 132's failure to timely process and arbitrate grievances had been aggravated by the present administration's rejection of the National UWUA's offer to continue assistance in the resolution of pending grievances. Consequently, the problem has gotten worse and not better. Recently, after Weinstein was assigned to review and report on this matter, Local 132 dedicated some resources to try to address the problem. But this action by Local 132 was too little and too late.

The important question is not which administration bears the most blame. The important question is whether or not intervention by the National is required to protect the rights and interests of the Local 132 members under the contract. The answer to that question is yes.

### **ORDER**

Based on the entire record in this case and the verbal report of the Subcommittee, the UWUA National Executive Committee hereby issues the conclusion and remedial orders set forth below.

1. Correa is guilty of several major violations of democratic practices.

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2 If necessary, the UWUA will challenge this action by the Company. But the Company's action highlighted the general breakdown in Local 132's ability to resolve disputes under the CBA.

2. Correa is guilty of financial malpractice by: (a) knowingly causing Local 132 to waste at least \$22,000 in assets; and (b) causing Local 132 to pay \$260.00 in attorney fees for personal services.
3. A majority of the Local 132 Board: (a) went along with many of Correa's violations of democratic practices; and (b) went along with Correa's financial malpractice.
4. Local 132 has failed to carry out its collective bargaining responsibilities by virtue of its failure to timely process grievances and arbitrations.
5. Correa is removed as Local 132 President and prohibited from holding elected or appointed position in Local 132 or the UWUA for six years (the equivalent of two Local terms).
6. Correa is directed to reimburse Local 132 \$260.00 for attorney fees paid by Local 132 for personal services to Correa.
7. A Trustee will be immediately appointed to take control of the affairs of Local 132 in order to restore democratic practices, to remedy financial malpractice and ensure the proper performance of collective bargaining responsibilities.

National Executive Committee

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/s/  
D. Michael Langford, National President

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/s/  
Steven VanSlooten, Executive Vice President

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/s/  
Gary M. Ruffner, Secretary-Treasurer

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/s/  
John Duffy, Vice President

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/s/  
Harry Farrell, Executive Board Member at Large

Dated: April 10, 2009

## **SERVICE AND RIGHT OF APPEAL**

A copy of this Decision and Order is being served by UPS overnight mail on each of the parties and on each member of the Local 132 Executive Board. Further, the Trustee will cause a copy of this Decision to be made available to every member of Local 132.

Any party aggrieved by this Decision and Order may appeal to the National Executive Board in accordance with the provisions of Article IV. Section 6-B(6) of the National Constitution.

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