



NORTHWEST

LABOR
PRESSVolume 107
Number 11
June 2, 2006
Portland

Portland school custodians could get millions in back pay

By DON McINTOSH
Associate Editor

The return to work of 330 Portland Public Schools (PPS) custodians is still full of uncertainty, six months after the Oregon Supreme Court declared that their 2002 firing was illegal. When they'll return, whether they'll receive back pay, and what their pay and benefits will be, remain to be determined.

Four years ago, the school district's leaders decided to contract out the work, citing the need to save money during a budget crisis. Portland Rehabilitation Center (PHC), a private nonprofit, proposed to do the work more cheaply by paying janitors as little as half what the in-house custodians made. PHC's workers were represented by the same international union — the Service Employees (SEIU) — but different locals. The school custodians were represented by School Employees Local 140 and PHC janitors are members of SEIU Local 49. After the custodians were fired, Local 140 folded and later was merged with SEIU Local 503, where it represents school cafeteria workers.

SEIU fought the decision to contract out the custodians for six months, denouncing it as inhumane. Now, it looks like the district's willingness to sacrifice the custodians may end up costing it — and taxpayers — tens of millions of dollars.

In 2002, Chad Debnun, chair of the Custodian Civil Service Board, warned the PPS Board that contracting out was illegal — it violated a 1937 state law that required the district's custodians to be hired through civil service procedures using open competitive examinations to assure custodians are "fit for service and pose no danger to school children."

Attorney James Coon of Swanson, Thomas & Coon made the same argument, and added a common sense suggestion: Since the union planned to challenge the legality of the contracting out, the district should hold off until the matter was settled. Otherwise, it would be liable for back pay and other

costs.

The Board didn't heed Debnun or Coon, and voted 5-2 to contract out.

Because the district's in-house custodial budget was \$15.6 million a year, and its bids from PHC were \$9.6 to \$10.8 million a year, the district says privatizing saved \$5 million a year, or \$20 million over the four years.

But that figure ignores an important fact: With the loaded gun of privatization pointed at their heads, the bargaining team for the custodians union had agreed to compensation cuts that totaled \$2.4 million a year. So to go ahead with privatization was to save \$2.6 million a year — a little over half a percent of the district budget — and only if the district prevailed in court.

Which it did, at first. The Employment Relations Board, and Multnomah County Circuit Court, and the Oregon Court of Appeals agreed with the district's argument that the civil service law governed only how "employees" were to be hired, and because PHC's janitors weren't district employees, the law didn't apply.

But Coon and Local 140 kept appealing, all the way to the Oregon Supreme Court, which ruled 4-3 in December 2005 that such an interpretation would make the 1937 law mean-

(Turn to Page 8)



Trojan cooling tower imploded

On May 21, in 10 spectacular seconds, the cooling tower at the Trojan nuclear plant in Ranier, Ore., was imploded by explosives, falling 499 feet to the ground. Crews from Controlled Demolition, Inc. ignited almost 2,800 pounds of dynamite, causing the tower to buckle, lean to the side and collapse upon itself. Union work crews drilled the holes for the dynamite, and are now removing all the debris. The steel inside the tower will be recycled and the concrete is being crushed into 3-inch pieces or smaller and will be left on the tower site. Over the next three years, PGE plans to demolish several facilities at the site, part of its 1996 decommission plan approved by the Nuclear Regulatory Commission. (Photo courtesy of PGE)

Laborers bolt AFL-CIO; SEIU leaves Oregon state fed

WASHINGTON, D.C. (PAI) — After repeated postponements, the Laborers Union formally told the AFL-CIO that they would leave the federation effective June 1. The announcement came in a May 22 letter from Laborers President Terry O'Sullivan to AFL-CIO President John Sweeney — a letter that only had to cross I Street in Washington, D.C., from the union's headquarters on one side to the AFL-CIO headquarters on the other.

The Laborers are one of seven unions that formed the Change to Win federation last July, unveiling it during the national AFL-CIO convention in Chicago. The other six — the Service Employees, Teamsters, United Food and Commercial Workers, UNITE HERE, the Carpenters and the United Farm Workers — left the AFL-CIO then, or soon after the conven-

tion.

Like the others, the Laborers pulled out of the AFL-CIO because they dispute its larger emphasis on politics. While the AFL-CIO, in response to complaints from the CtW unions, has put more money into organizing, it also plans to spend \$46 million on politics this year. By contrast, CtW's smaller \$16 million federation budget is supposed to be devoted largely to helping its member unions and their organizing drives.

But on the ground, locals of the seven CtW unions have worked closely with AFL-CIO-affiliated state federations and central labor councils, especially on politics. To help aid that joint work the two federations agreed on Solidarity Charters, with unions or their internationals paying per capita dues to stay in state feds and labor councils for the remainder of 2006.

It is not yet clear whether Laborers local unions will be allowed to sign Solidarity Charters.

The Laborers Union has 500,000 workers nationwide with another 200,000 retirees and associate members. It has five locals with approximately 2,350 members in Oregon, including Portland area Municipal Employees Local 483, Portland construction Locals 296 and 320, Local 121, with offices in Bend, Eugene and Hermiston, and Central Point-based Local 1400. There are 13 locals in Washington, including Vancouver Local 335 and Longview Local 791.

In another development, on May 20, SEIU Locals 503 and 49 voted to end their charter agreements with the Oregon AFL-CIO. The two unions accounted for more than 42,000 members at the state labor federation.

...PPS custodians will start returning to work

(From Page 1)

ingless. PPS attorneys asked the Court to rethink its decision. Instead, in April, the Court reiterated its: firing the custodians violated the law. Trouble is, the Court didn't say what the district had to do next.

Cathy Minberg, PPS chief operating officer, told the Labor Press the district expects to recall the custodians starting in July. The current PHC contract expires at the end of June, and won't be renewed. The district will hire an extra manager to oversee the transition. As to wages and benefits, that's not clear; the budget approved by the school board in April did not include money above what was going to PHC.

Minberg said when the custodians return, the district will work to bargain a new contract with the union. As for back pay, Minberg maintains the district doesn't owe any in a position she says PPS attorneys have validated.

To attorney Mark Griffin of Griffin and McCandlish, that stance is preposterous. Griffin is representing the fired custodians in a federal lawsuit that was

put on hold awaiting the outcome of the Civil Service Board lawsuit. Because it's now been established that PPS fired its custodians illegally, Griffin said, the district must make the custodians whole. That means: offer them reinstatement, pay four years of back pay (minus any wages they've earned in that time), make four years of pension contributions, and reimburse them for any medical costs that would have been covered under their health insurance.

The school district is going to have to follow the law eventually, Griffin said. On May 20, the fired custodians met once again at the Portland office of SEIU Local 503, and were given forms to fill out to get their claim started. A steering committee elected in December is trying to locate all the custodians, and determine how many are willing to go back to work for PPS.

There's a whole lot of trust issues right now, said custodian Grant Walter, former president of now-merged SEIU Local 140. I used to be a very loyal district person. And even I don't trust them.



• I CAN GO ANY PLACE TO GET A DENTAL ALL-STAR



Bright Now! Dental

PROTECTING UNION MEMBERS' SMILES
Orthodontics Available

Quality, Affordable Family Dental Care
 € General, cosmetic, and specialty care
 € Most insurance and union plans accepted
 € Easy credit and low monthly payments, O.A.C.
 € Evening and Saturday appointments
 € Ask about our **Confident** Dental Discount Program

Grants Pass 1021 NE 6th St. Grants Pass, OR 97526 541-479-6696 Northwest Dental Associates, P.C.
 Portland 3580 SE 82nd Ave. Portland, OR 97266 503-777-0761 Northwest Dental Associates, P.C.

Gresham 443 NW Burnside Road Gresham, OR 97030 503-492-8487 Northwest Dental Associates, P.C.
 Salem 831 Lancaster Mall Dr. NE Salem, OR 97301 503-362-8359 Northwest Dental Associates, P.C.

Wilsonville 25700 SW Argyle Ave. Wilsonville, OR 97070 503-662-8552 Northwest Dental Associates, P.C.
 Salmon Creek 2101 NE 129th St. Vancouver, WA 98686 360-574-4574 Chau Ngo, D.D.S., M.S. Phong Bui, D.M.D. Charles Stirewalt, D.D.S. Stirewalt, P.C.

Klamath Falls 4052 S. 6th St. Klamath Falls, OR 97603 541-883-7706 Northwest Dental Associates, P.C.
 Fishers Landing 3250 SE 164th Ave. Vancouver, WA 98683 360-891-1999 Peter Vu, D.M.D. Chau Ngo, D.D.S. Charles Stirewalt, D.D.S. Stirewalt, P.C.

Milwaukie 17186 SE McLoughlin Blvd. Milwaukie, OR 97267 503-659-2525 Northwest Dental Associates, P.C.
 Fishers Landing 3250 SE 164th Ave. Vancouver, WA 98683 360-891-1999 Peter Vu, D.M.D. Chau Ngo, D.D.S. Charles Stirewalt, D.D.S. Stirewalt, P.C.

1-888-BRIGHT NOW

www.brightnow.com

Serving unions for over 25 years

THE UNION PLUS® MORTGAGE PROGRAM Provided Exclusively by Chase Home Finance



When it comes to mortgages, we're taking a stand for Union members.

Chase is backing union members with the Union Plus® Mortgage Program, a home purchase and refinancing program exclusively for union members, their parents and children.

- € FREE Mortgage Assistance Benefit If you are unemployed or disabled.
- € A wide variety of mortgages Choose from fixed-rate, adjustable-rate, and low- or no-closing costs options.
- € Special Lending First-time homebuyer and less-than-perfect credit programs.
- € Savings on closing costs Member-only savings on new purchases and refinance.

It all adds up to more home-buying power. Contact your local Union Plus® Mortgage Specialist

866-729-6016

CHASE

Union Plus

Union Plus is a registered trademark of Union Privilege. Eligibility for mortgage assistance begins one year after closing on a Union Plus Mortgage through Chase Home Finance. This offer may not be combined with any other promotional offer or rebate, is not transferable, and is available to members of participating unions. For down payments of less than 20%, mortgage insurance (MI) is required and MI charges apply. All loans are subject to credit and property approval. Program terms and conditions are subject to change without notice. Not all products are available in all states or for all loan amounts. Other restrictions and limitations apply. ©2005 JPMorgan Chase & Co. All Rights Reserved. P-UP 104 2A-7604 10/05

Q

Quest Investment Management, Inc.

Serving Multi-Employer Trusts for Twenty Years

Cam Johnson Greg Sherwood
 Adrian Hamilton Monte Johnson
 Doug Goebel Bill Zenk

One SW Columbia St., Suite 1100 Portland, OR 97251
 503-221-0158

www.QuestInvestment.com