

Legal

MERGER AGREEMENT

THIS AGREEMENT, effective January 28, 2004, entered into between SEIU Local 140 ("Local 140"), and SEIU Local 503 ("Local 503"), sets forth the terms and conditions governing the merger of Local 140 into Local 503.

WHEREAS, pursuant to the Constitution and Bylaws of the Service Employees International Union ("SEIU"), and the New Strength Unity Plan adopted by delegates to the 2000 SEIU Convention, the International Executive Board ("IEB") of SEIU has adopted the report and recommendations of hearing officer Josie Mooney and determined that the bargaining power and political influence of SEIU members currently represented by Local 140 will be increased, the working standards of these members will be improved, and the interests and welfare of the International Union and its membership will be better served, by the merger and consolidation of Local 140 into Local 503; and

WHEREAS, the IEB ordered that Local 140 be merged and consolidated into Local 503 at the earliest practicable time; and

WHEREAS, the IEB determined that Local 140 and Local 503 should enter into a merger agreement as soon as possible; and

WHEREAS, the IEB further determined that Local 503 should review the ongoing litigation against the District concerning the privatization of the work of custodians in a bargaining unit formerly represented by Local 140, assess the likelihood of success, and take action accordingly once the merger has been effected; and

WHEREAS, the IEB further determined that, as part of this review, Local 503 should examine the legal bills paid to date, determine whether the charges were excessive given the work performed, and pursue a refund if warranted; and

WHEREAS, the IEB further determined that, if Local 503 decides to pursue the some or all of the litigation, Local 503 should determine whether current legal representation is adequate and, if not, how and by whom such representation should be continued in the future; and

WHEREAS, the IEB adopted Hearing Officer Mooney's recommendation that Locals 503 and 140 consider using a portion of the current Local 140 treasury to create a re-training fund for the benefit of the Local 140 custodians who lost their jobs as a result of the District's privatization of their work; and

WHEREAS, pursuant to the IEB's decision, the International President has appointed a personal representative for the purpose of overseeing and assisting the merger discussions between Locals 140 and 503, assuring compliance by the locals with the Board's decision and any merger agreement, and otherwise assisting the locals in addressing the internal needs of the members of Local 140; and

WHEREAS, Locals 140 and 503 desire to expeditiously complete all actions necessary to effectuate the merger in a manner that protects the rights of Local 140 members, secures the assistance of Local 503 for collective bargaining over the nutrition services contract currently administered by Local 140, provides for a quick and smooth transition, and implements the decision of the IEB;

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties hereto agree as follows:

1. The leadership of Local 140 will fully cooperate with the leadership of Local 503 in the development and implementation of a plan for upcoming collective bargaining with the Portland Public School District ("District") for a new contract covering nutrition services members currently represented by Local 140. Local 503 will immediately begin implementing a contract campaign for nutrition services workers that includes:

- Contacting nutrition services workers to educate them on the bargaining process and to organize worker involvement in bargaining.
- Surveying nutrition services workers on bargaining needs and priorities.
- Organizing a bargaining team and contract action team (CAT) of nutrition services workers to oversee the bargaining process and implement the contract campaign.
- Develop a plan of action to obtain the best possible contract for nutrition services workers. Such plan should be submitted to the international union by February 18th, 2004.

2. The parties will request the International Union's Legal Department to review and evaluate all pending litigation filed on behalf of Local 140 custodians whose jobs were privatized by the District, and make recommendations by February 18, 2003, about how to proceed in said litigation.

3. By February 18, 2003, the International Union Legal Department will review all invoices from, and payments made by Local 140 to, attorneys to date for litigation filed on behalf of the Local 140 custodians to determine whether the charges were excessive given the work performed, and the parties will thereafter pursue a refund and take other necessary steps if warranted.

4. A Joint Review Board is hereby created for the purpose of reviewing all pending litigation and legal bills in connection with the litigation referenced in paragraph 2 above that have not yet been paid by the date of this agreement. The Joint Review Board will also be responsible to review and recommend an appropriate course of action for other campaigns and actions on behalf of the custodians. The presidents of Locals 140 and 503, or their designees, shall each serve on the Joint Review Board, and shall each appoint one other officer, employee or local union member to serve on said board. The Joint Review Board shall determine the extent to which pending and future legal bills should be paid and the extent to which further legal and/or other actions should be taken. The International President's personal representative shall break any tie votes of the Joint Review Board.

5. No later than February 18, 2004, the International President's personal representative will establish and complete a process for consulting with Local 140 custodian members to explore interest in establishment of a re-training fund. If he determines that there exists sufficient interest to warrant the creation of such a fund, the President's personal representative will report to Local 503 on options for creating the fund.

6. The parties will cooperate and take all necessary steps to secure employer recognition of the merger of Local 140 into Local 503.

7. Local 140 will transfer all documents, files, grievance and contract information, and assets to Local 503.

8. The details of the merger plan of Local 140 into Local 503 will be submitted to Local 140 members for approval by a vote of active Local 140 members.

9. Local 503 will work with Local 140 members in developing governing documents for the Portland School District employees sub-local of Local 503, constituted in accordance with the Local 503 Constitution and Bylaws.

10. The merger of Local 140 into Local 503 ideally will be completed by March 15th, 2004, but no later than May 31, 2004.

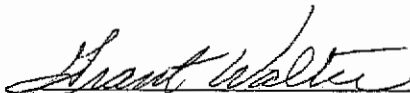
11. This agreement represents the complete understanding of the parties, and may be modified only by written amendment signed by the parties' authorized representatives.

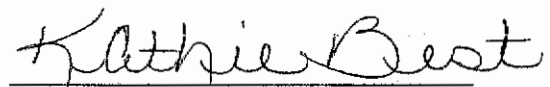
12. Any disputes between the parties over the interpretation of this agreement shall be submitted to the International President's personal representative for resolution.

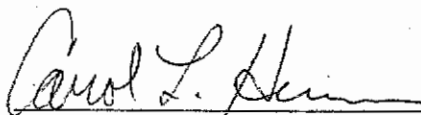
WHEREFORE, the authorized representatives of the parties have executed this agreement on this 28th day of January, 2004.

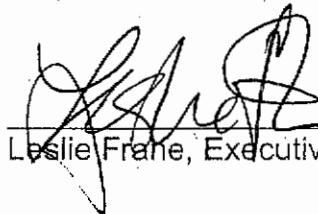
SEIU LOCAL 140

SEIU LOCAL 503



Grant Walter, President


Kathie Best, President


Carol Harms, Sec.-Treas.


Leslie Frahe, Executive Director

REVIEWED AND APPROVED:


Ben Monterroso
International Representative
For SEIU