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December 12, 2011

Union files contractor suit over cities' inaction

The Union that represents Corvallis City Transit operators has filed an unfair labor practice suit against the contractor operating the city transit system, First Student, Inc.

The Portland based Amalgamated Transit Union filed the unfair labor practice complaint with the National Labor Relations Board after the City of Corvallis refused to find First Student, Inc. in violation of the transit prevailing wage and benefit ordinance, CMC 1.24. The ordinance, passed by Corvallis voters in 2000, requires contractors who operate the city transit system to provide minimum wage and benefits to employees.

The Union claims that First Student tried to change employees' medical insurance coverage in collective bargaining negotiations in 2010, but were unsuccessful. Unable to legally negotiate a change, First Transit decided to unilaterally change plans and benefits in September 2011.

When the Union demanded the City of Corvallis to find First Student, Inc. in default of its contract for violating CMC 1.24, the City refused. City officials claimed that the ordinance does not require any specific network, so as long as First Student, Inc. paid 100% of the premium for a \$10 co-pay HMO plan, they were in compliance.

So the City took the position that even if First Student, Inc. changed plans that required all medical, dental and vision services to be performed by a network in Portland, the contractor was in compliance with CMC 1.24. "That is preposterous," claims Jonathan Hunt, President of Amalgamated Transit Union local 757. "I would like to see these City officials themselves accept that." Hunt said.

What First Student, Inc. did was cancel coverage with Health Net of Oregon which has medical providers in the Corvallis area, and effective October 1, 2011, require city transit workers and their families to receive all medical treatment and services from Kaiser Permanente in Salem, OR.

Hunt said that several city transit workers were currently receiving medical care for and are recovering from various forms of cancer and other medical conditions, and claims that this forced and unlawful change is putting the health of covered transit workers at risk. Hunt claims the forced change has been devastating to members.

Hunt said he asked City officials if AFSCME, the union representing City of Corvallis employees, would allow the City to require all medical treatment and services be received through Kaiser Permanente in Salem. Hunt said he has not received an answer. "I can tell you without asking what AFSCME's response would be," said Hunt. "I am certain they would ask City officials what they had been smoking"

Hunt believes that the City of Corvallis may be liable for First Student's action and for their failure to enforce the City ordinance. Hunt says the Union is currently looking at what action it may take against the City, including legal action, for its failure to enforce the ordinance passed by voters.

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