



Office of Councilmember
Max Anderson, District 3

CONSENT CALENDAR
 July 12, 2005

TO: Honorable Mayor and Members of the
 City Council

FROM: Councilmember Max Anderson
 Councilmember Kriss Worthington
 Councilmember Dona Spring
 Councilmember Darryl Moore

SUBJECT: Adopt a Resolution in Support of Workers' Retirement and Workplace
 Rights at Berkeley Honda, formerly Doten Honda

RECOMMENDATION:

That the Berkeley City Council adopt a resolution supporting the rights of workers of Machinists Local 1546 at Berkeley Honda and oppose the unfair labor practices being used by the new owners.

BACKGROUND

Berkeley Honda had a joint contract with East Bay Automotive Machinists Local 1546 and Teamsters Local 78. The most recent collective bargaining agreement between Berkeley Honda and Local 1546 was from July 1, 2001 through June 30, 2005. Local 1546 represented the service writers/dispatchers, parts department and service mechanics or technicians at Berkeley Honda. In March 2005 the dealership was sold. At the time of the sale, there were over 18 employees in the Machinists unit. Average seniority was approximately 15 years. The new owners required that all union employees reapply for their positions. Berkeley Honda rehired some of the Teamsters and Machinists unit employees. Among those not hired was the shop steward, who had been employed with Doten Honda for 31 years. All new employees are non-union and have been hired through Wyotech, formerly Sequoia Institute, as mechanic apprentices. The general consensus is that the new owners intend to have the Berkeley Honda employees who were rehired train the new non-union employees. The new owners would then hire a sufficient amount to obtain a decertification petition and eventually abolish the union.

FINANCIAL IMPLICATIONS:

None.

CONTACT PERSON:

Councilmember Max Anderson 981-7130.

RESOLUTION NO. ##,###-N.S.

**SUPPORT THE RIGHTS OF WORKERS OF MACHINISTS LOCAL 1546
AT BERKELEY HONDA, FORMERLY KNOWN AS DOTEN HONDA, AND
OPPOSE THE UNFAIR LABOR PRACTICES BEING USED BY THE NEW OWNERS**

WHEREAS, workers' retirement and workplace rights at Berkeley Honda are being seriously threatened under new ownership; and

WHEREAS, many Berkeleyans and other Bay Area residents over the years have come to depend on the service department at Berkeley Honda. Mechanics at Berkeley Honda, who grew up in Berkeley and are sons of mechanics, deserve much of the credit for Berkeley Honda's service department's excellent reputation, according to management at American Honda's Northwest Division; and

WHEREAS, union members not rehired had an average seniority rate of 15 years and the shop steward had been employed for 31 years; and

WHEREAS, all union employees were forced to reapply for their positions on June 1, 2005 by the new owner. New management rehired some of the Local 1546 members. Two employees not rehired were two and four years away from qualifying for full pensions. In order to temporarily safeguard pension contributions and preserve the jobs of all Berkeley Honda employees, the union representative asked for a one-year interim contract, which was rejected by management; and

WHEREAS, new management proposes to replace pension contributions with a 401(k) individual retirement plan. The current pension plan is part of a regional pool that includes over 20,000 auto parts workers, guaranteeing them a lifetime annuity with an option for spouses; and

WHEREAS, if additional non-union workers are hired and make up a majority of the auto shop employees, the workers could call to decertify the union;

NOW THEREFORE, BE IT RESOLVED that the Council of the City of Berkeley urges Berkeley Honda to stop ousting long-term employees, rehire the workers they dismissed upon taking over the dealership and include back wages into any new contract negotiated; and

BE IT FURTHER RESOLVED that the Council of the City of Berkeley endorses and supports the strike and boycott at Berkeley Honda until a fair and just union contract is negotiated. The Council of the City of Berkeley shall forward a certified copy of this resolution to new owner Stephen Beinke, Steve Hayworth, Berkeley Honda's new General Manager, Wendall Chin, Political Organizer, Central Labor Council Alameda County AFL-CIO, Don Crosatto, Area Director, International Association of Machnists Local 1546 and American Honda's Northwest Division.