

REPORT TO ALL MEMBERS OF THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS

FROM: The Independent Disciplinary Officers
Hon. Barbara S. Jones
Hon. Joseph E. diGenova

DATED: March 6, 2020

I. INTRODUCTION

The following is Magazine Report 1 of the Independent Disciplinary Officers ("IDO") for 2020 regarding activities from December 7, 2019 through March 6, 2020, conducted pursuant to the Final Agreement and Order of February 17, 2015.

II. NEW MATTERS

A. Former Local 282 Member Joseph Marra

On December 9, 2019, Independent Investigations Officer ("IIO") issued a report to the Executive Board of Local 282 recommending that a charge be filed against Local 282 member Joseph Marra ("Marra") for violating the IBT Constitution, Article II and Article XIX, §§ 7(b)(1), (2) and (9) by being a long-time associate of Organized Crime.

Local 282 is located in Lake Success, N.Y. and represents approximately 3,700 members employed at various construction companies in the New York City area. According to Local 282 records, Marra became a Local 282 member on May 1, 2014.

Marra was an employee of Highway Safety Protection Corp ("HSP"), which is signatory to a collective bargaining agreement with Local 282. On September 26, 2019, the New York City Business Integrity Commission ("BIC") notified the owner of HSP, in connection with HSP's application for its license renewal with the BIC, that "Joseph Marra has been publicly identified as an associate of organized crime."

Additionally, on December 6, 2019, an FBI Special Agent executed a declaration under penalty of perjury stating that in his expert opinion, Marra is a long-time associate of the Colombo La Cosa Nostra ("LCN") Organized Crime Family, an organized criminal group headquartered in New York City. The agency's expert opinion was based on, among other things, the fact that Marra was the subject of a current FBI investigation. (Ex. 10 at ¶ 19). The Special Agent testified that "[a]s part of that investigation, MARRA was surveilled speaking with two members of the Colombo La Cosa Nostra Family."

Marra was recently charged with attempt and conspiracy to commit mail fraud and wire fraud in United States District Court for the Eastern District of New York. Among his codefendants charged with racketeering in that indictment are Joseph Amato, an alleged captain in the Colombo family; Daniel Capaldo and Thomas Scordia, alleged Colombo family members; and Joseph Amato, Jr. and Anthony Silvestro, alleged Colombo family associates. An additional alleged Colombo family member, Vincent Scura, was also indicted. As part of that investigation, Marra was under surveillance when he was observed speaking and meeting with

two members of the Colombo La Cosa Nostra Family. In addition, the investigation revealed that Marra operated a loan-sharking business in which he lent out thousands of dollars at exorbitant rates of interest.

In his position as an FBI Special Agent, the expert became aware through multiple FBI Squad C-5 confidential sources that Marra is a long-time associate of the Colombo family. According to the statements of a member of the Colombo family that were intercepted during two consensual recordings, Marra was being considered for membership into the Colombo family in 2010.

In addition, the IIO's report informed the Local 282 Executive Board that Marra has previous criminal convictions, which corroborate his involvement in a criminal enterprise. Marra was arrested in 1995 for racketeering conspiracy (including murder conspiracy as a racketeering act) and conspiracy to defraud the United States. He pleaded guilty to both crimes and was sentenced to 228 months incarceration. Separately, in 2011, Marra pled guilty to conspiring to use extortionate means to collect an extension of credit and was subsequently sentenced to 24 months' incarceration. These convictions support the FBI's expert opinion that Marra was a long-time associate of Organized Crime.

On December 19, 2019, the Local 282 Executive Board adopted and filed the IIO's proposed charges. In accordance with long-standing practice under the Final Order and the Consent Decree that preceded it, the charges were referred to the Independent Review Officer ("IRO"), the Hon. Barbara S. Jones, for adjudication in the first instance. The IRO scheduled the hearing for February 11, 2020.

At the time of the hearing, but before the hearing formally convened, the IIO and Marra executed a settlement on the record disposing of the charges. Under the terms of the settlement, Marra agreed to a permanent resignation from Local 282. He further agreed not to seek, accept or hold any employment, office, position or consulting or similar relationships, whether paid or unpaid with Local 817 or any other IBT entity at any time in the future. He further agreed that no IBT entities shall pay him, nor shall he accept, any salary, allowance, fee, or compensation of any kind, other than fully vested pension benefits. He further agreed that no IBT entities shall make, nor shall he accept, any contributions on his behalf to any pension, health and welfare, severance, or other benefit fund, and that he will receive no gratuities, severance payments, or gifts of any kind from Local 817 or IBT entities. He further agreed not to participate in any manner in any of the activities or affairs of Local 282 or any other IBT Entities, including, but not limited to, meetings, discussions, consultations, negotiations, votes or any other business of Local 282 and IBT Entities.

The IRO approved the settlement contemporaneously with its execution on the record on February 11, 2020. The Local 282 Executive Board approved it on February 13, 2020, at which point it became final and binding, and the matter is therefore concluded.

B. International Vice President Rome Aloise

On February 14, 2020, the IIO issued a report to the IBT General Executive Board recommending that a charge be filed against Rome Aloise ("Aloise"), International Vice President, President of Joint Council 7, and Secretary Treasurer and principal officer of Local 853 for bringing reproach upon the IBT and violating his membership oath by: knowingly

harming a fellow member, interfering with and inducing others to interfere with the performance of the Union's legal obligations, unreasonably failing to cooperate fully with a proceeding of the IRO, retaliating and threatening to retaliate against members for exercising rights under the IBT Constitution, and committing an act of racketeering; all in violation of IBT Const., Article II, Section 2 (a); IBT Const., Art. XIX, Sections 7 (b) (2), (5), (10), and (11); IBT Const., Art. XIX, Sec. 14 (a); and 18 U.S.C. §875 (d).

The IIO's Report alleged that Aloise used his purported influence over IBT entities in California to threaten financial harm to a charitable organization, Instituto Laboral de La Raza ("La Raza"), in order to interfere in that organization's internal affairs to the detriment of a fellow member. The IIO further alleged that, notwithstanding the acquiescence of the La Raza board to his demands, Aloise's actions did in fact cause financial harm to La Raza and harmed his fellow member. The IIO further alleged Aloise's actions were made in retaliation for the fellow member's good-faith efforts to comply with an Order of the IRO.

The IIO also alleged that Aloise engaged in a pattern of misconduct and utter contempt designed to circumvent the restrictions placed upon him by the IRO on December 22, 2017, as restated on January 19, 2018 and November 1, 2019. The IIO further alleged that, during the period of his suspension, Aloise threatened and publicly labeled fellow Teamsters as "rats" or "snitches," based upon his belief that they were cooperating with an IIO investigation and/or in retaliation for their good-faith attempts to comply with the IRO's December 22, 2017 Order. A summary of the IIO's investigatory findings and allegations is as follows:

Background on Aloise

Aloise was an IBT International Vice President at Large, President of Joint Council 7, and principal officer of Local 853 in San Leandro, California. He was Co-Chairman of the California Teamsters Public Affairs Council. He was also the director of both the IBT Food Processing and Dairy Divisions. The IBT represents more than 60,000 workers in the food processing industry and more than 35,000 workers in the dairy industry. As the Director of these divisions, Aloise oversaw all negotiations and other interactions with IBT employers.

Aloise was also a union Trustee on the Western Conference of Teamsters Trust.¹ It is the largest area-wide multi-employer pension plan in the United States. He was the union co-chair of its investment committee. Aloise was also Chairman and a Trustee on the Teamsters Benefit Trust ("TBT"). He was also a Trustee on both the IBT's Voluntary Employee Benefit Trust ("VEBA") and the IBT's Supplemental Benefit Trust. In addition, Aloise was the President of the Western Health Care Coalition, which is a group of separate Teamster funds, including the TBT, that act together to gain advantage from the increased purchasing power of the group in securing services.

On October 24, 2017, following a de novo hearing, the IRO found that Aloise had improperly solicited things of value from employers in violation of the Labor Management Relations Act ("LMRA" or "Taft-Hartley Act"). The IRO also found that Aloise's conduct violated the IBT Constitution, Article XIX, Section 7(b)(13). The IRO further found that Aloise, as business agent of an employer, failed to ensure that its employees meaningfully negotiated, voted on, and had their employment governed by collective bargaining agreements with their employer. The

IRO found that those contracts were "sham" contracts in the simplest meaning of the word, and that Aloise's conduct brought reproach upon the IBT by violating Article VII, Section 1(b) of the IBT Constitution and Article XVII, Section 6 of the Local 853 Bylaws. The IRO further found that Aloise had engaged in reproachful conduct in connection with an election in Local 601.

Aloise's Suspension

Effective December 22, 2017, the IRO imposed the following sanction on Aloise:

1. For two years after the date of this decision, he shall be suspended from his positions as International Vice President, President of Joint Council No. 7, and Secretary – Treasurer and Principal Officer of Local 853.
2. For two years after the date of this decision, he shall not hold any position, elected or appointed, with the IBT, Joint Council No. 7, Local 853, or any other IBT affiliate.
3. For two years after the date of this decision, no IBT entity shall pay him, nor shall he accept, any salary, gratuities, gifts, payments, allowances, fees, benefit payments or contributions or any other compensation of any kind, except that he may receive compensation that has accrued prior to the date of this decision.

Subsequently, by letter dated January 12, 2018, Aloise inquired of the IRO whether he could continue as a Trustee of IBT affiliated benefit funds, including the Western Conference of Teamsters Pension Trust Fund ("WCTPT"), and if he could be employed as a consultant with the WCTPT to provide various services including education and training. In response, by letter dated January 19, 2018, the IRO denied Aloise's request, stating:

The intent of my Order was to prohibit Mr. Aloise from being employed by or consulting for (whether paid or unpaid) any affiliate entity of the Teamsters . . . [M]y Order is directed solely at Mr. Aloise's **participation in Teamster activities**. Accordingly, consistent with the Order, Mr. Aloise shall not be permitted to be employed by or consult (in a paid or unpaid capacity) for any health, benefit, welfare or like fund affiliated, associated or connected to the IBT for two years from the date of the Order. Similarly, he cannot serve as a trustee for any such funds.

(Emphasis added.)

The IIO reported that his "investigation has uncovered evidence that Aloise has, in a stunning and notorious affront to the IRO discipline, consistently disregarded the prohibition on 'consulting for (whether paid or unpaid) . . . affiliate entit[ies] of the Teamsters' and 'participation in Teamster activities.'" The Report alleged Aloise has participated in, and at times, led contract negotiations and organizing campaigns on behalf of Teamster interests in multiple areas. A review of Aloise's emails—both through his continued use of his official Teamster Local 853 email account as well as his personal "ibtrome" email address—during the

¹ His brother-in-law, Chuck Mack, is the Trust's full-time union co-chairman.

account as well as his personal 'ibtrome' email address—during the period of his suspension shows that he initiated to his former colleagues at Local 853 approximately 1040 emails.² Furthermore, Aloise sent 196 emails to members of Local 117, a local located in Tukwila, Washington.³ Additionally, Aloise sent 216 emails primarily to members of the IBT executive offices. Aloise responded to many other messages sent to him. These communications evidence his “consulting for (whether paid or unpaid) . . . affiliate entiti[es] of the Teamsters’ and ‘participation in Teamster activities’ within the meaning of the IRO’s December 22, 2017 sanction and her January 19, 2018 letter.

The IIO alleged that, “Furthermore, Aloise has engaged in an appalling pattern of intimidation, threats, and retaliation against perceived political enemies.⁴ This behavior was deliberately and brazenly designed to undermine the disciplinary ends of the IRO’s sanctions by demonstrating that at the conclusion of his suspension period, he would be in a position to take retaliatory action against any who displeased him or otherwise cooperated in the IRO’s suspension order.”

The WCTPT Seminar Meetings

The IIO’s Report alleges that Aloise was aware that the IRO, in her January 19, 2018 rejection of his request for permission to engage in WCTPT activities, left the door open to seek further guidance related to his precluded activities. Aloise sought no further approval or clarification from the IRO. On the contrary, Aloise intentionally, and in a calculating manner, disregarded that denial of permission and continued to involve himself in the affairs of the WCTPT.

In September 2018, despite the IRO’s specific admonition against his involvement in the WCTPT, Aloise publicly declared his intention to attend a WCTPT seminar in Seattle. Although other attendees raised concerns that Aloise’s participation was in violation of the Sanction and thus put other attendees in jeopardy, he insisted on participating, supported by his brother-in-law and WCTPT chairman, Chuck Mack. The objections led to a boycott of the event and a change of venue, at considerable cost to the WCTPT.

According to the IIO’s Report, Aloise did not attend the seminar in his capacity as a rank-and-file member. The invitation to the seminar was sent only to “Principal Officers, Business Agents and Contract Negotiators.” Furthermore, the training to be provided—“bargaining strategies, rules and challenges involving the WCPT”—was not only training of which Aloise would have no need as a rank-and-file member, but indeed precisely the sort of training he had sought and been denied permission to provide to others. Rather, the IIO alleged that Aloise’s attendance was a deliberate and calculated message, indeed a not so subtle threat, to his peers and enemies alike that he retained power and influence.

The IIO’s Report found that in September 2018, Rick Hicks, the head of the Joint Council 28 in Seattle and a WCTPT Trustee, learned of Aloise’s plans to attend the WCTPT seminar. Hicks objected to Mack about Aloise’s attendance, referencing concerns received from his mem-

bership that Aloise’s presence would put them in jeopardy of running afoul of the IRO’s Order. Mack told Hicks that the training session was “kind of [Aloise’s] idea”; Hicks wrote, “Rome [is] going to be in attendance because Rome is Rome.”

The IIO’s report found that on September 18, Hicks sent an email to Joint Council 28 officers and staff stating that because Mack would not prevent Aloise from attending, Hicks would not allow the meeting to occur at the Seattle Joint Council office and asked that no Joint Council officer or agent participate in the meeting. Aloise, who continued to be provided with copies of official IBT correspondence from friendly sources, received a copy of Hicks’ email. He then sent an email that night to Mack, other Teamsters, and the WCTPT administrator.⁵ He claimed Hicks was acting as a “bully” and that he was undermining “what we all work hard for.”

On September 19, 2018, Aloise emailed Smith, writing, “What do you think? I am asking my attorneys what they think about mailing this, or if I should just convert it to a letter to him and have it circulated by others or email it to PO’s. Your opinion on this is valuable.” Attached was a draft letter authored⁶ by Aloise addressed: “To: All Local Union Principal Officer, Business Agents & Staff of JC 28 From: Rome Aloise-Suspended Officer-Rank & File Teamster.” In the draft letter, Aloise admitted to being the architect of the WCTPT seminar and showed his personal offense at Hicks’ conduct in objecting to his participation. The draft read:

Dear Sisters and Brothers: It is with a sense of disbelief I find it necessary to respond to the Memorandum put out by your Joint Council President on September 18, 2018. Frankly, I am shocked that someone in his position would allow their personal ambition and need to self-promote to interfere with a meeting that is as important as the one scheduled by the WCTPTF for September 27th. This meeting is not the normal “Progress of the Fund” meeting that we have become accustomed to over the last few years, but rather a seminar designed to enhance our officers and officials knowledge of the inner workings of the plan, how to negotiate more favorable clauses for our members, how to understand the plan more deeply, and to obtain a greater overall understanding of the plan that is so beneficial to our members . . . I have advocated for trustee education and officer/official education for my entire career. I have been the Co-Chair of the IBT Trustee committee since it’s [sic] inception, and have always felt it is necessary for us all to have a greater knowledge of the benefits that cover our members and their families. Thus, my interest in attending the meeting to observe the process that I hope will continue into the future, and that I hope to be part of upon my return.”

The IIO’s Report alleges that Aloise went on to blame Hicks’ “power play” as the reason for objecting to Aloise participating in the WCTPT seminar, writing:

2 The IIO reviewed only those emails that appeared on official IBT servers.

3 Local 117, at the relevant time, was a member of a Joint Council 28, and not a member of Joint Council 7, where Aloise held office prior to his suspension

4 The IBT Constitution prohibits “Retaliating or threatening to retaliate against any member for exercising rights under this Constitution, or applicable law including the right to speak, vote, seek election to office, support the candidate of one’s choice, or participate in the affairs of the Union.” Article XIX, Section 7(10)

5 He did not copy Hicks, who received a copy from another Teamster.

6 The IIO did not find any evidence that Aloise ever sent the draft to anyone other than Smith.

[Hicks'] claim that he was "approached by several of you" is nothing more than a fabrication. I texted him asking him to meet for coffee or a drink the night before the meeting, on Saturday, September 15. No one else had knowledge of my attending the meeting and wouldn't have known. This is nothing more than a power play at your expense. As everyone knows, and I have to live with, I am suspended or removed from being an officer of our Union for two years, I am not suspended or removed from being a Teamster and can associate freely with anyone. I fully intend to return to all of the positions I held, including my position on the GEB, that he apparently covets enough to jeopardize your ability to further and better equip yourself to represent your members.

The IIO's investigation found that the WCTPT meeting was held in Seattle on September 27, but at another location. Aloise attended but did not speak. Aloise later wrote in an email to Local 117 representative Leonard Smith, "The seminar went well. No BS from anyone. In fact walk ins more than made up for the loss of attendees from JC28. Hicks stepped on his d**k on this one."

The Instituto Laboral de La Raza

The IIO's Report alleged that although Hicks claimed credibly that his refusal to allow the use of Seattle Joint Council facilities or participation of its members in the WCTPT seminar was motivated by concern that Aloise's participation would put his members in jeopardy of violating the IRO's order, Aloise apparently viewed the action as a personal attack. The Report alleges Aloise then retaliated against Hicks by using financial threats to interfere in third-party non-profit charitable entity's affairs in order to publicly embarrass Hicks.

The Instituto Laboral de la Raza ("La Raza") is a labor related non-profit in San Francisco that supports immigrant workers' rights. Hicks had been informed on September 17, 2018 by La Raza Executive Director Sarah Shaker that he was to receive an award at La Raza's annual fundraising dinner. The organization raised a considerable portion (approximately 50%) of its annual revenue from this event. Shaker estimated that, due to Hicks' popularity, La Raza could expect approximately 800 attendees at the awards dinner. Freddy Sanchez, a former IBT Local Officer and La Raza board member, had nominated Hicks for the award at the La Raza board meeting on September 5, and the nomination had carried unanimously.

According to the IIO's Report of his investigation, on the evening of October 2, 2018 (five days after the Seattle WCTPT seminar), Sanchez, who had had little if any contact with Aloise for many years, received a call from him at home. Aloise demanded that Sanchez withdraw the award from Hicks. Aloise said if that was not done, he would ensure that no Teamster would attend La Raza's fundraiser. Aloise told Sanchez he would call each Local in California and La Raza would be ruined if the organization did not accede to his demand to rescind the award from Hicks. Sanchez had also received a call from Rudy Gonzalez, another La

Raza board member, who had been principal officer of IBT Local 856 (San Francisco area), and was the Executive Director of the San Francisco Labor Council. Gonzalez told Sanchez that the award to Hicks needed to be rescinded. Sanchez then called Shaker and told her about Aloise's threat.⁸

The IIO further reported that on October 2, 2018, almost a month after Hicks was publicly named as the recipient of the award, Gonzalez sent an email to the La Raza Board members and to Shaker that stated, "I regret to inform you all that Mr. Rick Hicks has made political decisions that will now put Instituto and our annual fundraiser in the middle of an internal fight of the International Teamsters and perhaps more importantly, the Joint Council that represents Northern California.⁹ We literally cannot afford to have the Institute placed in the middle of a controversy." The next day, Shaker forwarded Gonzalez's internal La Raza board email to Aloise.

On October 3, 2018, Gonzalez sent an email to Shaker stating that the board had voted that day to rescind the award. He included the text of a letter he wanted Shaker to send to Hicks. Shaker sent the letter on October 5. In the cover email to Hicks, Shaker wrote: "I am so sorry. My Board, which includes Teamsters, has advised that we cannot proceed with our invite to you because of the danger of potential backlash directed at our nonprofit by ranks of Teamsters."

The IIO alleged that Aloise, who had no previous involvement, and certainly no official position with La Raza, was confident that his threats were taken seriously. On October 3, 2018 (the morning following his call to Sanchez, in which he threatened to cause La Raza to suffer financial harm if the Hicks award was not withdrawn), Aloise and Leonard Smith, a Local 117 officer and ally of Aloise, exchanged text messages. At 9:21 AM, Smith texted Aloise that "Rick [Hicks] announced to his Eboard that he's getting a labor leader of the year award from a progressive organization in the Bay Area." Aloise responded via text at 9:24 AM, "Not going to happen."

Two days later, on October 5, 2018, Aloise forwarded a copy of Shaker's letter of rescission of Hicks' award to five of his political allies: Carlos Borba, Dave Hawley, Ashley Alvarado, Dennis Hart and Doug Bloch. ("Bloch").¹⁰ According to the IIO's Report, Aloise's forwarding of the La Raza letter to this circle of Teamster allies, on the very same day the letter was sent to Hicks, was intended as a message that despite the IRO's sanction, Aloise remained both powerful and willing to use his influence to cause harm to those whom he perceived to be attacking him, including those like Hicks, who were "do[ing] everything within their power to see that the suspension [was] truly effectuated."

Within minutes, both Hawley and Hart responded. Hawley replied to all, "I love it." Hart replied to all, "Campaign Material!" The IIO's Report alleges that these comments strongly suggest that Aloise had alerted this group of allies to his efforts to retaliate against fellow Hicks for "scrupulously abid[ing] by the terms of the suspension."

On October 11, 2018, the La Raza Board formally rescinded Hicks' nomination and substituted Peter Finn, the principal officer of IBT Local

⁸ Shaker testified that Aloise had called her office directly, but she declined to take the call.

⁹ There are only two Joint Councils in California: one in the north and one in the south. The Joint Council in northern California Gonzalez referred to was Joint Council 7, of which Aloise had been president prior to his suspension.

¹⁰ Doug Bloch was the Political Director of Joint Council 7 (Ex. 8 at 17; Ex. 63 at 5)

856 (San Bruno, California) and a political ally of Aloise. The awards dinner, with Finn as honoree, was held on April 6, 2019. According to the IIO's investigation, instead of the 800 attendees expected at the awards dinner before the change, attendance was only 430, slightly more than half of that number. Rather than the estimated \$290,400 in revenue for the La Raza charity when Hicks was the intended nominee, the actual number of attendees resulted in revenue of \$156,100. That amount was the lowest in the last five years.¹¹

The Report alleged that Aloise's interference in an outside charitable organization's award to Hicks, through his threats to its future financial well-being, not only caused serious harm to the organization, it caused harm to fellow Teamsters, Hicks and Sanchez.

The IIO noted in his Report:

The conduct is particularly troubling because Aloise's threats do not appear to have been motivated by simple political rivalry, but rather as a direct retaliation for good faith efforts to comply with the IRO's order. Furthermore, prior to the date of the awards dinner, Aloise had obtained information from within IBT headquarters that IIO investigators had travelled to locations on the West Coast, from Seattle to Southern California. Aloise began claiming that he knew, despite precautionary redactions made to travel records by IIO staff, what the purpose of those trips was, and began using that information to threaten other Teamsters. Taken together, Aloise's conduct is not only independently reproachful, but an attack on the disciplinary system established in the Final Order.

Aloise's Confrontation and Intimidation of Freddy Sanchez

The IIO's report found that on April 6, 2019, the La Raza dinner took place at the San Francisco Hilton, now with Finn as the honoree. Freddy Sanchez was in attendance, as he had been for each of the previous twelve years he was involved with La Raza. Approximately two weeks prior to the awards dinner, Sanchez had been contacted by Pablo Barrera, of Local 287 in San Jose, California. Sanchez had agreed to Barrera's request that he sit at Barrera's table at the dinner. Also present at that table was Jerry Sweeny, the Secretary Treasurer of Local 287. Sanchez and Barrera had had cordial contact for the preceding five years, and their communications until that evening had been as frequent as three times per week. Sanchez described Barrera's demeanor on the night of the awards dinner as inattentive and cold toward him.

According to evidence gathered by the IIO in the Report, thirty-five to forty minutes into the awards dinner, Sanchez saw Aloise enter the banquet area and approach the table. Aloise stood next to Sweeny, who was seated to the immediate left of Sanchez, and leaned down to put his head next to the seated Sweeny. Aloise spoke quietly to Sweeny for approximately two to three minutes.¹² Aloise then stood behind Sanchez, leaned down to put his head next to Sanchez' head and said at a volume audible to everyone else at the table, "Freddy, you're a rat." Aloise stood up and walked away. Shortly after that, Sweeny and his girlfriend left the table and did not return for the remainder of the evening.

According to the IIO's findings, for several weeks following that incident, Sanchez made numerous attempts to contact Sweeny and Barrera. As of September 10, 2019, neither one had returned any of Sanchez' phone call, emails or messages. The IIO alleged that Aloise counted on the long-established IBT culture and succeeded in weaponizing it against an eighty-five-year-old former Teamster official, who was working in an unpaid position for a non-profit community organization. Aloise succeeded in causing Sanchez to be shunned by his brother Teamsters.¹³ According to Sanchez, it became clear to him that Barrera's request of Sanchez to sit at Barrera's table at the awards dinner was a calculated effort designed to isolate Sanchez from other awards dinner attendees who might have taken steps to intervene when Aloise accused Sanchez of being a "rat."

Aloise's Interactions with Marty Frates

The IIO's Report further alleged that in May 2019, the IBT held its annual Unity Conference in Las Vegas, Nevada. Aloise was present. Witnesses observed him to be present in a "breakout session" where Teamster business was discussed, and votes were recorded.¹⁴

Local 70 Secretary Treasurer and principal officer Marty Frates was also present. Frates served as a Delegate for Joint Council 7. Frates and Aloise have had political differences in the past. Among them was a disagreement on how to approach a proposed UPS contract supplement and sort rider. At the May 2019 IBT Unity Conference, during the period of his suspension, Aloise asked Frates to meet with him to "patch things up."

According to the Report, on or about May 19, 2019, Frates and another Teamster went to the Local 853 offices, which are located a short walk from the Local 70 offices. The meeting took place on a Sunday morning. There were only two persons from Local 853 present: Aloise and the principal officer, Dennis Hart. The meeting did not last long. Rather than "patch things up," Aloise told Frates that he was a "snitch," and that Frates and Rick Hicks were "snitches on him." Frates responded by telling Aloise that he had heard Aloise "had been running around telling everyone" that Frates and Hicks had been providing information to the IIO "to get him out." Aloise went on to warn Frates that Hicks would "never get anything, anywhere, anyplace." Frates understood that statement to mean that Aloise would see to it that Hicks would not receive any appointments to any paid positions in the IBT.

Aloise's day to day involvement in Teamster affairs

In addition to allegations of his retaliation against those who sought to comply with the IRO's sanction, the IIO's Report alleged that "Aloise has flagrantly disregarded the guidance provided by the IRO in her January 19, 2018 clarification, which explained that the intent of her 'Order is directed solely at Mr. Aloise's participation in Teamster activities," and that Aloise was therefore precluded from 'being employed by or consulting for (whether paid or unpaid) any affiliate entity of the Teamsters.'" (Emphasis added.)

The IIO's investigation discovered hundreds of electronic communications during the period of Aloise's suspension between him and other

¹¹ The La Raza award dinner proceeds for the past 5 years were: 2015 - \$226,900; 2016 - \$222,850; 2017 - \$179,500; 2018 - \$242,550; and 2019 - \$156,100. (Ex. 44 at 44)

¹² What was said at that point was inaudible to Sanchez.

¹³ As of September 10, 2019, neither one returned any of Sanchez' phone call, emails or messages.

¹⁴ The IIO alleged that in doing so Aloise was in violation of the IRO's sanction which prohibited Aloise from engaging in Teamster activity.

Teamsters discussing a diverse array of official Teamster affairs. Of particular note in the IIO's Report are 1) Aloise's de facto role in continuing to run the affairs Local 853 and Joint Council 7, of which he had been principal officer until his suspension; 2) his continued relationship with Southern Wine and Spirits, the employer from whom he had solicited things of value in the charged conduct leading to his suspension; and 3) his active leadership role in Teamster organizing efforts regarding rideshare gig economy workers (Uber and Lyft.)

Aloise's continued de facto leadership of L-853 and JC-7

The IIO alleged that during his suspension from holding any official position with the IBT, Aloise maintained control of his official IBT email account, "Raloise@teamsters853.org." As a rank-and-file member, Aloise was not entitled to use that official Local 853 email address. Aloise forwarded some messages he received at his official Local 853 address to his personal email yet chose to send email from his official email when it suited him. (For his "personal" email account, Aloise chose ibtrome@gmail.com, incorporating the letters "ibt," to give the appearance that Aloise was corresponding in an official IBT capacity.) On numerous occasions after Aloise received email at his official Local 853 email address, Aloise forwarded that email to his "ibtrome" address. On occasion, Aloise responded to the sender, advising the sender to use the [ibtrome](mailto:ibtrome@gmail.com) address.¹⁵ On other occasions, Aloise replied via his official Local 853 email address.

According to the Report, the volume of Aloise's email communication with fellow Teamsters demonstrates the depth of his involvement in the day to day affairs of Local 853 and Joint Council 7, where Aloise was formerly principal officer prior to his suspension. The IIO alleged Aloise continued to give direct instructions to Local 853 officers on how to carry out union affairs, often couched with tongue-in-cheek statements acknowledging the sham nature of his pro forma suspension with de facto control such as "just my opinion as a rank and file member" or "[o]f course this is just a suggestion as I have no authority to tell you to do anything." The IIO alleged that this language was designed to demean the IRO and her Order, and to undermine her legitimacy.

The IIO reported that on February 21, 2018, Aloise sent an email to Local 853 and JC-7 leadership indicating that he had authored a memo (not attached) to the 853 / JC-7 members on how to deal with a perceived challenger to his continued de facto leadership. Aloise provided instructions on how to deal with this individual, who Aloise stated was "challenging you [principal officer Dennis Hart] in my absence and doing something that does nothing but show you all disrespect." Aloise couched his instructions to Hart, who had assumed Aloise's former position, with the sarcastic remark "just my opinion as a rank and file member on how this stuff should be dealt with."

The IIO's report described an August 18, 2018 email exchange with Stacy Murphy, vice president of Local 853, as further typifying the de facto leadership role Aloise enjoyed during his suspension period. The IIO alleged that Aloise's conduct displays an extraordinary level of contempt for the IRO-imposed sanction. The email is related to contract ne-

gotiations being held between 853 and a company identified as "We Drive U." Aloise clearly gave direction to Murphy, with instructions such as "that language has to be there" and "I think a letter has to go out" and "these actions are important, get it done." Aloise, in another sarcastic reference to his continued de facto authority, told Murphy, "I think you should write [the letter], *with a little help from a friend...*" (Emphasis added.)

The IIO further alleged that on August 19, 2018, Aloise attached a letter to a second email to Murphy covering the same issue, with the instructions: "This or some form of it should go out to the clients, CEOs, transportation managers of the clients, and to our members before the actions. Maybe even send out people to leaflet the riders before the actions start." Aloise then took another opportunity to mock his suspension, writing: "Of course this is just a suggestion as I have no authority to tell you to do anything."

The IIO further reported that on April 4, 2019, Aloise sent an email to Local 137's Dave Hawley, Randy Cammack at Joint Council 42, and Dennis Hart at Local 853. Aloise included sample letters he wanted each of the recipients of the email to adopt and send in support of the Energy4US Coalition. According to the IIO's allegations, Aloise again mocked his status as a suspended officer, and also admitted to another specific violation of the terms of the suspension order and its subsequent clarification letter: "Obviously, I am not asking this as even a rank & file teamster, which is what I am, but as a consultant to some of my old friends." (emphasis added.) The IRO's clarification letter specifically precluded Aloise from acting as a consultant, either paid or unpaid, for any Teamster entity.

The Report also alleged Aloise continued to be involved in the major operational decisions of Local 853, citing as an example emails Aloise sent to Local 853 officials proposing a bylaw change. Aloise then authored the cover letter under the name of the principal officer Dennis Hart. Also in March 2019, Local 853 purchased a building adjacent to its headquarters, located at 7730 Pardee Lane, Oakland, California. The IIO's report stated that email exchanges in March 2019 showed Aloise met with the realtor, toured the property, facilitated an additional tour for others, and was provided with copies of the purchase contract and its addendum.

The IIO alleged that the "sham nature of Aloise's rank-and-file status with Local 853 was revealed completely when on November 4, 2019, while still under suspension, Aloise brazenly stood for election to resume his former post as principal officer of Local 853." He was unopposed. The Report alleged that notwithstanding a specific admonition from the IRO in a letter dated November 1, 2019 that he cease engaging in any activities prohibited by the suspension Order, Aloise allowed his name to remain on the ballot. The results of that election were reported on November 4, 2019, at an event where Aloise was present.

Aloise's Continued Relationship with Southern Wine

The original charged conduct resulting in Aloise's sanction involved, inter alia, receiving things of value from an IBT employer, Southern Wine

¹⁵ According to the IIO's allegations, Aloise was aware that his Local 853 email was subject to IIO document requests. He knew that using his "ibtrome" email address would make it more burdensome for the IIO to access the comprehensive universe of his communications

and Spirits (now Southern Glazers Wine & Spirits). According to the IIO's investigation, email exchanges beginning almost immediately after the sanction was imposed demonstrate Aloise's close relationship with the highest levels of management at Southern Wines continued despite the sanction. The IIO alleged that his continued interactions are especially blatant as the violative conduct involved the very same employer from which Aloise was found guilty of receiving things of value in the original charge.

The IIO's investigation found that on December 22, 2017, the same day the sanction took effect, Aloise via his official Local 853 email sent a copy of the decision to Stuart Korshak and Clement Kong, both representatives of Southern Wine.¹⁶ Aloise, Kong and Korshak, via an email exchange, arranged to speak on the phone that same day. Just a few days later, on January 9, 2018, Kong emailed both Korshak and Aloise (at his official Local 853 email address), attaching a dinner reservation confirmation for a party of three at Paradiso Restaurant for that same day.

The three apparently met again in April 2018. On April 7, Korshak emailed Kong and Aloise (again at his official L-853 address): "Lunch in [sic] 4/16 is on in a site to be selected by Rome." Aloise then forwarded that email to his private email (ibtrome@gmail.com) and sent another email to Kong and Korshak instructing them to "send emails to: ibtrome@gmail.com." Kong responded, "got it." From that point, communications between Aloise and Southern Wine were obscured from the IIO unless an IBT affiliated account was copied. Nonetheless, given the close relationship between Aloise, Kong, and Korshak, the IIO reported that he "has no reason to believe their communications did not continue through channels not easily accessible to IIO review."

The IIO also alleged that Aloise was intimately involved in assisting Southern Wine's efforts to branch out into the distribution of cannabis. On February 4, 2019 Clement Kong emailed JC-42 representative Kristin Heidelberg, (subject line: "Marijuana Distribution in New York"). Kong wrote:

We have not met but Rome Aloise referred me to you
We have been long time labor and employment counsels for Southern Glazer's Wine & Spirits. We have worked with Rome probably close to 30 years. Our client, Southern, is interested in forming a separate company to do marijuana distribution in New York and other states Rome and my partner Stu Korshak recommended that I reach out to you and discuss how we can utilize your services to figure out the best way to ensure the bill passes.

On February 27, 2019 Heidelberg wrote to Kong, "Called Rome last night and he will see Bern¹⁷ this morning at the Beverage conference. He's going to follow up on this. He understands the urgency in getting in front of Cuomo. K."

The IIO's report described another series of emails among Heidelberg, Kong, and Korshak that reflecting Aloise's continued involvement in Southern Wine's cannabis issues. On April 9, 2019, Kong wrote: "I wrote Rome today for an intro to Terry Hancock."¹⁸ Heidelberg replied: "[I] asked who would be the best contact person to begin these conversations, and that is Mike (the political director for the JC). Mike can then

introduce us to the JC President (which is the guy Rome suggested). . . ." Kong wrote: "The question is who can make this happen? I really don't have any contacts, except to start with who Rome suggested, Terry Hancock President of JC." Heidelberg responded: "Maybe it's in our interest, and that of Southern [sic], to reach out to Mike. Or the other gentleman that Rome pointed you to."

Aloise's Leadership of Organizing Efforts for Uber and Lyft

The IIO's Report also alleged that both prior to and during the period of his suspension, Aloise played an "active, prominent and notorious role in a campaign to organize drivers for Uber and Lyft." According to the IIO, he was not subtle about his disdain for the IRO suspension order.

The IIO found that on August 9, 2018, Doug Bloch emailed Aloise, cc'ing California IBT Local Presidents Mark Gleson and Dennis Hart, writing, "[A]s you know, we are part of a project with Working Partnerships USA (WPUSA) and SEIU called Gig Workers Rising. Both WPUSA and SEIU have put money into that project; we've put nothing in. The project has a full-time organizer right now. Since we are already in this project with them, we cannot do any meeting with NY people alone without suffering a lot of blowback. . . ."

On the same day, Aloise wrote back: "Given what is going on in NY surrounding the UBER-LYFT app based drivers with the minimum wage and the limitation on the number of drivers, maybe it is worth talking about setting up a Driver's Guild in SF, and then of course expanding it at a later date I am not sure how it would all work, we can talk before they come into town. But in NY, a lot of money is pouring into the Guild and back to the Machinists who were behind the establishment of the Guild. I will talk to you guys as I see you." In another email that day, Aloise wrote: "Just wanted to get the dialogue going again on this. I think it has to work within the group that is established with Working Partnerships but Mark and Local 853 might want to be players also in what comes out of the discussions."

On August 15, 2018, Local 117 representative Leonard Smith wrote to Aloise inquiring from Aloise the status of a neutrality agreement with a company identified as "Chariot." Aloise directed Smith: "[Chariot] told me today it would be done by Thursday. But avoid them if they call you before you get it. I believe they are playing games."

The IIO's Report found that on October 17, 2018, Benjamin Geyerhahn, CEO of Workers Benefit Fund, wrote an email to Aloise entitled "Teamster Term Sheet - Invitation to edit." On October 18, Smith and Aloise discussed Geyerhahn's term sheet. Aloise dictated detailed instructions:

WBF will work with and Teamsters Local 117 to support the creation of legislation and a guild infrastructure for Seattle Drivers. At its own expense, WBF will provide with polling, legislative support, legal support, its expertise and its relationships with Uber and Lyft. This support includes financial support for these items carrying through until legislation is passed. In exchange, it receives the Teamsters full support and exclusive right to provide benefits to the Seattle drivers through the Teamsters Local 117 or entities it creates or is cre-

¹⁶ Korshak, an attorney, was the conduit used by Aloise when he solicited things of value from Southern Wine in the original charges.

¹⁷ Bernadette McColloch is an IBT International Representative.

¹⁸ Terry Hancock is President of Joint Council 25 and principal officer of Local 731.

ated by legislation for the purpose of delivering benefits to Seattle drivers who will receive benefits. Teamsters will choose the benefits and have the right to reject benefits selected by WBF. If WBF cannot (or refuses) to provide a benefit, the Teamsters are entitled to purchase on their own. . .

Aloise affixed a chart and lists the “key elements.”

California Labor Federation

According to the IIO’s Report, in his continued involvement with these high-level Teamster projects, Aloise on occasion purported to be acting on behalf of the California Labor Federation (“CLF”). According to its 2016 JC-7 Form LM-2 filing, the CLF received \$68,000.00 in “Affiliation fees,” from Teamster entities. Since April 2017, the CLF received \$16,000.00 in annual funding from the Northern California IBT Joint Council 7 alone. The IIO alleged that since Aloise led Joint Council 7 since 2009, until his sanction took effect, he thus would have been aware that the CLF, by virtue of its funding, was a Teamster-affiliated entity within the meaning of the IRO’s Order.

The IIO further argued, however, that even were that not the case, Aloise’s communications make clear that his role with the CLF was merely a fig leaf for his continued role at the highest levels of Teamster affairs. For example, on November 21, 2018 Aloise wrote in relation to the Uber and Lyft negotiations:

For any of this to get any traction in California, it will need to have some language about staying out of certain functions, which are core industries to the Teamsters, i.e.; such as package delivery, freight transportation, etc. If there is to be a carve out of their “industry”, this will be essential, and perhaps a model for the other companies to deal with the ramifications of the Dynamix decision. I am meeting with people from the State Fed today to discuss their ideas, fears, prejudices, and all. Also, I will meet with Hoffa next week to get him on board.”

Report on Recommended Charges

On February 14, 2020, the IIO delivered to the General Executive Board of the IBT his Report outlining the foregoing allegations, supported by 89 exhibits comprising 1,771 pages of documents. On February 25, 2020, the General President adopted and filed the charges. Paragraph 32 of the Final Order requires that within 90 days of the IIO’s referral (or by Thursday, May 14, 2020), the General Executive Board must file with the IRO written findings setting forth the specific action taken and the reason for such action.

III. PROGRESS OF EXISTING MATTERS

A. Former Local 683 Principal Officer Todd Mendez

On March 6, 2019, the IIO issued a report to the IBT General President recommending that a charge be filed against Todd Mendez (“Mendez”), former principal officer of Local 683 (El Cajon, CA) for bringing reproach upon the IBT in violation of Article II, Section 2 (a) and Article XIX, Sections 7(b)(1) and (2) and Section (14)(a) of the IBT Constitution, through failing to reasonably cooperate with the IIO by intention-

ally testifying falsely during his IIO sworn examination on February 2, 2017.

The IIO’s Report alleged that Mendez testified falsely during his IIO sworn examination concerning a document he distributed and caused Board members to sign, purportedly subjecting them to financial penalty for disclosing the terms of a settlement agreement for a lawsuit brought by a former employee against the Local and Mendez personally alleging sexual harassment and other causes of action.

On March 12, 2019, General President Hoffa adopted and filed the charges. On April 8, 2019, counsel submitted to the IRO a proposed affidavit and settlement disposing of the charges. The IRO is currently reviewing the proposed disposition.

IV. ONGOING INVESTIGATIONS

The IIO is currently conducting a number of investigations throughout the country. In the time period of this report, the IIO has received and processed approximately 34 hotline calls reporting alleged improprieties.

The IIO do not comment on ongoing investigations or identify areas or conduct under investigation until a formal recommendation of charges is served upon the IBT pursuant to the Final Order.

IV. TOLL-FREE HOTLINE

Activities which should be reported for investigation include, but are not limited to, association with organized crime, corruption, racketeering, embezzlement, extortion, assault, or failure to investigate any of these.

To ensure that all calls are treated confidentially, the system which records hotline calls is located in a secure area on a dedicated line accessed only by an Investigator. Please continue to use the toll-free hotline to report improprieties that fall within IIO jurisdiction by calling 1-800-CALL-472 (800-225-5472).

VI. RELOCATION OF IIO OFFICE

The Office of the Independent Investigations Officer has relocated from its former premises in New York City to a location in the Washington, D.C., metropolitan area. The new address of the IIO is as follows:

Hon. Joseph E. diGenova
Office of the Independent Investigations Officer
1515 N. Courthouse Rd, Suite 330
Arlington, VA 22201

Mail correspondence going forward should be addressed to the new office.

VI. CONCLUSION

The task of the IIO is to ensure that the goals of the Final Agreement and Order are fulfilled. In doing so, it is our desire to keep the IBT membership fully informed about our activities through these reports. If you have any information concerning allegations of wrongdoing or corruption, you may call the toll-free hotline number, or write to the Independent Investigations Officer Hon. Joseph E. diGenova for all investigations at the IIO office address listed above.