

INTERNATIONAL BROTHERHOOD OF TEAMSTERS

SEAN M. O'BRIEN

General President

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FRED E. ZUCKERMAN

General Secretary-Treasurer

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February 23, 2024

VIA EMAIL

To legal counsel: DColson@mcgsllp.com

Mr. Steve Beck
472 Custer Road
Hayward, CA 94544

To legal counsel: NBiale@shertremonte.com

Mr. Stu Helfer
7056 Gibson Canyon Road
Vacaville, CA 95688

Dear Sirs and Brothers:

Enclosed please find the Report and Recommendation of the Panel that conducted the hearing on the charges filed against you. I have had the opportunity to review the Panel's findings and conclusions and hereby adopt them as my own. The Panel's recommendations are hereby reissued as the decision of the General President.

Brother Beck has been found guilty of violating the following provisions of the IBT Constitution:

- Article II, Section 2(a): Membership pledge, requiring each member "to conduct himself or herself at all times in such a manner as not to bring reproach upon the Union" and "to refrain from any conduct that would interfere with the Union's performance of its legal or contractual obligations," namely, abiding by the terms of the Final Order;
- Article XIX, Section 7(b)(2): "Violation of oath of office or of the oath of loyalty to the Local Union and the International Union";
- Article XIX, Section 7(b)(5): "Conduct which is disruptive of, interferes with, or induces others to disrupt or interfere with, the performance of any union's legal or contractual obligations";
- Article XIX, Section 14(a), which requires members to "cooperate fully with the Disciplinary Officers in the course of any investigation or proceeding undertaken by it. Unreasonable failure to cooperate shall be deemed to be conduct which brings reproach upon the Union."

Mr. Steve Beck
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Brother Helfer has been found guilty of violating the following provisions of the IBT Constitution:

- Article II, Section 2(a): Membership pledge, requiring each member “to conduct himself or herself at all times in such a manner as not to bring reproach upon the Union” and “to refrain from any conduct that would interfere with the Union’s performance of its legal or contractual obligations,” namely, abiding by the terms of the Final Order;
- Article XIX, Section 7(b)(2): “Violation of oath of office or of the oath of loyalty to the Local Union and the International Union17”;
- Article XIX, Section 7(b)(5): “Conduct which is disruptive of, interferes with, or induces others to disrupt or interfere with, the performance of any union’s legal or contractual obligations.”

Based on the evidence presented, the Panel concluded that Beck’s conduct warrants a penalty of six months’ suspension for each charge, totaling one year. Helfer’s conduct warrants a penalty of 60 days’ suspension (or two months) for authorizing improper expenditures, and 10 months’ suspension for the other conduct charged. The Panel’s recommended penalties are hereby adopted as the decision of the General President.

Thank you for your time and attention.

Fraternally yours,



Sean M. O’Brien
General President

SMO/dsc
Enclosure

cc: Hon. Barbara Jones, Independent Review Officer
Thomas Kokalas, Esq.
Robert D. Luskin, Esq., Independent Investigations Officer
David Kluck, Esq., Senior Counsel
Jeffrey Ellison, Esq.
Hearing Panel
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Avraham C. Moskowitz, Esq.
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REPORT AND RECOMMENDATION ON CHARGES AGAINST STEVE BECK AND STU HELFER, OF LOCAL UNION 853

I. Introduction

Pursuant to an appointment by International Brotherhood of Teamsters (“IBT”) General President Sean M. O’Brien, a hearing was convened before the undersigned Panel on November 14, 2023, to consider charges brought by the Independent Investigations Officer (“IIO”) and adopted by the IBT against the above-referenced current and former officers of Teamsters Local Union No. 853 (“Local 853”) for their involvement with Rome Aloise who was, during the relevant time period, a suspended Teamster.

The charges brought against Steve Beck concerned events that occurred when he served as a former Business Agent of Local 853. Beck is currently the Secretary-Treasurer and principal officer of Local 853. The charges brought against Stu Helfer concerned events that occurred when he served as a Business Agent and Recording Secretary for Local 853, among other positions. Currently, Helfer is retired.

The Panel has been called upon to resolve numerous factual disputes, determine liability and penalties, and submit recommendations to the General President. Our factual findings are based upon an extensive review of the testimony and documents submitted, and we make our findings and conclusions based upon a preponderance of the evidence, in keeping with the IBT Constitution.

II. Procedural Background and History

A. Charges against Beck and Helfer

On July 18, 2023, IIO Robert D. Luskin, referred a set of charges against numerous officers and representatives of Local 853 and Teamsters Joint Council No. 7 to the IBT. The charges, totaling 45 pages, outlined three main categories of offenses:

First Charge – Bringing reproach upon the IBT by “enabling and permitting Rome Aloise to violate his suspension”; **Second Charge** – Bringing reproach upon the IBT by “making false statements in the independent disciplinary process”; and **Third Charge** – Bringing reproach upon the IBT by “permitting and making expenditures of union monies without proper authorization.” (Charge Report at 1-2.¹)

On August 16, 2023, the General President adopted the charges as his own, along with an additional charge against Dave Hawley, a former Trustee of Joint Council No. 7.

Settlement agreements have been reached with each of the charged parties named in the Charge Report other than Beck and Helfer. The proposed settlements have been approved are or

¹ The July 18, 2023 Memorandum from IIO Luskin will be referred to herein as “Charge Report” and the supporting exhibits are referred to herein as “CR Exh. __.”

being considered by the Independent Review Officer (“IRO”), the Honorable Barbara S. Jones (Ret.), for a determination of adequacy. Settlements were not reached with Beck or Helfer; thus, a hearing was held solely on the charges against them on November 14, 2023.

The allegations against Beck concerned misconduct falling under the first and second charges. The allegations against Helfer concerned misconduct falling under the first and third charges. Beck is alleged to have “enabled and permitted” Aloise to violate his suspension, and he is alleged to have made “false statements” during the investigation process in sworn testimony to an Independent Disciplinary Officer. Helfer is alleged to have “enabled and permitted” Aloise to violate his suspension, and he is alleged to have authorized improper expenditures while serving on the Local 853 Executive Board.

In a prior decision on Dennis Hart, the IBT found that members of the Local 853 Executive Board made improper expenditures of Local 853 funds to support Aloise as “Unionist of the Year” at a time when he was a suspended Teamster. The prior Hearing Panel did *not* find that approval of other expenditures alleged by the IIO to have been improper constituted misconduct. The IRO found that the IBT’s decision in that case was “not inadequate.” In light of the IRO ruling in the prior case, the parties stipulated that the only expenditure at issue in the Helfer case was the February 2018 donation of \$25,000 to the Alameda Central Labor Council for supporting Aloise as “Unionist of the Year” at a time when he was a suspended Teamster.²

B. Background of Aloise misconduct

Aloise was formerly the principal officer of Local Union No. 853 and Joint Council No. 7. He was suspended for two years from December 22, 2017, to December 21, 2019. (CR Exh. 3 at 11.) The suspension resulted from charges related to: (1) improperly requesting and receiving things of value, in violation of 29 U.S.C. § 186(b) of the Taft-Hartley Act; (2) negotiating a “sham” collective bargaining contract and failing to ensure a collective bargaining process that complied with the National Labor Relations Act, 29 U.S.C. § 158(b)(1)(a), the IBT Constitution, and local union bylaws; and (3) repeatedly using union resources to improperly influence a local union election in violation of the Labor Management Reporting and Disclosure Act, 29 U.S.C. § 401 et seq. (CR Exh. 2 at 1-3.)

Subsequently, the IRO found that Aloise violated his suspension and permanently barred him from the IBT.³

Of importance, the charge of improperly “receiving things of value” from an employer concerned Southern Wine and Spirits, which later became known as Southern Glazer’s Wine and

² The Local 853 Executive Board voted to authorize “up to \$35,000” for this event. (CR 117.)

³ In proceedings brought in October and December of 2021, Aloise was charged with and found guilty of violating his suspension, as well as other violations of the IBT Constitution and his Oath of Office. He was permanently barred from the IBT and barred from discussing or conducting Teamster business, or participating in Teamster elections “in any way,” effective January 31, 2022. (See IRO Orders of 10/7/2021 and 12/10/2021, included as SH Exh. 2 and CR Exh. 136.)

Spirits (“SGWS”), a Teamsters signatory employer. This employer was also involved in the pending charges against Beck. (CR Exh. 2 at 6-14; CR Exh. 3 at 6.)

The charges against the parties here arise from specific events alleged to have occurred during Aloise’s suspension period.

III. Allegations, Evidence, and Analysis

A. Steve Beck

The Charge Report on Beck alleged misconduct at two in-person meetings and a number of other contacts with Aloise, including multiple emails about Teamster business. (CR at ¶¶ 25-38.) The first meeting was held in Chicago, Illinois, in March 2018. The second meeting was held in Santa Ana, California, in July 2018. The email correspondence primarily concerned collective bargaining relationships and agreements in the cannabis industry.

With respect to the Chicago meeting, the Charge Report alleged that Beck and Aloise attended a meeting with Stuart Korshak, “lawyer to SGWS” and “a father son duo named Duff” who led an unaffiliated union in Chicago, and who had familiarity with QIPP.⁴ (CR at ¶ 28.) The Charge Report alleged that Beck stayed at the same hotel as Aloise and that they “met in Chicago for SGWS negotiations on QIPP during Aloise’s suspension.” (*Id.*)

With respect to the Santa Ana meeting, the Charge Report alleged that Aloise attended and participated in “bargaining sessions with SGWS” (CR at ¶ 30). Although the Report stopped short of concluding that Aloise attended a July 26, 2018, bargaining meeting attended by Beck and others, it noted that Aloise’s flight records indicated he was in the same general location at the time of the meeting (CR at ¶ 33).

Multiple emails showed Aloise communicating with Teamster employees and representatives, including Beck, about Teamster business in the cannabis industry. The Report alleged that, in addition to “enabling and welcoming Aloise’s leadership [in organizing cannabis workers at a company called Bloom] during Aloise’s suspension...BECK was in regular communication with Aloise and Kristen Heidelberg through the remainder of 2018 concerning organizing other cannabis employers and bargaining their contracts.” These employers included DSWC, Inc. and “A Therapeutic Alternative.” (CR Exh. 44; IIO Exh. 610.) An email thread also showed that Beck forwarded to Aloise an agenda regarding negotiations with Costco. (IIO Exh. 251.)

The Charge Report also alleged that Beck made “false statements” during the Independent Disciplinary Process. (CR at 1, ¶¶ 36-37.) Specifically, it alleged that “[i]n his sworn examination, BECK denied that he ever discussed Teamster business with Aloise” during

⁴ As explained in a prior Panel report, the “QIPP” program was a compensation scheme for driver-salesmen proposed by employer SGWS. The program was under consideration by Teamster Local Unions that were party to statewide collective bargaining agreements with the employer. QIPP stands for “Quota Incentive Pay Program” (Panel Report in re. Bergen, Pharris, Searcy, and Smith at 5, attached hereto as Exhibit A for background).

the suspension period. (CR at ¶ 36 and n.81; Beck sworn examination, CR Exh. 28 at 17-18.) The Report further alleged that Beck made “false” statements by testifying that the Local’s attorney, Geoffrey Piller, told the Local’s staff shortly after Aloise was suspended that they could speak to Aloise to obtain “historical information and advice” but were barred from “taking direction” from Aloise. (CR at ¶ 37.)

1. Chicago meeting

The Panel heard extensive testimony on the Chicago meeting, including: how long the meeting lasted, the reason for the meeting, participants at the meeting, what was discussed at the meeting, and surrounding events. The meeting itself was held at the offices of a union called “Local 3.” (Tr. 297.) According to Beck, “I was going to Chicago to train and learn about the ranking system for negotiations with Southern Glazer’s Wine & Spirits back in California.” (Tr. 294-295.) In other words, the Chicago meeting was relevant to collective bargaining negotiations over a compensation plan proposed by SGWS that would impact Teamsters in California. (*Id.*) The meeting was scheduled to occur over two days, Monday and Tuesday, March 19 and 20, 2018. (Tr. 297.) In attendance were shop stewards, business agents, and Local 3 union officers Pat Duff, Sr. and Pat Duff, Jr. (Tr. 295-96; 298-99.) The IIO alleged that Korshak attended, but there was no evidence to support that allegation, and Korshak himself denied it in a sworn statement (CR at ¶ 28; Korshak Declaration, Beck Exh. 1 at ¶ 3).

At the end of the first day, a dinner held was at a steakhouse for the meeting attendees. (Tr. 299, 370.) Beck testified that he was “told” by others that Aloise would be in attendance. (Tr. 300, 374.)

Beck admitted that he had dinner with Aloise in this group setting after the first day of the Local 3 meeting, but he claimed that his interactions with Aloise were limited to sitting at the other end of a table and engaging in group conversations over trivial topics, like jokes over a salad Beck ordered previously. (Tr. 300-302.) Beck testified that the conversation consisted of pleasantries like the food in Chicago and the weather. (Tr. 303.) He stated there was no discussion of “any sort of business” during the dinner, including Local 853 business and Teamsters business. (Tr. 302.) He characterized it as a “social dinner.” (Tr. 302.)

When Beck was asked at the hearing if he knew why Aloise was in Chicago at the time, he replied, “I do not.” (Tr. 303.) Yet, emails exchanged between Aloise and Beck showed that as early as March 6, 2018, Beck knew Aloise was planning to fly to Chicago on March 19th (CR Exhs. 31-32). Beck even offered to change his hotel to match Aloise’s, stating, “OK I’ll change mine” four minutes after Aloise sent his hotel confirmation to Beck (CR Exh. 33). Aloise replied to Beck, “Good idea!!!” (CR Exh. 34). Beck testified at the hearing that he did not actually

change his hotel, but he did not explain the reason for offering to change his hotel to match Aloise's in the first place (Tr. 293, 370⁵).

2. Santa Ana meeting and Southern California QIPP negotiations

Beck testified that the QIPP negotiation meetings took place in Pomona and Santa Ana, California; the meetings held in Santa Ana occurred at various hotels located near the airport in Orange County. (Tr. 306.) On average, 25 to 35 people attended. (Tr. 306.) Beck stated that he attended all of the QIPP meetings. (Tr. 308.) Other attendees included a federal mediator, representatives from other Teamster affiliates, and representatives from SGWS and Young's Market.⁶ (Tr. 304; 307; 308.)

Beck testified that Aloise attended one of the negotiation meetings *before* his suspension, but that he did not attend any negotiation meetings *during* his suspension. (Tr. 304-305.) Beck called two witnesses who attended the meetings and testified that Aloise did not attend any of the QIPP negotiation meetings during his suspension, including a meeting held on July 26, 2018.⁷ (Tr. 173-175; 266.)

Beck furthermore testified that Aloise did not "play any role at all with QIPP," as far as he knew. (Tr. 305.) Witnesses for Beck testified similarly, meaning they did not see Aloise attend negotiation sessions and "as far as they knew" Aloise played no role in the negotiations. (Tr. 175; 267.) Beck submitted written declarations from additional attendees at the QIPP negotiations, including the federal mediator. The mediator stated that Aloise "was not present for and did not participate in any QIPP negotiation sessions that I mediated in Southern California." (Beck Exh. 4.) Mark Murphy, a representative of Young's Market, also stated that he did not recall Aloise "attending or participating in any of the QIPP negotiation sessions" he attended in Southern California. (Beck Exh. 5.)

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⁵ At the hearing, Beck had this exchange with counsel for the Charging Party IBT, "Q. There was never once a single question from Rome as to why you were headed to Chicago? A. He never asked me why I was headed to Chicago, no, sir. Q. And you never told him, this is a crazy coincidence, and indicate to him why you were going to Chicago? A. I didn't know what Rome was going to Chicago for, so I couldn't answer that question. Q. So you've seen half a dozen emails back and forth about how you were going to change your plans, that's a great idea, et cetera, et cetera. Why didn't you end up changing hotels? A. I just didn't change the hotel. I figured that it wouldn't be the right thing to do." (Tr. 369-70.)

⁶ Young's Market is another employer in the liquor industry with which Teamsters Local 853 had a collective bargaining relationship. (Tr. 165, 259. *See also* Korshak Decl., Beck Exh. 1 at ¶ 5.) Young's Market is now known as "RNDC," or Republic National Distributing Company. (*Id.*)

⁷ The July 26, 2018 meeting was the subject of contested allegations in the hearing on charges against Mike Bergen and Mike Pharris, of Teamsters Local Union No. 166. That Hearing Panel concluded that "there was insufficient evidence to establish Aloise actually attended the July 26, 2018 QIPP meeting, or any other liquor-industry meetings." (Bergen/Pharris Panel Report, Exh. A at 6.) By letter dated January 31, 2024, the IRO determined that the Panel's Report and Recommendation was "not inadequate" as to Bergen and Pharris.

3. Cannabis industry and other interactions with Aloise

At the hearing, Beck admitted that he forwarded a collective bargaining agreement that had been negotiated with a cannabis employer to Aloise and asked for his “input” and “advice,” although he regretted his choice of words (Tr. 334-35, 358; CR Exh. 44). Beck testified that, since Aloise had negotiated the first collective bargaining agreement for the cannabis industry “in the entire IBT,” Beck had wished to have Aloise’s “historical knowledge” in case he missed something (Tr. 335). Beck believed that this kind of communication was allowed, consistent with the advice he received from Piller, the Local’s attorney (Tr. 336).

Beck was also copied on emails between Aloise and an attorney for a cannabis employer named “Bloom.” Aloise, using his Gmail account, wrote to the employer:

I have been informed by Steve Beck and Vic Shada that they were told by you that Bloom intends to recognize the Teamsters for the San Leandro dispensary and no other part of the company... Just to be clear, we expect to negotiate an agreement covering each entity, grow, distribution, manufacturing, dispensaries, etc.

(CR Exh. 42.)

Bloom attorney Stephen Cassidy responded, defending his client’s position and copying the same recipients, including Beck, stating that, “I informed you in April prior to our last meeting of our intention to focus in 2018 on representation of solely our dispensary operation” but adding that he would be happy to “discuss this matter with you further in person.” (*Id.*) Beck testified at the hearing that he did not talk with Aloise about “the Bloom negotiations” during the suspension period, and that he did not know why he was copied on those emails (Tr. 321-322). Beck’s attorney pointed out that a prior email from April 9, on its face, did not include Beck but only Aloise, Shada, and someone named “John” as recipients, possibly suggesting a mistake (Tr. 323; CR Exh. 42).⁸

With respect to other emails concerning the cannabis industry on which Beck was copied along with Aloise, Beck testified that he did not know why the emails were sent and he did not speak with or otherwise engage with Aloise on any of those matters (Tr. 325-333). He felt that, as a “junior agent” at the time, other participants in the email threads outranked him, and as “just a business agent,” he should “just work as directed.” (Tr 333.) In addition to the emails included with the Charge Report that focused on Bloom and the cannabis industry, the Charging

⁸ On cross examination, Beck was asked further about his denial: “Q. So if it’s a fair assumption that Shada was talking to Rome, why isn’t it a fair assumption for the panel to conclude that you were also talking to Rome about this, because he says I’ve been informed by Beck and Shada? A. Because the panel would be making speculation based on my name simply being on an email. All I can tell you is that I did not talk to Rome Aloise. I can’t tell you if Victor Shada talked to Rome Aloise, but I know I did not talk to Rome Aloise. I made a guess at it being Victor Shada because he was on the previous emails that had communications on this email. Q. What possible motivation would Aloise have that you’re aware of to add your name to this? A. I do not know.” (Tr. 365-66.)

Party highlighted other exhibits reflecting email conversations that included Beck, Aloise and Teamster signatory employers. *See* IIO Exhs. 251 (Costco) and 610 (A Therapeutic Alternative).

4. Beck's testimony during the IIO's investigation

The IIO charged Beck with making "false statements" in his testimony during the investigation. First, the IIO alleged that Beck "falsely" denied discussing Teamster business with Aloise during the suspension period. Second, the IIO alleged that Beck's statements about receiving legal advice from Piller were "false" because evidence suggested the alleged meeting did not occur and, even if it did occur, the legal advice was so wrong that it was "inherently implausible." (CR at ¶ 37.)

The transcript of sworn testimony Beck provided during the investigation, on May 10, 2022, contained the following exchange:

Q. And it's your testimony that the conversations that you engaged in with [Aloise] during that period, they were more social?

A. Yes, sir.

Q. About baseball and the charity that you were supporting?

A. Uh-huh.

Q. And you never had a conversation with Mr. Aloise about any of the business of Local 853 during that period?

A. No, I did not.

(CR Exh. 28 at 17-18.) Beck then proceeded to describe a meeting at Local 853, at which attorney Piller allegedly told the Local's staff that they were permitted to speak with Aloise about Teamster business within certain limits:

We were told by legal counsel that could speak with him. We could ask for his historical knowledge, his opinion and advice on what had happened prior to us doing, you know, those jobs. What we could not do is take a direct orders [sic] or direct instruction from Rome.

(CR Exh. 28 at 18.)

At the hearing, Beck tried to explain his answers to the IIO. He maintained that it was his understanding after the meeting with Piller that Local 853 staff were allowed to: (a) meet with Aloise socially and (b) ask for "historical reference or knowledge based off of things ... done in the past" but that staff could not "take direct instruction from Rome Aloise" (Tr. 356). He testified that he believed there were "separate buckets" for various interactions with Aloise, and when he spoke with Aloise about historical knowledge, it was "separate" from the bucket of

“taking direction” from Aloise. (Tr. 382.) He also testified that he thought the word “conversation” as used by the IIO office meant only “in-person conversation.” (Tr. 382.)

At the hearing, Beck stood by his position that he never had conversations with Aloise about the business of Local 853 during the suspension period. (Tr. 284.) He admitted to having had “social” contacts with Aloise during the suspension period.⁹ (Tr. 277, 283.) He admitted that they were on the same email threads together concerning ongoing Teamster business, and that he never objected to Aloise being part of those email conversations. (Tr. 367-68.) Beck also claimed that he never spoke with Aloise about why he was in Chicago, despite having offered to change his hotel to match Aloise’s. (Tr. 369-71.)

5. Findings as to Beck

Having considered the evidence in detail, we find that Beck committed misconduct by “enabling and permitting Rome Aloise to violate his suspension” as alleged in Charge One. We also find that Beck made “false statements” to the IIO by denying his contact with Aloise.

Although we find that some allegations by the IIO were mistaken or simply not supported by the evidence, enough evidence was presented to support at least two instances of Aloise being at or near the scene of important Teamster meetings. The evidence strongly suggested Aloise was involved in some way in the Teamster business being conducted at the Chicago and Santa Ana meetings, namely discussions about the QIPP program. Aloise made his views on the program known to Beck (Tr. 305, 368), and he had long-standing relationships with Korshak, SGWS representatives, and others at the table (see IRO Order of 10/24/2017, CR Exh. 2 at 6-13, for Aloise’s history with SGWS). There was no evidence or even a plausible explanation offered for why Aloise had taken trips to these locations, except to involve himself in Teamster business.

With respect to the Chicago meeting, we find that the dinner was not purely social. It could be characterized as semi-social. It could also be characterized as a business dinner, since the entire trip was considered as a business expense for Beck, and he documented it as such. (CR Exhs. 35-36.) The Chicago and the Santa Ana meetings cannot be seen in isolation, since they both related to the QIPP program proposed by SGWS. (CR Exh. 36.) Even if Aloise was not present during the actual QIPP negotiation sessions facilitated by a federal mediator, it does not follow that Aloise did not “play any role” in providing advice and direction from the sidelines. We find that it was not necessary for Aloise to have been in the room at Local 3, or at the QIPP negotiation sessions themselves, to have improperly influenced negotiations.

The nature and extent of email communications between Beck and Aloise support this finding. The emails clearly reflected conversations about important, ongoing Teamster matters among various participants that included Aloise and Beck. Aloise was not shy about making his views on Teamster business known, and he did so with an air of authority, as illustrated by the

⁹ Rodney Smith testified, during the investigation, that Beck, Smith, Aloise and Scott Gonzales would have meals together and the topic of conversation would involve “Teamster business” (CR Exh. 45 at 44).

exchange with Bloom. Beck did not object or excuse himself from these conversations. The evidence shows that Beck, at the very least, acquiesced to Aloise's influence and, in some cases, actively sought advice from Aloise, thereby "enabling and permitting" Aloise to violate his suspension. Beck treated Aloise as if Aloise were still a Teamsters officer with authority over Teamster affairs. This clearly violated the terms of the suspension order.

We also find that Beck's statement that he "never had a conversation" with Aloise "about any of the business of Local 853" during the suspension period to be untrue. This was clearly contradicted by the email traffic, and we reject as not credible his claim that he thought the word "conversation" was limited to in-person conversations only. His denials, particularly regarding the Chicago trip, also lacked credibility. In sum, we find that Beck enabled Aloise to violate his suspension and then falsely denied his interactions with Aloise in sworn testimony to the IIO.

We find it unnecessary to determine whether Beck made a "false statement" regarding advice received from attorney Piller. We acknowledge conflicting evidence on the question of Piller's meeting with the staff of Local 853, specifically, whether such a meeting ever occurred and, if so, what transpired at the meeting. Having found sufficient evidence to sustain both Charge One and Charge Two as to Beck, and not having the benefit of live testimony from all witnesses alleged to have been at the meeting with Piller, we find it speculative and unnecessary to make factual findings on this aspect of the IIO's charges.¹⁰

B. Stu Helfer

The case against Stu Helfer overlapped with cases previously brought against Mike Bergen and Mike Pharris, as well as Dennis Hart. (CR ¶¶ 39-45.) The Charge Report alleged that on November 29, 2019, Helfer traveled with Aloise to a meeting with representatives of Teamsters Local Union No. 166 and others to discuss plans for a high-speed rail project. (CR at ¶¶ 40-41.) The Report also charged Helfer with engaging in a number of email interactions with Aloise related to ongoing Teamster business and serving on a real estate scouting "team" with Aloise and Teamster Local 2010 principal officer Jason Rabinowitz to consider a building purchase for an office that would house both Teamsters Local Unions 853 and 2010 (CR at ¶¶ 42-44, CR Exhs. 58-59). Separately, the Report charged Helfer with improperly authorizing several expenditures for Local 853 (CR at ¶¶ 68-73). As referenced above, only the Alameda Central Labor Council expense, found to have been lacking a "legitimate union purpose," remained at issue at the time of the hearing.

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¹⁰ The Charge Report itself acknowledges conflicting evidence on this question, citing Rodney Smith's investigation testimony: "that meeting never occurred... I call BS" (CR at ¶ 37; CR Exh. 45 at 70) but within the same paragraph, also citing Lou Valleta and Stu Helfer's investigation testimony that a meeting with Piller did occur (CR Exh. 46 at 38, 42; CR Exh. 47 at 32-33). We decline to make a finding on this topic for the additional reason that, even if the parties were advised by legal counsel that they could obtain "historical information" from Aloise, we find that Beck and Helfer's dealings with Aloise went beyond that.

1. PLA meeting at Local Union 166

It was undisputed that a meeting occurred at Local 166 on November 29, 2019, which both Helfer and Aloise attended. (Tr. 145.) It was also undisputed that Teamster business was conducted at that meeting (Tr. 143-44, 224). The meeting concerned a high-speed rail project from Southern California to Las Vegas, subject to a Project Labor Agreement (“PLA”) that various construction crafts would be involved in (Tr. 142-44). Helfer and his witness, John Davidson, recalled a slightly different set of meeting participants compared to others who had testified about the meeting in a different proceeding; nonetheless, the general description of the meeting did not vary much from what was previously described (Tr. 143-45).¹¹

Helfer recalled that he attended the meeting to protect the Teamsters’ interest in performing certain types of work against jurisdictional disputes from other crafts like the laborers and the operating engineers (Tr. 143-44). Helfer stated that he understood Aloise’s role in that meeting was to represent the State Building and Construction Trades Council¹² (“SBCTC”) (Tr. 148-49). Helfer admitted, however, that “only Teamster business was discussed” (Tr. 224). He testified that Aloise announced he was there to represent the SBCTC and not the Teamsters but otherwise said nothing during the meeting (Tr. 149). Davidson, who attended the meeting as an apprenticeship coordinator (Tr. 252), testified that, “The actual conversation and the dialogue was what would be our Teamsters’ position regarding the manning of the project...” (Tr. 250-51). Neither Helfer nor Davidson testified as to any topic of discussion concerning other crafts.

Helfer further testified that he “ran into” Aloise at the airport on the way to the meeting and they shared rides to and from the airport together (Tr. 146, 222-23). After the meeting, Stanley dropped Helfer and Aloise off at the airport. (Tr. 222-33.) Helfer did not recall having had prior knowledge that Aloise would be attending (Tr. 146). Robbie Hunter, the former President of the SBCTC, submitted a declaration in support of Helfer stating that he had been scheduled to attend the November 25, 2019, meeting himself, but discovered shortly before the meeting he was unable to attend and asked Aloise to attend in his place. (SH Exh. 1 at ¶ 9.) Hunter also asserted that Aloise attended the meeting “in his capacity as a representative of the SBCTC” without providing details as to what Aloise was there to do. (*Id.* at ¶ 10.)

¹¹ Neither Helfer nor Davidson “recalled” Robert Stanley participating in the meeting (Tr. 149, 251), although Davidson stated that Stanley “came in the back door like everybody does” and Davidson “saw him look into the room” at one point near the beginning of the meeting (Tr. 251, 256). By contrast, Stanley gave sworn testimony on two occasions stating that he was at the meeting (CR Exh. 49 at 18-19; June 22, 2023 transcript of Panel hearing held on Bergen/Pharris charges, BH Exh. 2 at 35). (See also Bergen/Pharris Panel Report, Exh. A at 3-4, noting that Pharris testified he called Stanley and advised him to attend the meeting.)

¹² Such a role was odd, considering Helfer’s understanding that Aloise did not have a background in construction. (Tr. 232.)

2. Emails and building tour

Emails between Helfer and Aloise reflected numerous exchanges on matters that concerned ongoing Teamsters' business. (CR Exhs. 50-59.) Other recipients were sometimes included; some exchanges appeared to be only between Helfer and Aloise. (*Id.*) Helfer testified that most, if not all, of these emails with Aloise involved issues within the scope of Aloise's consultancy for the SBCTC, that is, they concerned refinery matters, jurisdictional disputes, and legislation that the SBCTC had an interest in (TR 184-88, 193, 197, 201).

Two exceptions to that claim were emails included as CR Exhibits 51 and 54. CR Exhibit 51 was an email initiated by a research analyst at the California Department of Industrial Relations, asking Helfer for "wage sheets" reflecting a \$ 1.00 increase for "Ready Mix Drivers under the ACA agreement" and copying Aloise (SH Exh. 6). Helfer testified that he may have hit "Reply All" due to having "fat thumbs" – that is, without meaning to, thereby inadvertently including Aloise in his response, which was simply "Yes" (CR Exh. 51; Tr. 189-91). CR Exh. 54 was a series of emails involving Marion "Bubba" Davis, then the IBT Director of Construction, wherein questions arose over benefits contributions to the Western Conference of Teamsters Pension Fund by an employer named "Fluor"; again, Helfer's testimony suggested that he hit "reply to all" accidentally or unnecessarily (CR Exh. 54; SH Exh. 7; Tr. 199).

While the nature and content of the emails varied, at least some communications showed Aloise directing Helfer with an air of authority, similar in tone to his instructions to Beck; for example: "We should get this out to our ready mix and construction members" (CR Exh. 55); "Confidential but you should read this and develop some counter arguments" (CR Exh. 56); and "Can we get some of our guys to go to this please, Teamster gear appropriate" (CR Exh. 57). Helfer testified that these were all activities that he was "already" engaged in; thus, Helfer did not "need" Aloise to direct him to do these things (Tr. 205, 212).

On the building-tour issue, emails reflected Aloise's involvement in Local 853's consideration of a purchase of property located at 7730 Pardee Lane in Oakland, California. (CR Exhs. 58-59.) The purchase was eventually executed in a 50/50 joint arrangement between Local 853 and Local 2010 (*Id.*; Tr. 154-58). The emails concerned the scheduling of building tours while the purchase was being considered. (*Id.*) The scheduling emails included Aloise, commercial realtors from Cushman Wakefield, Hart, Rabinowitz and Helfer. (CR Exhs. 58-59.) Helfer testified that he recalled going on a building tour with Rabinowitz, Hart, and the realtor, but did not "recall" or did not "specifically recall" a building tour with Aloise (Tr. 157-58). When asked whether Aloise was involved with any of the purchase negotiations, Helfer answered, "Absolutely not" (Tr. 158).

Although it is unclear if they were on a "team," Helfer did not deny or contest the evidence that he was included with Aloise and others in preparatory discussions prior the purchase of 7730 Pardee Lane. (Tr. 157-61.) He admitted going on a building tour of 7730

Pardee Lane, which was the goal of the emails (Tr. 158). The emails appear to have been initiated by Aloise (CR Exhs. 58-59).

3. Expenditures

With regard to the authorization of expenditures, Helfer confirmed that, as reflected in the minutes of February 8, 2018, the Local 853 Executive Board authorized “up to \$35,000.00” to be paid to the Alameda County Central Labor Council (“CLC”) to support the 2018 Unionist of the Year dinner, honoring Aloise. (CR Exh. 117; Tr. 215-17.) Accordingly, the Local made a payment of \$25,000 on February 20, 2018. (CR Exh. 117.) Helfer testified that it was important to donate at such a level because of the Local’s close relationship to the Alameda County CLC, because the event was “giving support for one of our own,” and because the event would raise money “for an important cause to the union.” (Tr. 217-18.)

A prior Hearing Panel considered similar charges against Dennis Hart and found that the expenditure did not serve a “legitimate union purpose,” since Aloise was a suspended Teamster at the time and the donation kept Aloise in a position of prominence and authority, as in the *Friedman* case. (See Hart Panel Report, BH Exh. 4 at 10.) That Panel’s decision was determined to be “not inadequate” by the IRO. (BH Exh. 3.)

4. Findings as to Helfer

The Panel decision in the Bergen/Pharris case concluded that Bergen committed misconduct by his participation in the PLA meeting and Aloise’s purported representation of the SBCTC at that meeting was no defense. (Bergen/Pharris Panel Report, Exh. A at 4, 9-10.) We see no reason to depart from that rationale and we find that Helfer, by his participation in the meeting, also committed misconduct.¹³

We find it questionable that Helfer and Aloise simply found themselves coincidentally at the same airport and the same meeting together. Notably, Helfer admitted to sharing rides to and from the airport with Aloise. Evidence indicated that Helfer and Aloise had been in contact over a number of matters; the contacts were both social and business-related (SH Exhs. 4-8.) Given that their relationship appears to have been a close one, Helfer’s claim of “coincidence” lacked credibility. Even if Aloise’s participation had been a surprise to Helfer, he could have objected and declined to participate in the PLA meeting from that point forward. He did not.

¹³ That decision stated: “Leaving aside the issue of whether Aloise’s consultancy with the SBCTC itself violated the terms of his suspension, here, the facts strongly suggested that the business being conducted was very specific, if not exclusive, to the Teamsters. Although other unions may have had an interest in the matters under discussion, Aloise did not actually focus his role on representing the Building Trades, as a distinct entity. The Panel finds that citing Aloise’s purported role with the SBCTC was not a defense here since that role was indiscernible.” In reaching this conclusion, the previous Panel cited the IRO’s finding that Aloise violated his suspension, stating: “Even though Mr. Aloise was consulting for the Cal Fed and the Building Trades, that did not excuse him from the prohibitions of his suspension order.” (IRO Opinion of 10/7/2021, SH Exh. 2 at 25.)

In keeping with prior decisions, we find that Aloise's consultancy with the SBCTC was no defense for Helfer. Regardless of whether Aloise was a planned or unexpected participant in the PLA meeting, Helfer proceeded to interact with Aloise at his own risk that day.¹⁴

Regarding the emails, we note that Helfer's interactions with Aloise were not interactions on par with that of an ordinary member of Local 853. As with Beck, Aloise issued instructions to Helfer, and Helfer acquiesced. It was of no import that Helfer "already" had been doing some of the things Aloise told him to do. Aloise was, apparently, not aware of that. More to the point, the issue is whether Helfer allowed Aloise to exert authority and involve himself in Teamster affairs while Aloise was a suspended officer. We find, as the IIO has charged, that "[a]lthough Aloise was suspended, HELFER treated him as though he were still the principal officer of the local union." (CR ¶ 45.) We find sufficient evidence to support this charge of misconduct.

On the Alameda County CLC expenditure, this Panel sees no reason to depart from the prior Panel's conclusion that this expenditure was improper, and we adopt the same reasoning. We note that Beck, in his own testimony, stated that he felt it was not appropriate to attend the dinner in light of the circumstances of Aloise's suspension (Tr. 285, 374).

IV. Liability Determinations and Recommended Penalties

Based on the findings above, we conclude that Beck violated the following provisions of the IBT Constitution:

- Article II, Section 2(a): Membership pledge, requiring each member "to conduct himself or herself at all times in such a manner as not to bring reproach upon the Union" and "to refrain from any conduct that would interfere with the Union's performance of its legal or contractual obligations," namely, abiding by the terms of the Final Order¹⁵;
- Article XIX, Section 7(b)(2): "Violation of oath of office or of the oath of loyalty to the Local Union and the International Union";

¹⁴ Helfer, in his Post-Hearing Brief asserts: "The fact that Teamster business was discussed – indeed, the fact that only Teamster business was discussed – is not sufficient to sustain the charge against Helfer under *Friedman* and *Yontek* because the evidence here did not come close to establishing that Aloise sought to exert his prior authority as a Teamsters officer by attending the PLA meeting or specifically direct the Teamsters officials in attendance to do anything. (Post-Hearing Brief of Stu Helfer at 17.) We disagree. In the context of a small group meeting, where only Teamster business was being conducted, there was no reason for Aloise to be there and none has been offered. Aloise's disclaimer mirrors the facts of *Friedman*, wherein the suspended officer "prefaced his remarks at [a] meeting by reminding [attendees] that he was speaking only in his capacity as president of Bakers Local 19." *U.S. v. IBT (Friedman)*, 838 F.Supp. 800, 805 (SD NY 1993). The *Friedman* decision cited remarks made in *Yontek*: "Such words, even if they were spoken, were not, however, a talisman that magically transformed Friedman's comments into those that were non-violative of his suspension." (Decision of Independent Administrator in re. Gerald Yontek, et al. (June 21, 1993), CR Exh. 27.) Even if Aloise made no other comments, we find that his presence at the meeting had the intent or effect of exerting influence over attendees under the circumstances, and his comments similarly did not act as a "magical talisman" absolving those who violated the suspension order.

¹⁵ Final Agreement and Order in *United States v. International Brotherhood of Teamsters*, 88 Civ. 4486 (S.D. N.Y).

- Article XIX, Section 7(b)(5): “Conduct which is disruptive of, interferes with, or induces others to disrupt or interfere with, the performance of any union’s legal or contractual obligations”;
- Article XIX, Section 14(a), which requires members to “cooperate fully with the Disciplinary Officers in the course of any investigation or proceeding undertaken by it. Unreasonable failure to cooperate shall be deemed to be conduct which brings reproach upon the Union.”

We conclude that Helfer violated the following provisions of the IBT Constitution:

- Article II, Section 2(a): Membership pledge, requiring each member “to conduct himself or herself at all times in such a manner as not to bring reproach upon the Union” and “to refrain from any conduct that would interfere with the Union’s performance of its legal or contractual obligations,” namely, abiding by the terms of the Final Order¹⁶;
- Article XIX, Section 7(b)(2): “Violation of oath of office or of the oath of loyalty to the Local Union and the International Union¹⁷”;
- Article XIX, Section 7(b)(5): “Conduct which is disruptive of, interferes with, or induces others to disrupt or interfere with, the performance of any union’s legal or contractual obligations”;

In considering the penalties for Beck and Helfer, we are guided by the *Friedman* decision’s statements on “Respondent Officers’ and Agents’ Violations” and find them to be particularly relevant. There, Judge Edelstein stated:

Within the context of the close community of IBT Local 507, an individual would be unable to violate his suspension and his statutory bar absent the acquiescence and indeed the affirmative assistance of the officers and agents of the local. Surrounded by a solid wall of resistance to his efforts, the suspended and barred individual would be unable to exert and project his influence and authority, and would in a very real sense find himself confined by the terms of his suspension and his statutory debarment. Hence, when an individual successfully circumvents the terms of his suspension and his statutory bar, and continues to influence the direction of a local such as IBT Local 507, this illicit pattern of activity often implicates not only the suspended individual but also the officers and agents that involved themselves with that individual.

¹⁶ *Id.*

¹⁷ As an officer and an International Representative, Helfer was also bound by the Oath of Office in the IBT Constitution’s Preamble, which states: “As an officer of this great Union, I will, at all times, act solely in the interests of our members, devote the resources of our Union to furthering their needs and goals, work to maintain a Union that is free of corruption... I further promise that I will faithfully comply with and enforce the Constitution and laws of the International Union and Bylaws of this Union, that I will, at all times, by example, promote harmony and preserve the dignity of this Union.

Friedman, 838 F.Supp. at 814.

The decision goes on to note the Independent Administrator’s finding that the officers and business agents involved there “failed to take any steps to prevent Friedman from violating his suspension” and instead “exhibited a pattern of acquiescence” in response to Friedman’s activities “and in some cases affirmatively assisted [his] ongoing assertion of authority” over that local “in direct violation” of the suspension. *Id.*

We find those statements fit the circumstances here. Charged Parties Beck and Helfer at a minimum exhibited the same “pattern of acquiescence” to Aloise’s intrusion upon Teamster affairs and, in some cases, they “affirmatively assisted” Aloise in violating the suspension order.

The Charging Party IBT’s Post-Hearing Brief recommended penalties of a one-year suspension¹⁸ for each charged party, taking into account the nature of the offenses, and mitigating factors, if any. It noted Beck’s position as “a relatively inexperienced business agent during most of the conduct at issue.” (Post Hearing Brief of Charging Party IBT at 20.) The brief did not delineate exactly how the recommended penalty aligned with the different sets of charges against each party.

We accept the IBT’s recommended penalty. Based on the evidence presented, we conclude that Beck’s conduct warrants a penalty of six months’ suspension for each charge, totaling one year. Helfer’s conduct warrants a penalty of 60 days’ suspension (or two months) for authorizing improper expenditures, and 10 months’ suspension for the other conduct charged. We believe this is in keeping with *Friedman*, and the settlements reached with other charged parties¹⁹, and also takes into account the relative experience level and positions each party held at the time of the conduct.

V. Conclusion

As the court in *Friedman* observed, the community around a suspended officer must share a “grave sense of respect” for the suspension “and do everything within their power to see that the suspension is truly effectuated.” *Id.* at 890. Here, Beck and Helfer did not share this “grave sense of respect,” nor did they do “everything within their power” to effectuate the terms of Aloise’s suspension order. Accordingly, we uphold the charges.

¹⁸ Although not specified in its Post-Hearing Brief, the Panel has clarified with the Charging Party that the recommended suspensions are suspensions from holding office and employment with the IBT and all of its affiliated entities, as well as consulting in a paid or unpaid capacity.

¹⁹ For authorizing improper expenditures as members of the Local 853 Executive Board, settlements of 30 days’ suspension were reached between the IBT and Joel Bellison, Mike Fritz, Scott Gonzalves and Lou Valetta. The IRO approved these settlements on November 30, 2023. Since settlements reflect some degree of compromise and leniency, and Helfer choose to contest the charges against him through a hearing, we find it appropriate to recommend a slightly harsher penalty for Helfer on the expenditure issue. Helfer was also one of the more experienced Executive Board members, having served in various leadership capacities for this Union and its affiliates since 1990. (Tr. 19-20, 124.)

The Panel respectfully submits this report and recommendation for consideration.


By:


William Hamilton, Panel Chairman

Dated: 2-15-24


Dennis Roberts, Panel Member

Dated: 2/15/24


Damascus Castellanos, Panel Member

Dated: 2/15/2024