UNITED STATES OF AMERICA
FEDERAL LABOR RELATIONS AUTHORITY
OFFICE OF ADMINISTRATIVE LAW JUDGES
WASHINGTON, D.C. 20424

MARINE CORPS LOGISTICS BASE BARSTOW, CALIFORNIA Respondent	
and	Case Nos. 98-CA-10236 98-CA-10490
AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, LOCAL 1482, AFL-CIO Charging Party	

Lisa C. Lerner, Esq.
For the General Counsel

William M. Petty, Esq.
For the Respondent

Mr. James Osterloh
For the Charging Party

Before: ELI NASH, JR.
Administrative Law Judge

Statement of the Case

This is a consolidated proceeding under the Federal Service Labor-Management Relations Statute, Chapter 71 of Title 5 of the U.S. Code, 5 U.S.C. Section 7101, et seq., and the Rules and Regulations issued thereunder.

Pursuant to charges filed on March 12, 1991 and August 8, 1991, respectively by the American Federation of Government Employees, Local 1482, AFL-CIO, (hereinafter called the Union) a Consolidated Complaint and Notice of Hearing was issued on September 3, 1991 by the Regional Director for the San Francisco Region, Federal Labor Relations Authority. The consolidated complaint alleges that the Marine Corps Logistics Base, Barstow, California (herein called the Respondent) violated section 7116(a)(1) and (5) of the Statute by unilaterally changing conditions of employment

of unit employees by increasing the price of Pepsi-Cola in Base vending machines, without first notifying the Union and providing it with an opportunity to negotiate over the substance and the impact and implementation of the change and, by refusing to bargain with the Union over a proposal concerning catering truck and vending machine prices despite the fact that these matters had previously been held negotiable by the Authority.

A hearing was held before the undersigned in Barstow, California. All parties were afforded the full opportunity to be heard, to examine and cross-examine witnesses, and to introduce evidence bearing on the issues involved herein. Both Respondent and the General Counsel submitted post-hearing briefs which have been duly considered.

Upon the basis of the entire record, including my observation of the witnesses and their demeanor, I make the following findings of fact, conclusions and recommendations.

Findings of Fact

1. Respondent, through its Morale Welfare and Recreation Division (herein called MWR), maintains an MWR program consisting of various revenue and nonrevenue generating activities and operations.1/ The program operates primarily for the benefit of assigned military personnel and their dependents and has two broad purposes: to provide such personnel with articles of goods and services necessary for their health, comfort, and convenience; and to provide for and ensure their mental, social, and physical well-being by maintaining well-rounded, wholesome, athletic, recreation leisure time activities.

1/ The operational objective of the MWR program as a whole is self-sufficiency. To this end, the revenue-generating enterprises of the MWR program are expected to generate profits sufficient to fund not only their own operating costs, e.g., salaries of nonappropriated fund employees, supplies, utilities, etc., but the operating costs of the nonrevenue-generating operations of the MWR program. As a whole, the MWR program had an operational loss of $20,000 for FY 1990.

2. The nonrevenue generating operations of the MWR program includes such activities as the operation of hobby shops, tennis and racquetball courts, swimming pools, the library and the gymnasium, and athletic fields and leagues. The revenue generating operations of the MWR program range equally wide and includes such enterprises[2/] as the catering trucks, the golf course, the Officers' and Staff Noncommissioned Officers' Clubs, and the Exchange. Although the MWR program operates primarily for the benefit of assigned military personnel and their dependents, civilian employees of the Base may use any and all of the recreational facilities that are sponsored or maintained by the MWR program.

3. Various regulations govern the MWR program which is organized and operated as a consolidated, self-sustaining, nonappropriated fund instrumentality (NAFI). Among these regulations are Department of Defense Directive (DoD) 1330.9 which addresses the operations of the Exchange, and Marine Corps Order (MCO) P1700.27 which addresses all aspects of the MWR program including the operations of the Exchange. Like all military exchanges, the exchange in Barstow has a dual mission of providing authorized patrons, at the lowest practical price, with articles and services necessary for their health, comfort, and convenience, and providing a supplemental source of funding for the MWR program. To this end, it operates as a profit-making enterprise, much like a K-Mart store, selling and providing a wide range of goods and services to authorized patrons. For the fiscal year ending in January 1991, it made about a $40,000 profit on sales of around $1,575,000, all of which went to support the nonrevenue generating activities of the MWR program.

4. While managed like a business in the private sector, the Exchange can not operate anywhere it might desire nor sell to whomever might purchase its goods. Rather, it operates only at the Base and sells only to authorized patrons. Pursuant to DoD Directive 1330.9, there are two broad categories of Exchange patrons--those persons having unlimited exchange privileges and those persons whose exchange privileges are limited in one or more respects. Active and retired military personnel and their dependents fall within the former category while civilian employees of the Base and visitors fall within the latter. In essence,

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2/ Such enterprises are managed and operate just like businesses in the private sector. Thus, if they can not be operated profitably, they are to be shut down.

the only privilege enjoyed by visitors and Base civilian employees is that of patronizing Exchange food service operations.

5. Since the Exchange has no discretion or ability to affect the size and composition of its limited customer pool, it does have broad discretion respecting its product lines and services. In exercising that discretion, it must act on the demand for the product or service and whether it will generate a profit. One of its services is the vending machine beverage operation at issue in this case. That service is provided through a contract with a local Pepsi-Cola's distributor.3/ The contract states that the "business of vending products through the vending machines rented to the Exchange . . . is the business of the Exchange." It further provides that in consideration of specified fees the Pepsi-Cola distributor will rent machines to the Exchange and stock and service such machines, with the Exchange determining the location of the machines and the price at which beverages are to be dispensed.

6. On the basis of customer concentrations, approximately 55 vending machines are in operation at various locations on the Base. At the time of the hearing, the Exchange charged 55 cents for its vending-machine soft drinks, a price that is generally lower than that charged in the city of Barstow and surrounding local area. Since about 1986, it had charged 50 cents for its soft drinks despite Pepsi-Cola's concern that such price was too low. Ultimately, however, because of a spiraling decline in revenue from its vending-machine operations,4/ due in part to a State recycling tax, sometime around March 8, 1991, it raised its vending-machine price to 55 cents. The increase was in keeping with previous price increases instituted over the years in that it was done without bargaining with the Union.

7. The catering truck operations at issue in this case are also a contract operation. The present catering truck contract is with Arthur Reed, an individual doing business as Colton Food Services. As originally negotiated in April 1990, that

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3/ This was an economic decision on the part of the Exchange. It could have opted to own and operate the vending machines itself but it rejected that option because it would have required a large outlay of capital.

4/ Profits from soft drink vending-machine operations declined over the last three years from approximately $56,000 to about $40,000.

contract required the contractor to operate two catering trucks and to remit 7% of his gross daily sales to the Base. That contract also specified the prices at which food products could be sold and further provided, in essence, that such prices could not be changed without the concurrence of the Respondent.

8. In December 1990, Colton Food Services, asserting that it was losing money, sought to amend its contract with the Base. Fearing that Colton Food might go bankrupt like its predecessor, Serendipity, Respondent agreed in January 1991 to modify the contract to provide for one truck vice two and to go with a flat fee of $25 per business day in lieu of the 7% fee on gross sales. The other provisions of the contract, however, were left intact.

9. As already noted, while Respondent's MWR operations as a whole are supposed to be self-supporting, those operations generated a $20,000 loss last year. Although that loss was offset by a $37,000 transfer from Respondent's left over appropriated funds, it could foreshadow future cutbacks in the MWR program because such appropriated fund support may not always be available to offset such operational losses should they continue.

10. Sometime in June 1990, the Union demanded negotiations concerning its catering truck and vending machine operations. The parties met on August 15 and September 20, 1990. During those sessions, the parties exchanged proposals and reached agreement on many of the issues that were raised. Among other things, the parties agreed on the posting of prices, code dates for food items, and the procedures for obtaining refunds. However, they could not reach agreement on the Union's demand that the Respondent negotiate the prices of its vending machine and catering truck products. The specific Union proposals upon which the parties could not agree pertained to price changes and read as follows: "If the Union demands to bargain (sic) change (sic) will not go into effect until (sic) bargain is completed." While the precise meaning of that proposal is not clear, Respondent interpreted that proposal as requiring negotiations with the Union over the price Respondent could charge for catering truck and vending machine food and beverage items. At the hearing, former Union president, Dale Boyce, confirmed that Respondent's interpretation of the Union's proposal was correct. "Basically, I wanted to negotiate over the cost of the services, the cost of the product. . . ." "[N]egotiation of the price. Thats (sic) where the hang up was." "Q. So you were seeking to negotiate over the prices of

vending machine items? A. Right." "Q. So you wanted to keep prices down, for price gouging? A. As low as possible, yes.")

11. Around March 8, 1991, while the parties were still engaged in bargaining, Respondent raised the price of soft drinks from 50 to 55 cents without negotiating that increase with the Union. Three days later the Union, asserting that it needed the information "for the continuing negotiations pertaining to catering and vending machine contracts," requested a copy of the Pepsi-Cola vending contract and copies of any documents related to the price increase of March 8. That information was provided to the Union, after which the Union, without tendering any new bargaining demand or proposal, immediately filed the unfair labor practice charges underlying the Complaint in 98-CA-10236.

12. Despite these developments, the parties continued to meet and discuss the Union's proposal for product price negotiations, but without any success. Ultimately, on June 19, 1991, the Union requested the Respondent to put in writing its assertion that the Union's proposal on vending machine and catering truck prices was nonnegotiable. Respondent complied with this request on or about July 30, 1991, whereupon the Union filed the unfair labor practice charges underlying the consolidated Complaint.

Conclusions

Existing case law does not auger well for Respondent in this case. Only recently the Authority reiterated that food services for employee at their place of employment are a condition of employment about which there is an obligation to bargain. Department of Veterans Affairs, Veterans Administration Medical Center, Veterans Canteen Service, Lexington, Kentucky, 44 FLRA No. 16 (1992); Department of Veterans Affairs, Veterans Administration Medical Center, Veterans Canteen Service, Lexington, Kentucky, 44 FLRA No. 17 (1992) (Department of Veterans Affairs). While these cases issued after the instant hearing they contain the Authority's analysis of the General Counsel's obligation in food services situations to show that an unfair labor practice was present as follows:

> (1) the Respondent's actions constituted a change in unit employees' conditions of employment; (2) such a change gave rise to a duty to bargain; and (3) the Respondent failed to fulfill its obligation to bargain concerning the change. See generally U.S.

Department of the Treasury, Customs Service, Washington, D.C., 38 FLRA 875, 880 (1990); and U.S. Department of Health and Human Services, Social Security Administration, Region X, Seattle, Washington, 37 FLRA 880, 886 (1990).

Further the Authority noted that it determines whether a matter involves a change in conditions of employment by considering whether:

> (1) the matter pertains to bargaining unit employees; and (2) the record establishes that there is a direct connection between the matter and the work situation or employment relationship or bargaining unit employees. Antilles Consolidated Education Association and Antilles Consolidated School System, 22 FLRA 235, 237 (1987). We note, in this regard, that the Authority has consistently held that matters pertaining to the provision of food services to unit employees at their place of employment concern the conditions of employment of unit employees. See, for example, Department of the Treasury, Internal Revenue Service (Washington, D.C.); and Internal Revenue Service, Hartford District (Hartford, Connecticut), 27 FLRA 322, 324-325 (1987) (IRS) (matters pertaining to break room conveniences, including the availability of snack foods, held to concern conditions of employment). See, also National Association of Government Employees, Local R1-134 and Department of the Navy, Naval Underwater Systems Center, Newport, Rhode Island, 38 FLRA 589, 594-95 (1990) and the cases cited therein.

The beverages and food involved in this matter are located at the employee "work sections" placing the case squarely within the framework established by the Authority in the foregoing Department of Veterans Affairs cases. Notwithstanding Respondent's arguments in the case, it is clear that there is a direct connection between the matter and the work situation or employment relationship. Since a direct connection exists, Respondent had an obligation to bargain over these matters and it failed to do so before authorizing an increase in the price of beverages at these work sections. Accordingly, it is found that both the vending machine and the catering truck operations are food services provided to unit employees and fall within the sphere of working conditions as defined by the Authority. Respondent's failure to bargain thus constitutes a violation of section 7116(a)(1) and (5) of the Statute.

The argument that Comptroller General decisions and 5 U.S.C. 5536 would be violated by negotiating over catering truck and beverage items is also rejected. Respondent attempts to cast the items as "a form of prohibited compensation". In finding these items mandatory subjects of bargaining, the Authority has no doubt considered and rejected any argument that to require bargaining in this area would violate any other laws. Moreover, requiring negotiations does not mean that employees would be receiving subsidies or allowances as a form of prohibited compensation, but that the agency would be required to negotiate concerning what the price of the item would cost.

Several of Respondent's other arguments were addressed in these Department of Veterans Affairs cases where the Authority noted the following:

> When an agency claims that a matter is not negotiable because it possesses statutory authority to take certain actions concerning that matter, the Authority examines whether the authority granted to the agency is exclusive and unfettered or whether the agency may lawfully exercise its authority through collective bargaining. Thus, where law or applicable regulation vest an agency with unfettered discretion over a matter, the agency's discretion will not be subject to negotiation. See, for example, Illinois National Guard v. FLRA, 845 F.2d 1396, 1402 (D.C. Cir. 1988) (Illinois National Guard) which allows the agency head to prescribe the hours of duty for technicians notwithstanding any other provision of law, commits decisions regarding technicians' work schedules to the agency head's unfettered discretion); Colorado Nurses Association v. FLRA, 851 F.2d 1486 (D.C. Cir. 1988) (Colorado Nurses) (because 38 U.S.C. §§ 4108 grants the Veterans Administration unfettered discretion to prescribe the working conditions of the employees in the Department of Medicine and Surgery, the agency was not obligated to bargain over the union's proposals); Police Association of the District of Columbia and Department of the Interior, National Park Service, U.S. Park Policy, 18 FLRA 348 (1985) (Park Police) (statute provided exclusive procedure for minor disciplinary actions for bargaining unit members and, therefore, proposal that permitted appeals of disciplinary actions through the negotiated grievance procedure was nonnegotiable).

The above provides an answer to the contention raised by Respondent that military commanders have broad responsibility and commensurate authority for maintaining good order and discipline and for the protection of persons and property aboard their installations consistent with governing DoD regulations under which Respondent maintains and operates its MWR program.

Respondent's arguments that the vending machine and catering truck operations are nonnegotiable are little more than batting practice pitches for the General Counsel. The heart of Respondent's defense is that it has a management right to set the prices of food and beverage prices on the Base. A position which the Authority has consistently rejected. This argument ignores the fact that the operations involved are not for the exclusive use of military personnel, but are also used by civilian employees where they work and as such have become a condition of their employment. Employee food services and the prices of related items and services have long been determined to be negotiable matters. Office of Personnel Management, Washington, D.C., 8 FLRA 409, 412(1982); Naval Underwater Systems Center, Newport, Rhode Island, supra. For support Respondent offers evidence concerning its pool of potential customers, and how with this pool of customers, negotiating the price it would be charge for the items at issue in these cases, would have the practical effect of diminishing this limited customer pool and thus, its ability to operate its enterprises profitably. Furthermore, it argues that the resulting bargaining, given the stated goal of the Union to negotiate as low a price as possible, would lead inevitably to a two-tiered price structure -- one price for nonbargaining unit customers, e.g., supervisors, visitors, and military personnel and their dependents, and another, but lower, price for bargaining unit employees. Obviously, such a two-tiered price structure might negatively affect the profitability of Respondent's vending machine and catering truck operations. But two-tiered structures are probably the rule rather than the exception on military facilities operating nonappropriated fund situations. See, for example, Department of the Air Force, Scott Air Force Base, 31 FLRA 1013 (1988). While recognizing that these arguments are a valid concern for Respondent, they are in no way material to the disposition of this case, where the organization, in fact is run at a profit.

Respondent also maintains that certain "core entrepreneurial" rights allow it to determine its mission and organizational structure. According to the Respondent,

"core entrepreneurial" rights are implicitly linked to an agency's right to determine its mission. Lowry Air Force Base, 16 FLRA 1104 (1984), where it was found that the right of the agency to determine its mission encompassed the right to determine the hours of operation of its commissary store and American Federation of Government Employees, Local 3231 and Social Security Administration, 22 FLRA 868 (1986) cited by Respondent are inapposite since they involved establishing hours of work which are covered by section 7106 management rights under the Statute. Price and services are not an exercise of management rights under section 7106 and therefore, substantively negotiable.

The Authority also observed in the Department of Veterans Affairs cases that matters concerning conditions of employment over which an agency has discretion are negotiable if the agency's discretion is not exclusive and the matters to be negotiated are not otherwise inconsistent with law or applicable rule or regulation. See, for example, U.S. Department of Defense, Office of Dependents Schools and Overseas Education Association, 40 FLRA 425, 441-43 (1991) and cases cited therein; National Treasury Employees Union and Family Support Administration, Department of Health and Human Services, 30 FLRA 677, 682 (1987) (Family Support Administration) (where statute authorized the head of the agency "to establish or provide for the establishment of appropriate fees and charges" the Authority found that the "statute leaves the [a]gency with discretion to determine the appropriate fees").

In these cases the parties were negotiating food policies in general and had agreed to all proposals except the proposal related to food prices. The subject matter of the proposal, food prices, had already been found negotiable by the Authority. Respondent's declaring nonnegotiable a subject matter previously held negotiable by the Authority is a violation of the Statute. See Department of the Air Force, U.S. Air Force Academy, 6 FLRA 548 (1981). A comparison of the Union's proposal here with the proposal in OPM, supra, discloses no meaningful difference between this proposal over food prices and the many others cited. Since there is little or no difference in the proposals, it is my view that Respondent's declaring the proposal herein nonnegotiable, even after the Authority declared similar matters involving food prices negotiable would violate the Statute.

In American Federation of Government Employees, AFL-CIO, Local 32 and Office of Personnel Management, 29 FLRA 380 (1987) (OPM), a case where the Authority found negotiable a

union proposal which would require the agency to act on cafeteria prices. There it was stated that the union's proposal allowed the activity to act with discretion regarding that proposal. The union's proposal to bargain food prices did not infringe on the activity's discretion. Also, in OPM, the Authority rejected the Office of Personnel Management's argument that proposals regarding bargaining over cafeteria prices infringed on the agency's right to determine its budget. The Authority found that the Union's proposal in OPM did not absolutely require that the agency subsidize prices. Thus, the proposal regarding bargaining over cafeteria prices neither prescribed nor proscribed that a particular program or operation be included in the agency's budget, or an amount to be allocated in that budget for a particular program or operation. OPM, at 384-385.

The Authority's analysis in OPM is clearly applicable to the case at bar. Here, testimony at the hearing failed to establish that notifying and bargaining with the Union prior to implementing a change in any way interferes with or usurps Respondent's discretion in this arena. Respondent's discretion here regarding setting food prices is not sole and exclusive, and is subject to negotiations. See, OPM, supra, at 383. It is my view, in agreement with the General Counsel that Respondent's arguments suggesting that food prices herein is a "management" contains no merit. Accordingly, it is found that Respondent's refusal to negotiate over a proposal which had previously been held negotiable by the Authority violated section 7116(a)(1) and (5) of the Statute.

Respondent's brief raises an interesting issue concerning whether a past practice had been established of changing food and beverage prices without negotiations with the Union. In reality, Respondent did not litigate this position, so the record evidence about whether a past practice has been established is sparse. Since it was not litigated at the hearing the General Counsel does not have a position on the matter. The evidence certainly disclosed that this was not the first such change in vending machine prices and at least in the knowledge of former Union president Boyce, there had never been bargaining on such increases in the past. In order to define a past practice such practice "must be consistently exercised for an extended period of time and followed by both parties, or followed by one party and not challenged by the other over a substantially long duration." Where such a practice is established, it can be changed only by agreement or impasse. Social Security Administration, Mid-America Service Center, Kansas City, Missouri, 9 FLRA 229 (1982)

at 240. The only thing that is clear, is that there were never any negotiations concerning food price changes here prior to the Union's demand in the instant matter. Oddly, Respondent asserts that a past practice existed, but entered into negotiations before deciding, it seems, that the matter was nonnegotiable. The mere fact that Respondent in the past changed food or vending prices without objection from the Union does not, standing alone, establish a longstanding past practice. Although the Union may have known of past price adjustments, those changes may have met with Union approval, giving it no reason to object or to request negotiations. Furthermore, it may not have recognized the price increases as changing a condition of employment. In any event, Respondent has not established on the instant record that the Union acquiesced in a practice of allowing unilateral changes in the vending machine prices. See, for example, Norfolk Naval Shipyard, 25 FLRA 277 (1987). It is therefore, found that the record evidence is insufficient to find that a past practice existed herein.

Respondent also argues that the Master Labor Agreement in Article 5, Section 1, is silent with respect to food and beverages and somehow constitutes a waiver of the Union's right to negotiate over those matters. This argument appears to be another afterthought and was not appropriately raised during the course of the proceedings. The Union does not deny that it has not requested bargaining about such changes in the past. However, the parties were clearly in the midst of bargaining over those subjects when Respondent decided to declare the food and vending service area nonnegotiable. In any event, that a waiver must be "clear and unmistakable" and been repeatedly emphasized. Furthermore, relinquishment of a claim or privilege must be based on expressed agreement, bargaining history or inaction. Department of Veterans Affairs, Veterans Administration Medical Center, Boise, Idaho, 40 FLRA 992 (1991); Department of the Navy, Marine Corps Logistics Base, Albany, Georgia, 39 FLRA 1062 (1991), U.S. Department of Treasury, Customs Service, Washington, D.C. and Customs Service, North East Region, Boston, Massachusetts, 38 FLRA 770, 784 (1990). It can hardly be argued, after the parties began bargaining on a topic and reached agreement on several items that there was inaction. Likewise, there is no bargaining history or expressed agreement which would constitute a waiver in this case. Therefore, it is found that Respondent's argument concerning waiver of the right to negotiate food and beverage prices have no merit.

Accordingly, it is concluded that Respondent violated section 7116(a)(1) and (5) of the Statute as alleged.

The Remedy

The General Counsel suggests that the unique nature of the subject matter herein makes it impossible to account for each and every instance of injury to employees, or to ascertain with certainty the individual injured employees. Thus, the General Counsel urges and I agree that with regard to the violation involving an increase in the price of canned beverages in the vending machines, a special remedy is appropriate in the matter.

It appears that since about March 8, 1991, the cost of canned beverages in Base vending machines has been at the increased price of 55 cents per can. In order to effect reparations to affected unit employees, the increase should be rescinded. Further, the price of canned beverages should be dropped to 45 cents per can. This would, in effect, force Respondent to disgorge its illegally obtained 5-cent surcharge. This remedy should remain in effect for a length of time equal to the number of days that the illegal surcharge was in effect.5/ The length of time, of course is a matter that must be worked out at the compliance stage of the proceedings.

Based on the foregoing finding that Respondent violated section 7116(a)(1) and (5) of the Statute, it is recommended that the Authority adopt the following:

ORDER

Pursuant to section 2423.29 of the Federal Labor Relations Authority's Rules and Regulations and section 7118 of the Statute, it is hereby ordered that the Marine Corps Logistics Base, Barstow, California, shall:

1. Cease and desist from:

(a) Implementing unilateral changes to the working conditions of unit employees by increasing the price of canned beverages in Base vending machines without first notifying and negotiating with the American Federation of

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5/ The General Counsel's uncontested Motion to correct transcript is granted.

Government Employees, Local 1482, AFL-CIO over the decision to implement the price increase and the impact and implementation of the change.

(b) Failing and refusing to negotiate with the American Federation of Government Employees, Local 1482, AFL-CIO over matters previously determined negotiable by the Federal Labor Relations Authority.

(c) In any like or related manner interfering with, restraining or coercing its employees in the exercise of rights assured by the Federal Service Labor-Management Relations Statute.

2. Take the following affirmative action in order to effectuate the purposes and policies of the Federal Service Labor-Management Relations Statute:

(a) Rescind the price increase for canned beverages in Base vending machines effected on March 8, 1991.

(b) Effect a further decrease in the price of canned beverages to 45 cents per can for the same number of days that the unilateral increase in price was in effect.

(c) Upon request, negotiate with the American Federation of Government Employees, Local 1482, AFL-CIO regarding its proposal involving prices for catering and vending on Base.

(d) Post at its facilities copies of the attached Notice on forms to be furnished by the Federal Labor Relations Authority. Upon receipt of such forms, they shall be signed by the Commanding Officer and shall be posted and maintained for 60 consecutive days thereafter, in conspicuous places, including all bulletin boards and other places where notices to employees are customarily posted. Reasonable steps shall be taken to insure that such Notices are not altered, defaced, or covered by any other material.

(e) Pursuant to section 2423.30 of the Authority's Rules and Regulations, notify the Regional Director of the

San Francisco Regional Office, Federal Labor Relations Authority, in writing, within 30 days from the date of this Order, as to what steps have been taken to comply herewith.

Issued, Washington, DC, April 23, 1992

ELI NASH, JR.
Administrative Law Judge

NOTICE TO ALL EMPLOYEES

AS ORDERED BY THE FEDERAL LABOR RELATIONS AUTHORITY

AND TO EFFECTUATE THE POLICIES OF THE

FEDERAL SERVICE LABOR-MANAGEMENT RELATIONS STATUTE

WE HEREBY NOTIFY OUR EMPLOYEES THAT:

WE WILL NOT implement unilateral changes to the working conditions of unit employees by increasing the price of canned beverages in Base vending machines without first notifying and negotiating with the American Federation of Government Employees, Local 1482, AFL-CIO, and affording it an opportunity to complete negotiations over the decision to implement the price increase and the impact and implementation of the change.

WE WILL NOT fail or refuse to negotiate with the American Federation of Government Employees, Local 1482, AFL-CIO over matters previously determined negotiable by the Federal Labor Relations Authority.

WE WILL NOT in any like or related manner, interfere with, restrain, or coerce employees in the exercise of their rights assured by the Federal Service Labor-Management Relations Statute.

WE WILL rescind the 5-cent increase in the price of canned beverages in Base vending machines effected on March 8, 1991, and further decrease the price by 5 cents of 45 cents for the same number of days the unilateral increase was in effect.

WE WILL notify the American Federation of Government Employees, Local 1482, AFL-CIO, in advance of any contemplated price increase in canned beverages in Base vending machines and, upon request, negotiate with it over the decision to implement a price increase and the impact and implementation of the proposed changes.

WE WILL, upon request, negotiate with the American Federation of Government Employees, Local 1482, AFL-CIO, concerning the proposal involving catering truck and vending machine prices.

_____
(Activity)

Dated:_____ By:_____
(Signature) (Title)

This Notice must remain posted for 60 consecutive days from the date of posting and must not be altered, defaced or covered by any other material.

If employees have any questions concerning this Notice or compliance with any of its provisions, they may communicate directly with the Regional Director of the Federal Labor Relations Authority, San Francisco Regional Office, whose address is: 901 Market Street, Suite 220, San Francisco, CA, and whose telephone number is: (415) 744-4000.