KRISTI LACROIX.

6206 64th Street, Kenosha, WI 53142

and

CARRIEANN GLEMBOCKI

1541 Serena Lane, Burlington, WI 53105

Case No. 13-CV-

Plaintiffs,

Declaratory Judgment

Case Code:

30701

5.415

v.

KENOSHA UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION 3600 52nd Street, Kenosha, WI 53144

KENOSHA UNIFIED SCHOOL DISTRICT 3600 52nd Street, Kenosha, WI 53144 and

KENOSHA EDUCATION ASSOCIATION BUILDING CORPORATION, d/b/a Kenosha Education Association 5610 55th St, Kenosha, WI 53144,

Defendants.

SUMMONS

THE STATE OF WISCONSIN

To each person named above as a Defendant:

You are hereby notified that the Plaintiffs named above have filed a lawsuit or other legal action against you. The Complaint, which is attached, states the nature and basis of the legal action.

Within 20 days of receiving this Summons, you must respond with a written answer, as that term is used in Chapter 802 of the Wisconsin Statutes, to the Complaint. The court may reject or disregard an answer that does not follow the requirements of the statutes. The answer

must be sent or delivered to the court, whose address is: Clerk of Circuit Court, Kenosha

County Courthouse, 912 56th Street, Kenosha, WI 53140, and to Wisconsin Institute for Law

& Liberty, Inc., plaintiff's attorney, whose address is: 1139 E. Knapp Street, Milwaukee, WI

53202.

You may have an attorney help or represent you.

If you do not provide a proper answer within 20 days, the court may grant judgment against you for the award of money or other legal action requested in the Complaint, and you may lose your right to object to anything that is or may be incorrect in the Complaint. A judgment may be enforced as provided by law. A judgment awarding money may become a lien against any real estate you own now or in the future, and may also be enforced by garnishment or seizure of property.

Dated this 21st day of November, 2013.

WISCONSIN INSTITUTE FOR LAW & LIBERTY, Inc.

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Milton L. Chappell, mlc@nrtw.org Nathan J. McGrath, njm@nrtw.org Pro hac vice status to be applied for National Right to Work Legal Defense Foundation, Inc. 8001 Braddock Road, Suite 600 Springfield, VA 22160 (703) 321-8510 KRISTI LACROIX,

6206 64th Street, Kenosha, WI 53142

and

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v.

Plaintiffs,

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and

KENOSHA EDUCATION ASSOCIATION BUILDING CORPORATION, d/b/a Kenosha Education Association 5610 55th St, Kenosha, WI 53144

Defendants.

COMPLAINT

Plaintiffs, Kristi Lacroix and CarrieAnn Glembocki, by their attorneys, the Wisconsin Institute for Law & Liberty, as and for their Complaint against Defendants, the Kenosha Unified School District Board of Education (the "Board"), and the Kenosha Unified School District ("School District"), and the Kenosha Education Association Building Corporation, d/b/a Kenosha Education Association ("KEA") allege and show to the Court as follows:

INTRODUCTION

1. This is an action for declaratory judgment under Wis. Stat. § 806.04 and for an injunction under Wis. Stat. § 813.02. Plaintiffs seek a declaration that the November 15, 2013,

collective bargaining agreement (the "CBA") between Defendant School District and Defendant KEA is unlawful, invalid and void on the grounds that: (a) the KEA is not statutorily certified as the collective bargaining agent for Kenosha teachers; (b) the CBA is the product of unlawful collective bargaining in violation of Wis. Stat. § 111.70(4)(mb); (c) the CBA violates the rights of teachers under Wis. Stat. § 111.70(2); (d) the CBA is an unlawful agreement in restraint of trade in violation of Wis. Stat. § 133.03(1); and (e) the CBA was the result of a violation of the Wisconsin Open Meetings Law.

Plaintiffs seek a declaration that the CBA is unlawful, invalid, and void and seek an injunction prohibiting the CBA from taking effect.

PARTIES

- Plaintiff Kristi Lacroix is a citizen of the State of Wisconsin, a resident of the Town of Somers and County of Kenosha, and a taxpayer whose taxes are used to fund the School District. She resides at 6206 64th Street, Kenosha, Wisconsin.
- 4. Plaintiff CarrieAnn Glembocki is currently employed by the School District as a teacher. Plaintiff Glembocki has been employed by the School District since January 2008, and is not a member of the KEA. She resides at 1541 Serena Lane, Burlington, Wisconsin.
- 5. Defendant School District is a "school district" as that term is used in Chapters 115 through 121 of the Wisconsin Statutes. The School District is a "municipal employer" as defined in Wis. Stat. § 111.70(1)(j).
- 6. Defendant Board is the governing body of the School District as defined in Wis. Stat. § 115.001(7). The School District and the Board are "governmental bodies" as defined in Wis. Stat. § 19.82(1). The School District and the Board have offices at 3600 52nd Street, Kenosha, WI 53144.
- 7. Defendant KEA is a non-stock corporation union that purports to represent Kenosha public school teachers and other employees in collective bargaining with the Board and the School District. KEA has offices at 5610 55th St, Kenosha, WI 53144. KEA is a party to the collective bargaining agreement that is the subject matter of this dispute.

JURISDICTION AND VENUE

8. This Court has jurisdiction pursuant to Wis. Stat. § 806.04 in that: (a) there is a

controversy between the parties as to the validity and binding effect of the CBA; (b) the interests of Plaintiffs and Defendants are adverse in that the Board ratified the CBA, the School District and KEA are parties to the CBA, and Plaintiff seeks a declaration that the CBA is unlawful, invalid, and void; (c) Plaintiff Lacroix on behalf of herself and other taxpayers has a legally protected interest because she has suffered and will continue to suffer a pecuniary loss as a result of the Defendants' illegal conduct in that under the CBA her taxes will be spent in a manner which is unlawful and in violation of the public policy of the State of Wisconsin; Plaintiff Glembocki on behalf of herself and other School District employees has a legally protectable interest in her right to individually negotiate the factors and conditions of her employment other than total base wages with the School District and a right not to be required to pay union dues; and (d) the controversy is ripe for determination in that the Board, the School District and KEA are seeking to immediately (and retroactively) implement the CBA, but the CBA is unlawful, invalid and void.

9. Venue is proper in this Court pursuant to Wis. Stat. § 801.50(2)(a) and (c).

FACTS

Act 10

- 10. In 2011, the Wisconsin Legislature enacted sweeping changes to the statutes that govern collective bargaining between public employees and their employers. These changes included 2011 Act 10 and 2011 Act 32, which amended and modified Act 10. Act 10 became the law in Wisconsin on June 29, 2011; Act 32 on July 1, 2011.
- 11. Act 32 and Act 10 (together known as "Act 10"), among other things, amended Wis. Stat. § 111.70, the statute that governs collective bargaining between municipal employers and municipal employees. Section 111.70(4)(mb), as amended by Act 10, now prohibits municipal employers such as the School District from bargaining collectively with a union representing its employees with respect to any of the factors or conditions of employment except for total base wages. Base wages do not include overtime, premium pay, merit pay, pay schedules, or automatic pay progression. Wis. Stat. § 111.70(4)(mb).
- 12. Pursuant to Act 10, teachers have the right, among other things, to (a) vote in an annual election on the certification of a collective bargaining agent, (b) refrain from union

activity, (c) not pay union dues, and (d) not pay any amount under any so-called "fair share" agreements, *i.e.*, non-union teachers forced to pay union dues against their wishes.

Act 10 Litigation

- 13. In the wake of its passage by the Legislature, several lawsuits were filed that challenged the validity of Act 10 on constitutional and other grounds. Act 10 has been upheld as constitutional by the United States Seventh Circuit Court of Appeals, the United States District Court for the Western District of Wisconsin, and the Honorable John Markson in the Dane County Circuit Court.
- 14. The U.S. District Court for the Western District of Wisconsin dismissed a number of constitutional challenges to Act 10 and, on appeal, the U.S. Court of Appeals for the Seventh Circuit dismissed all challenges to the statute on federal constitutional grounds. *WEAC v. Walker*, 705 F.3d 640 (7th Cir., January 18, 2013). On September 11, 2013, the U.S. District Court of the Western District of Wisconsin upheld Act 10 against a related constitutional challenge, dismissing that case as well. *Laborers Local 236*, *AFL-CIO v. Walker*, 2013 WL 4875995 (W.D. Wis. Sept. 11, 2013). On October 23, 2013, the Dane County Circuit Court, the Honorable John Markson, presiding, upheld Act 10 against a State constitutional challenge brought by state employees and a union representing them, dismissing that case. *Wisconsin Law Enforcement Association v. Walker*, Dane County Circuit Court No. 12CV4474.
- 15. But on September 14, 2012, in contrast to these other judicial decisions, the Honorable Juan Colás of the Dane County Circuit Court held parts of Act 10 to be in violation of the Wisconsin State Constitution. *Madison Teachers, Inc. v. Walker*, Dane County Circuit Court No. 11CV3774. The Dane County Circuit Court decision was appealed to the Wisconsin Court of Appeals, and then certified to the Wisconsin Supreme Court. The Wisconsin Supreme Court heard oral argument on November 11, 2013, but has not yet decided the case.
- 16. It is well-established as a matter of Wisconsin law that Circuit Court decisions such as that by Judge Colás are not binding on anyone other than parties to the lawsuit. Thus, Act 10 remains the law in Wisconsin for everyone except the parties in *Madison Teachers*. The Board and the School District were not parties to the *Madison Teachers* case and are not free to disregard the laws of Wisconsin as a result of the Dane County Circuit Court decision in *Madison Teachers*.

Recent History of the School District and KEA

KEA Fails to Pursue Recertification

- bargaining agreement in place between the School District and KEA. That agreement expired by its terms on June 30, 2013. Under Act 10, KEA was to be decertified as the collective bargaining representative for the teachers in the School District at the end of the then-existing collective bargaining agreement (*i.e.*, as of June 30, 2013), unless KEA was recertified as the collective bargaining representative in an election as required by Wis. Stat. § 111.70(4)(d)3.b. ("If no representative receives at least 51 percent of the votes of all of the general municipal employees in the collective bargaining unit, at the expiration of the collective bargaining agreement, the commission shall decertify the current representative and the general municipal employees shall be nonrepresented.") (emphasis added).
- 18. When Dane County Judge Colás declared Act 10 to be unconstitutional on September 14, 2012, KEA began to demand that the School District start collectively bargaining with them. Their goal was a new collective bargaining agreement that would reinstate and amend the agreement expiring on June 30, 2013. *See* Kenosha News Article dated November 26, 2012 attached hereto as *Exhibit A*.
- 19. However, School District officials refused to negotiate with the KEA. The School District Superintendent Michele Hancock and then Board President Mary Snyder sent a letter to employees explaining that it would be illegal for them to collectively bargain a new agreement with employees. A true and correct copy of said letter is attached hereto as *Exhibit B*. The letter from the School District states that the School District's attorney advised that, "there is no legal authority for claiming that Judge Colás' decision applies to the School District or any of its bargaining units." The letter states that the School District's attorney also stated that, "Should the [School District] engage in bargaining outside the scope of Act 10, both the district and individual board members face the potential of having penalties assessed against them for knowingly violating Act 10."
- 20. Thus, the Board and the School District have been on notice for approximately one year that collective bargaining in violation of Act 10 was illegal.
- 21. After the existing collective bargaining agreement expired on June 30, 2013, KEA declared that it was not going to be filing for recertification, as required by state law. See

Kenosha News Article dated September 13, 2013 attached hereto as *Exhibit C*. No election was held to certify KEA as the collective bargaining agent for Kenosha teachers after the expiration of the previous collective bargaining agreement.

The School District Develops an Employee Handbook

- 22. As a result of Act 10's restrictions on collective bargaining, nearly all school districts have replaced expired collective bargaining agreements with employee handbooks. Richards, Erin, *Handbooks Replace Union Contracts in Wisconsin Schools*, Milwaukee Journal Sentinel, Aug. 13, 2011, available at: http://www.jsonline.com/news/education/127669538.html ("The passage of the state's new "Act 10" legislation in effect for all districts that didn't extend a contract with teachers before the passage of the law gives administrators the ability to make sweeping changes to teachers' pay scales, hours and working conditions without having to negotiate them with unions.").
- 23. On January 29, 2013, the Board approved the adoption of an employee handbook that would replace all school district employee contracts that were created through collective bargaining. A true and correct copy of the Minutes from the Board's January 29, 2013 meeting is attached hereto as *Exhibit D*. The handbook was scheduled to go into effect on July 1, 2013, which was the day after the expiration of the then existing collective bargaining agreement.
- 24. The handbook was not implemented on July 1, 2013, and instead either the Board or the School District or both began negotiating with KEA in a series of so-called "meet and confers" over the terms to be included in the handbook.

The Board Chooses to Engage in Illegal Collective Bargaining

- 25. On October 21, 2013, Dane County Circuit Court Judge Juan Colás held the Wisconsin Employment Relations Commission commissioners in contempt of court for implementing Act 10 against entities that were not parties to the case pending before him.
- 26. Based upon Judge Colás' contempt ruling, KEA once again asserted that the School District was obligated to collectively bargain with KEA. *See* Kenosha News Article dated October 21, 2013 attached hereto as *Exhibit E*.
- 27. The Board held a "meeting" as that term is defined by § Wis. Stat. 19.82(2) on October 22, 2013.
- 28. The agenda for the Board's October 22, 2013, regular monthly meeting contained an item labeled "Old Business Continued, L. Discussion/Action Adoption of Employee

Handbook." The full agenda is quite lengthy. A true and correct copy of the Title Page, the Table of Contents, and Page 84 of the Agenda is attached as *Exhibit F*. The entire Agenda is available at http://www.kusd.edu/sites/default/files/document-library/english/102213rbmagenda.pdf.

29. Page 84 of the Agenda provides further information on the Agenda item:

Effective July 1, 2013, the collective bargaining agreements between Kenosha Unified School District and the Kenosha Education Association (Teachers, Educational Support Professionals, Interpreters, Carpenters and Painters and Substitute Teachers) and Local 2382 (Secretary Union) expired. Therefore, with the implementation of Act 10, which prohibits unions and employers from bargaining over conditions of employment other than base wages, the Administration is recommending the adoption of a district-wide employee handbook.

Although the handbook was originally adopted in January 2013, in July of 2013, the Board of Education directed the Administration to "meet and confer" with employees groups regarding concerns associated with the original handbook. A series of meetings were held and recommendations from those meetings were incorporated into the draft handbook which will be available on the [School District] website by noon on Tuesday, October 22, 2013.

- 30. At the October 22, 2013 monthly board meeting, Board member Jo Ann Taube introduced a three-part motion. She moved to "postpone action on the Employee Handbook" until November 26, 2013," "that [School District] administration and members of the School Board begin to bargain with the respective represented groups regarding mandatory and permissive subjects to reach an agreement no later than November 15, 2013," and "that the School Board maintain the status quo with respect to all mandatory subjects of bargaining as provided for by the represented groups' respective 2011-2013 Agreements, and the SEIU 2009-2013 Agreement, until new agreements have been ratified." A true and correct copy of the Taube motion is attached as *Exhibit G*.
 - 31. The Board approved the Taube motion by a vote of 4-3.
- 32. The Agenda for the October 22, 2013, Board meeting contained no notice that the Board would be discussing and voting on engaging in collective bargaining with its employees' unions.
- 33. Based upon the Board's decision on October 22, 2013, the School District and/or the Board engaged in collective bargaining with KEA on Friday, November 8, 2013. *See*

Kenosha News Article dated November 8, 2013 attached hereto as *Exhibit H* ("Kenosha Unified and its teachers union exchanged initial bargaining proposals this morning").

34. On Saturday, November 9, 2013, the Board met for the purpose of "discussion/action regarding **commencing** collective bargaining negotiations" (emphasis added), despite the fact that negotiation had already commenced. A true and correct copy of the notice for the November 9th meeting is attached hereto as *Exhibit I*.

The Unlawful CBA

- 35. The collective bargaining that began on Friday, November 8th led to an agreement between the School District and KEA, and on Monday, November 11th the School District along with KEA (and SEIU and AFSCME) signed a copy of a Tentative Agreement. A true and correct copy of the Tentative Agreement is attached hereto as *Exhibit J*.
- 36. The Board held a meeting on November 12, 2013 to determine whether it would ratify the Tentative Agreement.
- 37. At the November 12th meeting the Board voted to postpone the decision on whether or not to ratify the collective bargaining agreement until its regularly scheduled meeting on November 26, 2013.
- 38. However, on November 14, 2013 the Board then scheduled a meeting on 24 hours notice for a meeting at 10:00 on November 15, 2013 to ratify the collective bargaining agreement. A true and correct copy of the November 14th notice is attached hereto as *Exhibit K*.
- 39. At the November 15th meeting the Board ratified the terms of the collective bargaining agreement (the "CBA") that had been negotiated based on the authorization at the October 22, 2013 meeting and which began on November 8, 2013.
- 40. The CBA consisted of the Tentative Agreement (*Exhibit J*) which incorporated all of the terms of the collective bargaining agreement that had expired on June 30, 2013, and then amended those terms as expressly set forth in the Tentative Agreement. A true and correct copy of the previous collective bargaining agreement is attached hereto as *Exhibit L*. The copy of the previous collective bargaining agreement that is attached hereto is not signed but it is the copy that was posted on the School District's website while the agreement was in effect.
- 41. The CBA includes numerous provisions which are unlawful for collective bargaining under Act 10. The CBA covers matters that go far beyond what is permitted by Act 10, including but not limited to provisions on working conditions, teacher assignments, fringe

benefits, teacher tenure, union dues, "fair share" payments, wages (other than base wages), employee healthcare contributions, retiree healthcare, pension, sick leave, and pay schedules, etc. all of which are expressly prohibited by Wisconsin law. Moreover, the CBA includes terms which violate the rights of teachers under Act 10.

The Board had been advised by its own legal counsel on that it could not legally ratify the CBA, but the Board did so anyway. The CBA runs retroactively from July 1, 2013 through June 30, 2015.

FIRST CAUSE OF ACTION

For a Declaration that the CBA is unlawful, and therefore void, in that it violates Wis. Stat. §§ 111.70(2), 111.70(4)(mb), 111.70(4)(b), and 19.84

- 43. Plaintiffs incorporate the allegations of the previous paragraphs as if fully set forth herein.
- 44. Under Wis. Stat. § 111.70(2) teachers have the right to refrain from union activities, the right to refrain from paying union dues and the right not to be bound by a so-called "fair share" agreement.
- 45. Under Wis. Stat. § 111.70(4)(d) teachers have the right to vote on an annual basis as to whether they will be bound by a collective bargaining agent. If no collective bargaining agent receives the affirmative vote of 51% of the teachers in a proposed collective bargaining unit in an election held under Wis. Stat. § 111.70(4)(d) the teachers "shall be nonrepresented."
 - 46. Under Wis. Stat. § 111.70(1)(a), collective bargaining is defined as:

The performance of the mutual obligation of a municipal employer, through its officers and agents, and the representative of its municipal employees in a collective bargaining unit, to meet and confer at reasonable times, in good faith, with the intention of reaching an agreement, or to resolve questions arising under such an agreement, with respect to wages, hours, and conditions of employment for public safety employees or transit employees and with respect to wages for general municipal employees . . . Collective bargaining includes the reduction of any agreement reached to a written and signed document.

(Emphasis added.)

47. Wis. Stat. § 111.70(4)(mb)(1) limits the subject of authorized collective bargaining to wages as therein defined, and prohibits bargaining with respect to any other factors or conditions of employment:

A municipal employer is prohibited from bargaining collectively with a collective bargaining unit containing a general municipal employee with respect to . . . any factor or condition of employment except wages, which includes only total base wages and excludes any other compensation, which includes, but is not limited to, overtime, premium pay, merit pay, performance pay, supplemental compensation, pay schedules, and automatic pay progressions.

- 48. Taken together, Wis. Stats. §§ 111.70(4)(mb)(1) and 111.70(1)(a), prohibit the School District from collectively bargaining with any collective bargaining representative on any factors or conditions of employment other than total base wages.
- 49. Further, KEA is not the authorized collective bargaining representative of the teachers that work for the School District because the KEA was not certified as required by Act 10. Although Judge Colás held in the *Madison Teachers* case that the Wisconsin Employment Relations Commission could not decertify KEA, that decision is not binding on the parties to this case. KEA has <u>not</u> been recertified as the collective bargaining representative in an election as required by Wis. Stat. § 111.70(4)(d)3.b. As a result, the Board and the School District are not permitted by statute to collectively bargain with KEA.
- 50. In addition, the CBA violates teachers' rights under Wis. Stat. § 111.70(2) because it imposes an obligation on teachers to pay union dues against their will. Section XI(B) at pages 19-20 of the previous collective bargaining agreement (*Exhibit L*) specifically states that "all employees covered by this Agreement shall become members of the Kenosha Education Association or pay to the Association their proportionate share of the cost of collective bargaining process and contract administration" This provision was not modified or amended in any way by the Tentative Agreement (*Exhibit J*). Section XI(B) further contains the procedures for the School District to automatically deduct such forced dues from the employees' payroll checks.
- 51. The Board's meeting on October 22, 2013 in which it authorized the collective bargaining was also unlawful because the Board did not give notice that it intended to take up the issue of collective bargaining at that meeting. Certainly, the Agenda for the October 22, 2013

Board meeting contained no notice that the Board would be discussing and voting on engaging in collective bargaining with KEA.

- 52. The public notice for the meeting did not adequately set forth the subject matter of said meeting in such form as was reasonable likely to inform the public and did not provide 24 hours prior notice of the subject matter of the meeting in violation of Section 19.84 Wis. Stats.
- 53. Because the decision to collectively bargain was made in violation of the Wisconsin Open Meetings Act any action taken as a result of such decision is voidable.
- 54. The Board and the School District directly violated the provisions of Wisconsin law set forth in paragraphs 44-53 above.
- 55. Wisconsin courts have long held that labor agreements that violate law or public policy are invalid and unenforceable. *Bd. of Ed. of Unified Sch. Dist. No. 1 v. WERC*, 52 Wis. 2d 625, 635 (1971) ("A labor contract term that is violative of public policy or a statute is void as a matter of law."); *Glendale Prof'l Policemen's Ass'n v. City of Glendale*, 83 Wis. 2d 90, 106, (1978) ("When an irreconcilable conflict exists [between law and a CBA], we have held that the collective bargaining agreement should not be interpreted to authorize a violation of law.").
- 56. As a direct result of the unlawful CBA, the Board and the School District were precluded from individually negotiating the factors and conditions of employment with Plaintiff Glembocki or other School District employees which is also in direct violation of Wisconsin law.
- 57. The Board and the School District unlawfully spent taxpayer funds in collectively bargaining the CBA and will spend substantial addition taxpayer funds in implementing the CBA by, among other things, paying wages under the contract and facilitating payroll deductions for dues.
 - 58. The CBA violates the public policy of the State of Wisconsin.
- 59. Pursuant to Wis. Stat. § 806.04, Plaintiffs are entitled to a declaration that the CBA is unlawful, invalid and void.

SECOND CAUSE OF ACTION

For a Declaration that the CBA violates Wis. Stat. § 133.03

60. Plaintiffs incorporate the allegations of the previous paragraphs as if fully set forth herein.

- 61. Wis. Stat. § 133.03(1) prohibits contracts or agreements in restraint of trade. An agreement that constitutes a concerted refusal to deal is an agreement in restraint of trade, and subject to challenge as a violation of Wisconsin antitrust law as set forth in § 133.03(1).
- 62. Plaintiff Glembocki and the Defendants are engaged in trade or commerce within the State of Wisconsin. In the ordinary course of such commerce, Plaintiff Glembocki and other employees of the School District would be free to negotiate with the School District with respect to the factors and conditions of their employment by the School District.
- 63. The CBA constitutes an agreement between the School District on the one hand, and KEA on the other hand, that the School District will not negotiate the factors and conditions affecting her individual employment with Plaintiff Glembocki or with any other individual employees of the School District because to do so would be to violate the CBA if any terms other than the CBA were negotiated on an individual basis. In the absence of the CBA, Plaintiff Glembocki and other employees of the School District would be free to negotiate with the School District as to all of the factors and conditions of their employment.
 - 64. The CBA thus constitutes a concerted refusal to deal.
- 65. The CBA is not authorized by Wisconsin law as a collective bargaining agreement, and because the CBA prevents the School District from individually negotiating the factors and conditions of Plaintiff's employment it is specifically forbidden by Wisconsin law.
- 66. The CBA is anticompetitive in purpose and effect. There is no conceivable procompetitive justification for the refusal to deal with Plaintiff Glembocki and other individual employees of the School District. Accordingly, there is no requirement under Wisconsin antitrust law that the anticompetitive effect of the CBA be tested under the rule of reason. To the contrary, the collective refusal to deal embodied in the CBA in nothing more than a naked restraint of trade. As such, the CBA constitutes an unreasonable agreement in restraint for trade and is per se unlawful under Wis. Stat. § 133.03(1).
- 67. The CBA is not exempt from the application of Chapter 133; it is neither a lawful collective bargaining agreement nor an agreement that is the result of lawful collective bargaining.
- 68. As a direct result of the unlawful CBA, Plaintiff Glembocki has been injured in that she is precluded from individually negotiating the factors and conditions of her employment by the School District in the free market.

- 69. Plaintiff Lacroix and other taxpayers are also harmed by the restraint of trade because substantial taxpayer funds will be used to implement the CBA which would not be spent absent the restraint of trade.
- 70. Pursuant to Wis. Stat. § 806.04, Plaintiffs are entitled to a declaration that the CBA violates Wis. Stat. 133.03(1) and is therefore unlawful, invalid and void.
- 71. Pursuant to Wis. Stat. § 133.18, Plaintiffs are entitled to recover the costs of this suit, including reasonable attorney fees.

THIRD CAUSE OF ACTION

For an Injunction prohibiting the Unlawful CBA from being enforced.

- 72. Plaintiffs incorporate the allegations of the previous paragraphs as if fully set forth herein.
- 73. The Plaintiffs are irreparably harmed by the CBA. The CBA requires the expenditure of tax monies that cannot be recovered, harming Plaintiff Lacroix and other taxpayers. The CBA forces Plaintiff Glembocki and other teachers to be represented by a collective bargaining agent that the School District employees did not vote for and which was not certified in a election as required by Wis. Stat. § 111.70(4)(d), permits the existence of an unlawful restraint of trade, and was the result of a violation of the Open Meetings Act.
- 74. The CBA by its terms is effective retroactive to July 1, 2013 and anticipates the <u>immediate</u> payment of \$1,100 per teacher (*See Exhibit J*, p. 5). There are approximately 1,500 teachers employed by the School District which amounts to a total immediate payment of approximately \$1.65 million.
- 75. The CBA would require further continuing payments in violation of Act 10 because the raises to the employees set forth in the section at page 5 of the Tentative Agreement include raises not permissible under Act 10. In addition, the fringe benefits agreed to in the CBA will impose additional continuing costs on the School District.
- 76. The CBA also changes teachers' work day from the current 8 hour work day to a 7½ hour work day, which means that teachers will not be available to supervise students prior to and at the end of the school day as they currently do. This would amount to a safety issue for students. It also injures taxpayers because they are paying more money for approximately 6%

fewer work-hours. Teachers will work approximately 135,000 fewer hours during a school year (1,500 teachers x 30 minutes per day x 180 school days).

- 77. In addition, the CBA requires Plaintiff Glembocki and all other School District employees to pay union dues in violation of Act 10 and prohibits them from negotiating their own terms and conditions of employment.
- 78. The Plaintiffs lack an adequate remedy at law to prevent these payments and costs and an injunction is necessary to preserve the status quo.

WHEREFORE, the Plaintiffs respectfully request this Court grant the following relief:

- A. A declaratory judgment stating that the Board and the School District violated Wis. Stats. §§ 111.70 by entering into collective bargaining negotiations with KEA and in collective bargaining over prohibited topics;
- A declaratory judgment that the CBA is unlawful, invalid, void, and of no force and effect;
- C. A declaratory judgment that the CBA constitutes a per se unlawful agreement in restraint of trade in violation of Wis. Stat. § 133.03(1);
- A declaratory judgment that the CBA is void because of the violation of Wis. Stat. §19.84;
- E. A judgment directing the Defendants to pay the costs of this lawsuit and Plaintiff's reasonable attorney fees;
- F. An injunction prohibiting enforcement of the CBA; and
- G. Granting Plaintiffs such other and further relief as the Courts deems appropriate.

Dated this 21st day of November, 2013.

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