SUPERIOR COURT OF WASHINGTON FOR SAN JUAN COUNTY

THE LAW OFFICE OF JAMES P. GRIFO, LLC; a Washington State Limited Liability Company; and THE LAW OFFICE OF NICHOLAS POWER, PLLC, a Washington State Professional Limited Liability Company,

Plaintiffs,

v.

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AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES, a labor union; WALTER BLAIR, as purported administrator of Local 114; COLIN MAYCOCK, as a member of Local 1849, President of Local 1849, and as a member of American Federation of State, County, & Municipal Employees; JAEL KOMAC, a member of Local 114, as former President Local 114, and a member of American Federation of State, County, & Municipal Employees; LOCAL 1849, a labor union operating in the State of Washington; and LOCAL 114, a labor union operating in the State of Washington,

Defendants.

NO. 19-2-05179-28

ANSWER, AFFIRMATIVE DEFENSES, AND COUNTER CLAIM OF DEFENDANTS AFSCME, BLAIR, AND LOCAL 114

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III. JURISDICTION AND VENUE

- 3.1 AFSCME admits this Court has jurisdiction and that the plaintiffs hold property belonging to AFSCME as alleged in paragraph 3.1 of plaintiffs' Complaint and denies each and every other complaint/allegation therein.
- 3.2 AFSCME admits venue is proper as alleged in paragraph 3.2 of plaintiffs' Complaint and denies the remaining allegations for lack of current knowledge.

IV. FACTUAL ALLEGATIONS

- 4.1 AFSCME admits the allegation in paragraph 4.1 of plaintiffs' Complaint that some of the defendants entered into a written fee agreement, and as to the remaining allegations therein, AFSCME alleges that it is currently without sufficient information to form a belief as to their truth or falsity and therefore denies same.
- 4.2 AFSCME alleges that it is currently without sufficient information to form a belief as to truth or falsity of the allegations in paragraph 4.2 of plaintiffs' Complaint and therefore denies same.
 - 4.3 AFSCME admits paragraph 4.3 of plaintiffs' Complaint.
- 4.4 AFSCME admits that Exhibit A to the Complaint referred to in paragraph 4.4 of plaintiffs' Complaint contains plaintiffs' claims in the referenced proceeding and that it speaks for itself and denies each and every other allegation in paragraph 4.4 of plaintiffs' Complaint.
 - 4.5 AFSCME denies the allegations in paragraph 4.5 of plaintiffs' Complaint.
- 4.6 AFSCME admits the litigation referred to in paragraph 4.6 of plaintiffs' Complaint was dismissed without prejudice and alleges that the court record best speaks to the other allegations therein and alleges that no further answer is required, and to the extent further response is required, AFSCME denies same.

- 4.7 AFSCME denies paragraph 4.7 of plaintiffs' Complaint and alleges that the file referenced therein belongs to AFSCME Local 114 and that release of the same to AFSCME Local 1114 cannot as either a practical or legal matter jeopardize or prejudice the interest of AFSCME Local 114.
 - 4.8 AFSCME denies paragraph 4.8 of plaintiffs' Complaint.
- 4.9 AFSCME admits the allegation in paragraph 4.9 of plaintiffs' Complaint that Council 2 in conjunction with AFSCME requested the non-privileged financial portions of the file from plaintiffs, which was refused, and denies the remaining allegations therein.
- 4.10 AFSCME admits the allegation in paragraph 4.10 of plaintiffs' Complaint that Jeremy Kruse is the Deputy Administrator for AFSCME Local 114, that he authored the letter attached as Exhibit B, alleges that the letter speaks for itself, and denies the remaining allegations therein.
- 4.11 AFSCME alleges in response to the allegations in paragraph 4.11 of plaintiffs' Complaint that Exhibit B speaks for itself and denies the remaining allegations. By way of further answer, AFSCME alleges that AFSCME's counsel in this matter sent a letter to plaintiffs on December 2, 2019, related to the administratorship of Local 114 duly established by AFSCME, a copy of which is attached hereto as Exhibit 1 (minus referenced exhibits to the letter).
 - 4.12 AFSCME admits the allegations in paragraph 4.12 of plaintiffs' Complaint.
- 4.13 AFSCME denies that plaintiffs have furnished their client file to Local 114 and as to the allegations regarding the furnishing of the file to other defendants. AFSCME alleges it is without sufficient information to form a belief as to the truth of falsity of the remaining allegations in paragraph 4.13 of plaintiffs' Complaint and therefore denies same.

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- 4.14 AFSCME is without sufficient information to form a belief as to the truth or falsity of the allegations regarding the actions of the plaintiffs' alleged therein and therefore denies those allegations and denies the remaining allegations in paragraph 4.14 of plaintiffs' Complaint.
 - 4.15 AFSCME denies the allegations in paragraph 4.15 of plaintiffs' Complaint.
 - 4.16 AFSCME admits the allegations in paragraph 4.16 of plaintiffs' Complaint.
- 4.17 AFSCME does not believe any answer to paragraph 4.17 of plaintiffs' Complaint is required, but to the extent an answer is required, AFSCME alleges it is without sufficient information to form a belief as to the truth or falsity of the allegations and therefore denies those allegations.
- 4.18 AFSCME does not believe any answer to paragraph 4.18 of plaintiffs' Complaint is required, but to the extent an answer is required, AFSCME denies same.

V. COUNT I: INTERPLEADER OF CLIENT FILE

- 5.1 AFSCME answers the allegations in paragraph 5.1 of plaintiffs' Complaint as previously set forth.
- 5.2 AFSCME admits the general allegation alleged in paragraph 5.2 of plaintiffs' Complaint as may be modified by law or court rule.
- 5.3 AFSCME admits the allegation in paragraph 5.3 of plaintiffs' Complaint that AFSCME Locals 114 and 1849 were named defendants and that plaintiffs have contractual and ethical obligations as to AFSCME Local 114 and allege insufficient knowledge to admit or deny the remaining allegations and therefor denies same.
- 5.4 AFSCME admits the allegation in paragraph 5.4 of plaintiffs' Complaint that the Administrator of Local 114 has asserted the right and legally has the right to the referenced file, which must be furnished to the Administrator, and denies every other allegation therein.

- 5.5 AFSCME admits the allegation in paragraph 5.5 of plaintiffs' Complaint regarding the right of the Local 114 Administrator to a copy of the referenced client file and denies the remaining allegations to the extent they allege that such right requires a court determination.
 - 5.6 AFSCME denies the allegation in paragraph 5.6 of plaintiffs' Complaint.
 - 5.7 AFSCME denies the allegation in paragraph 5.7 of plaintiffs' Complaint.
 - 5.8 AFSCME denies the allegation in paragraph 5.8 of plaintiffs' Complaint.
- 5.9 AFSCME alleges it is without sufficient information to form a belief as to the truth or falsity of any actions alleged in paragraph 5.9 of plaintiffs' Complaint regarding the plaintiffs' conduct and therefore denies same and denies any suggestion in paragraph 5.9 of plaintiffs' Complaint that the file should not be tendered to AFSCME.

VI. COUNT II: DECLARATORY RELIEF

- 6.1 AFSCME answers the allegations in paragraph 6.1 of plaintiffs' Complaint as previously set forth.
- 6.2 AFSCME answers the allegations in paragraph 6.2 of plaintiffs' Complaint that the referenced statute speaks for itself and that no further answer is required, and to the extent any answer is required, AFSCME denies same.
- 6.3 AFSCME alleges it is without sufficient information to form a belief as to the truth or falsity of the allegations in paragraph 6.3 of plaintiffs' Complaint and therefore denies same.
- 6.4 AFSCME alleges it is without sufficient information to form a belief as to the truth or falsity of the allegations in paragraph 6.4 of plaintiffs' Complaint and therefore denies same.
- 6.5 AFSCME denies the allegations in paragraph 6.5 of plaintiffs' Complaint to the extent they are in reference to AFSCME and as the to the remaining defendants, AFSCME alleges it is

1	8.4	All or a portion of plaintiffs' claims are barred by its failure to exhaust contractual or
2	administrative remedies.	
3	8.5	Failure to mitigate damages.
4	8.6	Unjust enrichment.
5	8.7	Prevention of Performance.
6	8.8	Statute of frauds.
7	8.9	Statute of limitations.
8	8.10	Offset.
9	8.11	Accord and satisfaction.
10	8.12	failure to join an indispensable party
11	8.13	unclean hands
12	8.14	In the event that AFSCME is found to have any fault in this matter, AFSCME is entitled
13	to apportionment of any fault pursuant to RCW 4.22.070.	
14	IX. COUNTER CLAIM	
15	For cause of action and counter claim against plaintiffs, AFSCME alleges:	
16	9.1	AFSCME realleges its answers as previously set forth.
17	9.2	AFSCME Local 114 and its Administrator are entitled to an accounting from plaintiffs
18	of any and all fees, costs, expenses, or other expenditures by plaintiffs which plaintiffs allege were	
19	9 incurred in rendering the professional services to AFSCME Local 114, together with an accounting of	
20	all payments received, from any source, by plaintiffs for such services.	
21	X. RESERVATION OF RIGHT TO AMEND	
22	10.1	AFSCME reserves the right to amend this answer to include such further counter

claims, cross-claims, third-party claims, and/or affirmative defenses as may be warranted by the evidence produced through discovery or otherwise.

XI. REQUESTS FOR RELIEF

WHEREFORE, having answered the allegations in plaintiffs' Complaint and having raised affirmative defenses, AFSCME prays for judgment for the following relief:

- 11.1 Dismissing plaintiffs' Complaint against AFSCME with prejudice;
- 11.2 Ordering plaintiffs to deliver the client file referenced herein to AFSCME Local 114 through its Administrator;
- 11.3 Ordering plaintiffs to provide AFSCME with an accounting of any and all fees, costs, expenses, or other expenditures by plaintiffs which plaintiffs allege were incurred in rendering the professional services to AFSCME Local 114, together with an accounting of all payments received, from any source, by plaintiffs for such services.
- 11.4 Awarding judgment to AFSCME against plaintiffs for AFSCME's attorney's fees and costs pursuant to RCW 4.84.185, RCW 4.84.250, or other statute, court rule, or contract;
- 11.5 In the event any judgment against AFSCME is entered herein for plaintiffs' fees and/or costs, that AFSCME have judgment against the other defendants for their proportionate share; and
 - 11.6 Awarding such other and further relief as the Court deems just.

DATED this 18th day of December, 2019.

YOUNGLOVE & COKER, P.L.L.C.

Edward Earl Younglove Ht, WSBA #5873
Attorney for Defendants, AFSCME Local 114

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1 PROOF OF SERVICE 2 I certify that I served a copy of this document on all parties or their counsel of record on the date 3 below as follows: 4 Nicholas Power James P. Grifo Law Office of Nicholas Power Attorney at Law 5 540 Guard Street, Suite 150 164 Dougherty Lane Friday Harbor, WA 98250 Friday Harbor, WA 98250 6 US Mail Postage Prepaid 7 ABC/Legal Messenger Email Delivery – nickedpower@gmail.com and jpg@grifolaw.com 8 Hand delivered 9 Jael Komac Colin Maycock 4745 Neptune Circle PO Box 432 10 Ferndale, WA 98248 Friday Harbor, WA 98250 11 US Mail Postage Prepaid ABC/Legal Messenger 12 Email Delivery – jaelraek@gmail.com and oleaginous73@yahoo.com Hand delivered 13 I declare under penalty of perjury under the laws of the state of Washington that the foregoing 14 is true and correct. 15 Dated this 18th day of December, 2019, at Olympia, Washington. 16 17 Angie Dowell, Paralegal 18 Younglove & Coker, P.L.L.C. 19 20 21 22

Younglove & Coker

A PROFESSIONAL LIMITED LIABILITY COMPANY
ATTORNEYS AT LAW

CHRISTOPHER JOHN COKER THOMAS P. KEEHAN GREGORY M. RHODES RAY A. WASSON EDWARD EARL YOUNGLOVE III

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December 3, 2019

SENT VIA EMAIL

Mr. Nicholas Power Law Office of Nicholas Power 540 Guard Street, Suite 150 Friday Harbor, WA 98250 Mr. James P. Grifo The Law Office of James P. Grifo, LLC 164 Dougherty Lane Friday Harbor, WA 98250

RE: The Law Office of James P. Grifo, LLC, et al. v. AFSCME, et al.,

San Juan County Superior Court No. 19-2-05179-28

Dear Messrs. Power and Grifo:

You have requested information regarding Local 114's administratorship so that you may appropriately comply with your professional responsibilities arising from your past representation of Local 114. As you should know, AFSCME International President Lee Saunders placed Local 114 under an emergency administratorship on October 16, 2019, pursuant to Article IX, section 37 of the AFSCME Constitution. In doing so, he appointed Walter Blair and Jeremy Kruse as Local 114's administrator and deputy administrator, respectively. (See October 16, 2019 letters, attached). The matter was simultaneously referred to the AFSCME Judicial Panel in accordance with section 39 and 40 of Article IX of the AFSCME Constitution. Following the requisite notice, Judicial Panel Chairperson Abelson convened an evidentiary hearing on November 5, 2019, in Bellingham. Thereafter, on November 26, 2019, Mr. Abelson issued the attached decision, outlining his reasons, and the evidence supporting them, for sustaining President Saunders' imposition of the emergency administratorship.

With respect to your professional obligations and responsibilities to Local 114, quite simply, the administratorship changes nothing. Although arcane, this is a well-developed area of law. Because, unlike Local 114, some AFSCME local unions are covered by the Labor-Management Reporting and Disclosure Act, the International Constitution's administratorship provisions are modelled on, and comply with, the LMRDA's provisions respecting due process in the imposition of trusteeships by international unions over their subordinate bodies. *See* 29 USC section 461, *et seq.* Under the AFSCME constitution, and as authorized by the LMRDA, a trusteeship is effective immediately upon its imposition subject to a *post hoc* hearing and ratification. See, e.g., *Nat'l Ass'n of Letter Carriers, AFL-CIO v. Sombrotto*, 449 F.2d 915, 920–21 (2d Cir. 1971)("§464(c) allows for the possibility of post hoc ratification as well as prior approval [to impose trusteeship] so long as the former course is

Mr. Nicholas Power Mr. James P. Grifo December 3, 2019 Page 2

provided for in the union's constitution or bylaws and the hearing follows with reasonable promptness."; citing cases).

Pursuant to the LMRDA and section 45 of Article IX of the AFSCME constitution, once placed under administratorship, the International Union "assume[s] charge of the affairs and business of such subordinate body and may appoint an administrator for such purpose" who is "authorized and empowered to suspend from office any or all the officers and appoint temporary officers, from among the members in good standing of such subordinate body, for the duration of the administratorship; to remove or replace representatives or other employees of such subordinate body; and to take such other actions as in the administrator's judgment are necessary for the preservation of the rights and interests of the members of the subordinate body and of the International Union." In other words, once the administratorship is imposed, the appointed administrator stands in the shoes of the subordinate body's executive board. See County Municipal Employees' Supervisors' & Foremen's Union Local 1001 v. Laborers' Int'l Union of N. Am., 365 F.3d 576, 578 (7th Cir. 2004) ("[I]t is the International and the Trustee who stand in for the elected officers, and as the Trustee wants counsel gone they are obliged to go gracefully."); see also Laborers' Int'l Union of N. Am., AFL-CIO v. Nat'l Post Office Mail Handlers, Watchmen, Messengers & Grp. Leaders Div. of the Laborers' Int'l Union of N. Am., AFL-CIO, 880 F.2d 1388, 1394 (D.C. Cir. 1989) ("The [LMRDA] regulates only the establishment, maintenance, or administration of a 'trusteeship,' which it defines as a method of control 'whereby a labor organization suspends the autonomy otherwise available to a subordinate body under its constitution or bylaws.")

The placement of a local union under administratorship does not alter its status or its legal relationships as an organization. Indeed, the purpose of this procedure is to protect and preserve the organizational and institutional integrity of the local union. With respect to its lawyers, a union is entitled to the same rights and protections afforded any other organization under Washington Rule of Professional Conduct ("RPC") No. 1.13 "the Organization as a Client." As Local 114's former counsel, your duties are owed to Local 114, as described in Comment 10 to Rule 1.13, which affirms the paramount obligation of counsel is to the organization even "when the organization's interest may be or become adverse to those of one or more of its constituents." As Comment 10 notes, your professional duty is to Local 114, not its former officers or any individual or groups of members.

Although your complaint-in-interpleader appears to question where your loyalties should lie, that professed concern is not sustainable as a matter of law. As the 7th Circuit noted in a case involving the former attorneys of a local union placed under trusteeship, "lawyers are obliged not to oppose or otherwise undermine their ex-client's legal position" and such lawyers may not assume the role of an "ombudsmen authorized to pursue whatever legal remedies they think a client should favor, whether the client agrees or not." *Local 1101*, 365 F.3d at 579.

Mr. Nicholas Power Mr. James P. Grifo December 3, 2019 Page 3

Finally, there is no basis to withhold Local 114's file from it out of concern for preserving any purported privileged communications between jointly-represented clients. There is no privilege as between parties to a joint representation, even when their interests later become adverse. See RPC No. 1.7, comment 30 ("With regard to the attorney-client privilege, the prevailing rule is that, as between commonly represented clients, the privilege does not attach. Hence, it must be assumed that if litigation eventuates between the clients, the privilege will not protect any such communications, and the clients should be so advised.")

I hope this answers your questions and, after reviewing this letter and the authorities it cites, you will withdraw your interpleader claim, or at least dismiss Count One, and provide Local 114 with the file and records to which it is entitled.

Sincerely,

YOUNGLOVE & COKER, P.L.L.C.

Edward Earl Younglove III

Attorney at Law

EEY:ad Enclosures

cc: AFSCME