



NATIONAL MEDIATION BOARD

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34 NMB No. 20
March 12, 2007

William B. Cowen
Solicitor
National Labor Relations Board
1099 14th Street, N.W.
Washington, DC 20570-0001

Re: NMB File No. CJ-6910
Bradley Pacific Aviation, Inc.

Dear Mr. Cowen:

This responds to your request for the National Mediation Board's (NMB) opinion regarding whether Bradley Pacific Aviation, Inc. (Bradley or Employer) is subject to the Railway Labor Act (RLA), 45 U.S.C. § 152 (Section 2, Ninth). On October 18, 2006, the National Labor Relations Board (NLRB) requested an opinion regarding whether Bradley's operations at Maui-Kahului Airport (MKA) in Kahului, Maui, Hawaii are subject to the RLA.

For the reasons discussed below, the NMB's opinion is that Bradley's operations and its employees at MKA are subject to the RLA.

I. PROCEDURAL BACKGROUND

This case arose out of a representation petition filed by Hawaii Teamsters and Allied Workers Union, Local 996 (Local 996) on May 16, 2006, in NLRB Case No. 37-RC-4134. Local 996 seeks to represent all fuelers¹ and mechanics employed by

¹ In its petition, Local 996 also sought to represent all "drivers" employed by Bradley at MKA. Bradley, however, does not employ a separate category of "drivers." Rather the fuelers or "Line Service Refuelers" drive tanker trucks in the performance of their duties.

Bradley at MKA. A representation election was conducted by the NLRB on June 27, 2006.

On July 5, 2006, the Employer filed an objection to the conduct of the election, asserting that it is subject to the jurisdiction of the NMB and not the NLRB. On July 20, 2006, pursuant to the NLRB's Rules and Regulations, the Regional Director for Region 37 found that the Employer's objection raised substantial and material issues of fact and a hearing was held in Honolulu, Hawaii on August 29 and 30, 2006.

On October 18, 2006, the NLRB requested an NMB opinion regarding NMB jurisdiction over Bradley's operations at MKA. The NMB assigned Maria-Kate Dowling to investigate. On November 6, 2006, Local 996 filed its position statement. On November 17, 2006, Bradley filed its response and, on November 24, 2006, Local 996 filed its reply to Bradley's response. On January 8, 2007, Bradley also submitted a declaration in response to Local 996's reply.

The NMB's opinion in this case is based upon the request and record provided by the NLRB, including the hearing transcript provided by the NLRB, and the submissions from the participants.

II. CONTENTIONS

Local 996 contends that Bradley and its employees are not subject to the RLA. According to Local 996, there is insufficient evidence that the Bradley mechanics perform work traditionally performed by rail and air carriers. Local 996 also asserts that there is insufficient evidence that Bradley is directly or indirectly owned or controlled by air carriers. Although it concedes that Bradley must follow certain quality assurance controls mandated by its carrier customers, Local 996 states there is no evidence that the carriers control any aspect of the employment relationship between Bradley and its employees since Bradley makes its own personnel decisions, owns all of the equipment used in its day-to-day operations and performs its own training. Finally, Local 996 requests that the NMB decline to assert jurisdiction where the employer, as in the instant case, signed a stipulation for a representation election conducted by the NLRB, permitted the NLRB to run a

representation election and raised the issue of NMB jurisdiction only after the election results showed that its employees voted in favor of union representation.²

In its response, Bradley states that its mechanics perform work traditionally performed by carrier employees since they perform maintenance on equipment used for refueling service. Bradley also asserts that the issue for the NMB is not whether the mechanics work on equipment owned by a carrier, but whether carriers exercise sufficient control over the way the Bradley mechanics perform their jobs. Bradley contends that carriers exercise substantial control over all its employees at MKA. Bradley asserts that carriers dictate its staffing levels and hours, require its employees to follow specific operating and training procedures, and require specific record keeping and audit Bradley's records. Bradley further asserts that its employees have frequent daily interaction with carrier employees, that carriers report problems with Bradley employees, and that carriers request the reassignment of Bradley employees. Finally, Bradley asserts that it informed the NLRB of the potential jurisdictional issue prior to the June 27, 2006 election.

III. FINDINGS OF FACT

Bradley

Bradley, a Hawaii corporation, is a fixed base operator at the five major airports in the State of Hawaii: Honolulu, Oahu; Lihue, Kauai; Kona and Hilo, Hawaii; and Kahalui, Maui. At MKA, Bradley provides fueling, fuel storage, ground service operations, and other aircraft and passenger services under contracts with a number of major national and international carriers, with intrastate air carriers, and with private and corporate carriers. Approximately 90 percent of the Employer's MKA operations are fueling service for major air carriers including: American Airlines (American), United Airlines (United), American Trans Air (ATA), United Parcel Service (UPS), Northwest Airlines (Northwest), America West Airlines

² The role of the NMB in this matter is to issue an advisory opinion at the request of the NLRB. The issue of whether the Employer's jurisdictional claim has been timely raised or is equitable is a decision for the NLRB.

(America West), Aloha Airlines (Aloha), Hawaiian Airlines (Hawaiian), Delta Airlines (Delta), and Continental Airlines (Continental) (collectively referred to as the Carriers). At MKA, Bradley also provides fueling service for inter-island carriers such as Island Air, Pacific Wings, and Go Airlines. Bradley also provides fueling and other services for corporate and private jets.

Nature of the Work Performed

At MKA, approximately 28 Bradley employees are at issue: 24 Line Service Refuelers (LSRs) and four mechanics. There are three levels of LSRs. Level 1 LSRs provide aviation fueling and services for commercial, government and private aircraft. Other Level 1 LSR duties include: initiating daily inspection of refueling equipment to ensure it meets minimum dispatch requirements prior to fueling; assisting with fueling of aircraft in accordance with Bradley's and the Carriers' procedures; maintaining proper recordkeeping of all fuel transactions for airline loading procedure, inventory and invoice controls; and providing assistance with Fuel Storage Facilities' delivery and loading of fuel, including periodic quality control checks and tests. Level 1 LSRs also provide support service to aircraft including: ground power lavatory services, air conditioning, and aircraft cleaning; provide expedient clean up of fuel spills in accordance with company procedures; and assist with the washing of all equipment in accordance with preventative maintenance and corrosion control methods. In addition, Level 1 LSRs conduct air-to-ground communications, and assist passengers and flight crew with luggage, rental cars, and catering.

While providing similar services as a Level 1 LSR, the Level 2 LSR spends 70 percent of his or her time fueling aircraft. The Level 2 LSR is also responsible for driving to and from the fuel storage tanks³ and off airport property onto the main highway in order to fill tanker trucks in time to refuel

³ Bradley owns and operates the fuel storage facility at MKA. Bradley manages the fuel storage facilities at the Kona and Hilo airports for Hawaii Fuel Facility Corporation (HFFC), a consortium of air carriers that owns the facility. The fuel facility at the Honolulu airport is managed by Aircraft Services International Group for HFFC. At the Lihue, Kauai airport, the fuel facility is owned and managed by the Tesoro refinery.

aircraft for on-time departures. The Level 3 LSR also spends 70 percent of his or her time refueling aircraft. In addition to performing the Level 1 and 2 duties, the Level 3 LSR is also responsible for directing and coordinating the scheduling of LSR personnel to meet the daily airline and corporate aircraft activity; supervising fueling of aircraft in accordance with company and Carriers' procedures; and closing out log books and providing copies of the same to the fuel supplier and MKA's Fuel Administration Managers. A Level 3 LSR is on call 24 hours a day, seven days a week, at Bradley's MKA facility.

At MKA, Bradley currently assigns two employees for general aviation. According to Thomas Anusewicz, Bradley's Executive Vice President, this schedule is subject to change since corporate aircraft are unscheduled and "demand could come and go quite quickly." According to Anusewicz, these two employees would be primarily handling corporate jets but would also spend approximately half their work time filling fuel trucks for use on commercial air carriers.

Bradley also employs four mechanics who assist in the servicing and repair of refueling equipment, ground support equipment, and related equipment or vehicles that are used by the LSRs. Other duties according to the mechanic job description include: assisting with the testing of refueling equipment; assisting with the washing of all equipment in accordance with preventive maintenance and corrosion control methods; and assisting with cleaning and housekeeping of shop and maintenance areas. The mechanics perform both preventative maintenance and breakdown repairs. A mechanic is on call 24 hours a day, seven days a week.

Carrier Control over Bradley's MKA Operations and Employees

Carrier Manuals and Procedures

According to Executive Vice President Anusewicz, the Carriers have collectively developed standards and requirements for receiving fuel, storing fuel and dispensing fuel and these requirements are contained in the Air Transport Association Specification 103 (ATA 103). In addition to the general fueling procedures set forth in ATA 103, each Carrier mandates specific procedures and supplies its own fueling

manual. For example, American's contract with Bradley states, "[t]he contractor shall render services in strict compliance with American's Fueling Manual governing refueling procedures." These carrier-specific fuel manuals are updated periodically.

All LSRs are required to be familiar with and to follow the procedures and rules for fueling aircraft set by each Carrier. The LSRs must also follow the recordkeeping procedures specified by the Carriers in their contracts with Bradley. Bradley's contract with American requires that "it maintain on a current basis, complete, accurate and correct records of all fuel received, dispensed, defueled and stored." The fueling forms and record keeping requirements are specific to each Carrier. For example, United will provide the LSR with a fuel ticket. The ticket specifies the amount of fuel required by the aircraft as calculated by the Carrier. The LSR is responsible for placing that requested amount of fuel into the aircraft, completing the fuel ticket according to United's procedure, and returning the ticket to the aircraft's cabin crew. According to MKA Station Manager Nicholas Pechin, the aircraft's captain or co-pilot will verify that the fuel ticket has been filled out correctly and will compare the entries on the fuel ticket to the gauges in the aircraft to confirm that amount of fuel requested was actually delivered. LSRs must also maintain fuel truck log books to keep track of the Carrier's fuel inventory.

Although Bradley owns the fuel storage tanks and the other fueling equipment at MKA, Anusewicz testified that, when buying equipment, Bradley must ensure that the equipment is manufactured to specifications that the Carriers will accept under ATA 103. Bradley notifies the Carriers in writing when it brings new equipment into service and when it modifies existing equipment. These letters note the documentation and checks performed under ATA 103 on the new equipment or the nature of the modification to the existing equipment. Anusewicz testified that the Carriers reserve the right to inspect the equipment prior to purchase and conduct annual inspections of the equipment thereafter. These annual inspections are conducted by a senior member of the Carrier's Quality Assurance Department.

Training

In order to fuel a specific Carrier's aircraft, the LSR must have been trained on that Carrier's fueling procedures. For example, according to MKA Station Manager Pechin, if an employee does not have documentation in his training file that he has been trained to fuel Northwest equipment, he is not allowed to fuel Northwest equipment. Bradley's contracts with the Carriers specify certain training requirements. For example, Bradley's contract with American provides that the Bradley employees must be "fully trained by a qualified and authorized representative of the [American] Training Department or their appointed designee." According to Executive Vice President Anusewicz, American has its own training programs which Bradley employees attend before they are authorized to fuel American's aircraft. The training courses occur in Honolulu and "on the mainland." Anusewicz also stated that some of its senior LSRs have been approved and designated by American as its trainers for other Bradley employees. According to Pechin, United has required Bradley to send employees to the mainland for training. Bradley's contract with United also requires that each station "have a currently qualified designated trainer." Pechin testified that, at the time of the hearing, in August 2006, an authorized Northwest employee was conducting training of Bradley employees at MKA. A representative from America West has also conducted training for Bradley employees at MKA. In contrast, Aloha accepted Bradley's fuel handling training program for inter-plane fueling in lieu of the Aloha fueling courses. Aloha, however, still required documentation of this training and the submission of a current roster of fueling agents who have completed the training and been qualified to fuel Aloha aircraft.

The Carriers also mandate procedures for Bradley employees to maintain proficiency with their specific procedures. For example, United requires Bradley LSRs to take tests specific to its fueling manual and specific to its different types of aircraft. As another example, Northwest conducted recurrent training at MKA concerning changes in its procedures. Documentation of each employee's carrier-specific initial training and recurrent training, such as training

certificates, are kept by Bradley in a separate training file. According to Pechin, most of the Carriers, including Delta, United, Continental, ATA, Aloha, and Hawaiian, require Bradley to submit a list of the Bradley employees qualified for and assigned to fuel their aircraft.

Audits

The Carriers have a contractual right to audit Bradley's records. For example, Bradley's contract with American provides that "American shall have the right, but not the duty, at any reasonable time, to review and inspect all records of the contractor pertaining to fueling or defueling at the airports, to run any quality control or other tests to ensure that the equipment, fuel, procedures, other materials and services required, are carried out in accordance" with the terms of the contract. The audits are conducted at the Carriers' discretion, and most audit Bradley annually. MKA Station Manager Pechin testified that American usually provides notice, although sometimes it is short notice. According to Bradley's Director of Quality Assurance, Michelle Takemoto, the Carriers sometimes conduct unannounced "spot auditing" by the Carrier's station manager.

Pechin stated that every Carrier's annual audit included a review of ATA 103 documentation of "all fuel transactions for airline loading procedures" as well as all ATA 103 documentation prepared by Bradley mechanics showing that all refueling equipment is functioning properly. According to Pechin, for example, the American auditor will review "ATA 103 documentation, truck and equipment documentation, fuel storage, record of receipt, bill of lading, meter tickets, fuel forms, training documents, [and] personnel files." Pechin stated that American also has access to employee disciplinary records. The Carriers also review Bradley's own Maintenance and Operations Manual for compliance with ATA 103 during audits.

The Carriers also have the contractual right to speak with Bradley employees regarding compliance with Carrier requirements. During audits, Carrier representatives observe Bradley employees performing the contractual fueling and maintenance duties. According to Pechin, during an audit,

ATA asked Bradley employees to perform the daily general condition checks on the fueling equipment. Pechin also stated that American has required mechanics to disassemble equipment to prove compliance with their procedures. Pechin added that American often “gear their audit schedule to meet one of their aircraft after it has landed, and watch us perform fueling on their aircraft.”

Each audit results in written findings based on the auditor’s observations. Pechin stated that the auditor will often speak to him or other Bradley managers about a specific employee’s performance. Director of Quality Assurance Takemoto stated that, if an audit requires corrective action, Bradley is required to respond in writing to the Carrier detailing what corrective action has been taken. An audit report from Aloha dated December 2005 identified “minor discrepancies requiring action,” and noted that Bradley’s response should include: the cause of the discrepancy; the corrective action taken; a means to prevent recurrence of the same or similar discrepancy in the future; and the effective date the discrepancy is to be corrected.

Work Scheduling

At MKA, Bradley determines employee work schedules based on the Carriers’ schedules. The Carriers provide their schedules to Bradley a month in advance and, according to MKA Station Manager Pechin, Bradley makes “sure that we’ve got enough guys and enough trucks to fuel the planes when they’re on the ground, per the customer’s schedule.” At MKA, Bradley has a night shift and a day shift. The start and end times of the employees on the shift are staggered around the peak work times. There is some weekly variation in scheduling depending on schedules of the Carriers since each morning the Carriers also fax a daily schedule to Bradley containing cancelled flights and changes in arrivals and departures. Pechin stated that the employee schedules include a designated on-call day person and a designated on-call night person, in case a staffing shortage or work situation requires someone in addition to the posted schedule. According to Executive Vice President Anusewicz, the Carriers can also require Bradley employees to stay past the end of their shift.

Pechin also stated that the Carriers expect Bradley to service aircraft that are out of schedule. American's contract with Bradley provides that Bradley will "perform all field services that American requests for both scheduled and unscheduled aircraft at no extra charge." Pechin stated that this provision had required altering staffing at certain periods. For example, when American had extra aircraft at MKA as a result of a charter, Bradley added additional personnel.

In May 2006, there was a meeting at MKA between Bradley and the Carriers to discuss the upcoming peak season and to make sure that delays that had occurred during the summer of 2005 would not be repeated. In order to allay the Carriers' concerns, Bradley told the Carriers that Bradley had adequate staff and equipment to meet the summer demand. MKA Station Manager Pechin stated that "one or two" additional fuelers had been hired because of complaints from the Carriers about problems in 2005.

Authority to Remove or Discipline Bradley Employees

Bradley's hiring decisions are made by its station managers and its fuel operations managers. Bradley employees do not have to be approved by the Carriers prior to hiring. Bradley also sets the wages and benefits for its employees without any input from the Carriers. Executive Vice President Anusewicz stated that the Carriers reserve the right to determine which Bradley employees service their aircraft and that the Carriers exercise this right. In one case, Delta reported an incident involving a fueling mistake by a Bradley employee. One of Delta's operations supervisors expressed "concern" about lateness completing the work and writing incorrect fuel numbers on a fuel ticket. According to Anusewicz, Delta requested that the employee be removed from the list of personnel authorized to fuel their aircraft. Bradley complied with Delta's request. After further investigation by Bradley, Anusewicz met with Delta and requested that the employee be allowed to return to work for Delta. Delta reinstated him with the condition that his work be monitored by Bradley and Delta and that if the employee failed to meet Delta's criteria, he would be removed. Anusewicz also stated that the Carriers will point out problems with Bradley employees failing to follow Carrier procedures during the audit process. When an incident

is pointed out in an audit, the employee involved receives verbal or written counseling by Bradley. MKA Station Manager Pechin stated that following an audit by United, he received an e-mail reporting non-compliance with United's procedures by a Bradley LSR. According to Pechin, he counseled the employee and issued a written "Corrective Action Notice" to the employee. Bradley submitted documentation of other Corrective Action Notices issued to employees as a result of Carrier audits.

Meetings with Carriers and Daily Interaction

Each Carrier has a representative at MKA that works with Bradley and its employees on a daily basis. This representative is responsible for the Carrier's on-time performance and contacts Bradley if there is a fueling incident that results in a near-late or late departure. E-mails indicate frequent interaction between the Carriers and Bradley regarding fueling delays. Under Bradley's contracts with the Carriers, Bradley can be fined if Bradley does not complete fueling within certain time constraints. In addition, the Level 3 LSRs have daily contact with Carrier employees while receiving fueling requests and instructions. Certain Carriers hold meetings with Bradley employees to discuss particular issues. Executive Vice President Anusewicz stated that Delta, for example, will have safety meetings and operations meetings and request that Bradley employees attend. According to MKA Station Manager Pechin, he has regular operational meetings with the airline managers. Pechin stated that Delta requires a regular monthly meeting to discuss on-time performance, paper work corrections, errors, and scheduling. Pechin also attends the monthly Airline Operations Committee meetings.

Uniforms

Bradley employees wear Bradley uniforms bearing Bradley logos that consist of a uniform shirt, black shorts or pants, and a high visibility vest. Employees also receive a hat with the Bradley logo. The contracts with certain Carriers set forth dress and grooming standards. For example, Bradley's contract with American provides that all contractor personnel "be professionally and neatly groomed." Delta's contract requires that Bradley employees be "neatly dressed and

groomed.” Hawaiian’s contract also requires that the Bradley employees be “neatly dressed and groomed.”

IV. DISCUSSION

Applicable Legal Standard

When an employer is not a rail or air carrier engaged in the transportation of freight or passengers, the NMB applies a two-part test in determining whether the employer and its employees are subject to the RLA. *Dobbs Int’l Servs. d/b/a Gate Gourmet*, 34 NMB 97 (2007); *Air Serv Corp.*, 33 NMB 272 (2006). First, the NMB determines whether the nature of the work is that traditionally performed by employees of rail or air carriers. Second, the NMB determines whether the employer is directly or indirectly owned or controlled by, or under common control with, a carrier or carriers. Both parts of the test must be satisfied for the NMB to assert jurisdiction. *Dobbs Int’l Servs. d/b/a Gate Gourmet, above. See also Air Serv Corp., above.*

Work Traditionally Performed by Carrier Employees

Bradley’s LSR employees at MKA fuel aircraft for Bradley’s commercial airline customers and provide support service to aircraft including ground power lavatory services, air conditioning and aircraft cleaning. The parties stipulated that the LSRs perform work that is traditionally performed by air carriers. At MKA, Bradley’s mechanics service and repair the company’s refueling equipment, ground support equipment and other equipment and vehicles used by the LSRs. The NMB has found that the work performed by the Bradley mechanics is work traditionally performed by employees in the airline industry. In *National Airlines, Inc.*, 1 NMB 423, 428-29 (1947), the Board defined its craft or class of Mechanics and Related employees to include, inter alia, “[g]round service personnel who perform work generally described as follows . . . fueling of aircraft and ground equipment; maintenance of ground and ramp equipment . . . servicing and control of cabin service equipment; air conditioning of aircraft; cleaning of airport hangars, buildings, hangar and ramp equipment.” Since Bradley’s MKA employees perform a variety of duties that have

traditionally been performed by carrier employees, the first part of the NMB's jurisdictional test has been satisfied.

Bradley is not directly or indirectly owned by a carrier. Therefore, to determine whether Bradley is subject to the RLA, the NMB must consider the degree of direct or indirect control exercised over Bradley's MKA operations by the Carriers.

Carrier Control of Bradley's Operations

The standard for satisfying the control part of the NMB's jurisdictional test is the degree of influence that a carrier or carriers has over discharge, discipline, wages and working conditions. To determine whether there is sufficient carrier control over a company, the NMB looks to several factors, including: extent of the carrier's control over the manner in which the company conducts its business; access to the company's operations and records; role in personnel decisions; degree of supervision of the company's employees; whether employees are held out to the public as carrier employees; and control over employee training. *Dobbs Int'l Servs. d/b/a Gate Gourmet, above*; *Air Serv Corp., above*; *Aircraft Servs. Int'l Group, Inc.*, 33 NMB 200 (2006); *Signature Flight Support*, 32 NMB 214 (2005); *John Menzies PLC, d/b/a Ogden Ground Servs., Inc.*, 30 NMB 405 (2003).

The record in the instant case establishes that the Carriers exercise substantial control over Bradley's MKA operations. The Carriers' schedules dictate the staffing levels and shift assignments of Bradley employees. In response to the Carriers' 2005 complaints about fueling delays, Bradley hired additional employees at MKA. The Carriers can also require Bradley employees to remain at work past the end of their shift. The Carriers require Bradley employees to follow their respective operating and training procedures. The Carriers determine when, how often and what kind of training is required. The Carriers require Bradley to maintain records of employees who have successfully completed the Carrier-mandated training. Carrier representatives train and designate Bradley employees as Carrier trainers who, in turn, train other Bradley employees. *See e.g., DalFort Aerospace, L.P.*, 27 NMB 196, 209 (2000). The Carriers also require Bradley to supply current rosters of employees trained to service their aircraft.

While some notice is provided of annual audits, Bradley is subject to unannounced “spot audits.” Carrier auditors observe Bradley employees performing their duties and can direct Bradley employees to carry out specific tasks. During audits, the Carriers have access to Bradley’s training, personnel, equipment, maintenance and fueling records. The audit reports from the Carriers require Bradley to provide a written response detailing the cause of the problem, the corrective action for that problem, proposed measures to prevent similar problems in the future, and the date that corrective action was taken. Although Bradley owns its equipment, the Carriers require written notice when new equipment is brought into service and when existing equipment is modified.

Bradley hires its own employees and sets their wages and benefits. There is no evidence that any of the Carriers has sought the termination of a Bradley employee. Bradley has, however, reassigned an employee at a Carrier’s request. Although this employee ultimately returned to work for the Carrier, Bradley only investigated the complaint after complying with the Carrier’s request that the employee be reassigned. Bradley has also issued verbal and written warnings to its employees based on audit reports and complaints from the Carriers. Although Bradley employees wear Bradley uniforms, the contracts with the Carriers dictate grooming standards. *See e.g., Kannon Serv. Enterprises Corp.*, 31 NMB 409 (2004).

Signature Flight Support, above, in which the NMB found insufficient carrier control to support RLA jurisdiction, is distinguishable from the instant case. In *Signature*, the carrier did not have the authority to hold employees over once their shift had ended, had only limited access to the employer’s records, did not conduct extensive audits of the employer’s operation, and did not require specific training or record keeping. Further, Bradley, unlike *Signature*, has hired additional employees in response to Carrier concerns and issued verbal and written warnings in response to Carrier audits and complaints.

CONCLUSION

Based on the record in this case and for the reasons discussed above, the NMB's opinion is that Bradley's operations and its employees at MKA are subject to the RLA. This opinion may be cited as *Bradley Pacific Aviation, Inc.*, 34 NMB No. 20 (2007).

By direction of the NATIONAL MEDIATION BOARD.

A handwritten signature in cursive script that reads "Mary L. Johnson".

Mary L. Johnson
General Counsel

Copies to:
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