

1 HONORABLE RONALD B. LEIGHTON

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6 UNITED STATES DISTRICT COURT
7 WESTERN DISTRICT OF WASHINGTON
8 AT TACOMA

9 APRIL THOVSON,

10 Plaintiff,

11 v.

12 BEHAVIORAL HEALTH RESOURCES,

13 Defendant.

CASE NO. 3:12-CV-05424

ORDER GRANTING
DEFENDANT'S MOTION TO
DISMISS

[DKT. #9]

14 THIS MATTER is before the Court on Defendant Behavioral Health Resources' (BHR)
15 Motion to Dismiss [Dkt. #9]. Plaintiff April Thovson started working for BHR in 2004. Her
16 employment relationship with BHR soured around 2007, leading to her termination in 2008.
17 After a successful arbitration, Thovson was reinstated. The relationship remained rocky,
18 culminating in Thovson's resignation in 2009. Thovson sued BHR for breach of contract under
19 the collective bargaining agreement, arguing that BHR retaliated against her for prevailing in a
20 prior arbitration, failed to follow all of the requirements of the earlier arbitration decision, and
21 constructively discharged her through its actions.

22 BHR argues that Thovson failed to (1) exhaust the grievance procedures in the collective
23 bargaining agreement, (2) allege that the union breached its duty of fair representation, and (3)

1 file her claim within the applicable limitations period. For the reasons stated below, BHR's
2 Motion to Dismiss is GRANTED.

3 I. BACKGROUND

4 In 2004, Thovson began working as a Designated Mental Health Professional for South
5 Sound Medical Health Services, which eventually merged with BHR. Her employment was
6 covered by a collective bargaining agreement between Service Employees International Union
7 Healthcare and her employer. Thovson seemed to have a good working relationship with BHR
8 for the first three years of her employment, and at one point, she was the company's employee of
9 the month. (Compl. at 3.) The relationship soured in 2007. A series of incidents that year
10 resulted in Thovson's termination in January 2008.¹

11 A week after her termination, Thovson filed a grievance under the collective bargaining
12 agreement that covered her employment. (Compl. at 6.) The grievance process led to an
13 arbitration.. On July 25, 2009, the arbitrator ruled that BHR breached the CBA in terminating
14 Ms. Thovson, finding that the allegations that led to Thovson's termination were not accurate.
15 (Compl. at 6). The arbitrator directed BHR to reinstate her, to ensure she was supported upon
16 her return, and to pay her wages owed.

17 Thovson returned to work on September 1, 2009. (Compl. at 7.) At the end of
18 September, Thovson discovered that a colleague had falsely reported that Thovson did not arrive
19 at her shift on time, and that the colleague stayed late to cover. (Compl. at 8.) In early
20 November, 2009, Thovson's supervisor, Ian Harrel, requested that Thovson meet with him for
21 "performance counseling." (Compl. at 8.) Thovson asked Harrel if he had read the arbitrator's

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23 ¹ These incidents include a patient's assault on Thovson (Compl. at 3), a letter from
24 Thovson's attorney to BHR about ethical concerns (Compl. at 3) a complaint from a colleague
(Compl. at 4), a disagreement between Thovson and a colleague about the mental health of a
patient (Compl. at 4), and an internal investigation (Compl. at 5).

1 decision, and he replied that he did not see any reason to treat Thovson differently from any
2 other employee. At the end of November, Thovson met with the Arbitrator because of the
3 colleague's false report and BHR's failure to pay her medical expenses. (Compl. at 8.)

4 In early January 2010, he provided a copy of Thovson's job description to her and
5 informed her that she was failing to perform three job requirements. (Compl. at 9.) At the end
6 of January, he verbally warned Thovson of "several ongoing performance issues." (Compl. at 9.)
7 A month later, he provided Thovson with a written warning. The warning stated that Thovson
8 was failing to perform nine of her job requirements. (Compl. at 9.)

9 On March 4, 2010, Thovson's union representative wrote a letter to BHR informing them
10 that, on Thovson's behalf, it was grieving the written warning and the corrective action.
11 (Compl. at 9.) The union argued that BHR was retaliating against Thovson for prevailing in
12 arbitration. (Compl. at 10.) After a brief period of sick leave, Thovson returned to an
13 "increasingly negative" work environment. (Compl. at 10.) BHR placed her on indefinite
14 administrative leave; she received a negative performance evaluation; and she was continuously
15 subjected to disciplinary meetings. At the end of April, Thovson injured her foot and had to
16 commence a six-week sick leave. (Compl. at 10.) On the day she was set to return to work,
17 BHR placed her on an unpaid suspension. (Compl. at 11.) BHR allowed Thovson to return to
18 work eight days later, but insisted she complete a series of tasks designed to test her knowledge
19 about her duties. (Compl. at 11.)

20 In early July 2010, BHR and the union mediated the union's retaliation grievance.
21 (Compl. at 12.) Thovson and her union representative concluded that BHR was not willing to
22 address Thovson's grievance during the mediation, Thovson concluded that "any further
23 attempts on her part to resolve the grievance would be futile." (Compl. at 12.) At the end of the
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1 mediation, Thovson resigned. The next step in the grievance process would have been
2 arbitration, but Thovson’s resignation terminated the process.

3 On May 23, 2012, Thovson filed this lawsuit against BHR alleging it breached the
4 collective bargaining agreement in violation of Section 301 of the Labor Management Relations
5 Act. (Compl. at 13.) BHR moves to dismiss, arguing that Thovson (1) failed to exhaust her
6 grievance procedures, (2) failed to claim the union violated its duty of fair representation, and (3)
7 failed to file within the statute of limitations. Thovson responds that further exhaustion would
8 have been futile, that she does not have a claim against the union, and that her claim was timely
9 filed.

10 II. ANALYSIS

11 Dismissal under Rule 12(b)(6) may be based on either the lack of a cognizable legal
12 theory or the absence of sufficient facts alleged under a cognizable legal theory. *Balistreri v.*
13 *Pacifica Police Dep’t*, 901 F.2d 696, 699 (9th Cir. 1990). A plaintiff’s complaint must allege
14 facts to state a claim for relief that is plausible on its face. *See Aschcroft v. Iqbal*, 129 S. Ct.
15 1937, 1949 (2009). A claim has “facial plausibility” when the party seeking relief “pleads
16 factual content that allows the court to draw the reasonable inference that the defendant is liable
17 for the misconduct alleged.” *Id.* Although the Court must accept as true the Complaint’s well-
18 pled facts, conclusory allegations of law and unwarranted inferences will not defeat a Rule
19 12(b)(6) motion. *Vazquez v. L. A. County*, 487 F.3d 1246, 1249 (9th Cir. 2007); *Sprowell v.*
20 *Golden State Warriors*, 266 F.3d 979, 988 (9th Cir. 2001). “[A] plaintiff’s obligation to provide
21 the ‘grounds’ of his ‘entitle[ment] to relief’ requires more than labels and conclusions, and a
22 formulaic recitation of the elements of a cause of action will not do. Factual allegations must be
23 enough to raise a right to relief above the speculative level.” *Bell Atl. Corp. v. Twombly*, 550
24 U.S. 544, 555 (2007) (citations and footnotes omitted). This requires a plaintiff to plead “more

1 | than an unadorned, the-defendant-unlawfully-harmed-me-accusation.” *Iqbal*, 129 S. Ct. at 1949
2 | (citing *Twombly*).

3 | BHR argues that Thovson fails to state a claim for three independent reasons: (1) she
4 | failed to exhaust the grievance procedure in the collective bargaining agreement; (2) she failed to
5 | allege that the union breached its duty of fair representation; and (3) her claim is time barred.
6 | For the reasons discussed below, the Court finds that Thovson failed to exhaust the grievance
7 | procedure in the collective bargaining agreement. Because the Court dismisses the case with
8 | prejudice based on the failure to exhaust, the Court does not reach the other arguments.

9 | Under Section 301, “[s]uits for violation of contracts between an employer and a labor
10 | organization representing employees in an industry affecting commerce . . . may be brought in
11 | any district court of the United States having jurisdiction of the parties.” 29 U.S.C. § 185(a).
12 | Usually, the union sues an employer on behalf of the employee, but Section 301 allows an
13 | employee to sue an employer directly in some circumstances. *Smith v. Evening News Ass’n*, 371
14 | U.S. 195, 200 (1962). An employee generally “may not bring an action for breach of the
15 | collective bargaining agreement unless he has exhausted the contractual grievance procedures.”
16 | *Jackson v. S. California Gas Co.*, 881 F.2d 638, 646 (9th Cir. 1989).

17 | When pursuing a breach of contract claim under § 301, the plaintiff must adequately
18 | exhaust of the grievance procedures set forth in the collective bargaining agreement. *See*
19 | *DelCostello v. International Bhd. of Teamsters*, 462 U.S. 151, 163 (1983). There are three
20 | exceptions to the exhaustion requirement: (1) the employee’s use of the procedure would be
21 | futile; (2) the employer’s conduct repudiates contractual remedies; and (3) the union’s actions
22 | breach its duty of fair representation. *See Vaca v. Sipes*, 386 U.S. 171, 185 (1967); *see also*
23 | *Glover v. St. Louis-San Francisco R.R. Co.*, 393 U.S. 324, 330 (1969). Thovson argues that
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1 further use of the procedure was futile and that the employer’s conduct repudiated the contract.
2 She does not argue that the union breached its duty of fair representation.

3 Thovson argues that it would have been futile to arbitrate her claim because BHR had
4 already failed to fully implement her prior arbitration award, and had refused to negotiation
5 during the pre-arbitration mediation. BHR argues that the process was able to rectify her claims
6 and that BHR processed the grievance, but Thovson did not continue to try. Additionally, BHR
7 argues that its “alleged unwillingness to rectify her grievance during a pre-arbitration meeting
8 does not make the process legally futile because a neutral arbitrator is the ultimate decision
9 maker in the process.” (Reply at 4.)

10 Exhaustion is futile when there is collusion, it is against the union’s interest to represent
11 the grievance, or something about the grievance process makes it unfair in the situation. *See*
12 *Glover*, 393 U.S. at 331 (concluding the procedure would be futile if the bargaining
13 representatives were acting in concert with the employer); *Lerwill v. Inflight Motion Pictures,*
14 *Inc.*, 582 F.2d 507, 511 (9th Cir. 1978) (concluding that a requirement of exhaustion would be
15 futile because the union had already asserted a position contrary to the one the employees
16 asserted); *Dean v. Trans World Airlines, Inc.*, 924 F.2d 805, 810 (9th Cir. 1991) (concluding that
17 exhaustion was futile when the union had ignored all of the employees repeated complaints).

18 Thovson cites no authority for the proposition that an employer’s past reluctance to
19 implement the entire arbitration award or an employer’s failure to make concessions during
20 voluntary mediation make *all* of the grievance procedures futile. Even assuming the facts as
21 alleged, Thovson fails to establish a reasonable inference that exhaustion would be futile. With
22 the exception of Thovson’s legal conclusion that “further attempts on her part to resolve the
23 grievance would be futile,” Thovson’s complaint says nothing about the futility of the process.
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1 There is no indication that the union would have stopped representing the grievance, even if the
2 union had to sue the employer under Section 301. If Thovson continued to experience problems,
3 each problem should have been its own grievance under the grievance procedure. It is not
4 enough for an employee to allege that the pre-arbitration mediation convinced her of the futility
5 of continuing on to the final arbiter.

6 Second, Thovson argues that BHR repudiated the grievance process through its conduct.
7 Specifically, Thovson points to BHR's failure to negotiate during mediation and its past failure
8 to implement the prior arbitration award (the same conduct that Thovson argued made the
9 grievance process futile). BHR argues that there is no allegation that BHR abandoned the
10 grievance procedure or refused to process the grievance. In fact, when Thovson quit her job, the
11 parties were actively involved in the grievance process. The requirement for exhaustion based
12 on repudiation is excused "only if the employer repudiates the specific grievance procedures
13 provided for in the CBA." *Sidhu v. Flecto Co., Inc.*, 279 F.3d 896, 899 (9th Cir. 2002). In *Sidhu*,
14 the court determined the employer repudiated the process when it repeatedly took the position
15 that "the grievance procedures did not govern the dispute." *Id.*

16 Thovson fails to allege any BHR conduct that amounts to a repudiation of the grievance
17 procedures. Thovson acknowledges that BHR processed her latest grievance and that BHR was
18 currently involved in the grievance procedures. Even if BHR did not implement the prior
19 arbitration award to her satisfaction, Thovson has not demonstrated that she had no process
20 available to her to address BHR's failure to implement the award. There is no evidence that any
21 failure to implement the award would not be a legitimate issue subject to additional proceedings
22 under the Collective Bargaining Agreement. Thovson simply does not allege facts that support
23 an inference that BHR is unwilling to participate in or follow the grievance procedures.
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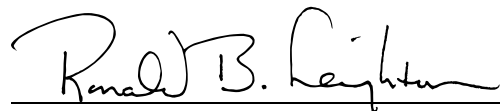
1 Thovson argues that even if she has failed to state a claim, the correct action is to grant
2 leave to amend the complaint instead of dismissal. Leave to amend shall be freely given when
3 justice so requires. Fed. R. Civ. P. 15(a). “If the underlying facts or circumstances relied upon by
4 a plaintiff may be a proper subject of relief, he ought to be afforded an opportunity to test his
5 claim on the merits.” *Foman v. Davis*, 371 U.S. 178, 182 (1962). On a 12(b)(6) motion, “a
6 district court should grant leave to amend even if no request to amend the pleading was made,
7 unless it determines that the pleading could not possibly be cured by the allegation of other
8 facts.” *Cook, Perkiss & Liehe v. N. Cal. Collection Serv.*, 911 F.2d 242, 247 (9th Cir. 1990).
9 However, where the facts are not in dispute, and the sole issue is whether there is liability as a
10 matter of substantive law, the court may deny leave to amend. *Albrecht v. Lund*, 845 F.2d 193,
11 195-196 (9th Cir. 1988).

12 Based on the union’s continued representation of Thovson and the fact that BHR was
13 currently involved in the grievance process, Thovson has not—and cannot—allege any
14 additional facts that would lead to a determination that further use of the process would be futile
15 or that BHR repudiated the grievance procedures. As a matter of substantive law, Thovson
16 failed to exhaust her grievance procedure, and dismissal of this action is required.

17 III. CONCLUSION

18 BHR’s Motion to Dismiss [Dkt. #9] is GRANTED. Plaintiffs’ claims against it are
19 DISMISSED with prejudice.

20 Dated this 1st day of October, 2012.

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22 Ronald B. Leighton
23 United States District Judge
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