

UNITE) STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA, and
LABORERS' INTERNATIONAL UNION
OF NORTH AMERICA by and through
ROBERT LUSKIN, in his official capacity as
General Executive Board Attorney,

Plaintiffs,

v.

99 C 5229
Judge Gettleman

CONSTRUCTION & GENERAL LABORERS'
DISTRICT COUNCIL OF CHICAGO AND
VICINITY, an affiliated entity of the Laborers'
International Union of North America,

Defendant

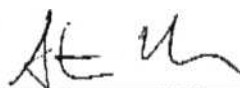
NOTICE OF FILING

TO: SEE ATTACHED SERVICE LIST

PLEASE TAKE NOTICE that I caused to be filed the attached **Monitor's Final Report**

To The Court, a copy of which is attached hereto and herewith served upon you.

Dated: November 17, 2003



Steven A. Miller
Monitor

Steven A. Miller
SACHNOFF & WEAVER, LTD.
30 South Wacker Drive
Suite 2900
Chicago, Illinois 60606
(312)207-1000

NOV 17 2003
MICHAEL W. DOBBINS
CLERK, U.S. DISTRICT COURT

CERTIFICATE OF SERVICE

The undersigned attorney hereby certifies that a copy of the **MONITOR'S FINAL REPORT TO THE COURT** was served upon the following counsel of record via facsimile on the 17th day of November, 2003:

Craig Arthur Oswald
David Buvinger
United States Attorney's Office
219 South Dearborn Street
uite 500
Chicago, IL 60604


Robert D. Luskin
GEB Attorney
2550 M Street, N.W.
Washington, DC 20037-1350

Robert E. Bloch
Dowd, Bloch & Bennett
8 South Michigan Avenue
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Chicago, IL 60603

Seymour F . Simon
Piper Marbury Rudnick & Wolfe
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Suite 1800
Chicago, IL 60601

Patrick Fitzgerald
United States Department of Justice
United States Attorney's Office
219 South Dearborn Street
5th Floor
Chicago, IL 60604

Edward M. Hogan
Counsel, Laborers Local 1
Hogan, Marren & McCahill, Ltd.
205 North Michigan Avenue
Suite 4300
Chicago, IL 60601



Steven A. Miller
Monitor

employment and or contracting with any contractor that has a collective bargaining agreement with LIUNA. For the time period through January, 2006, Lombardo will receive employment not to exceed 250 hours or \$10,000 by LIUNA and he may work at the calling.

II. **SUMMARY OF MONITOR'S OTHER RESULTS DURING**
THE CONSENT DECREE

a. **Joseph Donato**

On July 7, 2000, charges were filed against Joe Donato Jr., alleging violation of the Ethical Practices Code. Local Constitution, the LIUNA Constitution, 29 U.S.C. 501(c); and 720 ILCS 5/15-1. A ten day evidentiary hearing commenced on November 6, 2000 and ended on February 6, 2001. The Adjudications Officer, Seymour Simon, issued a ruling on July 17, 2001, finding that the Monitor sustained 16 of the charges. As relief, Judge Simon barred Donato from future employment and the right to hold any elected position with LIUNA or an affiliated entity.

b. **Anthony Solano, Jr.**

On August 30, 2001, charges were filed against Anthony Solano Jr. An evidentiary hearing commenced on January 14, 2002. Prior to the conclusion of the evidentiary hearing, a settlement was reached with Mr. Solano. In summary, Mr. Solano resigned as Executive Director of the Training Fund on December 31, 2002 and agreed to a lifetime bar from membership, employment with or contracting with LIUNA, any affiliated entity or a contractor that is a party to a LIUNA collective bargaining agreement, subject to his right to be paid \$10,000 per year performing work assigned by LIUNA or its affiliated entities so as to complete pension eligibility.

CONCLUSION

Resolution of the Lombardo charges concludes the Monitor's enforcement of the Consent Decree. Accordingly, no further actions will be taken by the Monitor.

Respectfully Submitted,

Steven A. Miller
Monitor

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September 3, 2003

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VIA FACSIMILE **697-0812**

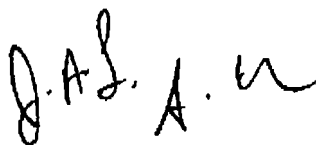
Mr. Rick Halprin
542 S. Dearborn
Suite 750
Chicago, IL 60605

Re: Joseph Lombardo, Jr. — Settlement

Dear Mr. Halprin:

I propose a settlement agreement under the following terms. If accepted by your client, he should sign where indicated below:

- I. Mr. Lombardo agrees that, except as permitted under Paragraph 3 of this Agreement, he is immediately and permanently barred from membership in, employment with, or contracting with LIUNA, any of its affiliated locals, any of its affiliated funds, including but not limited to training funds, pension funds, and health and welfare funds, trust funds and any other LIUNA -- related Taft -- Hartley entity, including the Chicago Laborers District Council and any of its affiliated/related entities (herein collectively referred to as "LIUNA and Its Related Entities"). Mr. Lombardo further agrees to immediately surrender his union card and immediately resign any and all elected and/or appointed positions with LIUNA and its Related Entities. Nothing in this paragraph affects Mr. Lombardo's ability to "work at the calling," which is addressed below in Paragraph 2.
2. Further, Mr. Lombardo will be permanently barred from employment with any contractor that has a collective bargaining agreement with LIUNA and Its Related Entities, upon payment of \$10,000 in 2006 by LIUNA or one of its affiliated/related entities. This bar also precludes him from an independent contractor relationship with LIUNA and Its Related Entities and any contractor that has a collective bargaining agreement with LIUNA and Its Related Entities. Further, Mr. Lombardo agrees not to obstruct or otherwise interfere, directly or indirectly, in any way or degree, with the work of any party to the Consent Decree, or from interfering with the efforts of any officer, attorney or employee of LIUNA and its Related Entities. In addition, Mr. Lombardo agrees not to engage in any activity or endeavor which, directly or



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Attorneys at Law

Mr. Rick Halprin
September 3, 2003
Page 2

indirectly, operates contrary to, or results in an adverse consequences, to the goals and objectives of LIUNA and Its Related Entities.

3. Mr. Lombardo will be offered employment at the Chicago Laborers' District Council or at one of its affiliated/related entities for a period not to exceed 250 hours in 2003, 2004, 2005 and 2006, earning exactly \$10,000¹ (no more) in each year and benefits uniformly provided to all employees under terms governing benefit fund trust agreements, The exact job description and responsibility will be determined solely in its discretion of the District Council and/or one of its affiliated/related entities. This offer has been orally authorized by certain representatives of the District Council and/or one of its affiliated/related entities. Binding written approval by the District Council and/or one of its affiliated/related entities will be sought by the Monitor within seven days of the entry of the execution of this agreement.
4. Mr. Lombardo acknowledges that he has received a copy of the Monitor's charges against him, that he has been assisted by counsel in understanding and responding to the charges and that he understands the charges. Mr. Lombardo neither admits, nor denies, the allegations set forth in the Monitor's charges.
5. The Monitor agrees to dismiss all the charges against Mr. Lombardo, without prejudice to reinstate them in the event of a material breach by Mr. Lombardo of the settlement agreement. Mr. Lombardo further agrees that a violation of this Agreement shall constitute a violation of the Court's CLDC Consent Decree, Case No. 99 C 5229 (ND. IL). Mr. Lombardo agrees that, if he does materially breach the settlement agreement, the Monitor's charges may be reinstated by the GEB Attorney, and he further agrees that a material breach may be prosecuted as a criminal contempt of the Court, pursuant to the terms and provisions of the CLDC Consent Decree. In the event the Monitor's charges are reinstated, or a contempt proceedings were to be prosecuted, Mr. Lombardo is entitled to defend the charges brought against him.
6. Mr. Lombardo agrees that LIUNA and Its Related Entities would be irreparably harmed in the event this Agreement is violated by him, that injunctive relief against ongoing violations of this Agreement would be an appropriate remedy, and that appropriate relief may be sought for such violation under the CLDC Consent Decree.
7. Mr. Lombardo agrees that in the event that a material breach is established, in addition to forfeiting the right to work for a participating LIUNA contractor through 2006, Mr. Lombardo forfeits any pension benefits earned as a result of his employment in 2003, 2004, 2005 and 2006 and that his pension benefits will be re-

¹ In the event the amount for pension eligibility is *lowered* or raised, the \$10,000 amount set forth in Paragraph 3 will be adjusted to meet the requirements for pension eligibility.

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Mt Rick Halprin
September 3, 2003
Page 3

calculated as though he was no longer employed after September 9, 2003. In the event this provision is deemed not to be enforceable as a matter of law, Mr. Lombardo agrees that whatever entities are responsible for his pension benefits claims shall be entitled to a damage award against him in the amount of those additional pension benefits earned as a result of granting him employment in 2003, 2004, 2005 and 2006. Said entities will be identified via letter by the Monitor within thirty days of Mr. Lombardo's acceptance of this agreement, and their identity shall be incorporated by reference in this Agreement as though fully set forth herein. Because Mr. Lombardo's life expectancy cannot be known with certainty, he agrees damages shall be calculated as the total amount of additional pension benefits that are payable due to his employment in 2003, 2004, 2005 and 2006 based upon his actuarial life expectancy, reduced to present value as of the time of the breach. Mr. Lombardo consents to a legal judgment in that amount, and that the judgment amount may be used as an offset by the entity responsible for pension payments.

8. Mr. Lombardo may not seek legal fees against the Monitor, the District Counsel or any affiliated entity.
9. With the exception of those rights expressly reserved in this Agreement, Mr. Lombardo fully releases LIUNA and its Related Entities and the Monitor, from any and all claims arising from the investigation and disciplinary proceedings.
10. Mr. Lombardo's acceptance will be acknowledged by the Monitor's receipt of Mr. Lombardo's signature affixed to this letter. Following receipt of Mr. Lombardo's agreement, the Monitor will seek written acceptance of the Agreement from duly authorized representatives of the District Council and or one of its affiliated/related entities, In the event written acceptance is received from the District Council, and/or one of its affiliated/related entities, this Agreement will become final. In the event the District Council, fails to provide written acceptance of the Agreement, neither the Monitor or Mr. Lombardo will be bound by the Agreement and the Monitor may continue to prosecute the charges, any appeal, and to exercise all authority granted under the Consent Decree. In the event this Agreement does not become final, and the prosecution continues, neither this Agreement nor its content shall be offered as evidence by the Monitor or Mr. Lombardo in the disciplinary proceeding.

Yours,
SM

Steven

Miller

Monitor

SAM/amk

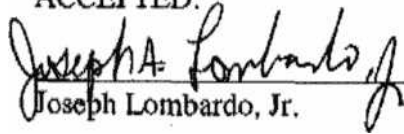
J.A.S. A. v

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Mr. Rick Halprin
September 3, 2003
Page 4

ACCEPTED:


Joseph Lombardo, Jr.

Date: 9/3/03