

OLIVE HILL GREENHOUSES,	)	Case No.	2024-MMC-002
INC.,	)		
	)		
Employer,	)		
	)		
and	)		
	)	52 ALRB No. 04	
UNITED FARM WORKERS	)		
OF AMERICA,	)		
	)	(July 30, 2026)	
Petitioner.	)		
	)		

This matter is before the Agricultural Labor Relations Board (“Board”) as a petition for review of a mediator’s report to the Board after the above parties were directed to mandatory mediation and conciliation (“MMC”) of their issues. The Board has evaluated the petition for review and for the reasons discussed below finds Olive Hill Greenhouses, Inc. has not established any grounds exist for the Board to grant review of the mediator’s report.

On November 12, 2024, United Farm Workers of America (“UFW”), the certified bargaining representative of the agricultural employees of Olive Hill Greenhouses, Inc. (“Olive Hill”), filed a declaration with the Board pursuant to Labor

Code section 1164 et seq. and Board Regulation section 20400¹ requesting the Board issue an order directing the parties to MMC.² On November 22, 2024, the Board issued an order finding the prerequisites for referral to MMC set forth in Labor Code section 1164, subdivision (a) and section 20400, subdivision (b) of the Board’s regulations had been met, and directing the parties to MMC. (*Olive Hill Greenhouses, Inc.* (Nov. 22, 2024) ALRB Admin. Order 2024-08.)

After the parties selected the mediator, the parties had one “off the record” MMC session in early 2025. On April 21, 2025, Olive Hill filed a complaint in federal district court challenging the constitutionality of the MMC process; however, the MMC process continued after the court denied Olive Hill’s motion for preliminary injunction. (*Western Growers Association, et al., v. Agricultural Labor Relations Board, et al.*, Case No. 1:25-ov-00577-KES-CDB.)³

The parties had a second “off the record” meeting on May 22, 2025, but were unable to voluntarily agree to all terms of a collective bargaining agreement. The parties then had two “on the record” sessions on October 8 and 9, 2025. The parties filed briefs with the mediator on December 22, 2025. A supplemental stipulation by the parties was provided to the mediator on February 3, 2026, while a Statement of Economic Value

¹ The Board’s regulations are codified at California Code of Regulations, title 8, section 20100 et seq.

² The UFW was certified as the exclusive collective bargaining representative of Olive Hill’s agricultural employees on January 17, 2024, via the majority support petition process set forth in Labor Code section 1156.37. (§ 1156.37, subd. (e)(3).) Olive Hill did not file any objections to the certification. (§ 1156.37, subd. (f)(1).)

³ The Board filed a motion to dismiss the complaint and a hearing on the motion was held on December 2, 2025. This matter is pending a ruling on the Board’s motion.

by the UFW and a Cost Analysis of the Contract Proposals by Olive Hill was provided on February 27, 2026. (See Mediator's Report to the Board dated March 24, 2026, pp. 1-2.)

Mediator's Report, Supplemental Report and Second Supplemental Report

Pursuant to the authority of Labor Code section 1164, subdivision (d), the mediator issued a report, dated March 24, 2026, fixing the terms of a collective bargaining agreement.

On April 15, 2026, Olive Hill and the UFW both filed petitions for review of the report pursuant to Labor Code section 1164.3, subdivision (a). However, the Board concluded the report filed by the mediator did not satisfy the requirements of a mediator's report set forth in Labor Code section 1164, subdivision (d) because the report failed to include a statement of the entire economic value of the collective bargaining agreement. On April 24, 2026, the Board instructed the mediator to issue a supplemental report that included such a statement. The Board dismissed the parties' petitions for review without prejudice as premature and did not consider the merits of the petitions. (*Olive Hill Greenhouses, Inc.* (April 24, 2026) ALRB Admin. Order No. 2026-04)

On May 14, 2026, the mediator issued a supplemental report with an attachment purporting to be "the parties' stipulation on the entire economic value of the collective bargaining agreement."⁴ However, the attachment was not a stipulation, rather it was a joint document setting forth the parties' respective positions on the entire

⁴ The supplemental report also corrected a typographical error in the original report regarding the term of the collective bargaining agreement. The corrected dates indicate the collective bargaining agreement will be in effect from March 15, 2026, through March 14, 2029.

economic value of the collective bargaining agreement. The mediator attached the document to the May 14, 2026 supplemental report, but did not make the required finding on the entire economic value of the collective bargaining agreement.

On May 21, 2026, the parties filed petitions for review of the mediator's initial report and his supplemental report. The Board concluded the May 14, 2026 supplemental report filed by the mediator did not satisfy the requirements set forth in Labor Code section 1164, subdivision (d). The Board also found a dispute remained with respect to the wage rate for the job classification "Greenhouse Lead – Non-Sprayer." The Board instructed the mediator to issue a second supplemental report that included a statement of the entire economic value of the collective bargaining agreement, and that resolved all issues between the parties. The Board once again dismissed the parties' petitions for review without prejudice as premature and did not consider the merits of the petitions. (*Olive Hill Greenhouses, Inc.* (June 1, 2026) ALRB Admin. Order No. 2026-06)

On July 11, 2026, the mediator issued his second supplemental report. His report concludes the total economic value of the collective bargaining agreement is \$872,821. He also set the wage rate for the "Greenhouse Lead – Non-Sprayer" classification at \$18.50/hour for 2026, \$19.06/hour for 2027, and \$19.63/hour for 2028.

On July 20, 2026, Olive Hill filed a petition for review of the mediator's initial report, supplemental report, and second supplemental report. The petition will be discussed in detail below.

Discussion

Where, as here, the Board is considering a petition for review of a mediator's report, the Board determines whether the petitioning party has established a prima facie case that any portion of the report is subject to review for any of the grounds specified in Labor Code section 1164.3, subdivision (a). (Lab. Code, § 1164.3, subd. (d).)

The specified grounds are as follows:

(1) a provision of the collective bargaining agreement set forth in the mediator's report is unrelated to wages, hours, or other conditions of employment within the meaning of Section 1155.2; (2) a provision of the collective bargaining agreement set forth in the mediator's report is based on clearly erroneous findings of material fact; or (3) a provision of the collective bargaining agreement set forth in the mediator's report is arbitrary or capricious in light of the mediator's findings of fact.
(Lab. Code, § 1164.3 subd. (a).)

Under Board regulation 20408, subdivision (a), the petitioning party is required to specify the particular provisions of the mediator's report for which it is seeking review, specify the specific grounds authorizing review, and cite the portions of the record that support the petition for review.⁵

⁵ Mere disagreement with the mediator's resolution of disputed terms is not a grounds for review. (*Spawn Mate, Inc., dba Mushroom Farms* (2017) 43 ALRB No. 3, p. 16.) We also note "on-the-record MMC proceedings are part and parcel of the negotiating process," and throughout the MMC process, the parties are free to resolve the disputed issues on their own (*Gerawan Farming, Inc. v. ALRB* (2019) 40 Cal.App.5th 241, 271.) As the California Supreme Court observed, "the parties may reach a voluntary agreement on all or most of the disputed terms before the mediator writes a final report or before the ALRB issues its final order." (*Gerawan Farming, Inc. v. ALRB* (2017) 3 Cal. 5th 1118, 1156.)

If no petition for review is filed or the Board finds none of these grounds to exist, the mediator's report "shall become a final order of the Board." (Lab. Code, § 1164.3, subd. (b).)

For the reasons discussed below, we find Olive Hill has not established that any of the statutory grounds exist for the Board to grant review of the mediator's report.

First, Olive Hill argues the entire mediator's report is premised upon the mistaken assumption that the MMC process is constitutional. Olive Hill states it does not waive any arguments regarding the unconstitutionality of the entire MMC process, and incorporates by reference its briefing in support of its Petition for Preliminary Injunction and its Opposition to Motion to Dismiss, filed in the case *Western Growers Association, et al., v. Agricultural Labor Relations Board, et al.*, Case No. 1:25-ov-00577-KES-CDB.

This argument fails to establish a prima facie case that the mediator's report is based on a clearly erroneous finding of material fact and provides no basis for the Board to accept the petition for review. Neither the Board nor a mediator have authority to declare Labor Code sections 1164-1164.14 unconstitutional or otherwise refuse to enforce it by granting a stay of the MMC process. (See Cal. Const., art. 3, § 3.5; *Premiere Raspberries, LLC* (2018) 44 ALRB No. 2, p. 4; *Gerawan Farming, Inc.* (2013) 39 ALRB No. 5, p. 4; *Hess Collection Winery* (2003) 29 ALRB No. 6, pp. 6-7; see *Greener v. Workers' Comp. Appeals Bd.* (1993) 6 Cal.4th 1028, 1038 [administrative agency must

comply with a statute until an appellate court has considered and upheld a challenge to it].)⁶

Olive Hill next argues the report wrongfully relies upon collective bargaining agreements (CBAs) provided by the UFW which do not relate to similar agricultural operations with similar labor requirements. In support of its petition, Olive Hill submits declarations by its company directors Denise Godfrey and Will McGregor, and its attorney Patrick S. Moody that state during an off-the-record mediation session on February 11, 2025, Olive Hill's representatives and their counsel were discussing the union's proffered list of CBAs with the mediator and he specifically told them that none of the CBAs covered operations that were comparable to Olive Hill. Olive Hill argues its representatives relied upon the mediator's statement that the CBAs were not comparable to develop their mediation and litigation strategy, only to see the mediator's report rely upon those CBAs to resolve disputed provisions.

Olive Hill argues the mediator's resolutions are arbitrary and capricious because he failed to make a finding that the CBAs cover comparable agricultural operations and, because the mediator made a direct statement to Olive Hill that the CBAs did not, in fact, cover comparable agricultural operations.

One of the statutory factors a mediator considers in resolving disputed provisions is "the corresponding wages, benefits, and terms and conditions of

⁶ The California Supreme Court upheld the constitutionality of the MMC statute in 2017, in *Gerawan Farming, Inc. v. ALRB*, *supra*, 3 Cal. 5th 1118, cert. denied, (2018) 586 U.S. 908.

employment in collective bargaining agreements covering similar agricultural operations with similar labor requirements.” (Lab. Code § 1164.3 subd. (e); Board reg. § 20407, subd. (b).)

The report states the UFW submitted five CBAs which it has currently with agricultural employers: Scheid Vineyards, Inc., Balletto Vineyards, Huntington Farms, H.M.S. Agricultural Corporation, and Ho Sai Gai, Inc. The mediator’s report discusses the parties’ disagreement with respect to the applicability of these CBAs. “While the Employer asserts that these entities which produce wine grapes or comestibles are ‘not even remotely comparable to [its] business or working conditions,’ the Union argued that their contracts could be used for comparisons due to their year-round operations, stable workforces, skilled labor, and/or competition in the California labor market.” (Mediator’s Report p. 4.) Clearly the mediator accepted the UFW’s argument that the CBAs covered operations with similar labor requirements, as the report goes on to discuss terms in the CBAs when resolving disputed provisions.

A review of the hearing transcripts does not support Olive Hill’s claim that they were surprised that the mediator considered the CBAs when drafting the report. The CBAs were discussed during the hearing at length. As the attorney for the UFW walked through the union’s positions on various proposals, UFW witness Roman Pinal referred to similar provisions in the CBAs submitted for comparison. On cross-examination of Pinal by Olive Hill’s counsel, Pinal admitted that none of the CBAs involve greenhouse operations (Transcript, Vol. I, p. 81); however, other than this short exchange, there is

nothing to indicate the CBAs would be disregarded by the mediator in resolving issues in dispute.

The Board has rejected arguments that CBAs used as a factor in resolving disputed provisions must be precisely comparable in all respects. (*Ace Tomato Company, Inc.* (2012) 38 ALRB No. 6, p. 4.) We find Olive Hill has not established a prima facie case that the report is subject to review due to the mediator's use of the CBAs to resolve issues in dispute.

Olive Hill next argues the mediator's report adopts arguments from the UFW's post-arbitration brief, relying upon citations to the transcripts of the arbitration sessions. Olive Hill argues the UFW's citations to the transcript are not accurate, thus the mediator has relied upon misstatements in the record.

The two provisions Olive Hill points out as being affected by the inaccurate transcript citations are Article 2, union security, dues checkoff, and Article 5, Section 10, seniority rights. With respect to the dues check-off provision, the mediator erroneously stated Olive Hill witness McGregor testified concerning the capability of Olive Hill's system to handle dues deductions. However, UFW witness Pinal testified that provisions requiring deductions for union dues are very common in UFW contracts. (Transcript, Vol. I, p. 8.) Thus, the mediator's adoption of the UFW's proposal on dues check off was supported by evidence in the record and did not rely solely on the purported statement by McGregor. Therefore, we do not find merit in Olive Hill's argument that the mediator's resolution of this provision is based entirely on clearly erroneous findings of material fact.

With respect to the seniority rights provision, while Olive Hill is correct that the UFW's post-arbitration brief incorrectly cites Pinal's testimony about Article 5, Section 10, and the mediator's report reflects this inaccuracy, the mediator rejected the UFW's proposal on this provision and adopted Olive Hill's proposal. Thus, Olive Hill was not prejudiced by this inaccurate transcript citation.

Olive Hill takes issue with the mediator's statement of the entire economic value of the CBA, arguing it is inaccurate. With respect to the average hours worked per year, Olive Hill argues the mediator adopted the UFW's figure without analysis. According to Olive Hill, the UFW used 2,080 hours/year, while Denise Godfrey testified that employees average 1,885 hours/year. (Transcript Vol. 2, p.197.) Olive Hill argues this difference inflates the cost of the CBA by more than \$100,000 per year.

Contrary to Olive Hill's argument, the mediator states he determined the economic value according to data submitted by the employer. "That data included the total number of hours worked per classification in 2025, 88,268 [hours]..." (Mediator's Second Supplemental Report, p. 2.) The mediator later notes the UFW's assessment of wage increases over the contract term (\$511,509) was based on "a 47-member work force employed in 2025 for the hours stated above." (Mediator's Second Supplemental Report, p. 3.) 88,268 total hours divided by 47 workers is 1,878 hours worked per classification per year. This figure is slightly less than Denise Godfrey's 1,885 hours/year average, so this contradicts Olive Hill's argument that the statement of economic value relies on an inaccurate number of hours worked per classification per year.

Olive Hill argues the other inaccuracy is the cost of health benefits. The mediator adopted the UFW's valuation of the benefit (\$26,842/year), but Olive Hill argues this is not a new cost imposed by the CBA and should not be added to the economic value, because the mediator ordered the company to maintain the same benefit level it had been providing previously.

The mediator addressed this same argument by Olive Hill in his report. He explained the health benefits provision in the initial report states "any additional costs or assessments for plan coverage as determined by the insurer for the Employer's percentage contributions to these plans shall be fully paid by the Employer." Therefore, Olive Hill is contractually obligated to pay any additional expenses for health care plans, resulting in a contract-driven cost of \$80,526. (Mediator's Second Supplemental Report, p. 3.)

The purpose of the valuation required by Labor Code section 1164, subdivision (d) is to set the amount of the appellate bond required by Labor Code section 1164.5, subdivision (d) to ensure that employees receive the economic benefits of the contract if the employer does not prevail in its petition for review of the Board's order on the mediator's report but then fails to implement the CBA. The statement of economic value is by its nature an estimate of the economic benefits employees would receive if the CBA were implemented "as determined by stipulation of the parties or by the mediator." (Lab. Code § 1164, subd. (d).)

In the instant matter, the report includes the basis for the mediator's determination and is supported by the record as required by Labor Code section 1164,

subdivision (d). We find Olive Hill has not established a prima facie case the mediator based his statement of the economic value of the CBA on clearly erroneous findings of material fact or that this estimate is arbitrary or capricious.

Finally, Olive Hill argues the wage increases in the report are inconsistent with the mediator's own analysis. For example, the mediator states in his report the consumer price index for San Diego rose 2.6% in 2025, yet he imposed a 14% wage increase in the first year of the contract. Olive Hill argues another example is despite the mediator's stated goal of maintaining the employer's one dollar above the minimum wage base rate and the historical relationships between the minimum wage and higher paid classifications, the mediator increased the wages rates for a number of classifications beyond the historical relationships.

The report discusses multiple factors the mediator considered in reaching his conclusion about the wage provisions. On balance, he found the factors weighed in favor of the wage rates in the report. We find Olive Hill has not established a prima facie case that the mediator based his wage order on clearly erroneous findings of material fact or that the wage order is arbitrary or capricious in light of the findings of fact.

Olive Hill's petition for review of the mediator's report, supplemental report and second supplemental report is denied.

ORDER

In accordance with the decision above, and pursuant to the requirements of California Labor Code section 1164.3, subdivision (b), it is ORDERED that the Mediator's Report and Recommendation for Collective Bargaining Agreement dated

March 24, 2026, the Mediator's Supplemental Report dated May 14, 2026, and the Mediator's Second Supplemental Report dated July 11, 2026, become the final order of the Board. IT IS FURTHER ORDERED that the Collective Bargaining Agreement between Olive Hill Greenhouses, LLC and the United Farm Workers of America contained in the Mediator's Report dated March 24, 2026, the Mediator's Supplemental Report dated May 14, 2026, and the Mediator's Second Supplemental Report dated July 11, 2026, take immediate effect.

DATED: July 30, 2026

Victoria Hassid, Chair

Barry Broad, Member

Ralph Lightstone, Member

CASE SUMMARY

OLIVE HILL GREENHOUSES, INC.

Case No. 2024-MMC-002

United Farm Workers of America
(UFW)

52 ALRB No. 3

Background

On November 22, 2024, the Agricultural Labor Relations Board (“Board”) issued *Olive Hill Greenhouses, Inc.* (Nov. 22, 2024) ALRB Admin. Order 2024-08.), referring Olive Hill Greenhouses, Inc. (“Olive Hill”) and the United Farm Workers of America (“UFW”) to mandatory mediation and conciliation (“MMC”) pursuant to Labor Code section 1164. The parties met with the mediator several times but were unable to agree to all terms of a collective bargaining agreement (“CBA”). The mediator issued a report (“Report”), dated March 24, 2026 fixing the terms of the CBA. The Board found that the Report failed to satisfy the requirements of Labor Code section 1164, subdivision (d), because the Report failed to include a statement of the entire economic value of the CBA and because it did not fully resolve all of the issues between the parties. On April 24, 2026, the Board issued Administrative Order 2026-04, remanding the matter to the mediator with instructions to issue and file a report in compliance with Labor Code section 1164, subdivision (d). On May 14, 2026, the Board received from the mediator a “Supplemental Report to the Board” (“Supplemental Report”), however the Supplemental Report did not make the required finding on the economic value of the CBA. The Board remanded the matter to the mediator again. (*Olive Hill Greenhouses, Inc.* (June 1, 2026) ALRB Admin. Order No. 2026-06.) On July 11, 2026, the mediator issued a “Second Supplemental Report.” Olive Hill timely filed a request for review of the mediator’s Report as amended by the Supplemental Report and the Second Supplemental Report.

Board Decision and Order

Pursuant to Labor Code section 1164.3, subdivision (a), the Board may accept for review those portions of a petition for review for which a prima facie case has been established that a provision of the collective bargaining agreement set forth in the mediator’s report is (1) unrelated to wages, hours or other conditions of employment, (2) based on clearly erroneous finding of material fact, or (3) arbitrary or capricious in light of the mediator’s findings of fact. After evaluation of the petition for review, the Board found Olive Hill failed to establish a prima facie case that the mediator’s findings of material fact were clearly erroneous, or that the provisions fixed in his Report, Supplemental Report and Second Supplemental Report were arbitrary or capricious in light of his findings of fact. The Board ordered the CBA take immediate effect.

This Case Summary is furnished for information only and is not an official statement of the case, or of the ALRB.