

**UNITED STATES OF AMERICA
BEFORE THE NATIONAL LABOR RELATIONS BOARD
DIVISION OF JUDGES**

**WATERCREST ACQUISITION I, LLC d/b/a
KRYSTAL BAY NURSING AND REHABILITATION
CENTER and ROYAL MERIDIAN MANAGEMENT
COMPANY, LLC, a single employer and joint employers**

and

CASE 12-CA-328174

**1199 SEIU UNITED HEALTHCARE
WORKERS EAST**

Cristina M. Ortega, Esq.,
for the General Counsel.

Steven Gottlieb and Lizer Jozefovic,
for the Respondent.

Libby Herrera-Navarrete, Esq.,
for the Charging Party.

DECISION

STATEMENT OF THE CASE

IRA SANDRON, Administrative Law Judge. The case arises from a second order consolidating complaint and compliance specification issued on January 29, 2025, stemming from charges filed by 1199 SEIU United Healthcare Workers East (the Union) against Watercrest Acquisition I, LLC d/b/a Krystal Bay Nursing and Rehabilitation Center and Royal Meridian Management Company, LLC (the Respondent). The complaint alleges that the Respondent violated the terms of its collective-bargaining agreement with the Union covering a bargaining unit at the Respondent's North Miami Beach, Florida facility.

The Respondent failed to file an answer, and Counsel for the Acting General Counsel (the General Counsel) notified the Respondent on February 20, 2025, of her intention to seek a default judgment; again, the Respondent failed to respond.

Pursuant to notice, I conducted a hearing on March 4, 2025, by Zoom. The Respondent failed to appear, and I sustained all the allegations in the complaint, as well as accepted the methodology and amounts of backpay set out in the compliance specification as per Sec. 102.56(b) and (c) of the Board's Rules.

The General Counsel moved for a default judgment (GC Exh. 2), which I granted pursuant to my authority under Sec. 102.35(a)(8) of the Board's Rules.

The General Counsel and the Charging Party waived the filing of briefs.

Based on the undisputed allegations and undisputed backpay calculations set out in the appendix to the compliance specification, I reach the following conclusions of law.

CONCLUSIONS OF LAW

1. Watercrest Acquisition I, LLC d/b/a Krystal Bay Nursing and Rehabilitation Center and Royal Meridian Management Company, LLC, are a single employer and joint employers (the Respondent).
2. The Respondent is an employer engaged in commerce within the meaning of Section 2(2), (6), and (7) of the Act.
3. 1199 SEIU United Healthcare Workers East (the Union) is a labor organization within the meaning of Section 2(5) of the Act.
4. By the following conduct, the Respondent has engaged in unfair labor practices affecting commerce within the meaning of Section 2(6) and (7) of the Act and violated Section (a)(5) and (1) of the Act:

(a) Failed to continue in effect all the terms and conditions of its collective bargaining agreement with the Union by failing and refusing to pay unit employees their accrued unused Paid Time Off (PTO) hours as of their dates of termination, without the Union's consent.

(b) Failed to continue in effect all the terms and conditions of its collective bargaining agreement with the Union by failing to and refusing to provide the Union with advance notice that it was transferring the operations of its North Miami Beach, Florida facility to a new operator, without the Union's consent.

REMEDY

Because I have found that the Respondent has engaged in certain unfair labor practices, I find that it must be ordered to cease and desist and to take certain affirmative action designed to effectuate the policies of the Act.

The Respondent shall pay backpay to the employees in the appendix to the compliance specification the amounts set forth therein in the manner set out in the compliance specification.

The Respondent shall compensate said employees for the adverse tax consequences, if any, of receiving lump-sum backpay awards and file with the Regional Director for Region 12, within 21 days of the date the amounts of backpay are fixed, by agreement or Board order, a report allocating the backpay awards of unit employees to the appropriate calendar year(s). *Advoserv of New Jersey, Inc.*, 363 NLRB 1324 (2016); *Don Chavas, LLC d/b/a Tortillas Don Chavas*, 361 NLRB 101 (2014).

The Respondent shall file with the Regional Director for Region 12, within 21 days of the date the amounts of backpay are fixed, by agreement or Board order, or such additional time as the Regional Director may allow for good cause shown, copies of W-2 forms for each employee who received backpay reflecting the backpay awards.

On these findings of fact and conclusions of law and on the entire record, I issue the following recommended¹

ORDER

The Respondent, Watercrest Acquisition I, LLC d/b/a Krystal Bay Nursing and Rehabilitation Center and Royal Meridian Management Company, LLC, are a single employer and joint employer, with a facility in North Miami Beach, Florida, its officers, agents, successors, and assigns, shall

1. Cease and desist from

(a) Failing or refusing to continue in effect the requirements to pay unit employees for unused Paid Time Off (PTO) as of the dates of their termination, and to give the Union advance notice of the cessation of its operations at its North Miami Beach, Florida facility, as required by Articles 38 and 40 of its collective-bargaining agreement with the Union that was effective by its terms from January 1, 2022, through December 31, 2024, without the Union's consent.

(b) In any like or related manner interfering with, restraining, or coercing employees in the exercise of the rights guaranteed them by Section 7 of the Act.

2. Take the following affirmative action necessary to effectuate the policies of the Act.

(a) Pay backpay to the employees in the appendix to the compliance specification the amounts set forth therein in the manner described in the remedy section of the decision.

(b) Mail, at its own expense, copies of the attached Notice to Employees in English, Haitian Creole, Spanish, and any other language deemed appropriate by the Regional Director, to all unit employees it has employed at any time since January 1, 2023.²

¹ If no exceptions are filed as provided by Sec. 102.46 of the Board's Rules, the findings, conclusions, and recommended Order shall, as provided in Sec. 102.48 of the Rules, be adopted by the Board and all objections to them shall be deemed waived for all purposes.

² This is the notice distribution requested by the General Counsel.

(c) Within 21 days after service by the Region, file with the Regional Director a sworn certification of a responsible official on a form provided by the Region attesting to the steps that the Respondent has taken to comply.

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Dated, Washington, D.C. March 11, 2025.

A handwritten signature in black ink, appearing to be 'IS' or similar, written above a horizontal line.

Ira Sandron
Administrative Law Judge

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APPENDIX

NOTICE TO EMPLOYEES POSTED BY ORDER OF THE
NATIONAL LABOR RELATIONS BOARD
An Agency of the United States Government

The National Labor Relations Board has found that we violated Federal labor law and has ordered us to mail and obey this notice.

FEDERAL LAW GIVES YOU THE RIGHT TO

- Form, join, or assist a union;
- Choose representatives to bargain with us on your behalf;
- Act together with other employees for your benefit and protection;
- Choose not to engage in any of these protected activities.

WE WILL NOT fail or refuse to recognize and bargain with 1199 SEIU United Healthcare Workers East (the Union) as the exclusive collective-bargaining representative of our employees in the following appropriate bargaining unit with respect to wages, hours and other terms and conditions of employment:

All Licensed Practical Nurses (LPNs), Certified Nursing Assistants (CNAs), Activity Assistants, Dietary and Housekeeping/Laundry employees employed at our North Miami Beach, Florida facility; excluding Registered Nurses (RNs), office clerical employees, administrative employees, drivers, maintenance supervisors, watchmen, private aides, therapists, and guards and supervisors as defined in the National Labor Relations Act.

WE WILL NOT fail or refuse to continue in effect the requirements to pay unit employees for unused paid time off (PTO) as of their dates of termination, and to give the Union advance notice of the cessation of our operations at our North Miami Beach facility, as required by Articles 38 and 40 of our collective-bargaining agreement with the Union that was effective by its terms from January 1, 2022, through December 31, 2024, without the Union's consent.

WE WILL NOT in any like or related manner interfere with, restrain, or coerce our employees in the exercise of their above-stated rights guaranteed under Section 7 of the National Labor Relations Act.

WE WILL make our employees in the above unit whole by paying them for all unused PTO hours accumulated as of April 30, 2023, plus interest, in the manner set forth in the remedy section of the decision.

**WATERCREST ACQUISITION I, LLC
d/b/a KRYSTAL BAY NURSING AND
REHABILITATION CENTER d/b/a
ROYAL MERIDIAN MANAGEMENT
COMPANY, LLC, a single employer and
joint employers**

(Employer)

Date _____ By _____
(Representative) (Title)

The National Labor Relations Board is an independent Federal agency created in 1935 to enforce the National Labor Relations Act. It conducts secret-ballot elections to determine whether employees want union representation and it investigates and remedies unfair labor practices by employers and unions. To find out more about your rights under the Act and how to file a charge or election petition, you may speak confidentially to any agent with the Board's Regional Office set forth below. You may also obtain information from the Board's website: www.nlrb.gov and the toll-free number (866) 667-NLRB (6572).

51 SW 1st Avenue, Suite 1320

Miami, FL 33130

Hours of Operation: 8:00 a.m. to 4:30 p.m.

Telephone: (305) 536-5391

The Administrative Law Judges' decision can be found at www.nlrb.gov/case/12-CA-328174 or by using the QR code below. Alternatively, you can obtain a copy of the decision from the Executive Secretary, National Labor Relations Board, 1015 Half Street S.E., Washington, D.C. 20570, or by calling (202) 273-1940.



THIS IS AN OFFICIAL NOTICE AND MUST NOT BE DEFACED BY ANYONE

THIS NOTICE MUST REMAIN POSTED FOR 60 CONSECUTIVE DAYS FROM THE DATE OF POSTING AND MUST NOT BE ALTERED, DEFACED, OR COVERED BY ANY OTHER MATERIAL. ANY QUESTIONS CONCERNING THIS NOTICE OR COMPLIANCE WITH ITS PROVISIONS MAY BE DIRECTED TO THE ABOVE REGIONAL OFFICE'S COMPLIANCE OFFICER (813) 228-2641.