

Standing Committee
June 18, 2010

USC: Ken Enneberg, Mike Bouse, Curt Ollilla, Paul Burgher

MSC: Chad Davis, Erik Wilson, Ron Kramer, Shawn Wood,

Grievances:

08-43: 1097 Mechanics Committee – Contracting out Phone Work

MSC: Arbitrator Dorothy Fallon selected – settlement discussions ongoing.

09-12: Scheduling

MSC: Union request for mediation 4/16/10. The Company indicated that the Union should request a panel from the FMCS and then contact Ron Kramer to proceed from there.

09-45: Jurisdictional Work Dispute,

MSC: JSC held timely until a subcommittee can discuss. This is a similar issue as 09-62 and 10-30.

09-46: Local 1097 Scheduling Maintenance during Summer Down, 09-50: Local 1097 - Contracting Out,

MSC: Union request for mediation 5/28/10. The Company indicated that the Union should request a panel from the FMCS and then contact Ron Kramer to proceed from there.

09-56: Overtime for Whole Watch,

MSC: Union request for mediation 4/16/10. The Company indicated that the Union should request a panel from the FMCS and then contact Ron Kramer to proceed from there.

09-62: Local 1097 Mechanics Committee - Jurisdictional Dispute,

MSC: JSC held timely until a subcommittee can discuss.

09-64: USW Local 1097 – Lay off Pool

MSC: Fact finding at Step 3 – Company waiting for names of affected employees.

09-69: Written Reprimand

MSC: Waiting for Union's response to Company's first step answer.

09-79: Overtime

MSC: Company third step response issued 6/16/10.

09-80: Seniority and Transfer Language,

MSC: Union request for mediation 5/28/10. This will need to be mediated separately but the company is willing to combine all grievances on Contracting Out using one mediator. The Company indicated that the Union should request a panel from the FMCS and then contact Ron Kramer to proceed from there.

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09-81: Mechanics Committee – Contracting out – TO, 09-82: Mechanics Committee – Contracting out – TO, 09-83: MC – Contracting out – Notification after the fact, 09-84: Mechanics Committee – contracting out TO, 09-85: Mechanics Committee – Contracting out TO

MSC: Union request for mediation 5/28/10. The Company indicated that the Union should request a panel from the FMCS and then contact Ron Kramer to proceed from there.

09-87: USW Local 1097 – Reversing Grievance Settlements

MSC: USC Held timely on 4/21/10.

USC: We have not had any feedback on it. Grievances are best solved at first step on a non-precedent setting basis. We withdraw without barring future citations.

09-88: Written Reprimand

MSC: Company third step response issued 6/16/10.

09-89: USW Local 1097 – Attendance Policy

MSC: JSC held timely until a subcommittee can discuss.

USC: Schedule a meeting for Curt Ollila, Bill Kerr, Mike Bouse and Ken Enneberg to discuss current absenteeism policy.

MSC: The more leniencies there are, the more lack of consistency.

USC: We are looking at making it more black and white which is consistent.

MSC: That is a no fault policy. We currently have a no fault policy, changing that we would have to change the whole policy.

USC: Even if you call in saying you will be late you get a verbal.

MSC: Yes, arriving late to your work station after proper notification results in a verbal. We've built enough room in the policy to allow for one or two tardies per year before an employee would progress on to serious discipline resulting in a Written Reprimand and loss of P-Pay.

USC: It is harsher for the employees than it has ever been. The human piece has been taken out of the policy which allowed people who have a one time event to have a discussion. It wasn't what we negotiated.

MSC: That was the purpose of the first step or verbal verification. You are very interested in fairness and so are we, but we are also interested in ease of administration where we do not have inconsistencies.

USC: We need to get this resolved.

09-90: 3/4/5/9 Utility Employees – Wage Rate Retention

MSC: Resolved at second step on 4/21/10? We are not sure of the status.

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USC: We will withdraw the grievance because we have not identified anyone else involved.

10-05: Verbal for Attendance.

MSC: JSC held timely to get supervisor/steward together to discuss.

10-06: USW Local 1097 – Contracting out to Brawn Insulation, 10-07: USW Local 1097 – Contracting out to Hamer Electric

MSC: Union request for Mediation 5/28/10. The Company indicated that the Union should request a panel from the FMCS and then contact Ron Kramer to proceed from there.

10-08: No call No Show

MSC: JSC held timely until a subcommittee can discuss the attendance policy.

10-10: USW Local 1097 – Contracting out Campbell Crane TO, 10-11: USW Local 1097 – Contracting out, 10-13: USW Local 1097 – Contracting out to Streimer Sheet Metal

MSC: Union request for mediation 5/28/10. The Company indicated that the Union should request a panel from the FMCS and then contact Ron Kramer to proceed from there.

10-14: Hours of Work

MSC: Company third step response issued 6/16/10.

10-15: USW Local 1097 – Violation of Maint Headcount agreement

MSC: Union request for mediation 5/28/10. The Company indicated that the Union should request a panel from the FMCS and then contact Ron Kramer to proceed from there.

10-16: USW Local 1097 – Contracting out to Thyssen Krupp

MSC: Union request for mediation 5/28/10. The Company indicated that the Union should request a panel from the FMCS and then contact Ron Kramer to proceed from there.

10-17: Written Reprimand for Attendance

MSC: Discussed at second step on 4/21/10.

USC: Hold timely until the discussion on the attendance policy.

10-18: Scheduling in Kraft Mill, 10-19: Holiday Week Work Schedule

MSC: USC held timely at second step on 3/15/10.

10-20: PM7 TAD/ Fabric Call Ins

MSC: USC Held at second step on 4/21/10.

USC: Did you have a chance to talk to the manager about adding the clause for a right of refusal for incoming crew?

MSC: They are not willing to add that.

USC: In the 4/21 Standing Committee meeting they were not called in but held over. Prepping is what takes the time.

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MSC: In one instance he held graveyard over and in another he called them in?

USC: Yes. He can't have it both ways. His concern was that they could time out and the safety aspect.

MSC: On the first instance if the supervisor was not sure how long it would take and he was not violating the ground rules it is the supervisor's right.

USC: That is why we wanted it added to the ground rules. It is just one more step and means about five phone calls. We've talked to the crews and they would like to put it into the ground rules.

MSC: Grievances indicate that the contract has been violated or ground rules have been violated. But in this case, there is no violation.

USC: If the ground rules were modified it makes it very clear and there are no gray areas. We see it as a violation because they are not exhausting the department.

MSC: But it is not written that way. With respect to the grievance has there been a contract violation?

USC: We will discuss further at lunch.

USC: Hold timely we are going to work with the crews to get the guidelines changed.

10-21: Scheduling same as 09/12

MSC: Union requested mediation on 4/16/10. The Company indicated that the Union should request a panel from the FMCS and then contact Ron Kramer to proceed from there.

USC: This is the same issue as in 09-12, hold timely until that discussion happens.

10-22: Reprimand

MSC: USC held timely at second step on 4/21/10.

USC: We are going to try and get together with the employee's supervisor and the employee.

MSC: You should also include Shawn Wood in that discussion.

USC: The employee dosed off for a minute while waiting for an operator to return to the control room.

10-23: Drug Screen

MSC: Company third step response issued 6/16/10.

USC: This was just issued in the information we received?

MSC: Yes

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10-24: USW Local 1097 – Laid off Operations Department Employees

MSC: Union request for mediation 5/28/10. The Company indicated that the Union should request a panel from the FMCS and then contact Ron Kramer to proceed from there.

10-25: #5PM – Filling Vacancies

MSC: Request for fourth step on 4/16/10.

10-26: Bill of Material Work

MSC: Union request for mediation 5/28/10. The Company indicated that the Union should request a panel from the FMCS and then contact Ron Kramer to proceed from there.

10-27: Contracting Out

MSC: Union request for mediation 5/28/10. The Company indicated that the Union should request a panel from the FMCS and then contact Ron Kramer to proceed from there.

10-28: Verbal Notification

MSC: Discussed at second step 4/21/10.

USC: Hold timely until we have come to agreement on the attendance policy.

10-29: Local 1097 – Misinterpretation of FMLA/OFLA

MSC: Discussed at second step 4/21/10.

USC: We have someone who had a personal experience with FMLA. It took a month to get the forms filled out correctly.

MSC: We are using corporate FMLA forms. We are not trying to make it difficult for our employees to get FMLA.

USC: Employees have to go back to their doctor more than once to get the forms filled out correctly.

MSC: We cannot fill out the forms for the physician if they did not fill it out correctly. We do not have the medical expertise to know.

USC: We used to have someone who worked with the employees to make sure it was filled out correctly instead of just handing a packet back to the employee saying it was filled out incorrectly.

MSC: If the employee does not feel comfortable with the person they have worked with when filing for leave, they can go to another HR member.

USC: We don't know the FMLA law and its changes. We would like to hold this timely. We have a series of emails that show some of the issues.

MSC: We do not understand why this is a grievance. It is more of a discussion. It should follow through the complaint process.

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USC: We will do more research. Hold timely.

10-30: Local 1097 Jurisdictional work dispute

MSC: Request for third step 04/09/10 Similar to 09-45 and 09-62.

10-31: Local 1097-Overtime

USC: Two guys on the crew were not asked to stay over and do overtime. The people that stayed over were from another crew.

MSC: The people that stayed over needed to stay and make sure that the work was correct for start up; they were asked to stay because they would have had to stay anyway.

USC: They asked everyone but the two people.

MSC: They didn't ask everyone on the crew, and then it was determined that the two individuals who stayed over needed to do so anyway. They needed to make sure that the work they had completed was done correctly which couldn't be verified until start up. We do not believe there was a contract violation.

USC: Were they working on control wiring?

MSC: Re-wiring of starters.

USC: According to the grievance, all other electricians were asked to stay.

MSC: We have no intent to start making overtime assignments by seniority.

USC: If it is extra work and is not a continuation of work it should be assigned to the home crew. We will discuss further. Hold timely.

10-32: Robert Conn – Call Time

USC: The employee was either covering a vacation or floater on day shift and had to work overtime to cover it. In Exhibit D of the Labor Contract, Section F, Paragraph 11, "If a floater or vacation is scheduled before the schedule is posted the preceding week (by 3:00pm Friday), no call time will be payable for the day shift coverage. Call time will be paid for working the night shift of your day off. The reason this employee worked the overtime is because of the number of people out on special assignment.

MSC: Senior moves are made first, and then vacations and floaters are adjusted on a week by week basis.

USC: We are not saying a senior move was not done correctly. Utilities couldn't cover it because they had extra hands that were moved to non-blue slip jobs. The reason for the coverage was because they were not available to cover the vacation or floater. They were all on special assignment to do planning for the shutdown. Under vacation guidelines, the steam plant gets four off per week and they are not able to cover that.

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MSC: The grievance answer says that senior moves covered the employees who were off on special assignment. We need to find out if they were out because of special assignment or vacation. We will ask Kay Crist to join us to discuss.

MSC: Kay Crist has joined us. The employee was scheduled to cover a vacation for the week of the 8th. The supervisor called and said he was asking for call times to work those days because of the people out on special assignment. Then the employee contacted Kay Crist to explain why they wanted a call time, but all the senior moves were made to cover the absences and then the vacation was scheduled.

USC: If those people hadn't been on special assignment the coverage wouldn't have been needed.

MSC: He is right in that respect, but the contract states that the senior moves are made first.

USC: The Kraft Mill and Utilities keep their own reliefs so they do not go back to the labor pool so they can cover their vacations without incurring overtime. When you put people out of the ladder is it really an absence from the vacation.

MSC: That is why we have the agreement to do the senior moves. We couldn't move the guys on shift because they are not qualified yet to work those jobs.

USC: How many people were on special assignment?

MSC: Just two employees. We have a clause in the contract for senior moves to cover special assignments.

USC: Under that scenario, there will never be a case where you get a call time on day shift except if you were called in. We were not made aware that there were bodies that couldn't move up because they were not qualified.

MSC: Because the junior people are not qualified to move up yet, we will have to use overtime coverage for vacation.

10-33: DATV

USC: The employee was able to take a couple of his DATV days, and then tried during January to take more and they were denied. He also tried to take them at the middle of and the end of May, which were also denied.

MSC: The first request was February 10th and he actually took a day.

USC: He also called on 1/30 to get one scheduled and was denied. Hold timely until Bill Kerr is back.

10-34: Contracting out – Clean up dust from Trusses

USC: During the cold outage of the shutdown, CCS was brought in to vacuum out the beams. The job was stopped during the middle of the job. The contractor used the wrong equipment,

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and we had people laid off and the equipment to do the job. This job was reviewed because it was supposed to be special equipment. The work is operational type work but it was brought through mechanics committee. It was misleading to the mechanics committee because they were told that they had to use special equipment. Our employees could easily have done this work.

MSC: You are aware that the job was stopped once it was determined that they were using the wrong equipment. Did the contractor provide special lighting because it was during the cold outage?

USC: Generator and lights but we could have rented them to use.

MSC: The answer to the grievance was that we have never used our operations employees to vacuum the trusses.

USC: We had people laid off and the contractors didn't have the right materials. We had the tiger vacuum here that could be used. We are asking for the hours that were paid out to the contractor.

MSC: Hold timely until this can be discussed with the area supervisor.

10-35: Pay Rate during Annual Down

USC: There seems to be a disparity between how people are paid in various hours. When it comes to the actual down people who helped do the planning were paid the highest job. On prep work they were paid the highest job wage they were qualified for. Safety employees were paid just their hourly rate. The wage increases are not being administered equitably.

MSC: What people are we talking about?

USC: The safety coordinators and the PEO workers. They are asking to be paid the highest rate of the department they come out of during the shutdown that they were qualified for. Employees working on the HIRA project were being paid that way.

MSC: There is not a name on the grievance. We need specific examples. Kay Crist is going to join us in the discussion.

USC: We are wondering about what is happening on the east side when employees are on special assignment. They are paid the highest rate they are qualified for. That didn't happen on 1/2 PM or 6/7 PM.

MSC: We scheduled the employees on the weekend at the highest wage. Then we started to schedule the next week of the down. Employees on 1&2PM were mad that junior employees were being scheduled to be paid at machine tender pay. We made the decision not to pay the highest wage and sent individual messages to the employees who were doing outage work. The purpose of the higher wage is to compensate the people on special assignment so that it makes up for the lost overtime, call-ins etc.

USC: How are we going to resolve this grievance?

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MSC: We made the change with notification. The answer to the grievance explains the rate of pay. We do not think there is a labor agreement violation here. The company maintains that there was not a contract violation. The employees who were paid the higher wage were on special assignment. The employees who were not on special assignment were not paid the higher rate. The other item which does not have anything to do with this grievance is the labor calculator which needs to be discussed by both parties further.

JSC: We will discuss more later.

Agenda Items:

Employee Bid Disqualification

USC: The safety issues were addressed from the previous meeting where the Company asked for a probationary extension. The employee contacted us and said that his bid was denied.

MSC: The employee's reliefs came in and said that he was not fulfilling the job obligations.

USC: Is there a personality conflict?

MSC: Two people came in and we took a look at that. But there was a list of things that were not being completed on the shift which is all documented. They felt that he was unsafe in the job.

USC: We have the reviews from the trainer and there do not appear to be issues.

MSC: During reviews they may be pressured to not bring up issues. But when it comes down to the final decision then they may feel the need to bring up issues.

USC: We have a whole folder of letters other employees wrote in support of the employee. This is why we are questioning the decision.

MSC: We encourage you to talk to all the people they worked with.

USC: We've had cases of personality conflicts so a situation like this is raising a red flag. In the evaluations there was also no follow up on the items he was supposed to be working on. We will follow up with some of the employees.

Relief Work in the Wood Mill

MSC: The woodmill has four reliefs. The Peco operators are relieved by the blue slip chip testers. In some instances when the chip testers relieved they followed their same schedule. There was an instance where one of them was scheduled off shift and the employees were angry. It was decided that one relief would cover A and B crew the other C and D crew.

USC: Isn't that considered a move up?

MSC: There are only two positions and there are not four chip testers just two. The chip tester's job is to backfill the vacancies on the PECO.

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USC: Peco operators never get overtime because it is always back filled?

MSC: They do get it, but when we can cover it all with straight time we schedule that way. We are consistent with the scheduling. We have to shift them from crews to cover the PECO.

USC: If someone retires on the PECO, one of the chip testers gets it?

MSC: Yes. Then the chip test vacancy is offered to the wood mill. Take some time to review the schedule and notes.

31TT:

USC: There are plans to permanently shutdown #31TT?

MSC: The plan is to shut down #31TT once conveyors have been put in to tie in to #13TT eliminating the need for 31TT. If we progress as expected this would be done by the end of the third quarter. We are about four months away. This could push into the first of next year however.

USC: We are currently under this labor contract.

MSC: The employees have the option to bid out or work without a hard end date. We are discussing moving to two shifts on #31TT for awhile.

USC: The employees were already given the bump paperwork and then it was pulled back. Those employees are in limbo. We've done this before on #4PM. Only a couple employees bid out and then the rest were left to run the machine. The employees believe that if we go to a different contract that the wage rate retention would be honored from previously.

MSC: We are not sure where that would come from. During the curtailment we can run on two crews and then half the crew would be in labor pool.

USC: How long would they run on two crews?

MSC: Several weeks.

USC: Is there any thought to increasing vacation allotments during that curtailment?

MSC: We will look at that if we are manned correctly.

USC: To avoid a mass exodus on #4PM they retained the employees knowing that the machine would go down with an approximate date that it would shut down, they can worry about bumping once it is shut down and their rate would be retained. Would the company be willing to consider something like that? It would protect the employee's interests and the Company's.

MSC: We would have to discuss that.

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USC: The equipment was moved in from Bellingham, there was no job analysis done. Those employees have run the machine for three years.

MSC: The nature of the agreement on #4PM was that it was guaranteed that they would be wage rate retained as long as they stayed to run the machine.

USC: The intent was to keep the trained employees working on the equipment until it shuts down. On #4PM we even let them bid on new jobs and then held the job open until the equipment was shut down.

Curtailment on 1HHT, 3/5/9TT, and #2PM:

MSC: We are going to experience curtailments on 1HHT, 3/5/9 and 31TT and #2PM in June. They will not all be curtailed at the same time; there will be two down at a time. The curtailment is occurring because tissue inventory is high. The volume we are selling is down, and we do not need to produce as much right now.

USC: Are we looking at about 33% downtime? Would we be looking at the 10 on four off?

MSC: What are 10 on four off?

USC: Run three eight hour shifts 10 days in a row with four days off after that. The machine would be shut down for those four days. We should have bump language. 3/5/9 is all one ladder so the bottom crew would not be working. The problem is that this is not permanent but rather short term.

MSC: The market forecast is that the tissue market will strengthen. We are going to observe the holiday except on those lines that need to run and then continue on into curtailment.

USC: Make sure that your schedule corresponds to what you are calling it. In Box Facial we have been running two crews since February? What happened to the other workers?

MSC: Some went back to labor pool and some bid out.

USC: Box Facial has been curtailed longer than 90 days so we should have grandfathered rights.

MSC: Are you asking us to look at potential language for box facial?

USC: Yes, we do not know how many employees are affected.

MSC: The reason for the language only being there for permanent closures is that employees will bid somewhere and then we are paying for their training there.

USC: It may make sense for the company to offer wage rate retention so that they are available to be pulled back.

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6/7PM Labor Pool:

USC: We looked at the proposal and are concerned about the rate of pay. We would think they would get the B Pooler rate.

MSC: We split the difference between labor pool and B pool.

USC: When the employees are there, they are doing the B Pooler's jobs. The other problem that the crews have is that they would be trying to train on both ladders it is too cumbersome to bounce them back and forth given all the duties. In the crew's opinion, it was better to have two progression ladders.

MSC: The two progression ladders take away the flexibility it would provide to be trained on both.

USC: You need to be on both those jobs more than once in awhile, and you would not be able to train them in 60 days on both jobs. The other issue is that you would only be granting them Monday to Sunday vacations. The crews are asking why there would be so many of them?

MSC: It was worded as up to sixteen employees.

USC: The crews are just asking for one per crew.

Employee Freezes:

MSC: This employee wants to freeze as a 3/5/9 Utility.

USC: We are ok with it if you are.

MSC: This other employee is asking to be frozen as a winder operator.

USC: The employee has 6000 hours of adjuster time, where did we fail here?

MSC: The people that train and sign off the workers may not have sound enough checks and balances. We have one or two alternatives; we could freeze him at the lower rate, or leave him in the current position and go through progressive discipline.

USC: Would you consider retaining his rate for retirement? Blue slip him at winder? It seems like the ball got dropped on his reviews.

MSC: The employee benefited from hours and hours of training. We need to make sure the employee is aware that he would be paid at the lower rate.

USC: We will discuss it. We do not want to see the employee disqualified and sent back to labor pool.

MSC: If we were going to retain the rate we would not do the freeze. So, you are approving the freeze regardless of the rate for the retirement?

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USC: Yes.

Giving Away Overtime

USC: We had an individual in shipping give away her overtime to a specific individual. The employee was told later that they could not give away the overtime to that individual anymore because they had not been trained to do the SAP system. The employee was informed that they could only give away overtime to two individuals in labor pool.

MSC: Who did the telling?

USC: We are asking you to look at it and be more consistent. Employees are working in shipping that are not trained in SAP. If it is ok when it benefits the company, it should also be ok with it benefits the employee.

Contracting out for Tug Captains

MSC: On occasion we are not able to get a tug captain in when we need to move barges. We would like to arrange as a fall back plan calling in a tug captain from tidewater barge lines to operate our tug and move the barges. Right now we are bringing in tidewater with their tugs to move the barges but this takes too much time.

USC: We have four licensed tug captains right now?

MSC: Yes, and they are called in and respond a lot. However, there is an occasional time that we cannot get them to come in and we still need to move the barges.

USC: What if people in the pool were interested in going to get trained?

MSC: The problem is that they have to have hours on the river which we would not be able to get them. We have people who can be mates, but once in a great while we get stuck with no way to move the barges.

Reinstating Health Insurance:

USC: We have an employee who has opted out of our insurance and the insurance he is covered under will be ending. How does he go about getting our insurance? Also our plan is not compliant with the dependent coverage of the Obama Health Plan.

MSC: In the first case, that is considered a life changing event and provisions for enrolling in our plan can be found in the summary plan description. Concerning the Obama Health Plan, the company has until 9/23/10 to become compliant with the dependent coverage.

USC: We also need to know if they will be covered if they are not on the tax return.

MSC: We will need to get further details.

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7/8 Torch Project:

MSC: We have vendors and materials that need to be installed as part of Project Torch. We have a couple of people in mind to help with the SOPs and to keep making progress. With the letter from the union, it is difficult to get people to step up and help with the project.


USC: You are asking us for an extension? We will have to discuss that and get back to you.

MSC: The time frame is very sensitive. It is a significant capital investment for safety. We are asking for an extension of 4-5 months. We need to start the prep work on 7 and then at the first of the year we would start on 8.

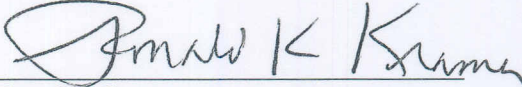
USC: We need to look at it because you continue to deny vacations and have high amounts of overtime in departments.

MSC: We would like to discuss as soon as possible. Please follow up with Erik Wilson.

Meeting Adjourned.



For the Union



For the Company