USC: Ken Enneberg, Paul Burgher, Mike Bouse, Brandon Kent, Curt Ollila

MSC: Shawn Wood, Chad Davis, Ron Kramer, Tom Day, Frank Walsh, Mike Tompkins

Third Step Hearing

09-31: Recognition Clause

USC: This grievance is for the auditing on paperwork that is now being done by the clockroom. This was done by our employees who did the filing and auditing in each department.

MSC: The direction we are going is to have the filing done centrally.

USC: We want the hourly workers doing that work.

MSC: This work was never exclusively 1097 work,

USC: During downs you have workers doing the filing.

MSC: How do you make that argument when over the years salaried workers have been doing this work also?

USC: Hourly workers do it in the Kraft mill.

MSC: The hourly workers are currently filling out the permits. The clockroom notes the exceptions on the reports. We are having a hard time determining that this would be exclusively 1097 work.

USC: Our stand is that we have done the work all along and want to continue to do it.

Grievances:

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

MSC: Arbitration Panel Received – Preparing to Strike Names

08-65: Pension Pay

MSC: Arbitration Scheduled for October 14, 2009

08-86: USC - Filling Vacancies

MSC: We are not sure about the status of this grievance.

USC: We maintain that the job is filled more than 6 months it should be filled permanently.

MSC: So we will need a letter moving it to Third Step.

08-90: Local 1097 – Mechanics Committee, 08-91: Local 1097 – Mechanics Committee – Call Time – Shift Changes, 08-104: USW Local 1097 Mechanics Committee – Call Time – Shift Changes, 08-106: Mike Byrum – Scheduling Employees 16 Hours, 09-06: John Peters

- Call Time - Shift Changes per week, 09-10: Local 1097 - Schedule Changes, 09-16: Local 1097 Mechanics Committee- Call time - Schedule Change

MSC: Mediated 7/23/09. We need notification from the Union as to which can be dropped and which may require further discussion.

08-96: USW Local 1097 - Benefits during Disciplinary Layoff

MSC: Arbitration panel received. Preparing to strike names.

08-97: USW Local 1097 - Disability Retirement Health Benefit Premium

MSC: The Company issued a fourth step answer on 6/1/09 and has never received a response from the Union.

08-108: Scheduling Employees 16 Hours

MSC: Arbitration panel received. Preparing to strike names.

09-12: Scheduling

MSC: This grievance was held timely at the second step by the MSC on 7/15/09. We thought we had come to a tentative agreement on this grievance.

USC: The tentative agreement was made based on the fact that we were supposed to receive copies of the scheduling guidelines. We haven't gotten any.

MSC: That is because we do not have any.

USC: Then we need to come to agreement. We need to push the departments to get scheduling guidelines so we can stop the grievances coming from different departments.

MSC: Do we really want guidelines or do we want to go back to the labor agreement?

USC: It used to be every department had guidelines. When there scheduling meetings they would be used. Now that there are no department schedulers these guidelines seem to have been lost. Kay Crist does not have copies of them.

MSC: Based on Kay's scheduling the Kraft Mill does not have any guidelines.

USC: What started his whole conversation was a grievance in the Kraft Mill.

MSC: This was something that the Kraft Mill operators didn't agree on. These one off situations will happen and have to come to Standing Committee. We do not have anything else to give you. We have asked both the departments and the union to give us what they have.

USC: We are working on it. We have the Kraft Mill guidelines which we have given you.

09-21: Post Accident Drug Test

MSC: The Company issued a third step answer on 7/15/09.

USC: We will be sending you a letter responding to the answer.

09-23: Rate of Pay

MSC: The Company issued a third step answer on 7/15/09.

09-32 Probationary Pay Rate

MSC: The Company issued a third step answer on 7/31/09.

09-33: FMLA

USC: We have asked the employee to contact Kim Groulx regarding the denied first leave request.

MSC: We believe he has done so but that a change by the physician at this time is untimely. The Company believes it complied with the FMLA law and the grievant does not have a case.

09-34: Scheduling / Staffing Level

MSC: This grievance was held timely at second step by the USC on 7/15/09 to allow for bump rights letters to be issued. The letters have been sent out. Is there anything else that needs to be done or can this grievance be closed?

USC: There is still a safety issue. We agree this matter should now be referred to the WSC for their consideration. We reserve the right to process further in the grievance procedure if the WSC is unsuccessful at addressing the concerns.

09-35: Call In

USC: At the last meeting you asked if he had loaded barges during those two shifts. He did load barges and told the Supervisor the next day. The argument was that did he do all of the job or just part of it. The supervisor knew that he did the entire job and it was acknowledged by the Barge Loader.

MSC: The employee was not signed off to do the work and was told by the supervisor not to do the work.

USC: Did the supervisor mention the conversation the next day?

MSC: This is the first we have heard about that conversation.

USC: If someone is not trained and could not do the job safely then they should not be allowed to do the work. If they can do it safely they should be allowed to do the work.

MSC: We are trying to do the right thing. He was told only to move the boards.

USC: Moving boards is his primary job. Loading a barge is not primary work.

MSC: Is the argument that he loaded a barge or was told by the supervisor not to load the barge and should have? Can we tell by scanner codes?

USC: He was not entered into the system so was not able to use a scanner.

MSC: What is the difference in pay?

USC: There is no difference of pay, he is asking for two days pay because he should have been called in to do the work.

MSC: In the supervisors response to the grievance he specifically states that the employee was only supposed to move boards.

USC: Who was the supervisor that worked that night?

MSC: The argument is that the employee loaded the barges. He may have loaded the barges but was told not to load the barges.

USC: There were no issues because they had the employee work the second night doing the same work.

MSC: No member of management told the worker to load the barge. He was not signed off to do the work. If he does the work without permission, it does not make him eligible to be called in to do the work on overtime until he is trained.

USC: Barge loading was not his primary job. The overtime was for warehouse utilities.

MSC: Can you come up with a member of management that told him do anything other than moving the boards.

USC: The supervisor did not tell the employee to load barges, he only told him to move boards. After the first night shift, the employee reported that he had loaded barges. Then he worked a second night.

MSC: The concern is that a management member could have told him to do work that he was not trained to do. We can not find any proof of this. Can you tell us who the supervisor was who was there?

USC: You would know better who was scheduled that night than we would.

MSC: We need to find out if there is a member of management who told the employee to load the barges. We have a written statement from the supervisor who told him only to move the boards.

USC: We would like to see the job description of a warehouse utility also. In the spirit of cooperation we would split the difference and ask for one day instead of two.

MSC: We will discuss further at lunch.

09-37: OT for Employees on Special Assignment

MSC: This grievance was held timely by the USC at second step on 7/15/09.

USC: If an employee is not moved out for the entire week, they are not considered on special assignment. We do have an issue of one of the employees in the area moving their vacation from anything other than Monday through Sunday or day off to day off. We will withdraw the grievance however.

09-38: Local 1097 Mechanics Committee - Area Call Ins

MSC: We would like to have Ross Procter participate in this discussion.

USC: Will it change the Company's position of denying the grievance?

MSC: No, but he was there when the call in process was developed between the parties and can provide some historical perspective.

USC: We are moving this grievance on to third step.

09-40: Call In

Similar to 09-38 so the same conclusion that is reached with that grievance will ultimately be applied to this one.

09-41: Scheduling Issue

USC: The Union accepts the Company's third step answer issued 7/29/09.

09-42: OT in Warehouse

MSC: We held this one timely because a grievance was sited from 2006. We have reviewed the grievance and do not think it pertains.

USC: It was a grievance from the year 2000.

MSC: We will review that grievance on break.

09-43: Schedule Change

MSC: The Company questions the timeliness of this grievance. This grievance was filed on 6/26 and was answered on 6/28. For some reason this was not handled in a timely manner.

USC: We never received a first step response from the Company.

MSC: We don't understand how that happened, but let's listen to your presentation of the grievance.

USC: You have to remember that we had quite a few cases sit on the books.

MSC: We will hear each of these but will not waive our right to talk about timeliness.

USC: We have never seen the first step answer.

MSC: Ron Kramer received a copy of it when it was distributed. Meal periods can be moved a half hour each way according to Section 25 of the Labor Agreement. We chose to exercise the right to move the lunch a half hour in order not to disrupt the job that was being done.

USC: We believe that notification was supposed to occur earlier than 10:45.

MSC: We are not aware of any notification requirement. You will need to show that to us.

USC: We will do some research and see if we can find anything about that. Hold Timely.

09-44: Supervisor Working

USC: Utilities production leader Nils Roehne was using testing equipment and there were workers available to do that. We do not have a copy of the first step answer.

MSC: Bruce Linehan answered this one. Nils used a thickness tester that was part of the inspection. Nils was using the testing equipment to verify the outside contractor's reading.

USC: He was just verifying what the contractor found? We would like to make sure that the answer is given back to the grievant and/or steward and that we get copies of the answer.

MSC: That is a fair request and will speak with the supervisor to make sure that the grievant and/or shop steward get copies of the first step answer.

USC: Hold Timely until we can speak with the grievant.

09-45: Jurisdictional Work Dispute

USC: The supervisor had operations remove a door which has always been A-2 work. This agreed upon 8/25/92 Standing Committee minutes that operations would not do maintenance work.

MSC: The first step answer is that the work was done safely and properly by Local 1097 employees. We do not know what the discussion was in 1992 but opening a door or valve is not operations or maintenance work. They were able to do the work safely and correctly. There are two other grievances that support that.

USC: We would like to get copies of those grievances.

MSC: We will try and find them.

USC: Hold timely.

09-46: Scheduling Maintenance during Summer Down

USC: Jobs were being contracted out for temporary overload. There were electricians, millwrights, and lube mechanics which were not being used on the down. They were left to cover their areas. If we are going to be using temporary overload when these employees were asking for extra work, they could have been scheduled to be helpers as the paint crew was being used as helpers.

MSC: It was not cold work during this outage. We did not have the volume of work for electricians that we normally have. Mechanical employees left in their areas were needed to handle any mechanical issues. We required any millwrights on an 8 hour day to check in to see if they were needed on the outage before going home. We do not know of anything that says just because there is a contractor being used in the mill; we have to provide the hourly employees with overtime.

USC: The point is here that they are discussing temporary overload. We will discuss further at lunch.

09-47: Local 1097 - Contractor Hole Watches

USC: Before the down we mentioned that if there was the potential for people to be laid off during the outage that there are jobs like hole watches that they could be used for. Some contractors used their own hole watches. We are asking that the hours worked by contractor hole watches be paid to the union.

MSC: We have during the last two outages tried to have our employees do the hole watches. This is not exclusively 1097 work. Our last two downs have been successful on hole watches by covering them with our employees and have not laid employees off during the annual outage.

USC: Where do you get that hole watches are not 1097 work.

MSC: It is part of the contracting out, contractors can provide their own hole watches.

USC: It is all part of the confined space program. We do not contract out sniff testing.

MSC: The contractor provided hole watches that performed the sniff testing.

USC: That is not the same as sniff testing, that is part of the continuous monitoring.

MSC: The PEO does the initial sniff. We expect that contractors have trained employees to act as hole watches. We do not think that there are any job descriptions or analyses that show Hole Watches as a position.

USC: Hole watches would fall under the array of work that operations does. Work that the A-2 package is allowed to be contracted out for specific reasons. Our contract does not have any provision that allows operational work to be contracted out. That is our position.

MSC: Our position is that this is not historically 1097 work. We have made a shift at the Union's request to try and use our employees to do the hole watches so we did not have to lay them off as was our past practice. The risk is that in the course of arbitration this could be taken away and that it may be cheaper to use contractors. In the job planning for the outages we try to use as many of our own people as possible. No one has been displaced by a hole watch being contracted.

USC: There are cases of that occurring.

MSC: During the outage did we have anyone displaced by a contractor hole watch?

USC: No

MSC: Why is this being grieved?

USC: To protect our work.

MSC: If we use all available labor during the outage and then still have work and need to contract it out, how do you propose that we cover that work. Keep people on all year so they would be available to cover during the outage?

USC: Some overtime may be required during the down.

09-48: Napkin Ladder Employees - Holiday Scheduling

USC: This grievance is from the Napkin department for the holiday scheduling on the 4th of July. Section 24, Paragraph I., 2 of the Labor Agreements states, "In the event there is a reduction in the working force or curtailment of production in excess of 48 hours which results in demotions or layoffs, employees shall be demoted or laid off in the reverse order of their promotions. They scheduled according to their ladder seniority instead. We are asking that people who should have been scheduled be made whole.

MSC: Based on a grievance from last year, it states that honoring a holiday is not a curtailment.

USC: We withdraw this grievance because it was in observation of the holiday and the people working those machines were scheduled.

09-49: Lunch Break

USC: An employee was scheduled to come in at 5 AM instead of a 7 AM start. The employee stopped at 11 AM for lunch and applied for a worked through lunch pay request, but was denied. Under the Bureau of Labor Industries ORS839-02050 1B, a person who works more than 7 hours must be allowed to take a lunch between the 3rd and 6th hour.

MSC: If there is a provision of the labor agreement that is applicable to the lunch period, according to that same statute, the provisions of the rule regarding the meal period may be modified by the terms of the collective bargaining agreement if the provisions specifically prescribe rules concerning the meal period.

USC: The employee was not able to take a lunch break until after working 6 hours.

MSC: This happened on a couple of different dates?

USC: This happened during the down and on 7/15/09.

MSC: They are asking for a paid lunch? We cannot see how this violates wage and hour law due to the labor agreement language.

USC: Is that the intent of section 32? That we will not be in contradiction with the law?

MSC: Are you saying we violated the law?

USC: Is this section saying that if something in our contract is contrary to the law then the law would prevail?

MSC: Based on the BOLI Language in this specific statute, it seems to say that if the labor contract provides for something different with respect to meal periods, than that is ok.

USC: If you have provisions that would be true, however there are no provisions in our contract for this situation. This job is outside the scope of a day worker.

MSC: What is the issue for this grievance?

USC: He took his lunch outside of the 3rd to sixth hour. We will hold timely to talk to the grievant to see what the issues are.

09-50: Local 1097 Contracting Out

USC: This grievance is about a breakdown on the washer. 20 guys were called.

MSC: We called the home crew and the utilities crew.

USC: Then you contracted it out?

MSC: We were calling on Memorial Day weekend. We got one employee to agree to come in, but still needed more help and then notified the Mechanic's Committee that we were going to have to contract it out.

USC: Why did they decide not to go outside of the home crew?

MSC: We called the eastside crews. At some point we have to make a decision to get the work done and bring in outside help.

USC: The comments say that two millwrights were needed to fix the washer.

MSC: We didn't even get that many. What is the contract violation?

USC: The only thing we have for the reason for contracting out is "Other"

MSC: There is no reason on the form for crews refusing to come in.

USC: Hold timely until we have a chance to talk with Al about this issue.

09-51: Local 1097 - Contracting out

USC: We accept the first step answer with pay.

MSC: Do you know what the work was? We will pay everything we paid the contractor. These guys came in with a bore scope to look at the vacuum pump and did it free of charge. We had two of our guys working with them.

USC: Our people worked with them?

MSC: Yes

USC: We withdraw this grievance on the grounds that our crew worked with them. We would like to remind the managers that they need to notify when contracting out.

MSC: We have paperwork showing it was reviewed.

USC: That was done after the work was done.

MSC: When was the bore scoping done?

USC: April. We were notified late in May that work had been done.

MSC: The arrangements were done and our guys were scheduled to work with them. The PO was held until proper notification was done and they came in and worked with our guys.

USC: We are not going after every little review. We are asking for your consideration on these issues when proper notifications have not been done.

09-52 Local 1097 - Contracting Out

USC: This is the same grievance as 09-51.

09-53: Maintenance Call In

USC: Some employees were called in to replace a pump motor. They had a problem on #11 embossing towel motor, and the employees who were called in were sent over there. There was no additional cost to the company if they had called in their own home crew.

MSC: We called in guys to do a motor change, and then discovered that it was a wiring issue. While the electricians were working on the motor, the mechanics were here waiting to make sure that it was a wiring issue. Then the #11 motor went bad so the mechanics were told to go over there to do the work.

USC: In cases like this we can understand the company's need to run the business and our employees were doing the work. We expect that on call ins that the regular call in procedure be done. We withdraw the grievance.

09-54: Previously grieved under 09-38

USC: This is included in the grievance for 09-38. There are two dates included in 09-38 one of which is this one.

MSC: So this is going to third step with 09-38? We will delete this grievance since it is already included.

09-55: Discipline

USC: This had to do with an accusation that was not founded. The employee was escorted off the premises. We understand that you have the duty to act when there is a threat or perceived threat. We understand that the sheriff was called. This is pretty stressful for the employee to go through that. We are not sure how to remedy the employee's concerns about this.

MSC: This was a sensitive issue. We do not know what we would have done differently. The employee was fully compensated for staying home. The employee insisted on the emergency vacation. We were asked about compensating for mileage to the EAP, and he was told to submit that information. We would just need documentation of the dates of counseling appointments to support that payment.

USC: What would it hurt to send an apology letter to the employee?

MSC: We covered that in the response to the grievance, but we are ok with sending him an additional letter. We appreciated how the employee conducted himself.

USC: The sheriff showed up at the work place.

MSC: We handled it as discreetly as possible. Please understand that if this happened again we would act the same way. Being sent home with pay is not a punishment. It gave us time to look into the matter more thoroughly the next business day.

09-56: Overtime for Hole Watch

USC: A couple of employees were laid off from 3/4/5 at the end of July.

MSC: We spoke with Kay and there were no employees laid off.

USC: There were three people who had all four of their shifts cancelled. When you have no work for an entire week what else would you call it?

MSC: This is news to us. What are the specifics to this grievance?

USC: This is a problem with the size of our labor pool? Our position is that these people need to start getting scheduled by seniority. The employee was in box facial and moved into the labor pool. He was the most senior out of the hole watches but was denied the work. This has really become its own department. There needs to be some sort of order and guidelines around scheduling.

MSC: The grievant is not part of the labor pool. The grievance is about overtime as a hole watch.

USC: Less senior employees were given the overtime working as a hole watch.

MSC: The employee was given the option of going to labor pool and working the hole watch, going on vacation or being curtailed. The employee opted to be a hole watch and asked to work at the beginning of the week. The overtime occurred later in the week.

USC: This is a reason why the labor pool needs more order and guidelines.

MSC: Was this during the down? The employee was curtailed off his asset. The labor pool discussion is a separate matter. What section of the contract did we violate? The section on Seniority – Section 24?

USC: It does state that lay offs in the labor pool it would be done on the basis of inverse seniority. Employees will be called back to work on the basis of Mill seniority. In cases of layoff extending longer than the beginning of the second week following the day his layoff starts, a qualified senior regular (blue-slip) employee will not be continued on layoff as long as a junior employee is working on a layoff pool job. (See Section 24, Paragraphs I., 2 through 5)

MSC: This is not a lay off issue it is an overtime issue.

USC: We think that the labor pool is a classification because of its size.

Agenda Items:

Coming in Early / Leaving Early

USC: Where are we with the contract language allowing people to come in early or leave early?

MSC: In Maintenance we are trying to reduce this as much as possible. We would like employees to use up their leave options and then would listen to the hardship cases. We are not giving up our right to grant exceptions for hardship cases.

Tug Mates

USC: We talked earlier about the tug mates having to be qualified but the reliefs do not have to. Aren't there maritime rules around this?

MSC: You are asking if the reliefs have the proper licensing. What is the underlying issue?

USC: It is required by the coast guard that if something happened to the skipper that they could assist him. Tug mates are questioning why they have to have the license but people who relieve them don't.

MSC: Anyone has to have the license if they get behind the wheel of the tug.

USC: That is one of the questions. Would the relief be able to cover if something happens?

MSC: We will have to check into this.

Bumping Rights Follow Up

MSC: Kay prepared a document on bumping rights after our discussion previously. We want to know if we have the same understanding between the parties or if further work is needed.

USC: We spoke with Stu Potter who was on the original bump rights discussion. We would like to talk about this further.

MSC: All the letters have been sent but they can voided.

Search and Rescue Policy

USC: We just want to get clarification on search and rescue. You are saying that you are no longer going to pay wages if the search was in Montana, but we did not get clarification on if it was a local search.

MSC: We need to research the minutes from a few months ago.

USC: We have a grievance pending who was docked absenteeism for participating. The absenteeism was corrected but the employee is asking for pay or clarification on when wages would be paid.

Scheduler Relief Extension

MSC: The employee who fills in as relief for the plant scheduler has not completed her probationary period on her new bid in the storeroom. We need her back to cover Kay during September, and we do not want to cut her short of her 60 days. We are asking to extend the 60 days.

USC: If she is doing a good job why would we need to extend it?

MSC: She would be short those three weeks.

USC: We need to speak with the employee to see what her situation is.

MSC: We will also speak with the Supervisor.

Maintenance Headcount

USC: The agreement was that we would strive to maintain 190.

MSC: 185 to 190. There is a standing committee clarification that the goal is 190.

USC: We would like to know where we are at.

MSC: We are currently at 186.

USC: How many people do you expect to retire?

MSC: We cannot say until they sign the papers.

USC: Are there plans to keep apprenticeship in the mill?

MSC: It is harder to have a lot of apprentices in the mill when you are hiring in new employees. Once that stabilizes we would hire more apprentices.

Chlorate Operator Position

MSC: We are about to bid this job. When we posted it in the past we got grieved by the Kraft Mill Utilities that they should get first rights before it went on Mill bid.

USC: If you have an agreement about it.

MSC: There is a Kraft Mill Utility employee that wants it.

USC: We want to be consistent. Do you have an idea of when that was agreed to?

MSC: We can get a copy of it. Grievance 03-19 the position would be offered to the utilities if no utilities accepted it, it would be done as the original bid. Then it would go to a mill wide posting.

USC: After talking about it, the job should probably be bid. When it was done the other way before, it was a new job. To be consistent it needs to be bid.

Hearing protection in Shops

USC: We have some employees who were told that the FAB shop hearing protection has to be worn at all times. We have seen audiologists' reports for the shops and it seems to be the quietist shop in the whole area. They understand the need for protection when fabbing or grinding. They feel that they are being singled out unjustly.

MSC: The issue is that there are other employees who come through and work in the shop. When work is being done, they would not always wear hearing protection. It was also cited by a third party outside auditor who found them working without hearing protection. Therefore, the decision was made to make it a hearing protection shop at all times. It is what we need to do to make sure they are protected.

Mechanical Apprenticeship

MSC: In 2007 we took the crane operators and put them into maintenance. One of the employees that was moved into maintenance has not progressed as a millwright since then. We have been trying to deal with this at Mechanic's committee. In January of this year we indicated to the employee that significant progress needed to be made in 2009. Since then he has only done a couple of books and taken one test and then has done nothing further. Normally they would go back to labor pool, but we made an agreement at standing committee to grandfather him in. His primary trade is supposed to be a millwright. We have to deal with it. Our goal is to get him through the books.

USC: He is having trouble with the math. Linda has given him some math books.

MSC: We would like someone from the Union Standing Committee to talk with him. He is beyond the date we agreed upon.

USC: We will speak with him.

MSC: If we do not see signs of significant progress there has to be some action taken. The goal is to get him to make progress.

Call in off Vacation

MSC: Our proposal is to pay the contractual pay and give him back the day of vacation he was on.

USC: The pay is not pay for coming in on a day off. It is a restricted holiday.

MSC: There isn't much difference is there? We will need to discuss it further when we have more time.

Meeting Adjourned.

For the Union

For the Company K Knowner