

JOINT STANDING COMMITTEE MEETING MINUTES

April 14, 2006

Members Present:

USC: Rick Erickson, Larry Reandeau, Paul Burgher, Mike Bouse, Curt Ollila

MSC: Ann Fleck, Scott Beckstrom, Jim Lepin

JSC: Both

Agenda:

- **Grievances:** 05-19 & 05-20, 05-29, 06-10, 06-11, 06-12, 06-13, 06-14, 06-15, 06-16
- **Other Items:**
 1. MSG – 1Year +
 2. Cat Shop
 3. MTC E&I/Power Recovery Training
 4. Maintenance Rate of Pay
 5. Payroll
 6. Job Bids/Postings
 7. Relief vacations
 8. Restricted Vacations - Shipping
 9. Hourly RRE's (Roles, Responsibilities & Expectations)
 10. # 4 PM Machine Tender Call-In
 11. Clothing Changes
 12. Work Week
 13. April 1, 2006 Drug & Alcohol Policy
 14. Sniff Testing
 15. Safty Coordinators
 16. Tug Boat

Grievances:

05-19 & 05-20: Personal Use of Tools and Shop

- **JSC:** Per mutual agreement, these two grievances have been returned to the Standing Committee to address.
- **MSC:** The Company is notifying the union that we are exercising our right to eliminate tool loans and the use of shops for personal needs. If the Union has a recommendation that would fully eliminate all liabilities associated with these activities, we may be willing to reconsider.
- **USC:** Accept your decision. We will talk with members and respond with any realistic recommendations that may come forward.

05-29: Domestic Partner Medical Benefits

- Grievance is scheduled to be heard at 4th Step.

06-10: Incorrect Return to Ladder

- **MSC:** Pay has been reviewed and is correct.
- **USC:** Resolved.

06-11: Maintenance Transfer Policy

- **USC:** The maintenance crews are concerned regarding management not allowing moves. In this case we believe the employee is trained/qualified.
- **MSC:** The Maintenance Transfer Policy is a courtesy agreement that can be changed or withdrawn by management. We would like to continue to have the flexibility to allow employees to transfer between crews and areas, and do not have any plans to change this policy at this time. However, we do review each individual situation on a case-by-case basis to determine if the needs of the mill will be met. As a result, some transfer requests can be awarded and sometimes they cannot. With this particular request, given the current crew strength and planning for the upcoming down, management believes the move can not be made at this time.
- **JSC:** Agreed.

06-12: Storeroom No Call-in Made

- **JSC:** Returned to 1st Step for resolution.

06-13: Storeroom Incorrect Call-in

- **MSC:** Employee will be paid.
- **USC:** Resolved when paid.

06-14: Notification of Maintenance Contracting

- **USC:** No notification was made to union.
- **MSC:** Agreed to pay employee lost wages, but not the value of the contract paid to contractor. Error was made in the emergency process and there is a policy for notification. This has been reviewed this with Supervisors involved.
- **USC:** Resolved

06-15: Shipping Incorrect Call-in

- **USC:** Employee was left off the call list and was not called in. This is happening a lot. In this case job was covered by an employee staying over 4 hours and another coming in 4 hours early. The other 4 hours were left uncovered. Job was filled from within classification, but concerned about safety.
- **MSC:** While the individual may have been left off of the call list, we did not end up calling anyone off of the list in to work. Management exercised the right to have someone stay over 4 hours and another individual come in early 4 hours. We did not violate contract. Additionally, we do not believe that it was unsafe to not staff the position during the 4 hour period of time and have received no input to that effect.
- **USC:** Agrees no contract violation occurred.

06-16: ABT Incorrect Call-in

- **USC:** Employee wasn't called and should have been.
- **MSC:** Agree that the incorrect individual was not called in, however, the grievant is not the individual who should have been called in.
- **USC:** Will consider resolved if correct person is paid.

Other Items:

1. MSG – 1 Year +

- **USC:** Have had Labor Pool employees in the MSG for over a year running heavy equipment without training.
- **MSC:** Will follow-up and respond.
Note: Upon following up on the question raised by the union – the employees in question have been through the routine training required to safely operate this equipment which included the review of operating manuals, hands on training and time spent at the shop learning the basics of what to watch out for and the general operating information for which they should be aware. The extensive book training the union is referencing has been developed for the longer term employees that are part of that progression ladder and as such are expected to progress within the ladder and become our “experts” at running the crane and other heavy equipment.

2. Cat Shop

- **USC:** Have had two (2) employees retire and hear that Labor Pool will be used for changing oil, etc. Need to have qualified employees. This hasn't happened yet, but don't want it to.
- **MSC:** Will follow-up. It is not our intention to replace Cat Shop positions with Labor Pool.
Note: Upon following up on the question raised by the union – this concern appears to have come from just one employee. Yes, the question was asked in terms of whether or not this was an option to help address the current backlog in the Cat Shop. However, it has been determined that this is not an option that we can pursue and it has been dropped.

3. MTC E&I/Power Recovery Training

- **MSC:** There is a corporate requirement (which is based OSHA requirements) around specific Power & Recovery Training that E&I employees are required to have if they work in that area. Unfortunately, we have two employees who are refusing to complete the training unless they see it in writing. We will be sharing the documented expectations/requirements with them and expect them to complete the training.
- **USC:** Agree - State/Federal rules will be followed.

4. Maintenance Rate of Pay

- **MSC:** While going through process of updating the maintenance pay rates we have discovered that all Journeymen have been over paid by \$.01 per hour for at least the past year. While we will NOT be making changes retroactively, the correct pay rate will be applied going forward.
- **USC:** Does not accept this as the rate of pay for the millwrights as of 4/3/2006. Believe the rate of pay effective 4/1/2005 should have been \$27.76.
- **MSC:** Believes the rate should have been \$27.75. This is the rate that has been printed in the Contract Addendum that was published following the 2000 negotiations. Additionally, this rate is confirmed when calculating the increases that have been received since the 2000 contract was implemented.
- **USC:** Would like to refer this back to the negotiation committee. Need to resolve this issue before the new contract is printed.

5. Payroll

- **USC:** We are concerned that payroll should not be interpreting the contract. Issue is payroll arbitrarily making rulings on contractual issues such as the 3% payment in lieu of Sunday Premium pay and making changes to employees' pay without letting anyone know. Also, we've asked to have the hours counted toward vacation changed to 42 hours vs. 48/4-day or 36/3-day is another issue. Currently a week is counted as 40 hours and was not updated years ago when we went to compressed shifts.
- **USC:** Some employees in Napkins were red circled due to equipment being removed. Some are not getting the proper pay.
- **MSC:** We recognize that there have been various issues and questions as we work through implementing the changes that have occurred both with the new contract and with the reduction in the napkin ladder. We are working through each of the issues and expect that they will be resolved shortly.
- **USC:** Would like an agreement that Payroll will not make changes without proper approval from HR and/or Accounting.
- **MSC:** We will continue to work with Payroll to ensure employees are properly paid. However, if an employee's pay has been incorrectly entered, we do expect payroll to continue to work with us on bringing it to our attention and making corrections.

6. Job Bids/Postings

- **MSC:** We have been in the process of offering grandfather rights to employee's in which applicable openings have become available. Remaining relief positions are posted for mill-wide bids. If openings are not filled from bid list, will exercise our right to blue slip Labor Pool employees into the positions..

7. Relief Vacations

- **MSC:** During vacation sign-up Labor Pool/Reliefs employees will be required to sign-up Monday – Friday. However, when possible we will try to grant day-off to day-off.
- **USC:** Agree with above for Labor Pool, but not Reliefs because we sign up for vacation based on mill seniority. Believe this issue has been resolved in the past.
- **MSC:** Need documentation that there is a prior agreement regarding vacation for Reliefs.
- **USC:** Believe most of the Reliefs have been assigned a crew for vacations. Between mill seniority and vacation leveling this hasn't been a problem. It appears when there is a disagreement the Union is required to show the proof. Would like to be asked by management before changes are implemented if there is documentation. Recommend that Reliefs sign up for day-off to day-off vacation if desired. Would like expedite the response.
- **MSC:** Unfortunately, we have been experiencing issues in some areas of the mill. We will work to expedite a resolution.

Note: Upon following up with this issue, we will continue to allow "relief" employees to sign up for day-off to day-off vacations. However, they will be assigned to a home crew for vacation sign up purposes and not allowed to pick day-off to day-off vacations on multiple crews. Labor pool employees will continue to be scheduled on Monday to Sunday vacations. Additionally, Monday to Sunday and Day-off to Day-off will be the only ranges in which vacations will be approved going forward. We will no longer approve vacations that encompass different ranges (i.e. Tuesday to Monday).

8. Restriction Vacations - Shipping

- **MSC:** Will restrict vacations from 6/1/2006 – 6/18/2006. Vacations that have already been approved for the last week of May will be granted, but no new vacations will be approved.

9. Hourly RREs (Roles, Responsibilities & Expectations)

- **MSC:** As you know, we jointly developed an Hourly Performance Feedback Process a few years ago. GP/Koch believes strongly in reviewing employee's performance and would like us to continue doing so. In order to be consistent throughout the organization, we have been asked to move to KOCH's RRE format. As a result, we have transitioned our old format and moved to RRE format. This will be rolled out to supervisors and employees shortly.
- **USC:** Support providing feedback.

10. #4 PM Machine Tender Call-In

- **USC:** Issue was raised about not calling in MT on day off for a down day.
- **MSC:** Policy hasn't changed. We continue to call in the MT of the 4th day off as in the past. We also call in junior people on the other off crew to do dryer clean-up etc...

11. Clothing Changes:

- **USC:** Has the practice for covering clothing changes been changed?
- **MSC:** No, we will continue the practice of calling in crew people first and then use other available resources as needed.

12. Work Week

- **USC:** Still a few supervisors that don't understand what a full week is.
- **MSC:** This was included in the February JSC minutes, but we will attach to the April minutes.

13. April 1, 2006 Drug & Alcohol Policy

- **MSC:** The new Drug & Alcohol policy went into effect as of April 1st. We did have a meeting with most of the salaried staff who supervise employees to review the policy and will be catching up with others that were unavailable. We will also be communicating with crews. The new policy is also posted on the intranet under Human Resources.

14. Sniff Testing

- **MSC:** Issue is with availability of sniff testers. We currently do not have enough folks trained and/or available in a timely manner. Current Sniff Testers are doing a great job and do respond to calls. Unfortunately, in situations where we need immediate support, waiting for the commute time to have someone called in is very expensive in terms of downtime. We are going to be moving forward with training additional Sniff Testers with the goal of having coverage on site 24/7. Plan to train Shift E&I employees and possibly Shift Mechanical employees.
- **USC:** Have had Shift Electricians test in the past, but have had problems due to calibration etc. Suggest putting safety at risk vs. suggest Fire Hall have 24/7 coverage and use this person. This would cover first responder, PEO, and other safety. Expect Shift Electrician will have other problems doing this (as they will be very busy).
- **MSC:** Appreciate the input and will evaluate options, however, we do need to move forward with getting folks trained to ensure 24/7 coverage.

15. Safety Coordinators

- **USC:** The union recently took a vote and determined that the 5 Safety Coordinator positions are considered bargaining unit jobs.
- **MSC:** Understand. However, the Company expects the Union to abide by the agreement that we had previously made. The agreement, which is documented in past Standing Committee Minutes, was that these positions were to be considered Special Assignments for a 1 year period of time. We agreed that these were not bid jobs – they were selected based on specific criteria with the Mill Manager having the final determination as to who would be selected. Additionally, we have not negotiated a set rate of pay for the position.
- **USC:** The union body has directed us to inform the company that we consider these to be bargaining unit jobs.
- **MSC:** The Company expects the Union to abide by the agreement they made in good faith with the Company.

16. Tug Boat

- **USC:** An issue has come up with regard to the short turn-around folks who work on the tugs have when they are called in for a barge change and then have to turn around and come back to work for their regular shifts just a few hours later. Some of the employees commute anywhere from 30 minutes to an hour and it doesn't make sense for them to drive home only to turn around and come back in. Also, they occasionally have very short turnarounds between call-ins. In the past, employees had been allowed to punch out, but stay on the boat. That was eliminated a while ago and now they are being told they can't stay in the break room either.
- **MSC:** Agree that this is an issue. Unfortunately, we have liability issues under the Jones Act if we allow employees to take breaks on the tug boat itself. Additionally, with the security changes that are going on, we also have liability issues with having employees on the plant site that are not actively working. We are trying to find a reasonable alternative, but at this point, we cannot allow them to continue to be on either the boat or in the breakroom when they are not actively "at work". We are open to reasonable suggestions and working jointly with the union to find a resolution.
- **USC:** Concern is safety of employees driving to and from work.
- **MSC:** Agree that this can be a safety issue. Would the union be open to these employees utilizing the union hall as a break area in between call-ins and regular shifts?

Next Standing Committee Meeting: Wednesday, May 17, 2006

For the Company

For the Union

Date

Date