



Mail Handlers Local Union No. 323

1602 Selby Ave., Suite 5 St. Paul, MN 55104
(651) 646-2827 Fax (651) 646-0991 LocalOffice@Local323.org

Minutes of the Local Union 323 Executive Board Meeting ST. PAUL, MN December 12, 2011

Jeff Larsen

Local President

Kathy Schultz

Vice President

Dean Abatte

Recording Secretary

John Frey

Treasurer

State Executive

Board Members

Shane Ryden

Minnesota

Brock Engstrom

North Dakota

Branch Presidents

Dean Abatte

Minneapolis

Douglas Vitek

St. Paul

Mike Straiton

BMC

Gary Tollefsrud

Fargo

Local President Jeff Larsen called the Executive Board to order at 10:04 a.m. Roll call was taken by Recording Secretary Dean Abatte.

IN ATTENDANCE:

Local President: Jeff Larsen

Vice President: Kathleen Schultz

Recording Secretary: Dean Abatte

Treasurer: John Frey

MN State Representative: Shane Ryden

ND State Representative: Brock Engstrom

The Local Executive Board reviewed the previous meeting minutes. Local Vice President Kathy Schultz motioned to accept the minutes. Treasurer John Frey seconded, motion carried.

Local President Jeff Larsen reports: (see attached for full report)

- Metro Area Branches – Member Appreciation Day
- Save USPS Rally
- Mail Handler Benefit Plan Seminar
- Local 323 #1 for Marketing the Mail Handler Benefit Plan
- Local 323 Dental Plan
- National Negotiations – Update Meeting
- Determination of the number of Delegates to the 2012 National Convention
- Branch Activities
- Labor Management Meeting
- NDC Step 4 Appeal
- Fargo Branch Meeting
- Rochester Branch Meeting
- Duluth AMP Meeting
- Rochester AMP Meeting

- St. Cloud AMP Meeting
- Additional AMP Studies

Local President Jeff Larsen submitted for review his Expense Report and Time Sheet. MN State Representative Shane Ryden moves to authorize the Local Presidents expenses for the time frame reported. ND State Rep. Brock Engstrom seconded, motion carried unanimously.

Treasurers Report:

Treasurer John Frey submitted for review the Local's Profit and Loss Statement. Recording Secretary Dean Abatte motioned to authorize the expenses of the Local as outlined in the Treasurers report of September - November 2011. N.D. State Rep. Brock Engstrom seconded, motion carried.

ND State Rep. Brock Engstrom motioned to withdraw money from the Convention Fund account (\$7750) to pay the current expenses as outlined in the attachment to the Treasury Report. Vice President Kathy Schultz 2nd, motion carried.

The 2012 National Convention

Discussion regarding the 2012 National Convention compensation package began with several proposals. After spirited debate, a compromise was made and voted on which resulted in a unanimous agreement. The Local will provide the Delegates with \$650 travel compensation, a room and \$500 for expenses. It was agreed that the Delegates would not be compensated for lost wages. It would be left up to the individual to use their own Annual Leave or LWOP to attend the event. This agreement did not come easy, but was determined to be the most sensible at a time when the Local has incurred many unforeseen costs coupled by a decline in membership via excessing that has depleted the Local's coffers.

Agenda Items

In an effort to reduce the Local's expenses, V.P. Schultz proposed evaluating the Local's expense on item such as, Office Supplies and Travel. Recording Secretary Abatte proposed shopping for better rates on Telephone/Internet services and the various insurance policies the Local carries. There was discussion about setting up Tel-Cons for out of state officers to save on expenses the Local incurs as a result of travel and lodging compensation for Executive Board meetings. It was agreed that all would be addressed after the New Year.

President Larsen opens the floor for general discussion, comments, and questions. Hearing none, President Jeff Larsen motions to adjourn the Local Executive Meeting.

Dean Abatte second, motion carries meeting adjourns at 2:48 pm.

Respectfully Submitted,

Dean Abatte
Recording Secretary Local 323
National Postal Mail Handlers Union

cc: **Local Union Council**
Branch Leader
File



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December 12, 2011

Local President's Report

Local 323 Complement:

The current Local 323 career complement as of PP-22 is 719 (645 MN & 74 ND) with Membership at 634.

Activities:

- **Metro Area Branches – Member Appreciation Day**

On September 18th Members from the Metro Area Branches attended a Members Appreciation Day which was held at Phalen Park in St. Paul. While this event was put together at the eleventh hour and was somewhat limited in scope, the Members in attendance had a good time and made this event a success. I would like to express my thanks to Brad Corbin from the Mail Handler Benefit Plan for joining us and providing the grand prize. It should also be noted that during this event the attendees were encouraged to sign petitions concerning House Resolution 1351. These petitions either urged their Congressional Representatives to become co-sponsors of this bill or thanked them for their sponsorship. Like many things in the postal world the future of this event is uncertain; although, I personally would like to see a Members event held in 2012.

- **Save USPS Rally**

On September 27th rallies were held in all Congressional districts throughout the nation. These rallies were held to garner public support for House Resolution 1351 and to raise public awareness of the issues that are impacting their Postal Service. Towards this objective, all of the Postal Unions banded together and rallied locally at the offices of 5th District Representative Keith Ellison. Vice President Kathy Schultz was designated by the National Office as our coordinator for this event and we are grateful to Kathy for her efforts in this regard.

Jeff Larsen

Local President

Kathy Schultz

Vice President

Dean Abatte

Recording Secretary

John Frey

Treasurer

State Executive

Board Members

Shane Ryden

Minnesota

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Fargo



Along with Representative Ellison, 1st District Representative Tim Walz and 4th District Representative Betty McCollum are also co-sponsors of H.R. 1351. Pictures from the rally are available on the Local 323 website.

- **Mail Handlers Benefit Plan Seminar**

In early October the Local 323 marketing team was in Denver, CO to prepare for this year's open season promotion of the Mail Handlers Benefit Plan. Vice President Kathy Schultz, ND State Executive Board Member Brock Engstrom, and Minneapolis Branch Representative Brad Kaluza participated in this seminar which is designed to apprise the attendees of plan changes as well as to unveil this year's marketing strategies. While I was not initially scheduled to be in attendance at this seminar, I did fly in on the final day to participate in the event.

The open season health fairs are nearing completion and the marketing team has been busy attending all of the events. I would like to express my thanks to all of the team members who have worked hard to bring the Mail Handlers Benefit Plan to the forefront in this difficult and ever changing market.

- **Local 323 # 1 for Marketing the Mail Handlers Benefit Plan**

During the open season seminar Local 323 was named Local Union of the Year. This award was given in recognition of the "outstanding promotional efforts" of Local 323 in marketing the Mail Handlers Benefit Plan during last year's open season. This represents the first time that Local 323's marketing efforts have landed this top honor. A picture of the Local 323 marketing team with the award is available on the web site.

- **Local 323 Dental Program**

Open enrollment in the Local 323 Dental Program is currently underway with a closing date of December 16th. This year's plan offers an extended network as well as lower monthly rates. Information concerning the dental program and enrollment is available on the web site.

- **National Negotiations – Update Meeting**

On December 1st I was in Washington, DC to attend a meeting called to update the Local Presidents about the ongoing negotiations over the terms of the 2011 National Agreement. Several Local Presidents, including me, voiced their concerns over Postal Service proposals aimed at vastly changing our National Agreement. In particular, concerns were voiced regarding the PSE's and the non-traditional full-time assignments recently introduced in the APWU contract. Moreover, I shared with the National Negotiating Team some specific examples of the implementation of these new contractual provisions; the results of which I believe would not be acceptable to Mail

Handlers. The Negotiating Team was very interested to hear specific examples of how these provisions were being implemented in the field.

Negotiations commenced on August 30th and were scheduled to end upon the expiration of the National Agreement on November 20th. Since that time the deadline for negotiations were extended to December 7th; and more recently to December 16th. Continuing to negotiate is a good sign that both parties believe a negotiated settlement is still possible. It would be easy to throw our hands up, walk away from the table, and roll the dice in front of an arbitrator. Ultimately, there may be no choice; but right now, continuing to negotiate is the responsible course of action.

- **Determination of the Number of Delegate to the 2012 National Convention**

On November 28th a teleconference was held with the Local Union Council. The purpose of this teleconference was to determine the number of Delegates which Local 323 would send to the 2012 National Convention. After discussion, it was determined by majority vote that Local 323 would send a total of 3 Delegates. This Delegation will be comprised of the Local President, and 2 Members who will be elected.

Branch Activities:

- **Labor Management Meetings**

Since the last meeting of the Local Executive Board I've attended several Labor – Management meetings in the St. Paul Branch. I had planned to attend a Labor – Management meeting at the NDC; but, a scheduling conflict with the contract meeting in Washington prevented me from attending.

- **NDC Step 4 Appeal**

Earlier this year a class action grievance was initiated on behalf of Mail Handlers at the NDC who were assigned to perform the keying function on the Low Cost Universal Sorter (LCUS). This grievance contended that the function which these Mail Handlers were performing was substantially similar, if not exactly the same, as the functions performed by the sack keyers on the SSM. Accordingly, the Union's position in this regard is that those keying on the LCUS are entitled to be paid level 5 for performing this function. This grievance has now been denied at step 3 of the grievance arbitration procedure.

Interestingly, management has argued that our grievance is procedurally defective as any dispute in this regard must be filed at the national level; and moreover, that the national level has not issued a jurisdictional determination or a position description for the LCUS. While it is true that the Union cannot contest a determination that has not been made, when management chooses to place equipment in the field without the

applicable determinations, the Union has no choice but to take the actions necessary to preserve the rights of the Mail Handlers we represent. Accordingly, I have requested the step 4 appeal of this grievance so a determination can be made by the national parties.

- **Fargo Branch Meeting**

In late October Vice President Kathy Schultz and I travelled to Fargo, ND for a Branch meeting. The day before the meeting we visited the facility to solicit input from the Members on the floor. With respect to the meeting itself, Branch President Gary Tollefsrud, as always, was well prepared with a myriad of topics for discussion and Member feedback.

- **Rochester Branch Meeting**

In early November I attended a Branch meeting which was held in Rochester, MN. I was accompanied to this meeting by MN State Executive Board Member Shane Ryden. The discussions centered on the ongoing AMP study which proposed to consolidate the Rochester facility into the St. Paul P&DC. The Members had numerous questions regarding the AMP study itself, possible places of relocation, and the contractual provisions which control these matters.

- **Duluth AMP Meeting**

On November 10th I was in Duluth for a Labor – Management as well as a town hall meeting pertaining to the conclusion of the AMP study. Management met with the Labor organizations and then with the employees where everyone was informed that the AMP study had concluded that the business case supported consolidation. Following the meeting I visited the workroom floor to address any additional concerns of the Duluth Mail Handlers. The conclusions reached by management’s AMP team have been forwarded to the area office for review with further review and a final determination to be made at the headquarters level.

- **Rochester AMP Meeting**

On November 16th I was back in Rochester for a Labor – Management as well as a town hall meeting pertaining to the conclusion of the AMP study. Similar to Duluth, management met with the Labor organizations and then with the employees where everyone was informed that the AMP study had concluded that the business case supported consolidation. Again, the conclusions reached by management’s AMP team have been forwarded to the area office for review with further review and a final determination to be made at the headquarters level.

- **St. Cloud AMP Meeting**

By letter dated December 7th I was notified of the conclusion of the AMP study which proposed the consolidation of the St. Cloud P&DC into the Minneapolis P&DC. Not surprisingly, this study has concluded that the business case supports consolidation. I will be in attendance at the meetings scheduled for December 22nd to address any issues of concern to the Mail Handlers of that Branch.

- **Additional AMP Studies**

AMP studies continue to be in progress for Mankato in the State of Minnesota as well as Minot and Grand Forks in the State of North Dakota. As of this date I haven't received any written notice of a conclusion for these facilities.

Upcoming Events:

- St. Cloud AMP Meeting – December 22nd
- Christmas and New Years Day Holidays

Fraternally

Jeff Larsen
Local President

cc: Local Executive Board
Local Union Council
All Branches
File