



Mail Handlers Local Union No. 323

1602 Selby Ave., Suite 5 St. Paul, MN 55104
(651) 646-2827 Fax (651) 646-0991 www.local323.org

Minutes of the Local Union 323 Council Meeting

St. Paul, MN

August 28, 2025

Local President, Jeff Larsen called the meeting of the Local Union 323 Council to order at 10:42 A.M. Recording Secretary, Aaron Kobes took Roll Call.

IN ATTENDANCE:

Local President - Jeff Larsen

Vice President - Dean Abatte

Recording Secretary - Aaron Kobes

Treasurer - Jarred Hoover

ND State Representative - Brock Engstrom

Fargo Branch President - Brock Engstrom

St. Paul Branch President - Ed Yun

Minneapolis Branch President - Dean Abatte

NDC Branch President - Aaron Kobes

Review of the Previous Minutes:

The Council reviewed the minutes from the previous meeting held September 5, 2024. Fargo Branch President/North Dakota SEBM Brock Engstrom motioned to accept the minutes of the previous meeting and was seconded by Minneapolis Branch President/Vice President Dean Abatte. The motion carried.

President's Report:

President Larsen provided the Council a copy of the President's report (See attached copy).

- Local 323 Complement
- Local Activities
 - 2025 Organizing Drive
 - 2025 National Agreement
 - 2025 Legislative Conference – Follow Up

Jeff Larsen
Local President

Dean Abatte
Vice President

Aaron Kobes
Recording Secretary

Jarred Hoover
Treasurer

State Executive
Board Members

Shane Ryden
Minnesota

Brock Engstrom
North Dakota

Branch Presidents

Dean Abatte
Minneapolis

Edward Yun
St. Paul

Aaron Kobes
NDC

Brock Engstrom
Fargo

- Semi Annual Meeting of the Local Unions (SAMLU)
- 2025 Matt Lopez – Local 323 Scholarship Awarded
- 2025 Metro Area Picnic
- Minneapolis SAMLU – August 2026
- Branch Issues
 - Terminal Handling Services – Insourcing at the St. Paul P&DC
 - Equipment Deployment
 - Rochester S&DC
 - Grievance Activity

Upcoming Events:

- Expiration of the 2022 National Agreement – September 20th
- Local Executive Board - September 25th
- MHBP Open Season Seminar – October 10th and 11th
- FEHB/PSHBP Open Season November 10, 2025, through December 8, 2025
- 2025 Stewards Dinner – December 6th
- Local Executive Board – December 18th

Officer Reports:

Treasurer's Report – Review of the Profit and Loss Statement, Year to Year Comparison.

Fargo Branch President/ND SEBM – The plant in Fargo had twenty-one (21) conversions within the past week. Management has proposed a plan to get up to ninety (90) Mail Handlers within the Fargo facility, totaling seventy-seven (77) Regulars and thirteen (13) MHAs.

Minneapolis Branch/Vice President – Reporting as Minneapolis Branch President, Dean Abatte stated Minneapolis has gotten a new Plant Manager and is currently undergoing a managerial transition. There has been confirmation of the approval of new equipment for the Minneapolis facility; a Universal Sorter, High Speed Tray Sorter and a SIPS Plus taking the place of the ADUS machine. Additionally, Minneapolis has been approved for another five (5) conversions of MHAs to career employees and hiring of thirteen (13) MHAs.

Reporting as Local 323 Vice President, Dean Abatte states that the APWU remains absent in the LRDC meetings in the Minneapolis facility. The LRDC meetings in St. Paul are experiencing delays due to management failing to provide the APWU with the submitted NPMHU inventory.

MN SEBM – The Mankato, St. Cloud and Rochester facilities have been approved for the SIPS Plus machine. The Duluth facility has already introduced a SIPS Plus machine and will be getting rid of manual sorting within the letters operation, in addition to being approved to double the Mail Handler compliment. The Rochester S&DC has become operational, and management has begun working with the Union in setting up meetings to review the potential of Mail Handlers working in the facility.

St. Paul Branch – Local President Jeff Larsen, Branch President Yun and Plant Manager Greg Tate signed off on the creation of a new Section for THS, which came online in July. All MHAs are being utilized on the THS operation and supplemented by Regulars from other pay locations when necessary. Additionally, a SIPS Plus was installed and began operating on August 27th.

There have been twenty-three (23) conversions of MHAs to career employees, with another thirteen (13) MHAs being brought into the facility within the week. Management has stated that they are looking to convert an additional twenty (20) MHAs and bringing the compliment of MHAs up to forty-three (43).

NDC Branch – It has been confirmed that the NDC has been approved for the creation of fifty (50) duty assignments and the hiring of fifty-four (54) MHAs.

Those items reserved for the Local Union Council:

Recording Secretary Aaron Kobes made a motion to adjourn. This motion was seconded by ND SEBM Brock Engstrom. The motion carried, and the meeting was adjourned at 1:18 P.M.

Respectfully Submitted,



Aaron Kobes,

Recording Secretary Local 323

National Postal Mail Handlers Union

cc: All Branches
File



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Local President's Report Local Union Council

Local 323 Complement:

The Local 323 bargaining unit complement as of Pay Period 16-25 is 761 (671 MN & 90 ND). Membership as of this Pay Period is 750.

Local Activities:

- **2025 Organizing Drive**

The 2025 Local 323 Organizing Drive remains ongoing. Any Member who recruits a non-member into the Union will receive a \$100.00 check from the Local Union once the dues withholding has commenced. The 1187 Forms needed to enroll non-members into the Union as well as a list of the non-members in your Branch are available from your Branch Union office.

There is no good reason for not belonging to the Union!

- **2025 National Agreement**

The 2022 National Agreement is set to expire on September 20th and negotiations over the terms of the 2025 National Agreement began on June 25th. The negotiations remain in their initial stages, and the primary areas of focus are addressing the proportional Cost of Living Allowance (COLA) for those covered by pay scale M7, and the use of 204-B's.

The final COLA from the 2022 National Agreement will become effective September 6, 2025 (PP 20-2025). This COLA increase is based on an upward change in the Consumer Price Index following release of the July 2025 Index, using the July 2022 CPI index as a base. The COLA provides an annual increase of \$790 for all Steps in Table 1 and for Step P of Table 2. The remaining Steps in Table 2 will receive the proportional COLA increase percentages as outlined in Article 9.3 of the National Agreement.

Jeff Larsen
Local President

Dean Abatte
Vice President

Aaron Kobes
Recording Secretary

Jarred Hoover
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State Executive
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Minnesota

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North Dakota

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Edward Yun
St. Paul

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NDC

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Fargo

Contract updates are being circulated to the Branches and posted on the Local Union's website as they become available.

- **2025 Legislative Conference – Follow UP**

As previously reported, the 2025 NPMHU Legislative Conference was held on May 13th and 14th in Washington, DC. The Local 323 legislative team consisted of myself, Vice President Dean Abatte, and ND State Executive Board Member Brock Engstrom. Since that time, the House and Senate passed the so called Big Beautiful Bill (H.R. 1) and President Trump signed it into law on Independence Day (July 4th). H.R. 1 was a reconciliation bill which was designed to bypass the two-thirds majority vote threshold in the Senate but could only address federal spending and revenue issues, not policy issues. As initially written, H.R. 1. would have had a substantial impact on the wages, retirement benefits, and working conditions of both Postal and Federal employees. The following is a timeline of where it started and where it ended up.

April 30, 2025 – House Oversight and Government Reform Committee held a business meeting to mark up its jurisdiction of the reconciliation bill. Included language at this time was:

- Across the board increases to employees' FERS contributions to 4.4 percent of their salary, regardless of hire date.
- Elimination of the FERS Annuity Supplement for those eligible for early retirement.
- Utilization of an employee's highest five years of earnings instead of the current highest three years of earnings to calculate annuity payments.
- Newly hired employees would choose between the choice of being represented by a Union or paying an additional 5 percent to their FERS contributions – a total of 9.4 percent; and,
- Require a fee for employees who file a Merit Systems Protection Board claim or appeal.

This version passed out of the Committee by a vote of 22-21, with Rep. Mike Turner of Dayton, Ohio, the only Republican who voted against it.

May 21, 2025 – House Rules Committee only approved the following language to be included in the reconciliation bill:

- Elimination of the FERS Annuity Supplement for those eligible for early retirement.
- Utilization of an employee's highest five earning years instead of the current highest three earning years to calculate annuity payments; and,

- Newly hired employees would choose between being represented by a Union or paying an additional 5 percent to their FERS contributions – a total of 9.4 percent.

This version passed the House on May 22, 2025, by a vote of 215-214, mostly along party lines.

June 12, 2025 – Senate Homeland Security and Governmental Affairs Committee (HSGAC) released its version of the text. Initial language in the Senate did not target Mail Handlers directly, but other federal employees faced changes to retirement benefits and collective bargaining rights.

June 24, 2025 – HSGAC amended language and removed initial changes to collective bargaining rights, but calling for across the board increases to employee FERS contributions or 9.4 percent for all postal and federal employees, regardless of hire date.

June 28, 2025 – Senate Budget Committee removed all the language in H.R. 1 that would impact Postal and Federal employees.

July 1, 2025 – The Senate passed H.R. 1 by a vote of 50-50, with Vice President Vance voting to break the tie.

July 3, 2025 – As the Senate passed a bill that was amended from what was originally passed out of the House of Representatives, the Senate version of H.R. 1 had to go back to the House for approval.

The House passed the Senate's final version of H.R. 1 by a vote of 218-214.

July 4, 2025 – President Trump signed H.R. 1 into law, P.L. 119-21.

Nothing in the final law directly impacts the retirement benefits or collective bargaining rights of Mail Handlers, or any other Postal or Federal employees. Stopping these attacks was the result of a broad coalition of Unions working together. In the overall perspective Local 323 played a relatively minor role in thwarting this assault on our Membership, but we did our part, and we did it well. Still, the threat of privatization remains, and we continue to watch collective bargaining agreements being stripped away from Federal employees under the guise of national security. Moreover, many resolutions remain pending in the House of Representatives which would have a devastating effect on our futures. Now is not a time to rest on our laurels because this is far from over.

- **Semi Annual Meeting of the Local Unions (SAMLU)**

From August 10th through the 14th, I attended the second SAMLU of 2025 which was held in Washington, DC. I was accompanied to this meeting by Recording Secretary Aaron

Kobes, Treasurer Jarred Hoover, and St. Paul Branch President Edward Yun. The National President and National Secretary – Treasurer provided substantial reports concerning the financial performance of the Postal Service, Mail volume trends, Membership percentages and recruitment, as well as the financial standing of the National Union.

Several reports were given concerning contract negotiations, contract administration, as well as the Article 12 Task Force and pending RI-399 issues. An electronic copy of the Contract Administration Department report was subsequently emailed to all Officers. The attendees also received a Legislative and Political update and an update on the Mail Handlers Benefit Plan.

This SAMLU had a particular focus on Local Union organizing efforts and Local 323 received an award for having 97.7% Membership. That percentage placed Local 323 in second place among the Local Unions across the country. The second day featured a panel on Local Union organizing and the third day involved a presentation called “LIUNA Rising.” LIUNA General President Brent Booker and General Secretary-Treasurer Michael Sabitoni addressed the attendees and gave an overview of LIUNA’s organizing efforts.

- **2025 Matt Lopez - Local 323 Scholarship Awarded**

The Local Union Council has selected the recipient this year's Matt Lopez – Local 323 Scholarship. The successful applicant, and this year’s recipient of the Matt Lopez – Local 323 Scholarship, is Viswas Vallabhaneni. Viswas is the son of Minneapolis Branch Member Venkata Siva Vallabhaneni. The Local Union Council offers its congratulations to Viswas and wishes him the best in the pursuit of his education.

- **2025 Metro Area Picnic**

The 2025 Local 323 metro area picnic was held on July 13th at Como Park in St. Paul. This event was once again a success due to the efforts of an experienced picnic team. This year’s team was comprised of Dean Abatte (Chef-Boy-Ar-Dean), Jarred Hoover, Anab Mohamed, Jonta McPherson, Shane Ryden, the Matre’d (Jeff Larsen), and of course, Teddy the Tiger. Thanks to everyone for putting in the work to make this event a success! Pictures from this event may be found in the Photo Galleries section on our website.

- **Minneapolis SAMLU – August 2026**

The information has recently been “officially” released that the second SAMLU of 2026 will be held on August 17th, 18th, and 19th of next year. The last SAMLU held in Minneapolis was in September of 2007; so, it’s been a while since we hosted a SAMLU. A “hosting team” will be discussed during the first Executive Board meeting of 2026 and we’ll come up with a plan. It will be an honor to have all the Local Unions here in Local 323 once again.

Branch Issues:

Changes, changes, and more changes ahead!

- **Terminal Handling Services – Insourcing at the St. Paul P&DC**

For several years I've been reporting on my efforts to secure the "insourcing" of work previously performed by a third-party subcontractor. THS operations have now been "insourced" into the St. Paul P&DC with the first truck leaving the morning of July 22nd. Several meetings were held with management in preparation for this change; and in fact, Branch President Edward Yun and I both took the training that the Mail Handlers and MHA's that would receive for the operation. Moreover, and along with Branch Presidents Yun and Kobes, I've personally observed the workings of the THS operation many times; both on Tour 3 and on Tour 1. The first couple of weeks were quite shaky, and I'd be lying if I didn't admit having a couple of "be careful what you ask for" moments.

Subsequent meetings with management have resulted in a bridge agreement whereby a new section within the meaning of the St. Paul LMOU was created. Management has committed to and is in the process of creating 24 new duty assignments for the THS section. In addition, a draft agreement allowing for the additional transportation of mail from the NDC has recently been discussed.

Management continues to add staffing for the THS operation, and 23 MHA's have been or are in the process of being converted to full-time regular Mail Handlers. Some newly converted full-time regulars have preferenced residual vacancies but are being detailed to remain in the THS operation. As such, the Branch office is monitoring the situation to ensure that out of schedule premium is being paid as required. The process of sorting things out continues, and the Union is addressing the issues that arise daily.

- **Equipment deployment**

New pieces of equipment are being deployed or are planned to be deployed in several facilities throughout the Local Union. We are expecting the deployment of several new pieces of equipment over the next year. Among them is a SIPS Plus currently being assembled at the St. Paul P&DC. The Union is monitoring the staffing of all new equipment to ensure that appropriate craft assignments are made. Disputes will be filed and appealed as necessary to make sure that Mail Handlers perform the work to which they're entitled.

- **Rochester S&DC**

The Rochester Post Office is in the process of being converted to an S&DC. MN SEBM Shane Ryden has been certified as our representative for this new facility. Currently, information is being requested for the purpose of evaluating the amount of Mail Handler

work available. Requests for an LDRC meeting have been made and the process is ongoing. There are still some Mail Handlers at the NDC who were excessed from Rochester when the plant closed, and they may wish to return to the facility.

- **Grievance Activity**

There continues to be no shortage of grievance being filed across both States. Some challenge disciplinary actions taken against Mail Handlers, while most either involve overtime bypass, cross craft, or supervisors (and 204-B's) performing our work. In addition, a recent decision in the National level NACI case has resulted in two removal grievances being returned to the arbitration docket. I am currently anticipating that they may be scheduled for hearing in October or November.

Upcoming Events:

Expiration of the 2022 National Agreement – September 20th

Local Executive Board – September 25th

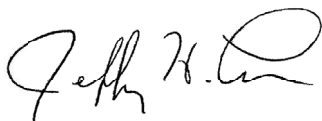
MHBP Open Season Seminar – October 10th and 11th

FEHBP/PSHBP Open Season – November 10, 2025, through December 8, 2025

2025 Steward Dinner – December 6th

Local Executive Board – December 18th?

Fraternally,

A handwritten signature in black ink, appearing to read "Jeff H. Larsen".

Jeff Larsen

Local President

cc: All Branches
File