



Business Agent Report

July / August 2009

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Receiving Inspection Grievance: A third step hearing was held on July 14th over Storekeepers performing Receiving Inspection on engine parts (checking for physical signs of shipping damage). The Union presented a total of 27 pieces of evidence that accurately displayed the Company's manipulation of their manuals and forms in order to switch receiving inspection from Inspectors to Storekeepers. A written decision was received on August 8th, denying the grievance. The Union does not agree with this decision and will be appealing it to the System Board of Adjustment.

Attendance Hearings: A third step hearing over attendance was held on July 15th. A written decision for this case was received on August 20th, denying the grievance. The Union has decided not to appeal this case to the System Board because in this specific case, the Company's discipline was not unreasonable. This decision will not affect the ongoing dispute over the interpretation of the legitimate use of sick leave language in the CBA. Another third step hearing over attendance was held on August 13th. As of this writing, we are still waiting for a decision from the hearing officer in that case.

August System Board of Adjustment: SFO had two dates set with arbitrators on Aug. 11th and 12th. We had put forward two termination cases for those dates. However, before the dates arrived, the Company had agreed to mediation, which means that they were willing to negotiate settlements. The first date was subsequently cancelled because the Company had agreed to settle the case. The details of that agreement are currently being finalized. The second mediation date was held and had resulted in a positive outcome; the member is currently being processed to return to full duty with past credit for some benefits.

Terminated member returned to work: We have been successful in reinstating a line mechanic after being terminated from the company. This was accomplished using the third step review process, which occurs prior to a third step hearing. We are pleased to see this member returned to work.

Homeland Security Compliance: During the month of August, we had two mechanics held out of service for allegedly removing food from aircraft galleys after the aircraft had arrived in SFO. Each case was unique with its own set of circumstances. However, we are reminded once again that the

removal of ANYTHING from United's aircraft or facilities still constitutes theft in the eyes of the Company. The issue was escalated because they were both International flights that had the U.S. Customs and TSA officials involved. Food items that are flown in from foreign countries require special handling for their disposal due to the importation laws regarding food or vegetation products.

Regardless of what the circumstances are, we all need to understand that United Airlines has one standard rule that must be observed, even if it's "garbage". It's still United's garbage and you could be held accountable and subject to termination from your job.

Continuous Improvement Coordinators (CIC's): A Memorandum of Understanding for the CIC positions was signed on July 22nd. This MOU solidifies these positions and assures Union involvement. This is an important aspect designed to protect the membership's best interests. For us, continuously improving our workplace and work processes will be our main focus, with the goal of returning and/or in-sourcing work. The OV elections will be happening on Aug. 31st through Sept. 2nd; Component elections will happen that same week; and the Jet Shop elections will occur the week of Sept. 14th. We encourage all who would consider trying this position out to put their name on the election sheet. Our success with this depends on membership participation.

Continuous Improvement Specialist (CIS) proposal: The CIS is a premium bid position that has existed without an MOU. This position was previously known as the Continuous Improvement Specialist (CIT) until that group was decentralized and spread out. A proposal has now been drafted and as of this writing is in the final stages of revision before presenting it to the Company. We would like to thank the current CIS's and all of the Stewards that have given their input with the development of this MOU.

87-7 Committee: A meeting was held on Aug. 12th to discuss certain component outsourcing. The main discussion revolved around ground service oxygen valves. These are parts that have been serviced and maintained in shop 153. Through our discussions we learned that the parts we now use are outdated and no longer supported. New valves will replace the old ones system wide and will be covered by warranty. As such, these parts will no longer be maintained here. We still have some unanswered questions regarding calibration and regular servicing of these parts, so for us, it's still not a dead issue and our committee will continue investigating this issue.

The Company is performing a cost comparison between us and the vendors called "Wave 5" which covers a wide variety of the work performed here at the base. This study is not completed yet but will be shared with the Union through this committee once it's been finalized.

Also discussed was the timeliness and scheduling of these committee meetings. The Union asserted that the Company should call a meeting whenever they are looking at outsourcing work. The Company responded that the only new outsourcing that has taken place is overflow work and not entire lines of parts, but they are willing to discuss anything we want to bring up.

IPTE proposal to Union: We have been working directly with the company in an effort to return work to our mechanics. Our latest effort has been through a bid for the 777 cabin modification project. If we are the successful bidder in retaining this work, the project will upgrade the 777 cabin with the new IPTE (International Passenger Travel Experience) interior and is scheduled to last for approximately nine months in 2010. This will create approximately sixty vacancies to perform this project. If the project is as successful as the de-Ted project, there is the possibility of extending this project to the other 777 aircraft in United's fleet. We should know in early September if we are the successful bidder against those competing for the job. Once again, it is the Union's contention that this is our work and we should not have to bid for any of it. However, we are constantly reminded that United Airlines is demanding that we continue to be competitive with the OSV's costs.

Cabin Appearance Crew 10 Hour Shift: A meeting was held on August 27th in Chicago to give the Company a power point presentation showing the merits of keeping the cabin appearance crew on a 10 hour shift vs. the 8 hour, 6 and 2 shift that the Company desires. The Company agreed to "think outside the box" and work with the Union to provide the highest quality product in the most efficient manner possible. It was agreed to keep the 10 hour schedule in both SFO and ORD. The schedules will be monitored to determine the productivity vs. costs factor. If the 10 hour schedule shows to be effective, we will work towards implementing 10 hour shifts at the remaining hub stations. These talks will be on-going.

Audit: IBT Law Firm Baptist & Wilder has highly recommended the Accounting Firm of Miller, Kaplan & Arabe from San Francisco to perform the audits per the 20% outsourcing language in Article II D. 4. of the Collective Bargaining Agreement. The firm must be mutually accepted by both the Union and the Company before being retained. An initial proposal has been given by the firm and has been accepted by the Airline Division. As of this writing, the Company is still reviewing the proposal.

Scholarship: On a lighter note, we are proud to announce that one of the winners of this year's James R. Hoffa Memorial Scholarship is Joel Slater, son of David Slater who works in the SFO Metrology Lab on day shift. It was an honor for Business Agent Rich Petrovsky to present the award to David on behalf of his son Joel. Congratulations to Joel Slater and best wishes from all of the Teamsters at United Airlines.