

FALL MEETING, 2011

CARLSBAD, CA, OCTOBER 17 – 21, 2011

FIRST SESSION

The meeting convened at 9:00 a.m. on Monday, October 17, 2011. Board members present were Rodney Richmond, Javier Perez, Jr., Richard Murphy, Bob Hykaway, Charles Cook, William McLean, Janis Borchardt, Paul Bowen, Kenneth Kirk, Gary Rauen, Marcellus Barnes, Rafael Rivera, Yvette Salazar, Gary Johnson, Robin West, John Costa, and Charles Watson. International President Lawrence J. Hanley presided.

Also in attendance were International Executive Vice President Robert H. Baker, Sr., International Secretary-Treasurer Oscar Owens, General Counsel Robert Molofsky, and Executive Assistant to the International President Lauri Straughan.

In addition, Assistant to the International Secretary-Treasurer Doreen Price, and Assistant to the International Executive Vice President Missy Goode attended as guests.

International Vice President Larry Kinnear was excused.

OPENING REMARKS OF THE INTERNATIONAL PRESIDENT

International President Hanley reviewed the board agenda for the week, including scheduled speakers. He then presented a summary of recent economic trends, and a review of ATU activities, programs and accomplishments during the period, highlighting the Union's expanded communications, education and other conferences, Department of Field Mobilization and training campaign efforts in concert with ATU locals, Section 13(c) grant and other case processing. He discussed ATU support for the Occupy Wall Street movement and other activities in concert with the AFL-CIO in opposition to state anti-labor legislation.

AUDIT COMMITTEE APPOINTED

Appointed to the Audit Committee were International

Vice Presidents Borchardt, Kirk, and Bowen. International Vice President Borchardt was designated as chair.

REPORT OF THE INTERNATIONAL SECRETARY-TREASURER ON ATU SCHOLARSHIP

The 2011 scholarship program named in memory of Stuart Snowden, former international vice president, was concluded with the issuance of five checks in the amount of \$5,000.00.

The 2012 scholarship program named in memory of Gary Maurer, former international representative, who passed away in June 2010, commenced with the publication of the official application and guidelines in the 2011 September-October issue of *In Transit*.

REPORT OF THE INTERNATIONAL SECRETARY-TREASURER ON ATU-MS RESEARCH FUND

The 26th annual golf tournament, jointly sponsored by the ATU MS Research Funds of the United States and Canada, was held on Monday, September 26, 2011, at Musket Ridge Golf Club in Myersville, MD. The results of this period's efforts are as follows:

The U.S. fund had as of July 1, 2011, available cash of \$4,504.82. The collections during the six-month period ended December 31, 2011, amounted to \$76,239.51. These receipts were as follows: General Contributions of \$2,594.51, Local Union Contributions of \$12,859.00, Golf Tournament Receipts of \$58,736.00, and Booster Contributions of \$2,050.00.

During the same six-month period, the fund paid golf tournament expenses of \$25,106.04 and miscellaneous expense of \$.50. These transactions created an available cash balance for charitable purposes and for future operations of \$55,637.79.

The Canadian fund had available cash as of July 1,

2011, of \$4,974.43. The collections for the six-month period ended December 31, 2011, totaled \$39,225.44. These receipts consisted of General Contributions of \$50.10, Local Union Contributions of \$31,000.00, Interest Income of \$.34, Golf Tournament Receipts of \$6,875.00, and Booster Contributions of \$1,300.00.

During the period, the fund incurred miscellaneous administrative expenses of \$913.62. As a result, the fund had available for contributions and future operations \$43,286.25. The annual contributions to Dr. John Roder of Mount Sinai Hospital, Toronto, ON, to further assist his ongoing MS research efforts, and the MS Society of Canada Research Fund were pending at the close of this period.

Complete financial statements covering the period of July 1, 2011, through December 31, 2011, for both the U.S. and Canadian MS Research Funds were provided to the General Executive Board.

Special Recognition

Special recognition must again go to the officers and members of Local Union 113 (Toronto, ON); their generous donation of \$30,000.00 will go a long way in the fight against MS. Special mention is also due to the officers and members of the Boston Carmens Local Union 589; the New Jersey Council; and Local Union 1181 (New York, NY); for their sizeable contributions.

INTERNATIONAL SECRETARY-TREASURER'S ANNUAL FINANCIAL REPORT ADOPTED

Upon motion duly made and seconded, the Report of the International Secretary-Treasurer, July 1, 2010 – June 30, 2011, was adopted.

MOTION TO SUPPORT "OCCUPY WALL STREET"

Upon motion duly made and seconded the General Executive Board expressed its support for the Occupy Wall Street movement and ATU participation in Occupy Wall Street activities in the cities, states and provinces with ATU members.

GENERAL DISCUSSION

The remainder of the session was devoted to discussions among the international executive officers and members of the Board on ATU's expanded field and training programs, and legislative and political activities in response to adverse state legislation.

The meeting adjourned at 5:00 p.m. to reconvene at 9:00 a.m. Tuesday, October 18, 2011.

SECOND SESSION

The meeting convened at 9:00 a.m. on Tuesday, October 18, 2011. Board members present were Rodney Richmond, Javier Perez, Jr., Richard Murphy, Bob Hykaway, Charles Cook, William McLean, Janis Borchardt, Paul Bowen, Kenneth Kirk, Gary Rauen, Marcellus Barnes, Rafael Rivera, Yvette Salazar, Gary Johnson, Robin West, John Costa, and Charles Watson. International President Lawrence J. Hanley presided.

Also in attendance were International Executive Vice President Robert H. Baker, Sr., International Secretary-Treasurer Oscar Owens, General Counsel Robert Molofsky, and Executive Assistant to the International President Lauri Straughan.

In addition, Assistant to the International Secretary Treasurer Doreen Price, and Assistant to the International Executive Vice President Missy Goode, attended as guests.

International Vice President Larry Kinnear was excused.

INTRODUCTORY REMARKS

International President Hanley discussed the background and campaigns advanced by the California Nurses Association scheduled to address the Board, and agenda for the day's meeting.

APPEALS TO THE GENERAL EXECUTIVE BOARD

Appeal No. 1: Mary Springfield Local Union 26 (Detroit, MI)

There came before the General Executive Board, an appeal by Local 26 Financial Secretary Mary Springfield, which contested the March 10, 2011, decision of International President Larry Hanley, overturning the

local union's decision on certain election challenges and directing the rerun of local elections held in May 2010.

Sister Springfield, accompanied by Local 26's current President Henry Gaffney, appeared before the General Executive Board and provided a full explanation of her concerns involving the appeal. Upon a thorough explanation of all the facts and issues raised, the General Executive Board voted to uphold the decision of International President Larry Hanley.

PRESENTATION BY ROSEANN DE MORO, EXEC DIRECTOR, CALIFORNIA NURSES ASSOC. / NAT'L NURSES ORGANIZING COMMITTEE, EXEC DIRECTOR, NAT'L NURSES UNITED

De Moro presented a well-received review of her progressive union's approach to organizing and implementing its economic and political training programs. She emphasized the need for continuous member education and training on tools for action. Upon the conclusion of her presentation, members of the General Executive Board engaged in extensive discussion to better understand the success of her union's approach and its application to ATU in terms of structure, budgeting, and setting priorities.

REPORT OF THE INTERNATIONAL SECRETARY-TREASURER ON ATU-COPE (APPROVED)

ATU-COPE (Financial)

The Amalgamated Transit Union Committee on Political Education (ATU-COPE) program collects voluntary contributions from ATU members for the purposes of making contributions to and expenditures for candidates for federal, state and local offices and addressing federal, state and local political issues.

A complete financial report has been provided in a separate report.

Between January 1, 2011 and June 30, 2011, ATU-COPE took in contributions totaling \$447,313.03. As of June 30, 2011, the funds had a combined available balance of \$449,013.33.

REQUESTS FOR FINANCIAL ASSISTANCE

Local 580 (Syracuse, NY)

Tyrone Burke, financial secretary/business agent of Local 580, requested financial assistance due to escalating litigation expenses and attorney's fees resulting from lawsuits brought against Local 580, by former members. He also states the local incurred expenditures of over \$100,000 pursuing this matter, of which, they have repaid approximately \$37,000.

The General Executive Board, after careful review and consideration of the facts, voted to grant authority to the international executive officers to grant whatever assistance they deem appropriate after Local 580 forwards a more complete record of its revenues and disbursements.

Local 1145 (Binghamton, NY)

David M. Snitchler, financial secretary-treasurer of Local 1145, requested financial assistance due to expenses incurred while organizing Cisco Transportation, a sub-contractor for Broome County Department of Public Transportation, which resulted in a financial loss due to the failure of the other party to negotiate in good faith.

The General Executive Board, after careful review and consideration of the facts, voted to authorize providing financial assistance to Local 1145, in the form of a grant in the amount of \$5,000.

Local 998 (Milwaukee, WI)

Alan Simonis, president/business agent of Local 998, requested financial assistance with regard to legal bills associated with an arbitration case to defeat a decertification petition filed by five objectors.

The General Executive Board, after careful review and consideration of the facts, voted to grant authority to the international executive officers to grant whatever assistance they deem appropriate after Local 998 forwards a more complete record of its revenues and disbursements.

Local 1591 (Broward County, FL)

April Johnson Williams, president/business agent of Local 1591, requested financial assistance in the form of "no per capita for six months," due to legal fees, a decrease in union membership as a result of county layoffs, furlough days, contract negotiations and paying the ex-president who had not been paid for the fiscal years of 2009 and 2010.

The General Executive Board, after careful review

and consideration of the facts, voted to deny providing financial assistance, in the form of a “six months waiver of per capita,” to Local 1591.

Local 1576 (Everett, WA)

Kathleen M. Custer, president/business agent of Local 1576, requested financial assistance due to expenses incurred while successfully organizing a contract with First Transit. She is also requesting financial assistance with future organizing campaigns the local is planning to pursue with a public transit group with 150+ potential members.

The General Executive Board, after careful review and consideration of the facts, voted to grant authority to the international executive officers to grant whatever assistance they deem appropriate after Local 1576 forwards a more complete record of its revenues and disbursements.

INTERNATIONAL PRESIDENT’S REPORT ADOPTED

Upon motion duly made and seconded, the Report of the International President for the six-month period ending June 30, 2011, was approved as printed.

INTERNATIONAL EXECUTIVE VICE PRESIDENT’S REPORT ON ORGANIZING

Efforts to organize workers in transportation-related industries and other areas, as designated by the General Executive Board pursuant to Section 1 of the International Constitution and General Laws, continued over the course of these six months.

Under the direction and supervision of International Executive Vice President Baker, the International led or assisted in the successful organizing of 675 paratransit employees, and 150 school bus drivers and matrons into Local 1181 (New York, NY); 100 school bus drivers into Local 788 (St. Louis, MO); 60 drivers, mechanics, service workers and dispatchers into Local 1091 (Austin, TX); 31 fire fighters and service workers into Local 618, (Providence, RI); 15 drivers into Local 1324 (Savannah, GA); and 10 clerks and office staff into Local 1576 (Tacoma, WA).

During and at the end of the period, the International

was involved in campaigns to organize over 1400 employees, at 14 different properties. During this period there were no decertification elections or raids. The strike in Local 1462 (St. John’s, NL) ended after an agreement was reached on all outstanding issues with the St. John’s Transportation Commission.

Internal Organizing During the Period

Concentrated efforts were made in the right to work state of Florida, to increase the overall unit membership numbers. This campaign successfully added over 350 new members in Locals 1395 (Pensacola, FL), 1464 (Tampa, FL), 1577 (West Palm Beach, FL), 1579 (Gainesville, FL), 1591 (Broward County, FL), 1593 (Tampa, FL), and 1596 (Orlando, FL).

Decertification Petitions During the Period

There were no decertification petitions/elections during the period.

Raids

There were no raids during the period.

Strikes

Local 1462 (St. John’s, NL) – On January 27, 2011, a strike by Local 1462 ended after an agreement was reached on all outstanding issues with the St. John’s Transportation Commission. The membership voted to ratify the agreement, thus ending the 12-week strike.

Expenses

Approximately \$204,049 was spent during this report period on organizing. This figure includes the salaries and expenses for the Organizing Department and lost time and miscellaneous expenses for the member organizers. It also includes full-time international representatives’ salaries and expenses for those who assisted in these organizing campaigns. Local union members assigned to assist with these drives were reimbursed by the International for their wages and expenses incurred.

GENERAL DISCUSSIONS

The remainder of the session was devoted to discussions among the international executive officers and members of the Board. The meeting adjourned at 5:00 pm to reconvene at 9:00 a.m. Wednesday, October 19, 2011.

THIRD SESSION

The meeting convened at 9:00 a.m. on Wednesday, October 19, 2011. Board members present were Rodney Richmond, Javier Perez, Jr., Richard Murphy, Bob Hykaway, Charles Cook, William McLean, Janis Borchardt, Paul Bowen, Kenneth Kirk, Gary Rauen, Marcellus Barnes, Rafael Rivera, Yvette Salazar, Gary Johnson, Robin West, John Costa, and Charles Watson. International President Lawrence J. Hanley presided.

Also in attendance were International Executive Vice President Robert H. Baker, Sr., International Secretary-Treasurer Oscar Owens, ATU Counsel Robert Molofsky, and Executive Assistant to the International President Lauri Straughan.

In addition, Assistant to the International Secretary-Treasurer Doreen Price, and Assistant to the International Executive Vice President Missy Goode, attended as guests.

MINUTES OF SPRING 2011 GENERAL EXECUTIVE BOARD MEETING APPROVED

Upon motion duly made and seconded, the minutes of the previous General Executive Board Meeting held May 2 – 6, 2011, were approved as submitted.

MINUTES OF SPECIAL JULY 2011 GENERAL EXECUTIVE BOARD MEETING APPROVED

Upon motion duly made and seconded the minutes of the Special General Executive Board Meeting held July 16 – 18, 2011, were approved as submitted.

AUDIT COMMITTEE'S REPORT ADOPTED

Upon motion duly made and seconded the members of the General Executive Board approved the report of the Audit Committee for the six-month period ended June 30, 2011.

GENERAL DISCUSSIONS

The remainder of the session was devoted to discussions among the international executive officers and members of the Board. The meeting adjourned at 4:30 p.m., to reconvene at 9:00 a.m. on Thursday, October 20, 2011.

FOURTH SESSION

The meeting convened at 9:00 a.m. on Thursday, October 20, 2011. Board members present were Rodney Richmond, Javier Perez, Jr., Richard Murphy, Bob Hykaway, Charles Cook, William McLean, Janis Borchardt, Paul Bowen, Kenneth Kirk, Gary Rauen, Marcellus Barnes, Rafael Rivera, Yvette Salazar, Gary Johnson, Robin West, John Costa, and Charles Watson. International President Lawrence J. Hanley presided.

Also in attendance were International Executive Vice President Robert H. Baker, Sr., International Secretary-Treasurer Oscar Owens, ATU Counsel Robert Molofsky, and Executive Assistant to the International President Lauri Straughan. In addition, Assistant to the International Secretary Treasurer Doreen Price, and Assistant to the International Executive Vice President Missy Goode, attended as guests.

Also in attendance were International Representatives Anthony Withington, Dennis Antonellis, Stephan MacDougall and Canadian Council Director Stan Dera.

Special guests in attendance were Trip McLaughlin, senior vice president, Morgan Stanley and Angela Davis, partner, Quorum Consulting Group

International Vice President Larry Kinnear and International Representative Claudia Hudson were excused.

GOVERNMENT AFFAIRS DEPARTMENT REPORT

Jeff Rosenberg, director of the Government Affairs Department, reported to the Board on the recent federal and state legislative developments and political

activities of ATU and the current status and prospects for passage of the *American Jobs Act* and the federal surface transportation bills. Special attention was given to the recent introduction of the *Local Flexibility for Transit Assistance Act*, the so-called “Carnahan Bill,” to give transit agencies flexibility to use federal funds for operating assistance.

The Board members engaged in an extensive discussion on how best to work with ATU locals to secure support among targeted members, especially Republicans to co-sponsor the bill. Additional discussion was held on the intercity bus sector anti-fatigue campaign to secure support for amendments to apply the federal overtime requirements under the Federal Labor Standards Act (FLSA) to address this problem. Finally, Rosenberg addressed pending state bills that would impact ATU and the 2012 political landscape.

REPORT ON 401(K) PLANS

Trip McLaughlin, senior vice president, Morgan Stanley, and Angela Davis, partner, Quorum Consulting Group reported to the Board on the status of ATU sponsored retirement plans, the number of participating employers, the number of participating employees, and the value of assets held in the plans. At the close of this period, there were a total of 119 employers across the United States enrolled in an ATU retirement plan and 5043 participants.

There was a 4% increase in the total amount of assets invested in ATU-sponsored retirement plans, which totaled \$75 million at the conclusion of the reporting period.

REPORT ON LOCAL 1593 (TAMPA, FL) TRUSTEESHIP

International Vice President Rivera reported on the ongoing process to address the serious financial and administrative issues underlining the trusteeship of Local 1593. Rivera reviewed with the Board the continuing efforts to settle a pending \$175,000 judgment against the local, ensuing from a DFR case decision issued by the Florida PERC, and subsequently enforced in state court. He reported that resolution of this matter was essential to prevent the financial insolvency of the local.

REPORT ON LOCAL 241 (CHICAGO, IL) TRUSTEESHIP

International Vice Presidents Javier Perez and Marcellus Barnes presented a detailed summary of their ongoing efforts to address the significant financial, administrative, and organizational issues underlining the trusteeship of Local 241. Through a detailed PowerPoint presentation, they reviewed their progress to the date, and discussed ongoing plans and programs to provide training, establish financial controls, and prepare for upcoming negotiations.

GENERAL DISCUSSIONS

The remainder of the session was devoted to discussions among the international executive officers and members of the Board. The meeting adjourned at 5:30 p.m. to reconvene at 9:30 a.m. on Friday, October 21, 2011.

FIFTH SESSION

The meeting convened at 9:00am on Friday, October 21, 2011. Board members present were Rodney Richmond, Javier Perez, Jr. Richard Murphy, Bob Hykaway, Charles Cook, William McLean, Janis Borchardt, Paul Bowen, Kenneth Kirk, Gary Rauen, Marcellus Barnes, Rafael Rivera, Yvette Salazar, Gary Johnson, Robin West, John Costa, and Charles Watson. International President Lawrence J. Hanley presided. Also in attendance were International Executive Vice President Robert H. Baker, Sr., International Secretary-Treasurer Oscar Owens, General Counsel Robert Molofsky, and Executive Assistant to the International President Lauri Straughan.

In addition, Assistant to the International Secretary-Treasurer Doreen Price, and Assistant to the International Executive Vice President Missy Goode, attended as guests.

Also in attendance were International Representatives Anthony Withington, Dennis Antonellis, Stephan MacDougall, and Canadian Council Director Stan Dera.

International Vice-President Larry Kinnear and International Representative Claudia Hudson were excused.

MOTION TO BRING LOCAL OFFICERS UP ON CHARGES FOR MISUSE OF FUNDS

Original motion was on Local 241 (Chicago, IL), and then amended to apply to all locals where executive officers determine that there has been misuse of funds or theft by local officers.

Motion was made for executive officers to take appropriate action to charge local officers for misuse of funds in cases where the local takes no action.

REPORT AND MOTION TO TERMINATE 1385 (DAYTON, OH) TRUSTEESHIP

International Vice Presidents Richmond and Johnson reported on the progress and accomplishments achieved with respect to the financial, representational, and administrative issues of Local 1385, including bylaws and election of officers.

Thereafter, the members of the General Executive Board, pursuant to 12.6 of the Constitution and General Laws, voted to authorize the termination of the trusteeship of Local 1385.

STRIKE SANCTIONS

Upon the request of International Vice President Murphy, the General Executive Board granted strike sanction to the members of Local 1512 (Springfield, MA) employed by Peter Pan Bus Lines, Inc.

REPORT OF THE GENERAL COUNSEL

General Counsel Molofsky reported to the Board on major litigation developments, Section 13(c) case processing of U.S. transit grants and related Section 13(c) litigation. The Board was also fully briefed on ongoing efforts to enforce Section 13(c) protections in response to state legislative attacks on transit and other public employee collective bargaining rights, including legislation arising in Florida, Indiana, Massachusetts, Michigan, Ohio, and Wisconsin. The ongoing Section 13(c) negotiations/

arbitration to protect Local 1091 (Austin, TX) members' collective bargaining rights, pension and health care benefits, following an anticipated transfer of employment from Star-Tran to another private contractor was also reviewed.

Notably, the Legal Department processed an impressive total of 1,122 grant applications involving some 143 ATU local unions and the New Jersey Council during this reporting period.

The final settlement and implementation of terms resolving the ATU case on behalf of represented employees of First Transit and First Student, in response to the improper use of criminal background checks in violation of the due process safeguards of the *Fair Credit Reporting Act*, were reviewed in detail. The specific terms of the settlement agreement, which requires the companies to stop their unlawful use of background checks, and to pay \$5.9 million to eligible class members and their attorneys was also discussed.

Further, the Board reviewed a recent agreement entered into between the International, First Transit, Inc., and First Student, Inc., in September 2011, to address the scope and use of investigative background checks consistent with the recent settlement of the parties' litigation on these issues. In particular, the Board reviewed copies of a memorandum provided by the International to all ATU local unions, setting forth the parameters under which their employers would conduct background checks on current and new employees, limited only to the information required by federal or state law, while otherwise preserving employee and local union rights to grieve any adverse actions taken as a result of such checks.

The Board was also briefed on yet another federal court action, alleging the International Union breached its duty of fair representation in connection with various work related grievances involving a member of Local 282 (Rochester, NY), under Title 7 of the *Civil Rights Act of 1964*. It was expected that this case would be dismissed following a position statement submitted by the International Union, stating that no legal action could be brought properly against the Union because it never served as the plaintiff's exclusive bargaining agent.

The Board also reviewed the successful conclusion of litigation involving Trentway Wager and Local 1624 (Peterborough, ON), involving assignment of work issues and a required amended certification.

The Board was also advised of the ultimately unsuccessful conclusion of a lawsuit brought by retained counsel on behalf of Local 1181 (New York, NY). Therein, we contended that longstanding employee protection provisions should be applied to the bidding of certain early education transportation service contracts involving ATU-represented employees.

With respect to Section 13(c) issues and state legislation enacted during this reporting period, the Board was advised of the ongoing efforts involving Local 589 (Boston, MA), to address state legislation that abolished the health care plan for MBTA employees, and transferred both active and retiree members to a plan administered by the state's General Insurance Commission (GIC).

Successfully arguing that this mandate adversely affected the employees' health care benefits and also precluded bargaining over such issues in violation of Section 13(c), we successfully obtained an order from the U.S. Department of Labor, directing the parties to negotiate a mutually acceptable resolution of the outstanding health care issues. This matter was pending at the close of this reporting period.

With respect to a new Ohio law limiting collective bargaining rights of public employees to wages while excluding health care, sick time, or pension benefits issues, ATU successfully secured a determination from the Department that the new law as drafted does not adversely affect transit employees' collective bargaining rights under applicable Ohio statutes.

In Wisconsin, after asserting Section 13(c) rights, the final legislation excluded transit employees from the Act's provisions, which limited public sector collective bargaining to wages, capped increases to the consumer price index, and limited contract duration, among other adverse provisions.

Finally, the Board was briefed on various Section 13(c) claims activities involving Local 1560 (New Orleans, LA), resolving certain "contractor-to-contractor" issues upon the transition to a new employing agency on the Regional Transit Authority's bus and light rail system.

Similarly, a settlement involving the transition to a new public-private partnership arrangement affecting Chatham Area Transit and Veolia was successfully resolved through a negotiated settlement on behalf of members represented by Local 1324 (Savannah, GA).

Finally, the Board was briefed on a series of continuing Section 13(c) cases involving Local 398 (Boise, ID);

Local 382 (Salt Lake City, UT); and Local 19 (Colorado Springs, CO).

MOTION TO REIMBURSE EXPENSES FOR EQUIPMENT AND SUPPLIES UP TO \$500 ANNUALLY

Upon motion duly made and seconded, the members of the General Executive Board approved effective November 1, 2011, covering international vice president and international representative's expenses for equipment and supplies, up to a maximum of \$500.00 annually.

MOTION TO EXTEND COPE-PLUS THROUGH DECEMBER 31, 2012.

Upon motion duly made and seconded, members of the General Executive Board approved the continuation of the ATU COPE-PLUS program through December 31, 2012.

GENERAL DISCUSSIONS

The remainder of the session was devoted to discussions among the international executive officers and members of the Board.

The meeting adjourned sine die at 12:30 pm.