



**Brotherhood of Locomotive Engineers and Trainmen**  
A Division of the Rail Conference of the International Brotherhood of Teamsters

***General Committee of Adjustment***  
***AMTRAK / MBCR / CONNEX***

Mark B. Kenny  
General Chairman

1985 Highway 34, Suite A7A-1, Mailbox 11  
Wall, NJ 07719  
Telephone: (732) 275-8206  
Fax: (732) 275-8188  
E-Mail: bletgca@optonline.net

July 30, 2007

All Active Amtrak BLET Members

Dear Brothers and Sisters:

In accordance with the provisions of Section 41(a), General Committee Rules, of the By-laws of the Brotherhood of Locomotive Engineers and Trainmen, this package contains the required information for conducting the ratification vote on the Tentative Agreement between the BLET and Amtrak, which was initialed on July 19<sup>th</sup>. Besides the detailed synopsis provided in this letter, the package contains a copy of the Tentative Agreement and associated documents, which are explained below, your ballot, and a postage-paid envelope for returning your ballot to the National Division, who will be tabulating the votes. Please note that your ballot must be received no later than August 30, 2007, in order for it to be counted.

The GCA has done its best to keep you updated periodically concerning the lack of success in resolving our contract dispute over the past 7½ years. By now, you have probably been exposed to the numerous unfounded rumors, patently misleading information, and the outrageously exaggerated back pay calculation formula that is being circulated about the property for the past week; particularly, in the NEC. All of which, I might add, has been done prior to the release of the actual tentative agreement document. To the best I can determine, the overwhelming bulk of that disinformation and propaganda is the work of one union who feels the BLET has some unshakeable obligation to shoulder the interests and protection of their members, in addition to that of ours, because we have done just that in the last two rounds of Amtrak bargaining. There is also some e-mail campaign being orchestrated by some lunatic fringe group called the ROCU. The numerically flawed back-pay calculation is the handiwork of one of our New York based brothers, who simply refuses to listen to reason and obviously considers himself a self-proclaimed authority on processes he knows little, if anything, about.

Therefore, the first thing I ask of you is to please divorce yourself from the rumor mill, locker room economists, and home grown lunatics, and listen closely and objectively to what I have to say, because our collective welfare and future over the next few years now depends upon you and the vote you cast. That said, I think it's particularly important for us to start this ratification process by revisiting how we got where we are today and why we chose to accept this tentative agreement after comprehensively weighing each and every strategic option for bringing this contract dispute to a reasonably satisfactory conclusion.

**All Active Amtrak BLET Members**  
**July 30, 2007**  
**Page 2**

When our Section 6 Notices were filed in late 1999, Bill Clinton was President and Amtrak, although sorely underfunded, was not threatened with extinction as is the case today. As you well know, George Bush has spent his entire Presidency attempting to kill Amtrak. He tried to “zero out” Amtrak’s operating budget. He made recess appointments to the Amtrak Board of Directors, whose primary purpose was doing what they could do to facilitate Amtrak’s collapse. And, he has, and continues to encourage a variety of Senators and Representatives who have proposed a series of bills and amendments that would lead to the bankruptcy and dismantling of the Amtrak national system.

Based on our past experience, we adopted and maintained a strategy designed to take every logical step to avoid unfriendly outsiders from setting the terms and conditions of our settlement. As a result, we have been able to avoid mediation and stay away from the meddling Bush-appointed National Mediation Board, which has done nothing whatsoever to facilitate settling the contracts of the other unsettled Unions who have been in mediation for years. You will probably recall that we were close to a settlement in 2004. That settlement essentially contained: no retroactive pay, a \$400 signing bonus, general wages increases (GWI’s) and health and welfare (H&W) contributions consistent with the pattern established by the TCU in 2003, a small certification allowance improvement, and work rules changes typically similar to those contained in this proposed settlement.

In fact, it clearly appeared that we had an “agreement in principle” at our last negotiation meeting in Philadelphia in August 2004. Consequently, the GCA Executive Committee and I reached out to our Local Chairmen for their input as to the likelihood of the membership accepting the terms proposed. The general sentiment of the Local Chairmen was that, although the proposed agreement was a far cry from our Section 6 expectations, upon carefully considering the political climate in D.C. and Amtrak’s extremely precarious financial condition at that time, it was more advantageous for us to accept the terms and move forward into the next bargaining round two months away. Unfortunately, however, that negotiation effort completely unraveled when Amtrak came back to the table and demanded off-sets to pay for the improvements contained in their offer, which they intended to realize by thoroughly unreasonable changes to our health and welfare plan. Recognizing those changes would have left our membership with a significantly diminished H&W plan that didn’t even closely resemble the “substantial equivalent” standard of the BLET National H&W plan, those contract discussions broke off, and remained hopelessly deadlocked for the next two and one-half years. Although extremely disappointed about that failed effort, we remained faithful to our convictions and initial strategy for settling the contract dispute on our terms, rather than accepting those dictated by anti-labor bureaucrats who couldn’t care less about you, your family, the value of our labor, and the individual price each and every one of us pay working as a Passenger Engineer, Student Engineer, or Engine Attendant.

**All Active Amtrak BLET Members**  
**July 30, 2007**  
**Page 3**

Then, late this past May, Amtrak Vice President of Labor Relations, J. M. Bress, contacted my office to ask if we were interested in attempting to resume our contracts negotiations. Unquestionably interested in yet another attempt to end our 7½ year deadlock, we picked up discussions again beginning with a two-day meeting starting June 11<sup>th</sup>. At that meeting, Amtrak proposed and we agreed, to resume where our talks left off in 2004 before things fell apart. We further agreed to use the 2007 BLET National Agreement as the economic framework for this new round of discussions. The remainder of those sessions was consumed with Amtrak detailing their position and responding to BLET questions for clarification and further information relative to the settlement terms. At the end, I advised Amtrak's negotiating team that I intended to consult with the GCA Executive Committee as to whether the established framework for discussions was a sufficient basis for us to move forward with additional negotiations and that we would advise them accordingly. I then took what I felt to be the appropriate step of reaching out to the leadership of several of the other unsettled Unions to inform them of what I viewed to be positive progress when measured against Amtrak's staunchly unyielding posture in 2004.

Because of the significant movement discussed above, the GCA Executive Committee and I fully agreed that we should continue to push the negotiations forward. Consequently, we returned to D.C. for another three days of intensive bargaining from July 10<sup>th</sup> through July 13<sup>th</sup>. Following that session, I gave a progress update to both the full Executive Committee and nearly all our Local Chairmen in back-to-back conference calls held July 16<sup>th</sup>. Then, beginning July 17<sup>th</sup>, we went back to the table for three more days of intensive negotiations, with the assistance of National Vice President Marcus Ruef. That final effort ultimately resulted in my initialing of the Tentative Agreement before you now for consideration.

My reason for bringing this proposal to our Membership for ratification at this juncture is both simple and straightforward. It is my unshakable opinion that our efforts at the negotiating table have reached the point where we have lessened the admittedly negative implications and clearly improved the more positive elements of the tentative agreement to the very best extent possible. Therefore, the time for a very important decision was on my desk. Either I put the tentative agreement before you for approval, or walk away from the table and get at the end of the line at the National Mediation Board, and wait for three of George Bush's cronies to decide our future. In all honesty, given the substantial economic benefit this proposed agreement will bring to our Membership, I firmly believe it would be highly irresponsible, if not totally negligent, for me to even consider the latter option without extending our Membership the right to decide what our collective fate will be for the next few years. Obviously, my decision in this all important matter has already been made and I remain fully confident that it is one that is solidly grounded in logical thinking and places the welfare and best interests of our Membership and families in the foreground. At the end of the day, however, the more important decision at issue here resides solely with you!

In my view, the most disappointing flaw in the Tentative Agreement is the fact that we were unable to reach a more acceptable solution above and beyond the \$4,500 lump sum signing bonus in lieu of retroactive pay. Granted, although we were successful in improving upon Amtrak's original proposal of \$3,500, the negotiated sum represents slightly less than a quarter of what a fully retroactive agreement would pay. Moreover, despite the fact that I have always personally felt, and shared my thoughts with those willing to listen, the longer it took for us to bring this nightmare round of collective bargaining to an end, the more increasingly difficult it would become over time for us to achieve full retroactivity. Still, in my estimation, recognizing and understanding that harsh reality does very little in terms of making that bitter pill any easier to swallow, and I fully realize this issue alone will almost certainly cause some to overlook the more positive aspects of the Agreement and vote to reject. Nonetheless, rational thinking demands that we all put this issue into proper perspective and firmly understand that Amtrak cannot and will not commit to paying any monies that Congress has shown no intention whatsoever of appropriating.

Pure and simple, the fact of the matter is that payment of back pay would require a special Congressional appropriation to cover the cost. At the present time, it is estimated that the total back pay cost is somewhere between \$150 million and \$200 million, and we would have to secure that money from Congress. Furthermore, even though our continuing lobbying efforts of the past several years on Capitol Hill have made all the key leaders of Congress fully aware of the Amtrak contract stalemate; including the issue of retroactive pay, the Amtrak appropriations bill proposed in the House just last month, made no provision whatsoever for back pay for the fiscal year beginning this October. And, in case this related fact hasn't made your local newspaper or favorite news program, the White House is already making it well known that it intends to veto the Amtrak bill when it arrives.

Sooner or later, this nightmare of working without a contract will end for all Amtrak workers. In the absence of a negotiated settlement, similar to the one before you now, "sooner" means a Bush-appointed Presidential Emergency Board (PEB) will decide your future. Under even the best of circumstances, I am simply unwilling to believe for one moment that a Bush PEB is likely to recommend full retroactivity for all Amtrak workers. Such an action would be diametrically opposite to the numerous anti-labor actions of other Bush appointees directly involved in decisions related to Amtrak.

Settling the contract "later" would mean another fifteen months of trading water and losing even more money every hour that we work, to see who will win the 2008 Presidential Election. And, for anyone even marginally inclined to believe the locker room chest beating about, "going down swinging", "the Metro North PEB returned a favorable decision", and the best of all, "we'll just strike", please let me make this perfectly clear, to achieve what the chest beaters claim falls easily within our reach by exercising any or all of the options above, would require the development and arrival of a thirty-five year overdue perfect storm in Washington, D.C., in

**All Active Amtrak BLET Members**  
**July 30, 2007**  
**Page 5**

which (1) a labor and Amtrak-friendly President is elected, (2) a labor-friendly PEB is appointed and recommends full retroactivity, (3) Congress imposes the recommendations of the PEB, and (4) Congress passes a special appropriation to pay for retroactivity. Keep this in mind as well. At that point, the price tag for retroactive pay will be significantly higher than today. In fact, based on the value of the Tentative Agreement now before you, the BLET's share of the back pay would rise by over \$55 million. And, finally, please make certain you understand, at that point, improvements such as doubling the certification allowance, the substantial improvement in the Engineer Instructor rate for students and non-students, and the extremely important disclosure rule as part of the disciplinary process, all vanish from the table and are no longer part of the package.

That said, I am completely unwilling to gamble that three unknown individuals, appointed by a sworn enemy of labor, who have likely spent their lives building lucrative careers by making certain that working class Americans are continuously forced to work harder for less money, will do an about face and deliver us the answer we need. I am equally unwilling to force you and your families to continue trying to make ends meet in today's unforgiving economy with nickel, dime and penny COLA applications, while I step up to the table to bet our \$55 million in contract improvements and then roll the dice in the remote hope that three friendlier strangers will give us everything we want from the past and future. Please believe me, if I thought for one moment that was a gamble we should take, I'd have those dice in my hand in a New York minute. But, in all honesty, only a fool makes that roll because the odds that we could improve or even replicate the package before you now through the PEB process, are most certainly stacked against us.

I don't think I need to further emphasize the significance of your vote, or the obvious fact that you need to exercise that right. But, before you cast that vote Brothers and Sisters, please make certain that you clearly understand and carefully weigh what ratification and rejection of the Tentative Agreement means. All of our Regional and Local Chairmen have been briefed by my office to respond to any questions or concerns you may have as it pertains to this all important issue. If you have a question, or are just uncertain about some provision of the agreement, do not hesitate to put that question or concern to your Regional or Local Chairman. Having discussed the negative and what rejection of the tentative agreement will mean to you, I will now turn to the results of ratification.

Articles I and II address wage increases. Within 30 days after notification of ratification is made to Amtrak, everyone with a current employment relationship who was paid 2,000 or more straight time hours between July 1, 2006, and June 30, 2007, will receive a \$4,500 signing bonus in lieu of back pay. Those with fewer than 2,000 straight time hours will be paid a pro-rated bonus. Signing bonuses are also payable to those who have retired since January 1, 2006, and to the estates of those who have died since January 1, 2006. The signing bonus will be paid

**All Active Amtrak BLET Members**  
**July 30, 2007**  
**Page 6**

in the week that we transition to the bi-weekly pay cycle in order to buffer the impact that will be felt by some in that process.

In addition, on October 1<sup>st</sup>, \$0.75 of the current Harris COLA will be permanently rolled into the base hourly rate of pay, which for Passenger Engineers is \$26.65. The Agreement also calls for a total of ten (10) general wage increases. Seven of them — 3½%, 3%, 3%, 2½%, 2%, 1½%, and 2% — will be applied on October 1<sup>st</sup>, after the roll-in of the Harris COLA. The remaining three general wage increases — worth 1½%, 3½%, and 3½% — will become payable on April, 1, 2008, October 1, 2008, and October 1, 2009, respectively.

I am aware that some Members have expressed concern about the elimination of the COLA that will result with the adoption of this agreement, so I want to take a moment to explain our thinking in that regard. Unlike the past, the amendable date to improve the wages and work conditions found in this agreement is June 3, 2010, about four months in advance of the contract's end and more than six months before Amtrak's appropriation request the following year. I fail to find any advantage for us to continue down the same failed course as this round of bargaining with COLA increases that just make you shake your head in disgust. Alternatively, I believe we need to launch into negotiations in June 2009, secure the federal funding necessary to pay for a timely contract, finalize the negotiations as soon as possible, and move on with life. It's painfully clear at this point, that we are all sick and tired of having to go through the same lunacy and extraordinary length of waiting for a reasonable settlement each and every round of bargaining. Adjusting our approach by doing away with COLA, as was done in the BLET National Agreement, functions as a greater incentive for both parties to bargain earlier, quicker and in more realistic terms, and I believe that is the right direction for us to follow for that reason.

The impact of the wage proposal, including increasing the Certification Allowance from \$5.00 to \$10.00, on hourly and daily rates is as follows:

<b>Passenger Engineers</b>			<b>Student Engineers</b>			<b>Engine Attendants</b>		
<b>Date</b>	<b>Hourly</b>	<b>Daily</b>	<b>Date</b>	<b>Hourly</b>	<b>Daily</b>	<b>Date</b>	<b>Hourly</b>	<b>Daily</b>
Base	\$26.65	\$218.20	Base	\$15.36	\$122.88	Base	\$17.92	\$143.36
09/30/2007	\$27.40	\$231.88	09/30/2007	\$17.07	\$136.56	09/30/2007	\$19.63	\$157.04
10/01/2007	\$32.57	\$270.56	10/01/2007	\$19.15	\$153.20	10/01/2007	\$22.19	\$177.52
04/01/2008	\$33.06	\$274.48	04/01/2008	\$19.44	\$155.52	04/01/2008	\$22.52	\$180.16
10/01/2008	\$34.22	\$283.76	10/01/2008	\$20.12	\$160.96	10/01/2008	\$23.31	\$186.48
10/01/2009	\$35.42	\$293.36	10/01/2009	\$20.82	\$166.56	10/01/2009	\$24.13	\$193.04

If ratified, the Agreement will provide a \$5.92 increase in the base hourly Passenger Engineer rate, and a \$4.21 increase in the Harris COLA rate, on October 1<sup>st</sup>. With the doubling of

the Certification Allowance, the daily rate will increase \$52.36 over the base as soon as the first increases kick in, and over \$75.00 per day when the final increase is implemented. Even after offsetting for health and welfare contributions, which is discussed in detail below, the Agreement provides significant gains, compared to the base rate at the end of the last contract:

<b>Average weekly pay hours</b>	<b>Approximate value over term</b>
40	\$44,000.00
45	\$50,000.00
50	\$56,000.00
55	\$62,000.00
60	\$68,000.00

Over the life of the Agreement, the Passenger Engineer hourly rate will increase \$8.77, or 32.91%, over the base rate. We estimate the total net value of the economic package will exceed \$75 million over base rates during the 37 months between this September and the end of the term of the agreement in September of 2010. This figure includes the doubling of the Certification Allowance and offsets for health and welfare premium contributions.

Article III deals with health and welfare coverage, and generally reflects changes made in the 2003 TCU–Amtrak Agreement and the 2007 BLET National Agreement. Among the most important changes are the following, all of which become effective October 1<sup>st</sup>:

- One routine physical exam per calendar year will be covered for employees and dependents under CHCB; coverage is 100% up to \$150, and 75% for expenses in excess of \$150.
- Speech therapy will be covered under both CHCB and MMCP when given to children under three years of age as part of a treatment for infantile autism, development delay, cerebral palsy, hearing impairment, or major congenital anomalies that affect speech.
- PKU blood tests will be covered under both CHCB and MMCP when given to infants under the age of one in a hospital or on an out-patient basis.
- The MMCP will not require a co-payment for any visit to a physician's office solely for the administration of an allergy shot.

- Prescription co-pays to in-network pharmacies per prescription are revised as follows:
  - Retail: generics – \$10.00; brand name (formulary) – \$20.00; and brand name (non-formulary) – \$30.00; and
  - Mail Order: generics – \$20.00; brand name (formulary) – \$30.00; and brand name (non-formulary) – \$60.00.
  
- With respect to Plan participants and their beneficiaries who live in an area where they may choose between CHCB and MMCP coverage, the percentage of Eligible Expenses payable by the Plan with respect to an individual covered under the CHCB will be 75% until the Out-of-Pocket Maximum is reached, but only 60% if a required notice to Care Coordination/Patient Management is not given or if Care Coordination/Patient Management determines that the service or supply involved, although a Covered Health Service, is not Medically Appropriate.
  
- The annual deductibles for Individual and Family under CHCB will be increased to \$200 and \$400, respectively.
  
- The Annual Out-of-Pocket Maximum under CHCB will be increased to \$2,000 per individual and \$4,000 per family.
  
- The annual deductibles for Individual and Family Out-of-Network services under MMCP will be increased to \$300 and \$900, respectively.
  
- Under the MMCP, except for any visit to a physician's office solely for the administration of an allergy shot, the Office Visit Co-Payment for In-Network Services shall be increased to \$20.00 for each office visit to a provider in general practice or who specializes in pediatrics, obstetrics-gynecology, family practice or internal medicine, or Urgent Care Center, and \$35.00 for each office visit to any other provider.
  
- Under the MMCP, the co-payment on behalf of a participant or beneficiary with respect to any visit to a Specialist shall be \$35.
  
- Under the MMCP, the co-payment on behalf of a participant or beneficiary with respect to any visit to a hospital emergency room shall be \$50. Note: where the participant or beneficiary is admitted to the hospital, such co-pay is waived.
  
- Off-Track Vehicle coverage has been improved to conform to National Agreement standards.

- For purposes of AMPLAN, as well as the Dental and Vision Plans, the term “children” has been redefined.

In addition to the above improvements and changes, there are three other significant changes that will take effect. The first, which was established in the 2003 TCU–Amtrak Agreement, provides that medical plan coverage for employees who cease to render compensated service as a result of disability due to illness or injury, or who become disabled before coverage as a furloughed, dismissed or suspended employee ends, shall be changed to end on the earlier of the following: the date the disability ends or at the end of the twenty-four (24) month period following the month in which the employee last received compensation. This is one of the pattern issues we were not able to overcome at the table. Personally, this is clearly not a change for the better and I would certainly prefer the coverage to remain as it is today versus that of the TCU pattern. However, upon considering that the timing of when a disability, furlough, suspension or dismissal occurs within the calendar year will determine the degree of impact suffered, the indeterminable limitations of this coverage to some of our Members, is more than off-set by the other economic improvements to all of our Members.

The second change involves adoption of the premium contribution formula contained in the 2007 BLET National Agreement. Simply put, beginning October 1<sup>st</sup> each individual governed by the Tentative Agreement will contribute \$166.25, pre-tax, per month toward the health and welfare premium. Effective every July 1<sup>st</sup> thereafter, the premium contribution will be adjusted to reflect 15% of the per employee cost for AMPLAN, Dental, Vision, AD&D, and Life Insurance coverage for the last 12-month period for which data is available. The contribution will be capped at the higher of \$200.00 per month or the July 1, 2009 contribution amount.

You may opt out of coverage — and the requirement to make the contribution — in two circumstances. The first is when both spouses are covered by AMPLAN, in which case either spouse may “opt out” of coverage and become a dependent under the other spouse’s coverage. In this situation, only one monthly contribution will have to be made, and it will be made by the covered spouse, rather than the dependent spouse. If the covered spouse loses coverage, the spouse who “opted out” will automatically become the insured person and make the contribution. In the event this occurs in the middle of a month, only one premium contribution will be made for that month.

The second way you can “opt out”, which incidentally was not an option on the table in 2004, is if your non-Amtrak employee spouse has their own plan under which you are covered. You may “opt out” after providing proof of the spouse’s plan each year during open enrollment and will not be required to contribute monthly payments to AMPLAN. If the spouse should lose such coverage during the calendar year, you will automatically revert to an eligible employee and will be required to make the monthly contribution, but you are responsible for notifying Amtrak of the loss of the spouse’s coverage.

**All Active Amtrak BLET Members**  
**July 30, 2007**  
**Page 10**

You can opt out or opt back in every year during the election period. If you qualify to “opt out” under either scenario described above, and wish to do so for the remainder of this year, you should complete and sign the enclosed “opt out” form, providing the required information. To ensure that no contribution is withheld from your pay, you should send the completed form to the address indicated no later than September 21<sup>st</sup>, so that Amtrak can make the proper arrangements on a timely basis if the Agreement is ratified.

I want you to understand that I fully realize that the health and welfare contribution is a controversial and equally distasteful issue for all of us. However, the fact of the matter is that almost everyone in the railroad industry — as is the case in all industries — now makes substantial health and welfare premium contributions. Of course, that does not make it any easier to accept. But, I have been telling everyone with whom I’ve discussed this subject since 2003 that our next agreement would almost certainly include some level of premium contributions, so this should come as no real surprise to anyone that has been listening and occasionally focusing their attention on the world around us. I am also aware of the fact that the \$166.25 contribution stands as real “sticker shock” to some of our Members. However, please bear this in mind when it comes to this issue, if we demand, and receive, wage increases and health care benefits based on BLET National Agreement patterns, then we must expect to make the same level of contribution provided specifically by that pattern.

There also are a number of work rule changes that I want to touch upon. Because of Congressional action, there is a change to our Scope Rule, which is causing heartburn and anguish for some Members whose concerns are fully understood and have been addressed for that reason. Before explaining the change, however, it is critically important for you to understand the history behind it. Rule 1(a) of our collective bargaining agreement defines the work of a Passenger Engineer and reserves it for employees covered by the agreement. At the time it was adopted in 1982, federal law prohibited Amtrak from engaging in any contracting out of work that resulted in a furlough. Therefore, whatever ability Amtrak has to contract out Passenger Engineer work was limited by statute to the extent that no furlough could result.

When Congress passed the Amtrak Reform and Accountability Act of 1997 (Public Law No. 105–134), Section 121 of the Act repealed the limitation on contracting out and simultaneously placed the statutory language in each Amtrak collective bargaining agreement. That language was subsequently codified in Rule 1, paragraph (h), where it currently stands in effect today. Section 121 also specifically required that Amtrak and each of its unions negotiate this issue in the next round of bargaining, which happens to be now! Consequently, we had no choice but to deal with Rule 1 to the best extent possible, because Congress put it on the negotiating table and forced us deal with it, as opposed to some unimportant issue of choice that we could simply ignore or evade, as some Members and other Unions would have you believe.

Consequently, the tentative agreement provides that Amtrak no longer is barred from any contracting out that is permitted by Rule 1(a) if it results in furlough. The new rule states further that any permissible contracting out causing furlough of one or more Passenger Engineers will give each affected person the right to choose among home terminal furlough, accepting transfer with relocation benefits, or accepting a lump sum severance payment equal to one year's straight time wages. Thus, everyone needs to clearly understand this very important fact in the application of this new provision, Rule 1(a) remains unchanged. **That means Amtrak cannot engage in any contracting out that they have not already had the right to do for the past 25 years, as is clearly stated in the negotiated terms of Side Letter No. 6.**

Other noteworthy work rule changes, none of which have a significant economic impact in my opinion, are thoroughly explained below as follows:

- Nationally, the work week will run from Monday through Sunday, and the bidding period from Friday to Tuesday. Also, the payroll will be changed from weekly to bi-weekly, and the payment of the \$4,500 signing bonus will be timed so that you will receive it at the time of the payroll change. Lastly, payroll is changing over to direct deposit. In weighing this issue, most employees are already voluntarily on payroll deduction and in my estimation, acceptance of bi-weekly payroll, which should be a rather simple adjustment for most people, is far better than contending with the diluting of another more important work rule that adversely affects us every tour of duty.
- That portion of Rule 10 stating that a Passenger Engineer who is not told how he/she is to deadhead will be paid separate from service is changed so that deadheading will be paid in the most economical manner. Here again, Amtrak always pays deadheading in most economical manner, so this change to the rule is largely insignificant when viewing the collective bargaining unit as a whole.
- Travel associated with training on other than an assigned work day or on a layover day will be paid at straight time, with a maximum of eight hours. This language is the adoption of language from the UTU's present agreement, which is not currently found in the BLET agreement. Although, it will not solve all our problems related to deadheading in connection with training, it should help to provide some much needed relief and additional leverage for the payment of claims relative to this issue.
- A Passenger Engineer required to attend remedial training during a decertification period will not be paid for that time, but Amtrak is required to pay travel, hotel and meal expenses in accordance with the agreement. When considering this change it needs to be understood that we cannot pursue a claim successfully for

lost time during a period of decertification if that finding is not challenged or later overturned by the LERB. Therefore, this change is of little, if any, consequence. In fact, it may very well solve some of our recent problems with Passenger Engineers being sent for remedial training months and in some case over a year after their agreed upon discipline has been imposed and served.

- A claim or grievance filed under Rule 20 that is not denied within 60 days will be deemed denied. For some time now, Amtrak has not honored demand payments for claims not denied under the terms of Rule 20(d) and we are routinely being forced to arbitrate those cases. This change does not in any way modify or diminish the current appeal process for the handling of claims. It simply means that if a claim submitted is not paid within the 60 day window, it is considered denied and should be timely presented to your Local Chairman for handling consistent with the claim procedures currently in place today.
- The time limit for filing disciplinary charges pursuant to Rule 21 is extended to ten days, as is the time within which the formal investigation must begin. In return for this change, the carrier has agreed to a process whereby it must disclose on a timely basis all evidence it plans to use at an investigation if the Passenger Engineer is being held out of service, including cases involving possible revocation of certification. The slight relaxation of adding three more days to the first two steps in the formal disciplinary process is of no consequence whatsoever based on our day to day experience in such matters. Alternatively, however, the long sought and hard won disclosure provision will vastly improve our ability to better represent Members involved in disciplinary issues, strengthen our procedural arguments upon appeal, and serve as a clear deterrent from the carrier removing Passenger Engineers from service for reasons other than those contained within the narrow scope of the present rule.
- Violations of the attendance policy may be handled without a formal investigation. However, in such cases the duly accredited representative will be provided with a copy of the discipline notice so that he/she may immediately file an appeal, which is where the record will be developed. In this instance, the development and imposition of Amtrak's attendance policy was put in place unilaterally. Simply put, it's their policy... not ours! We don't agree with it and have never retreated from our core position and belief that the policy is slanted and highly unfair to our Members who, in many cases, work assignments well beyond the average 40 hour work week. That said, if Amtrak charges someone who has run afoul of the policy, whether or not we agree with the basic philosophy behind it, brings absolutely nothing to the table in terms of us protecting the charged member. Moreover, in nearly twelve years, I only know of only two cases of charged

absenteeism that had merit to be progressed to arbitration, and we won one of the two cases. I don't think I have to tell you Brothers and Sisters that Amtrak's formal investigation process is nothing more than an exercise in futility, because extensive experience has clearly shown that if a Member finds himself/herself the subject of a formal investigation, 99.9% of the time that member will have discipline assessed against them. Thus, the only true and practical purpose for the formal investigation is to develop a record for the next step in the appeal process, which has not been disturbed in any sense by this rule. In fact, this rule will make life for our Local Chairmen considerably less complicated. A simple mathematical calculation of the absences for a given period will lead to a reasonable determination as to whether or not the policy has indeed been violated. If we disagree with Amtrak on the numbers, or feel there is legitimate circumstance mitigating the absence, we need only appeal the carrier's decision at the first level of handling to the second step in the appeal process consistent with the terms of the present rule. Considering that my office has handled the final appeal step at the Special Board of Adjustment for well over a decade now, I'll stack our win rate at the Board against anybody. So, for anyone who has any concern whatsoever regarding this rule change, please take my word and know that this rule will not in any way injure or abridge the rights of our Members. Any General Chairman worth his salt, from any Union, would view this change as a no-brainer if they truly knew and even marginally excelled at their personal responsibilities!

- The probationary period is extended to 120 calendar days from the date seniority is established.
- In order to be eligible for holiday pay, the entire tour of duty must be worked on the bridge days and/or the holiday, itself, as applicable. The rule language here is clear and unambiguous. Application of same is typically identical to that found in our current agreement.
- With respect to yard starting times, the carrier may start an extra yard assignment at any time without reverting the pay time to the end of the preceding window. Also, limited relief from the starting time rule will be negotiated in Los Angeles, Seattle, and Washington in order to accommodate work associated with early morning trains. Over the past several years we have seen where the carrier has failed to establish new extra or regular yard work, because of the additional pay obligation with the existing starting rule. Consequently, we have lost work for that reason. Notwithstanding the limited number of instances this rule is practically applied resulting in a claim entitlement during any given period over a span of time, our membership will be better served by the addition of new and extra

work typically beginning between 5:00 to 5:30 A.M., in order to better accommodate the requirement to adequately protect service during periods of heavy travel.

- As previously indicated, the Certification Allowance will be doubled, effective October 1<sup>st</sup>. This clear improvement may not seem like much to some, but this was another battle hard fought and won. And, although I'm dissatisfied because its application is not tied to the hourly rate, I am very pleased that this rule improvement, in recognition of our federal certification, will provide a substantial amount of money to each of our Members over the course of years to come.
- The Training Agreement has been amended in two significant ways. First, the allowance for a Passenger Engineer who is serving as Instructor and turns over the throttle is increased from \$20.00 to the applicable hourly rate. Furthermore, this allowance will be paid whether the trainee is a Student Engineer or a Reentry-to-Service Engineer. Second, when someone completes the training program, he/she will be "locked in" to the geographic territory for which hired for a period of six months, provided they can hold a position in the territory. In the first instance, the improvement to the existing rule by tying the increased hourly rate is plainly obvious. Moreover, it additionally cures the issue of Instructor Engineers being denied the training allowance because they were training someone other than a student. With respect to the lock-in, both parties gain an improvement in my estimation. I don't think I need to explain the frustration of our Local Chairmen who have to fight tooth and nail for the carrier to properly staff our respective crew bases. Then, no sooner than someone is hired and finally qualified to staff existing vacancies, they bid to another crew base, leaving the Local Chairman to start all over again where he/she began. Six months is not an unreasonable amount of time for someone to remain in the crew base for which they were hired; particularly, when their hiring was contingent upon the predicted manpower needs of that specific location. This rule is reasonable and does not pose any negative consequence to our Membership.
- Side Letter No. 3 of the October 26, 1982 Agreement, which applies only in the Northeast Corridor and Chicago Zone 4, has been amended to permit a yard crew assisting the movement of a train in an emergency to advance the train either to their own crew base or to the next crew base. This rule only applies to emergencies and is therefore infrequently applied. It does not contemplate any combining of yard and road assignments. It simply allows the rescuing Passenger Engineer to advance the train in emergency to the next crew base, under pay, if they are qualified to do so.

In addition to the above, Amtrak has also agreed to make payroll deductions for BR & CF and LE & CMPA premiums. If you wish to take advantage of this option, payroll deduction authorization forms are included for your use. You should complete and forward them as indicated on the form so that Amtrak can make the proper arrangements on a timely basis if the Agreement is ratified. I also want to mention that it was initially our intent to defer ½% of a GWI in exchange for Amtrak paying \$40 toward an income replacement plan similar to that of the BLET National Agreement. However, there is roughly a 7.65% tax obligation that comes along with that type of plan. We also learned that issue is proving somewhat problematic for us on a national level. Therefore, in the final analysis, we felt it was better to abandon that goal, not defer the ½% GWI, and look to formalize that process differently in the next bargaining round.

Finally, the parties have agreed to establish several Study Committees for the following subjects: improving the claim and grievance process; violations of alcohol or drug waivers; and improvements to and refinements of the Engineer Training Program. With respect to the first committee, we plan to bring claim and SBA submissions into the twenty-first century by submitting claims and exchanging Board submissions electronically. We also plan to review what, if anything positive, is genuinely achieved by the current Joint and Ex-Parte Submission process currently in place. Furthermore, setting aside the obvious savings, greater ease, and streamlining efficiency of handling such matters at both the Division and GCA levels electronically, for those of us concerned about the world our children have to live and raise our grandchildren in, such movement is an environmentally sound step in the right direction.

Turning to the second committee, initially Amtrak proposed that we follow the same construct for violations of alcohol and drug waivers as previously explained relative to absenteeism cases. In this type of case, however, we saw a potential for unforeseen problems, in part, because of Part 219 and 240 implications. Consequently, we would not agree to a typically similar form of rule relaxation as discussed above and instead, agreed to comprehensively explore such matters in committee. Pertinent to the Engineer Training Committee, we already have a standing committee on training. However, given the substantially less than cordial labor/management relationship for the past five years to put it civilly, the ETP has suffered and requires both improvement and refining. I know that engineer training is a controversial issue for some of our Members. But, if we expect to instill our values, history and wealth of skills in our new engineers, we need to fix the training program and get it to where it becomes a source of pride for our Membership.

As you can see, the Tentative Agreement is a comprehensive, complex document, and reflects the work that was done in 2004, GCA efforts behind the scene, the coordinated work of our Legislative Branch on Capitol Hill under the direction of VP/NLR John Tolman, the assistance of our National Division; including, President Don Hahs, First Vice President Ed Rodzicz and Vice President Marcus Ruef. There is no doubt we are still a long way from achieving the many rights and benefits our Members properly deserve. If ratified, however, this agreement

will afford us the breathing room to take up those battles tomorrow, while providing significant, permanent economic gains going forward, regarding rates of pay, certification and instructor engineer allowances, in addition to a monumental step toward enhancing the due process rights of our members who face the most serious disciplinary charges.

At the risk of repeating myself after fifteen pages, I stand strongly and thoroughly by my conviction that this tentative agreement is in our collective best interest as BLET Members. And, despite whatever rattle and hum you may have heard on the property, setting aside the elusive retroactive pay issue, this agreement pattern will not pose any additional threat that is not already on the doorstep of any other Union; particularly, if they know how to do their job in terms of protecting their own agreements. By the way, does anybody find it ironic that the one Union whining loudest and crying foul this time around, was the very Union who set the pattern in the 1998 bargaining round?

For the benefit of those who weren't here or don't remember, that pattern established an agreement construct that only produced 90% of our national wage package and came with an additional financial obligation of 5% of payroll in concomitant savings that had to be realized by Amtrak before one penny came across the table to our Members. That number for the BLET was scored and translated into a demand requirement for \$5 million in saving at the bargaining table and was the sole reason we had to dilute the only work rule that would produce that level of savings. That established pattern work rule change was, the 4 hour staffing rule, which effectively left me with no other alternative except moving the four hour window to a six hour window for Second Engineers. That, as you well know, was not exactly a popular move for a new General Chairman elected less than a month earlier. But, when that happened, I took the internal heat that comes with the territory. I didn't whine, point fingers, stamp my feet, draw cartoons or make demands for other Unions to shoulder the burden for our Members. I went to the table, did my job, protected our Members to the best extent possible under the circumstances, walked away with the best agreement we could obtain at that time, and we moved on.

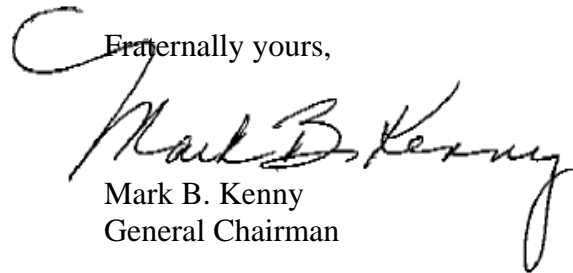
Moreover, does anybody remember the amount of lucrative work that was ripped from our hands when our work train service was taken away throughout most of the NEC when Amtrak placed a prime mover with a control stand and 26 type automatic brake valve in empty gondolas and call it specialized track equipment? Does anybody remember the Brandt Truck going against countless blocks of stone cars in Providence, Adams, Lancaster and Perryville and then indiscriminately going about performing our traditional drilling/shifting operations, in addition to dropping ballast in yards and mainline territory while you sat at home wondering why your check was a couple of hundred dollars a week lighter than it used to be? Hell, we don't need to worry about Amtrak contracting our work to outsiders, we need to worry more about our sister Union stealing our jobs away with a wink and a smile. Just think about that for a moment and the Union who put us in that untenable position in the last round of bargaining, and whose mem-

**All Active Amtrak BLET Members**  
**July 30, 2007**  
**Page 17**

bers jumped in our seats at Amtrak's beckoned call. Then tell me again why I need to protect them further than I have already done and at an additional cost to you!

Brothers and Sisters, rest assured, if I did not think that this was an agreement worthy of your most serious consideration for ratification, or if I thought it truly crossed or breached some line of Union solidarity, I would certainly not waste your time or mine putting it before you. Thank you for taking the time and effort to study this volume of material. In closing, I respectfully ask, that you give careful and due consideration to my reasoning and thoughts expressed herein, that you vote wisely and intelligently, and that you cast your vote in favor of ratifying this tentative agreement.

As always, with warmest personal regards, I remain

Fraternally yours,  
  
Mark B. Kenny  
General Chairman

cc: D. M. Hahs, National President  
E. W. Rodzicz, FVP, President, IBT Rail Conference  
W. C. Walpert, NST  
J. P. Tolman, VP/NLR  
M. J. Ruef, Vice President  
J. F. Murphy, VP & Director, IBT Rail Conference  
GCA Executive Committee