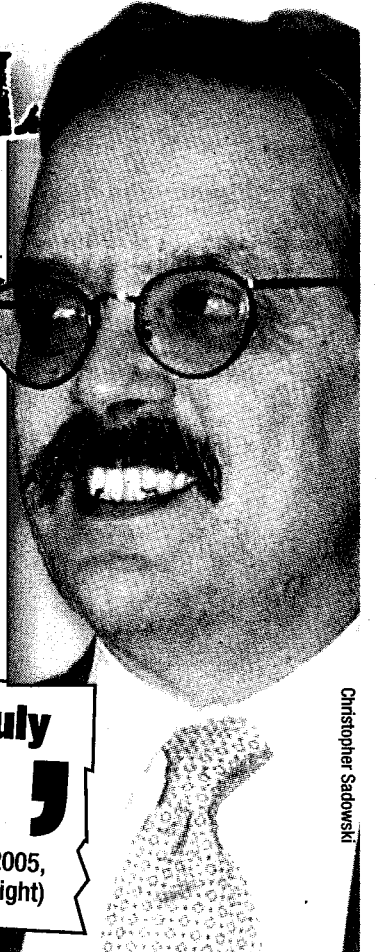
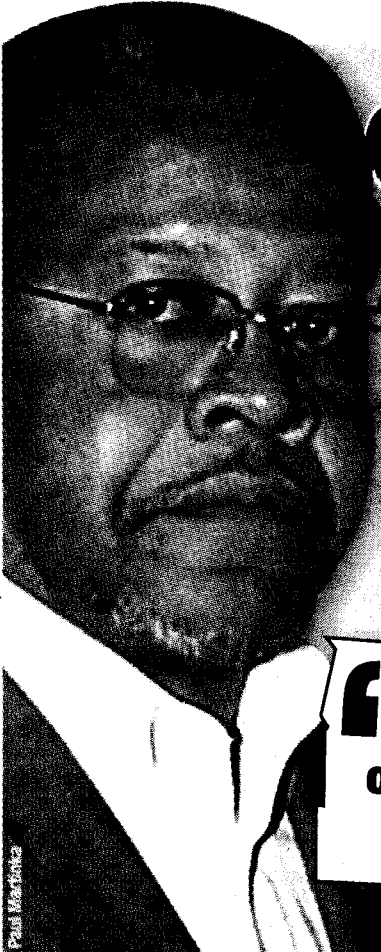


# MTA secret revealed



## CONFIDENTIAL

Dear Mr. Toussaint:

This letter confirms our recent discussions regarding the proposed legislation referenced in paragraph 3 of the MOU. If such legislation is not enacted by July 2006, the union may elect a one time conversion of its claim. In such an event, the MTA will place the sum of \$131.7 million dollars into a fund. Any TWU member may elect to receive from that fund the same amount as would have been available had such legislation been enacted, provided such member signs an irrevocable union membership form approved by NYCERS, waiving any claim in the future to such contributions still held by either NYCERS or the MaBSTOA Pension Fund, and an agreement with the employer to repay the amount received from the MTA fund if such employee receives a refund from NYCERS or the MaBSTOA Pension Fund. The parties recognize that distributions from this employer sponsored fund would be taxable unless otherwise transferred pursuant to the Internal Revenue Code Sections authorizing tax sheltered treatment.

Very truly yours,

Gary J. Dellaverson  
Director, Labor Relations

**If such legislation is not enacted by July 2006 . . . the MTA will place the sum of \$131.7 million dollars into a fund.**  
— Private letter to TWU President Roger Toussaint (left) dated Dec. 27, 2005, from MTA labor-relations director Gary Dellaverson (right)

## Document behind union-deal uproar

By CARL CAMPANILE

Here's the secret document — kept hidden from even Gov. Pataki — that guarantees the MTA will pay more than \$130 million in special bonuses to 20,000 transit workers.

This side agreement, which has ignited a firestorm of criticism, is an addendum to the workers' new contract, and its existence was not known until last Saturday.

Signed by top MTA negotiator Gary Dellaverson, it obligates the agency itself to dole out to Transport Workers Union members \$131.7 million in payments if state lawmakers balk at giving them the money from state pension funds.

The workers, some of whom could receive as much as \$14,000 each, argue that the money is rightfully theirs because they had over-

paid into the pension system over the years.

But yesterday, a group of dissident transit-union members who oppose the new contract demanded the document be ripped up.

"This was clearly improper. It was illegal," fumed John Mooney, a TWU vice president, at a press conference outside the Union Square station. "How many secret deals are out there?"

Mooney, a former ally of TWU President Roger Toussaint, said the union boss failed to disclose the signed side deal before executive board members voted to support the proposed 37-month contract on Dec. 27.

Mooney, who is unhappy that the new contract requires union members to pay a share of their health-

insurance fees, demanded that Toussaint reconvene the executive board to discuss all side deals and have a revote on the contract.

The growing chorus of criticism could derail the pact, which was reached after the union's 34,000 members conducted an illegal three-day strike.

Pataki is furious about the pension bonanza, claiming his top appointees at the MTA left him out of the loop.

Toussaint, in a statement released yesterday, defended the proposed contract and the side deal.

But he declined comment on charges of violating reporting requirements. A union source said none was violated.

"We worked with the MTA to agree to these refunds in collective

bargaining," Toussaint said.

Dellaverson also defended the pact. He said the agency will realize \$77 million more in savings than it would have with proposals on the table before the strike. That's because under the deal, transit workers are required to kick in 1.5 percent of their wages toward their health-care coverage.

Union dissidents are urging transit workers to reject the deal and fight for a better one — even if it means going back on strike.

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Christopher Sadowski