

CERTIFIED MAIL NO. 7001 2510 0001 9415 3449



Metro-North Railroad

December 2, 2002

Mr. Michael Doyle
General Chairman - ACRE - 9
420 Lexington Avenue, Suite 215
New York, NY 10017

Dear Sir:

Please consider this letter as thirty (30) day notice, pursuant to Section Six of the Railway Labor Act, as amended, of the Carrier's desire to revise, amend and/or supplement our existing Agreements, as proposed in Attachments A and E hereto.

Written acknowledgement will be appreciated and, pursuant to the provisions of the Railway Labor Act, as amended, conference for the purpose of discussing the Proposal within thirty (30) days from the date of receipt of this Notice is respectfully requested.

Please acknowledge this notice within ten (10) days of receipt.

Very truly yours,

A handwritten signature in black ink, appearing to read "Ray B", with a long horizontal flourish extending to the right.

Raymond Burney
Director - Labor Relations

Attachment

cc: R. Godcher

ATTACHMENT A
PROPOSALS APPLICABLE TO
ALL CRAFTS OR CLASSES

DATED: December 2, 2002

PROPOSALS APPLICABLE TO ALL CRAFTS OR CLASSES

1. No Strike Clause

Amend all Collective Bargaining Agreement to provide for a no strike clause.

2. Health and Welfare Benefits - Employee Contributions

Active and retired employees shall contribute to the monthly premium for health and welfare benefits provided under the New York State Government Health Insurance Plan.

3. Bi-Annual Fitness for Duty Examinations

All employees shall be required to undergo bi-annual fitness for duty examinations including drug testing.

4. Bi-Weekly Payroll

Establish a bi-weekly payroll for all employees.

5. Contracting Out

Amend all Collective Bargaining Agreements to allow Metro-North to contract out any work at its sole and exclusive discretion.

6. Start Times

All provisions that limit or restrict the Carrier's right to change the starting time of assignments shall be eliminated.

7. Basic Work Week

Any and all restrictions that limit or condition the Carriers right to establish rest day patterns shall be eliminated from the Agreements.

8. Location of Forces

- a) All references to the so-called "30 Mile Zone Rule" shall be eliminated from any agreement containing them.

- b) Any reference to "Headquarters", "Headquarters Point", "Location", etc., which limits the Carrier's right to assign forces as needed within the operating territory or which requires the Carrier to make any arbitrary or penalty payment as a result of exercising that right, shall be eliminated from all Agreements.

9. Overtime

- a) Overtime shall be paid, at the rate of one-and-one-half times the basic hourly wage, only for work performed in excess of forty (40) straight-time hours in a payroll week. No form of time paid-but-not worked shall qualify for inclusion in the calculation of the forty (40) straight-time hour week for purposes of computing overtime pay.
- b) If a position requires the performance of additional service continuous with the normal tour of duty, the incumbent shall be required to perform that work, within the limits prescribed by the Federal Hours of Service Law, where applicable.
- c) All provisions for double-time payments shall be eliminated from the Agreements that provide for such payments.

10. Paid Meal and Meal Periods

All provisions which require the Carrier to provide paid meals, paid meal periods, or allowances in lieu thereof shall be eliminated from the Agreements. The Carrier may change shift times to include an unpaid meal period. Restrictions on the hours when meal periods may be provided shall be eliminated from the Agreements.

11. Medical Retirement

Provide that employees who have not worked for Metro-North for over one (1) year will be placed on medical retirement without need for an administrative hearing. Medical benefits will not be reduced in this circumstance below what is currently in place.

12. Grievance and Disciplinary Procedures

Amend all Collective Bargaining Agreements and Special Board of Adjustments and Public Law Board Agreements to provide for a standardized process that requires quicker resolution of disputes between the parties, including but not limited to shorter time limits and parties-pay arbitration.

Expungment of disciplinary records shall occur after five (5) years of clean record.

13. Vacations

Provide that employees on vacation are not entitled under any circumstances to any additional compensation over and above eight (8) straight-time hours for each vacation day.

14. Holiday Pay

Employees who perform service on a holiday shall be paid at the straight-time rate for the hours worked. If directed to work, the employee must complete the assignment or lose the holiday pay.

Substitute Martin Luther King Day for the Good Friday Holiday.

15. Absence Without Permission

An employee who is absent without the permission of management for more than five (5) calendar days shall be terminated with no right of appeal.

16. Rates of Pay

Wherever applicable, all monthly rates of pay and daily rates of pay shall be converted to hourly rates of pay.

17. Probationary Period

Provide that the current probationary period for all employees shall be one hundred and eighty (180) days.

18. Moratorium

As of the effective date of this Agreement, there shall be a moratorium on the service of Section 6 notices until three (3) months before the expiration of the term of the next Contract.

19. Reserved Rights

The Carrier reserves the right to add to, delete from, or otherwise modify our demands in all of the Attachments at a later date.

ATTACHMENT E
PROPOSALS APPLICABLE TO
ENGINE SERVICE EMPLOYEES

DATED: December 2, 2002

PROPOSALS APPLICABLE TO THE ENGINE SERVICE EMPLOYEES

1. Rule 2 - Classifications and Basis of Pay

Amend Rule 2 to provide Metro-North with the flexibility to create four (4) day assignments with a minimum of ten (10) hours duration. Time worked in excess of ten (10) hours in a day will be compensated at overtime rates. Metro-North will further have the ability to establish relief positions to cover service needs in connection with this proposal at straight time rates. The relief assignments created will cover service needs prior to reliance on the guaranteed extra list.

Amend Rule 2 to reflect the following:

- a) All provisions which limit the establishment of positions which include release time shall be eliminated from the Agreement.
- b) The minimum amount of release time shall be reduced from one (1) hour to thirty (30) minutes.
- c) Release time shall be paid on a minute basis.
- d) Restrictions on the Carrier's right to require employees to perform service during scheduled release time shall be eliminated from the Agreement. Such service shall be paid at the straight-time rate for time actually worked.

Overtime shall be paid at the rate of one and one-half times the basic hourly wage, only for work performed in excess of forty (40) hours in a work week. No form of time paid-but-not-worked shall qualify for inclusion in the calculation of the forty (40) hour week for purposes of computing overtime pay.

2. Rule 6 - Bulletins and Assignments

Amend Rule 6 and Rule 14 (b) to reflect the following:

All arbitraries and/or penalty payments relating to changes in or additions to assignments, as well as all rules or practices limiting assignments to advertised runs or functions, shall be eliminated from the Agreement.

3. Rule 9 - Extra Board

Amend Rule 9 to provide that the forty (40) hour guarantee is calculated on a Monday to Sunday cycle. Extra List employees who are awarded positions or bump onto positions after Monday will have their forty (40) hour guarantee reduced by eight (8) hours for each working day subsequent to Monday.

Amend Rule 9 to reflect the following:

The provisions in the Agreement relating to extra boards shall be amended to provide that:

- a) Extra Board employees may be force assigned to a crew base other than their regular one in reverse seniority order at the discretion of the Carrier.
- b) The extra board shall operate on a first-in, first-out basis, except that no extra board employees shall be called on an overtime basis unless there are no employees available at straight-time rates.
- c) An extra board employee who does not work on a holiday shall not receive a guarantee day's payments for that holiday.
- d) The extra list will be calculated on a weekly basis and guarantees the monetary equivalent of five (5) basic days pay. All interpretations to the contrary are to be removed from the Agreement.

Amend Rule 9 paragraph (i) by eliminating the following clause:

The parties agree not to hold engineers in reserve.

4. Rule 10 - Relief Day Work

Amend Rule 10 to reflect the following:

- a) Relief day lists shall be established at each crew base. An employee shall be called from a relief day list when no other extra list employee in the locations protected by the crew base is available at straight-time rates.
- b) Employees on a relief day list who have not worked forty (40) hours will be called, according to number of hours available at straight-time, in order, before employees available at time and one-half are called.

5. Rule 11 - Deadheading

Amend Rule 11 to provide that:

The provisions relating to deadheading shall be eliminated and the following substituted:

An employee's tour of duty shall begin at the location to which he/she is assigned or ordered to report. The tour of duty shall end at the location where the employee is released from duty.

All deadheading, to and from the assignment, will be paid at the straight time rate of pay.

6. Rule 14(b) - Calls

Eliminate 14(b) and all side letters mandating extra payments for services performed outside the parameters of an employees crewbook assignment.

7. Rule 29 - Vacations

Amend Rule 29 and all existing practices relative to the annual vacation selection process. Provide for a new selection process that includes the following elements:

- a) Selection is done based on an employee's geographic location on a randomly selected date prior to September 1 of each year.
- b) Selection will be done in two (2) rounds. Employees in the first round will be able to select their vacation weeks with the exception of one (1) week to be held back. After round #1 is completed, an employee's remaining week will be chosen in seniority order.

Amend Rule 29 to reflect the following:

The employee shall receive one (1) basic day's pay at the straight time rate for each day of vacation earned.

8. Rule 33 - Meal Period

Amend Rule 33 to reflect the following:

All provisions which require the Carrier to provide paid meals, paid meal periods, or penalty allowances in lieu thereof, shall be eliminated.

Restrictions on the hours or locations when or where meal periods may be provided shall be eliminated.

Expand contractual "window" to the third to sixth and one-half hour after starting work.

Allow the ability to provide a "late meal" when circumstances do not allow for the benefit of a contractual meal period.

9. Rule 34 - Holidays

Amend Rule 34 to reflect the following:

Employees who perform service on a holiday shall be paid at the straight-time rate for the hours worked. If directed to work, the employee must complete the assignment.

The provision for a choice holiday shall be eliminated from the Agreement.

Substitute Good Friday and Veterans Day for the Day after Thanksgiving and Martin Luther King Day to allow Metro-North to match service demands.

10. Annulment of Assignments

The provisions relating to annulment of assignments shall be amended to provide that:

- a) An employee whose assignment has been annulled for one (1) day, except for a holiday, shall be given two (2) hours notice not to report. If not so notified, he shall report to work and perform such duties as are assigned under the scope of the Agreement. The employee is not entitled to an exercise of seniority.
- b) If an assignment is annulled for more than one (1) consecutive day, except holidays, the employee has the option to make a displacement to the extra list at the assigned crew base.

11. 8 Within 10

Amend Rule 2 to provide that Metro-North shall have the right to schedule unpaid release periods of up to two (2) consecutive hours during the course of an assignment. The unpaid period will not count towards the calculation of earning overtime after forty (40) hours.

12. Rule 44 - Sick Leave

Amend Rule 44 to provide that engineers must call in sick three (3) hours in advance of their assignment's report time. An engineer's failure to do so will forfeit his sick pay for the day. Extenuating circumstances will be reviewed on a case by case basis with the Line Superintendent.

An employee's use of more than three (3) sick days in a calendar month will result in that employee being ineligible for relief day work for a period of sixty (60) days. One warning by Metro-North officials will be issued before the employee is deemed ineligible in the fashion described above.