



Consolidated Rail System Federation
of the
Brotherhood of Maintenance of Way Employees Division
International Brotherhood of Teamsters

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Dear BMWED Sisters & Brothers who are employed on MBCR:

As I am sure you are aware the MBTA voted on January 7, 2014 to accept the bid of Keolis to operate the commuter rail operations effective July 1, 2014. This vote means that MBCR is out, and Keolis, a subsidiary of the French national railway company, SNCF, will be operating the commuter rail lines for the next eight years, with the possibility of a four year extension. This change certainly raises questions for the MBCR workforce and the purpose of this newsletter is to provide you with some preliminary facts about the transaction and the Unions' role going forward.

The MBTA purchased the rail lines that form the commuter system in the mid-1970's. Since then, commuter operations have been performed by operators chosen by the MBTA. The first operator was Guilford, then Amtrak, followed by MBCR and now it will be Keolis in 2014. Each of these operators performed service according to a contract with the MBTA that provided payments for services rendered, penalties for poor performance and bonuses for exceeding certain contracted for standards of service. Each of these contracts was the product of a process that begins with a request for proposals (RFP) which MBTA publishes. The RFP sets the standards of service the MBTA wants and the potential operators submit a bid based on the requirements of the RFP. In the current round, Union representatives at the International and Local level participated in discussions with the MBTA and their attorneys to ensure the RFP contained as many labor protective provisions as possible. We did not obtain all the provisions we sought, but we did avoid a repeat of the "Bay State" fiasco in 1997. Put simply, the transition from MBCR to Keolis will be an orderly process, achieved through collective bargaining between the Unions and Keolis.

The RFP contains the following minimum labor provisions:

- Rates of pay in effect on June 30, 2014 must be continued until changed by collective bargaining. It is the Unions' position that the \$10 daily safety allowance is part of the rates of pay preserved by the RFP.
- The Staff Summary provided to MBTA Directors at the voting conference states that the RFP mandates that the operator hire the current workforce in seniority order and that the existing collective bargaining agreements remain in effect until new labor agreements are negotiated. MBCR employees seeking to continue with Keolis must pass a drug and alcohol screen and physical examination. These are requirements created by the RFP and are not subject to collective bargaining.
- All rail employees of Keolis will continue in Railroad Retirement and be covered by the Federal Employers Liability Act (FELA).
- MBCR employees absent on a work-related disability will have priority hiring preferences for

36 months after Keolis begins operations. Employees absent on a non-work disability will have priority hiring preferences for 12 months.

Under this RFP, Keolis is required to sit down with the Unions and bargain new agreements as soon as it receives a "notice to proceed" (NTP) from the MBTA. The NTP should issue right after Keolis and the MBTA sign the final agreement on commuter operations. Given that Keolis takes over on July 1st, the NTP should issue relatively soon. In this next round, the following Unions intend to bargain as a coalition over wages, rules and working conditions:

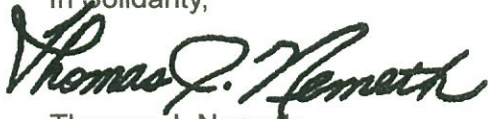
- American Railway and Airline Supervisors Association – TCU/IAM
- Brotherhood of Maintenance of Way Employees Division/Teamsters
- Brotherhood of Railroad Signalmen
- Brotherhood Railway Carmen – TCU/IAM
- International Association of Machinists
- National Conference of Firemen & Oilers
- SMART – Mechanical
- Transport Workers Union
- Transportation Communications International Union/IAM

Presently, what is known about the transaction is what is included in the RFP and its attachments and appendices. During the course of this transition, undoubtedly we will see news reports based on incomplete information or information misunderstood by the writer. Additionally, rumors will sweep the property about "deals" one union or the other made with Keolis. Consider any bit of "news" as unreliable until you check with your Union representative. The Internationals and Locals are in constant contact and as relevant, accurate information becomes available, we will distribute it to the rank and file membership.

The most important point in this process is to maintain solidarity, both within each Union and between each Union. United, we successfully opposed the "Bay State" fiasco in 1999 and united, we prevailed in 2003 in the transition to MBCR. We are united in 2014 and we will see this process through to a successful conclusion.

Any future updates will be found on our website at www.crsfbmwed.org and if you have an email address please forward it to njkirian@gmail.com so it can be added to our membership records for future mailings.

In Solidarity,



Thomas J. Nemeth

General Chairman-CRSF

c: Paul Kilgallon