

MEMORANDUM OF UNDERSTANDING  
BETWEEN  
MTA METRO-NORTH  
And  
INTERNATIONAL ASSOCIATION OF MACHINISTS  
AND AEROSPACE WORKERS

Representing

All Machinists

The parties hereby agree to the following amendments and changes to the Collective Bargaining Agreement for the period January 16, 2017 through June 1, 2019.

This Memorandum of Understanding is subject to ratification by the membership of the International Association of Machinists and Aerospace Workers and final approval by the Metropolitan Transportation Authority Board of Directors.

THIS AGREEMENT is made this 10<sup>th</sup> day of October, 2017, by and between Metro-North Commuter Railroad ("Metro-North") and the employees represented by the International Association of Machinists and Aerospace Workers.

## **ARTICLE I – GENERAL WAGE INCREASES**

### **SECTION 1 – 2017 GENERAL WAGE INCREASE**

Effective January 16, 2017, all rates of pay irrespective of the method of payment (hourly, daily, etc.) in effect on January 15, 2017 shall be increased by two and one-half percent (2.5%).

### **SECTION 2 – 2018 GENERAL WAGE INCREASE**

Effective February 16, 2018, all rates of pay irrespective of the method of payment (hourly, daily, etc.) in effect on January 15, 2018 shall be increased by two and one-half percent (2.5%).

### **SECTION 3 – LUMP SUM INCREASE**

Effective March 16, 2019, Metro-North shall pay a one-time non-recurring lump sum payment of \$500.00 to each employee with more than one (1) year of service.

### **SECTION 4 – ELIGIBILITY FOR WAGE INCREASES**

The January 16, 2017 and February 16, 2018 retroactive payments shall be granted only to current employees for service performed in 2017, 2018 and on a prorated basis for employees who, during 2017 and 2018: 1) retired; 2) died; 3) resigned while having vested right to a pension under the MTA Defined Benefit Pension Plan; or 4) were dismissed and subsequently reinstated or rehired with seniority restored.

## **ARTICLE II – HEALTH AND WELFARE BENEFITS**

1. Where both spouses and/or domestic partners are employed by the MTA and/or any of its agencies and covered by NYSHIP, only one (1) employee will be eligible for a family health plan. The other employee will be eligible for an individual health plan. Should the spouse or domestic partner work for another MTA agency, Metro-North employee must take the individual health plan.
2. Effective January 1, 2018, employees will no longer be required to have a minimum of half of their potential sick leave bank at the time of voluntary separation or retirement

in order to be eligible for a sick leave buyback. The other existing eligibility rules in place (eligible employee are those who leave Metro-North for any reason, other than termination for cause, with a minimum of ten (10) years of continuous Metro-North service) remain in force.

3. When Medicare eligible, a retiree is eligible to receive \$100 per month premium allowance which shall be used to purchase health coverage. These supplemental payments shall be paid only to the retiree and not a spouse, dependent or survivor. Proof of coverage must be supplied to Metro-North in order to receive the premium reimbursement.

#### **ARTICLE III – PENSION BENEFITS**

Employees enrolled in Article 12 of the MTA Defined Benefit Pension Plan (Article 12) shall be subject to the following change:

1. The offset in computing retirement benefits when a retiree becomes Tier II eligible will be reduced from one hundred percent (100%) of the Tier II amount to ninety percent (90%) of the Tier II amount.

#### **ARTICLE IV – WORK RULE CHANGES**

1. Amend Rule 1-A-1(b) to provide that:

The application of new employees for employment shall be approved or disapproved within one (1) year from their entry date into full service, exclusive of any required training period. In the event of applicants giving materially false information, this time limit shall be extended to two (2) years.

2. Disciplinary suspension, at Metro-North's discretion may be converted to a fine equal to twenty-five percent (25%) of the employee's regular salary for each day of the suspension. The employee will be required to work and pay the fine. The employee's disciplinary record will only reflect the period of the suspension for the purposes of progressive discipline and will not reflect that a fine was paid in lieu of a service suspension. Metro-North will not apply fines to work rule violations covered by the FRA or Drug and Alcohol violations under any authority, or any other out of service violations. An employee who works under these circumstances is not available for overtime opportunities or relief day work during the suspension period.

3. Members of the bargaining unit may avail themselves of free passage on the New York City Transit (NYCT) system pursuant to a system to be developed by Metro-North and NYCT. Such privileges shall only be used by the employees covered by this Agreement and may not be shared or transferred


**ARTICLE V – MORATORIUM**

- (1) The Agreement shall be effective January 16, 2017 and shall remain in effect through June 1, 2019 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.
- (2) The parties to this Agreement shall not serve or progress prior to January 1, 2019 (not to become effective before June 1, 2019) any notice or proposal for the purpose of changing agreements

This Memorandum of Understanding is subject to ratification by the membership of the IAM and final approval by the Metropolitan Transportation Authority Board of Directors.


In Witness Whereof, the parties hereto sign their Agreement at New York, NY this 10<sup>th</sup> day of October 2017.

FOR: INTERNATIONAL ASSOCIATION OF  
MACHINISTS & AEROSPACE WORKERS

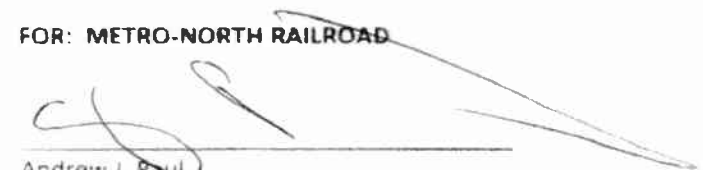
  
Gary Naylor, Jr.  
General Chairman

  
John Lacey  
President Directing General Chairman

FOR: METROPOLITAN  
TRANSPORTATION AUTHORITY

  
Anita Miller  
Chief Employee Relations &  
Administrative Officer

FOR: METRO-NORTH RAILROAD

  
Andrew J. Paul  
Vice President – Labor Relations



October 10, 2017

Mr. Gary Naylor, Jr.  
General Chairman - IAM  
177 Koehl Street  
Massapequa Park, NY 11762

Dear Mr. Naylor, Jr.:

This is to confirm our understanding reached during recently concluded collective bargaining sessions.

In the event Metro-North reaches subsequent agreements with other Unions, in the current round of bargaining, which provide for superior provisions on the below-described subjects, Metro-North will offer an option to the International Association of Machinists & Aerospace Workers for equivalent treatment on such matters.

The matters, which the option embraces, are as follows:

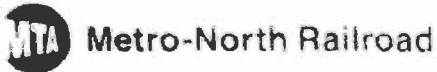
1. Wages
2. Pensions
3. Health and Welfare Benefits
4. Vacations, Holidays, Personal Leave or Sick Leave
5. Moratorium Date

As an illustration of the working of the above-described arrangement, in the event another Union trades a valuable work rule for equivalent dollars to be added to the settlement package, the International Association of Machinists & Aerospace Workers will be offered the option of trading one of their valuable work rules for its equivalent value to purchase a similar benefit with no overall added cost to Metro-North.

Very truly yours,

A handwritten signature in black ink, appearing to read "Andrew J. Paul".

Andrew J. Paul  
Vice President - Labor Relations



October 10, 2017

Mr. Gary Naylor, Jr.  
General Chairman - IAM  
177 Koehl Street  
Massapequa Park, NY 11762

Dear Mr. Naylor, Jr.:

The Union acknowledges the historic financial commitment by the State to the MTA in the financing of the 2015-2019 Capital Plan. This Plan is the largest and most ambitious in history and will result in significant gains to the MTA's customers.

The Union pledges to cooperate in the prompt and efficient delivery of the Plan elements attributed to the employer. The Employer pledges respect to the traditional role of force account labor in the efficient and prompt delivery of the Plan elements. Any disagreement between the Union and the Employer shall be promptly resolved by the President or his/her representative.

Very truly yours,

A handwritten signature in black ink, appearing to read "Andrew J. Paul", written over a horizontal line.

Andrew J. Paul  
Vice President - Labor Relations

I Concur:

A handwritten signature in black ink, appearing to read "Gary Naylor, Jr.", written over a horizontal line.

Gary Naylor, Jr.  
General Chairman - IAM

10/13/17  
Date