

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE LONG ISLAND RAIL ROAD COMPANY
(LIRR)
AND
INTERNATIONAL ASSOCIATION OF MACHINISTS
(IAM)

Representing:

Machinists, Their Helpers And Apprentices

THIS AGREEMENT is made this 25th day of April 2017 by and between the Long Island Rail Road Company (hereinafter "LIRR" or the "Carrier") and the employees represented by the International Association of Machinists ("IAM" or the "Union"). The provisions of the existing collective bargaining agreements shall continue in effect unless specifically changed by the terms of this Memorandum of Understanding.

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

ARTICLE I – GENERAL WAGE INCREASES

SECTION 1 – 2016 GENERAL WAGE INCREASE

Effective December 16, 2016, the hourly and daily wage rates and annual salaries in effect on December 15, 2016 shall be increased by two and one-half percent (2.5%).

SECTION 2 – 2018 GENERAL WAGE INCREASES

Effective January 16, 2018, the hourly and daily wage rates and annual salaries in effect on January 15, 2018 shall be increased by two and one-half percent (2.5%).

SECTION 3 – 2019 LUMP SUM INCREASE

Effective February 16, 2019, The LIRR shall pay a one-time non-recurring lump sum payment of \$500.00 to each employee with no less than one-year of service.

SECTION 4 – RETROACTIVE WAGES

The December 16, 2016, retroactive payments shall be granted only to current employees for service performed in 2016 and 2017, and on a prorated basis for employees who, during 2016 or 2017: 1) retired; 2) died; 3) resigned in good standing while having vested right to a pension under the Long Island Rail Road Pension Plans; or 4) were dismissed and subsequently reinstated or rehired with seniority restored.

ARTICLE II- HEALTH AND WELFARE

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 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, the LIRR employee must take the individual health plan.

This same provision will apply with respect to pre Medicare eligible retirees and the pop-up paid to Medicare eligible retirees.

2. Effective June 1, 2017, 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 the cash-out. The cash-out will not be paid to employees who resign and are not in good standing or to those who are discharged for cause.

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 100% of the Tier II amount to 90% of the Tier II amount.

ARTICLE V – OTHER TERMS

1. Disciplinary suspension, at the Carrier'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 serving a suspension. Carrier will not be permitted to apply fines to work rule violations covered by the FRA or drug and alcohol violations under any authority.
2. Effective January 16, 2018, Night shift differential shall be increased by 5%.
3. Members of the bargaining unit may avail themselves of free passage on the NYCT system pursuant to a system to be developed by the Carrier and the NYCT Authority. Such privileges shall only be used by the employees covered by this agreement and may not be shared or transferred.

4. Unless otherwise specified above, all provisions of this Agreement shall become effective upon ratification by the Union membership and approval of the MTA Board. This Agreement shall continue in full force and effect from December 16, 2016 through April 16, 2019.
5. There shall be a moratorium on the service of notice pursuant to Section 6 of the Railway Labor Act until November 1, 2018, not to be effective before April 16, 2019.

IN WITNESS WHEREOF, THE PARTIES HERETO SIGN THIS AGREEMENT AT
JAMAICA, NEW YORK, THIS 25TH DAY OF APRIL 2017.

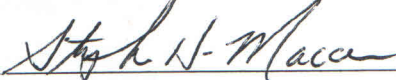
For: International Association of
Machinists



Gary R. Naylor Jr.
General Chairman



William Hunt
Local Chairman

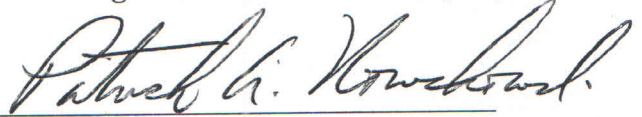


Stephen Macana
President



Thomas Radcliffe
Vice President

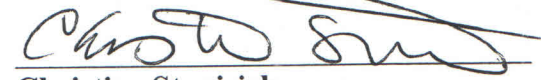
For: Long Island Rail Road Company



Patrick A. Nowakowski
President



Michael D. Chirillo
Vice President - Labor Relations



Christine Stanisich
Director-Labor Relations (Negotiations)



April 25, 2017

Mr. Gary Naylor, General Chairman
International Association of Machinist & Aerospace Workers
177 Koehl Street
Massapequa Park, NY 11762

Dear Mr. Naylor:

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.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michael D. Chirillo', with a stylized, looping flourish at the end.

Michael D. Chirillo
Vice President - Labor Relations

I Concur:

A handwritten signature in black ink, appearing to read 'Gary Naylor', with a stylized, looping flourish at the end.

Gary Naylor, General Chairman
International Association of Machinist & Aerospace Workers

4/25/17
Date



April 25, 2017

Mr. Gary Naylor, General Chairman
International Association of Machinists & Aerospace Workers
177 Koehl Street
Massapequa Park, NY 11762

Dear Mr. Naylor:

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

In the event the Carrier reaches subsequent agreements with other unions, in the current round of bargaining, which provide for superior provisions on the below-described subjects, the Carrier will offer an option to the International Association of Machinists & Aerospace Workers union 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 pattern wage settlement, the International Association of Machinists & Aerospace Workers union will be offered the option of trading one of their valuable work rules for its equivalent in wages.

Sincerely,

A handwritten signature in dark ink, appearing to be "Michael D. Chirillo", written over the word "Sincerely,".

Michael D. Chirillo
Vice President - Labor Relations