

"An Injury To One Is An Injury To All"

Pennsylvania Federation

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Office of the General Chairman
Jed Dodd

November 9, 2010

To: All Amtrak Committees

Re: Fence Agreement with Amtrak

Dear Brothers and Sisters:

Attached for your information is an agreement the Union has made with Amtrak regarding fence installation on the Northeast Corridor. Amtrak has been pressuring us to contract out fencing work. In some cases they have claimed an emergency. We have argued that all of the work belongs to the BMWED. With respect to the emergency argument our position is that if it wasn't an emergency for the last 150 years it isn't an emergency now.

Amtrak has argued that everyone is working, and they need to get this work done now. They argue that they are under a Federal mandate to accomplish this work in a tight time frame, they don't have enough people to accomplish this and they have been steadily hiring in all departments. We believe that the contract reserves the work for us and we think that these arguments are mostly nonsense. However, under our agreement when we have a dispute of this nature we can go to arbitration for an answer or make an agreement. While we are confident in our case before the arbitrator, it is possible to lose good cases. It will also take time to get a decision and Amtrak is moving to contract the work now. With the work being contracted now, the remedy would be to collect claim money.

We believe that the attached agreement is a good one for us and better than the risk of arbitration. While the agreement will speak for itself, in brief, it provides for the following:

1. Amtrak may use a contractor for new fencing to install fence posts, gates and where necessary guard rails. BMWED will do all of the other fence

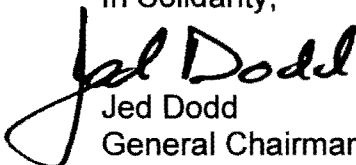
related work and provide the protection for the contractor. When BMWED is not working with the contractor, we will have an inspector or a B&B Foreman on the job. All future fence maintenance will be performed by the BMWED.

2. While any fence contractor is on the property there can be no furloughs in any department on the Northeast Corridor.
2. Effective January 1, 2011 the per diem will increase to \$40.00 per day. In the future, the per diem will be tied to a cost of living clause and will increase with the cost of living each January thereafter.

There are other details in the actual agreement but in general terms this is the deal. In terms of money we believe the increase in per diem is worth more than the claims we would have obtained through the arbitration process and it continues into the future. Having the per diem go up with the cost of living is very good. In the past, when contracts are settled there is no back pay on the per diem increase and this agreement corrects that problem. Also, the increases in the per diem at the contract table are never free and we no longer have to trade things to obtain future increases.

We also think this agreement will actually generate more work as we do our half of the new fence installation and more fence is created that will need future maintenance. The no furlough clause will be helpful when the stimulus money runs out in February 2011 because politicians are always pressuring Amtrak to install fencing on the NEC. While times are relatively good right now this has not always been the case in the past and we would be foolish to think it will always be the case in the future.

This agreement is a good agreement for us and is the product of the hard work of the officers of the Union who represent Amtrak members who kept at it until we were able to complete it. I would like to thank each of them for their contribution to make this agreement possible.

In Solidarity,

Jed Dodd
General Chairman

cc Pennsylvania Federation Joint Protective Board

MEMORANDUM OF UNDERSTANDING BETWEEN THE NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK) AND THE BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYES DIVISION – INTERNATIONAL BROTHERHOOD OF TEAMSTERS

IT IS AGREED:

1. In the application of the Scope Rule of the Northeast Corridor BMWED Agreement, Amtrak and the BMWED recognize that the installation of fencing is work covered by the Scope Rule which cannot be contracted out without the concurrence of the BMWED. This Article represents the concurrence of the BMWED that Amtrak may contract out fencing work as outlined below and that the use of outside contractors under this Article shall not constitute a violation of the Agreement or serve as the basis for claims against Amtrak:
 - a. For all new fencing (yard, right of way, security, etc.) contractor forces may be utilized to install fence posts, gates and, where necessary, guard rails. Unless otherwise agreed, all other work associated with new fence installation will be performed by BMWED forces.
 - b. Amtrak will provide the BMWED with an informational notice as to the location of the work to be performed and approximate time the contractor is to begin work. Such notice must be provided at least fifteen (15) days in advance of the contractor commencing work, except in emergency situations, in which case the BMWED shall be contacted as soon as practicable. Failure to provide notice under this section will constitute the basis for a claim.
 - c. When RWP protection is deemed necessary as determined by Amtrak, M/W forces will perform said work.
 - d. A B&B Inspector (Southern District) or B&B Foreman (Northern District) will be assigned to all contractor job sites while they are installing posts, gates or guard rails, if no other B&B forces are assigned at such worksite.

Any fencing projects currently being performed on the property will be performed in accordance with this understanding.

There will be no BMWED furloughs in the Northeast Corridor while contractors are engaged in the installation of fencing.

BMWED will not present or progress any claims for a violation of the Scope Rule for fence installation that has taken place in Fiscal Year 2010.

Maintenance of all fencing, including but not limited to the replacement of fence posts, will continue to be reserved to BMWED.

Amtrak agrees that the B&B Capital Improvement gangs, or the equivalent number of positions, established pursuant to the Agreement of November 17, 2009, will be maintained until September 30, 2011. Thereafter, when contractors are utilized for fencing projects as outlined above, Amtrak shall establish a 4 man B&B Capital Improvement gang in the territory involved (New England North, New England South, New York, MidAtlantic North or MidAtlantic South), whose function shall be to maintain and construct fencing in their territory.

Amtrak further agrees that B&B Capital Improvement gangs R-900, R-901 and R-905, or the equivalent number of positions, shall be maintained until September 30, 2011, in accordance with Rule 90-D.

2. a. Effective January 1, 2011, the Per Diem allowance identified in Side Letter No. 4 of the January 18, 2008, agreement shall be increased to \$40.00 per day.
- b. Commencing January 1, 2012, the Per Diem allowance identified in Side Letter No. 4 of the January 18, 2008, agreement shall be adjusted annually based on the percentage change in the Consumer Price Index for Food Away From Home (1982-84=100) for the U. S. City Average for Urban Wage Earners and Clerical Employees issued by the Bureau of Labor Statistics. The annual percentage increase or decrease, as measured by the change in the Food Away from Home CPI-W from November to November, shall determine the adjustment to be applied to the Per Diem allowance. Such percentage change shall be applied to the Per Diem in effect on each December 31 with the resulting change rounded to the nearest cent and applied to the Per Diem effective January 1 of the next year.


A hypothetical example of the calculation is attached to illustrate the application of the formula.

- c. In the event the Bureau of Labor Statistics ceases to make available the CPI for Food Away from Home, the parties will promptly meet and agree upon a similar formula as a replacement. In the event the parties are unable to agree on a new formula, they will submit the disagreement to arbitration and the arbitrator shall determine which similar formula will serve as the replacement.

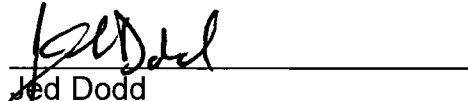
Signed this 4th day of November 2010.

For
**National Railroad Passenger
Corporation**

**Brotherhood of Maintenance of
Way Employes Division – IBT**



R. F. Palmer
Director-Labor Relations



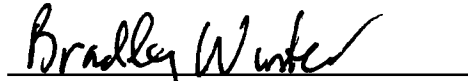
Jed Dodd
General Chairman – BMWED
Pennsylvania Federation



Frank Vacca
Chief Engineer



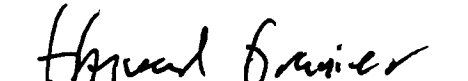
Stuart A. Hurlburt, Jr.
General Chairman – BMWED
Northeastern System Federation



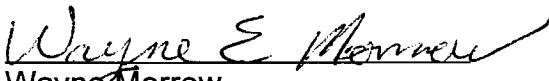
Bradley A. Winter
General Chairman – BMWED
Consolidated System Federation



James Knight
General Chairman – BMWED
Seaboard Federation



Hayward Granier
General Chairman – BMWED
Illinois Central Federation



Wayne Morrow
General Chairman – BMWED
Unified System Federation

Hypothetical Application of the CPI-W for Food Away from Home formula to the Amtrak Per Diem Identified in Side Letter Number 4 of the January 18, 2008 Agreement

Example:

Index Month	Food Away from Home CPI-W	% Increase Nov – Nov	COLA Adjustment to Per Diem	COLA Adjusted Per Diem
November 2009	224.815 (actual)	--	--	\$35.00*
November 2010	229.759 (hypothetical)	2.199%	\$35.00 X .02199 = \$0.7697	\$35.77

* Per diem indicated is solely for illustration purposes and is not the actual per diem in effect on Amtrak. The January 1, 2012, adjustment will be applied to the actual \$40.00 per diem.