#### SYSTEM COUNCIL No. 16



DALE E. DOYLE General Chairman

RICHARD J. HEYLAND Vice General Chairman 999 Westview Drive, Suite 5 Hastings, MN 55033 651-438-2927 ● Fax 651-480-1731 usibsystem16@earthlink.net S≪€€®® MARK S. KLECKA Asst. General Chairman

JEFF BURK Asst. General Chairman

DARRELL PATTERSON Asst. General Chairman

May 6, 2015

#### FIRST QUARTER REPORT, 2015 SYSTEM COUNCIL NO 16 OF THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS

Brothers and Sisters:

Plans are moving forward for the July convention and we are now receiving delegate credentials.

We are hearing that all rail traffic is slowing and in one particular location it was reported 40% less than a year ago for the same month.

National negotiations were conducted in early March and another session scheduled in June.

We are also hearing that the date for the implementation of Positive Train Control is being discussed with consideration to push it out past the current date.

This past quarter the council staff has conducted business or obtained information relative to the following carriers under the jurisdiction of this office:

#### Belt Railway Company of Chicago:

No news to report.

Our Business – Representation & Service

First Quarter Report May 6, 2015 Page Two

#### CN/CCP/DMIR/DWP/EJE and WC:

We have been working on an agreement to address issues on the DMIR property.

We were finally able to reach an agreement for our members who are assigned duties as Bridge Technicians to perform work on the GTW property as well as an agreement to address vacations taken in a calendar year, collectively with System Council 7 and 9.

We have heard employees have received notice the carrier is considering force reductions due to the decline in traffic.

Local 757 Chairman James Wriston, who was also an Executive Board Member for the Council, accepted a management position effective May 1, 2015. We wish Jim well in whatever path life may take him. He served the Council and the Organization well.

#### CP/Soo:

We continue to see discipline issues arising particularly in the St. Paul Shops, with several issues in various stages of handling.

We reached an agreement with the Carrier, BRS and this office to allow for the installation of the PTC equipment by our employees in the Communication Department to work in conjunction with employees represented by the BRS.

#### Gary Railroad Company:

We have been advised that our Committeeman on the property has been off on injury and scheduled to return to service shortly.

We have our first Section 6 meeting scheduled for May 19 and 20 at Kirk Yard, Gary Indiana.

First Quarter Report May 6, 2015 Page Three

#### Lake Superior and Ishpeming Company:

We are currently scheduled to meet with the Carrier on June 2 and 3 in Minneapolis. This will be our second Section 6 meeting.

During our first meeting, the carrier advised that the iron ore rate is approximately 50% less this round than over the opening of the last round of bargaining. I have also been informed that one of the mines serviced by this carrier will cease operations for several months beginning June 1.

#### NICTD:

The Organization and Carrier have held meetings to discuss the District's plans for rolling out PTC. The Carrier agreed to hold informational meetings with their respective work groups to discuss the plans.

#### Paducah and Louisville Railway Company:

We have been advised that the BMWED has ratified an agreement on the property. We have had some brief discussion with the Carrier and exchanged some ideas, however no significant movement to report as of this writing.

#### Evansville and Western Railroad:

No news to report.

#### Montana Rail Link:

No news to report.

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#### **BNSF** Railway Company:

We continue to see significant issues with discipline on the property.

Issues at Allouez have continued and we now have a meeting scheduled collectively with management and other organizations at this location to discuss these issues.

We have had some questions and concerns presented about a position on the property called a "Distributive Power Mentor". Apparently, from our information, this mentor may be a Locomotive Engineer. If any of our members have any knowledge of this position or expressed any concerns, please forward to this office for further investigation.

We are receiving a significant amount of contracting notices from the Telecommunications Department. These notices are forwarded upon receipt.

Traffic has slowed considerably and we are hearing of forces being reduced in the Operating Department.

I have enclosed some information important to our Local's relative to LM-10 reporting obligations.

Respectfully and fraternally submitted,

Dale E. Doyle General Chairman/Secretary-Treasurer

DED/aj

Attachments

#### Dale Doyle's Travel First Quarter 2015:

January 14, 2015 – Minneapolis, MN – CP/Soo – PTC Agreement Discussion

January 21, 2015 – Minneapolis, MN – CP/Soo – Section 6 Discussion

January 22, 2015 – Minneapolis, MN – LSI – Section 6 Discussion

January 31, 2015 – Miami, FL – General Chairmen's Meeting

February 1-2, 2015 – Miami, FL – General Chairmen's Meeting

February 9-12, 2015 – Gillette, WY – Local 1856 – Investigation

March 2-3, 2015 – Washington, DC – National Negotiations

March 10, 2015 – Brainerd, MN – Local 783 Meeting

March 17, 2015 – Minneapolis, MN – CP/Soo – PTC Agreement

March 24-26, 2015 – Topeka, KS – Local 959, Topeka Shop – Local Meeting – Kansas City, MO – BNSF GCA Meeting

#### **Rick Heyland's Travel First Quarter 2015:**

February 25-27, 2015 – Hastings, MN – Council Staff Meeting

March 24-26, 2015 – Kansas City, MO – BNSF GCA Meeting

#### Mark Klecka's Travel First Quarter 2015:

January 12-14, 2015 – Minneapolis, MN – CP/Soo Negotiations

February 2-3, 2015 – Springfield, MO – Meeting T Pind Allred et al

February 8-9, 2015 – Kansas City, MO – CRF Meeting

February 24-27, 2015 – Minneapolis, MN – Staff Meeting – Convention Planning

March 9-12, 2015 – Minneapolis, MN – System Council 16 Convention Business

March 31, 2015 – Galesburg, IL – Local 547 Meeting

#### Jeff Burk's Travel First Quarter 2015:

January 26-28, 2015 – Fort Worth, TX – BNSF SACP Meeting

February 25-26, 2015 - Hastings, MN - Staff Meeting

March 23, 2015 – St. Louis, MO – Meet with BNSF Mechanical and Local 778 Members

March 24, 2015 – Topeka, KS – Meet with BNSF Mechanical and Local 959 Members

March 25, 2015 - Kansas City, MO - BNSF GCA Meeting

#### Darrell Patterson's Travel First Quarter 2015:

January 8, 2015 – Kansas City, KS – Local 866 Meeting

January 21-23, 2015 – Minneapolis, MN – LS&I Contract Negotiations, P&L Contract Negotiations

January 26-28, 2015 – Fort Worth, TX – BNSF SACP Meetings

February 9, 2015 – Kansas City, KS – Meeting with Birmingham Electricians

February 17, 2015 – Overland Park, KS – BNSF TTC Apprentice Credentials

February 24-27, 2015 - Hastings, MN - SC16 Staff Meetings

March 2-4, 2015 - Fort Worth, TX - BNSF BST Meeting

March 10, 2015 – Topeka, KS – Meeting with Local 959 Members

March 11, 2015 - Overland Park, KS - BNSF TTC Apprentice Credentials

March 12, 2015 – Kansas City, KS – Local 866 Meeting

March 24, 2015 – Topeka, KS – Meeting with BNSF CMO Steve Harris and Meeting with Local 959 Officers

March 25, 2015 – Kansas City, MO – BNSF General Chairmen's Association Meeting

March 26, 2015 – Topeka, KS – Training Session for Topeka Shop Officers with Alan Fischer and Local 959 Members





DALE E. DOYLE General Chairman

RICHARD J. HEYLAND Vice General Chairman 999 Westview Drive, Suite 5 Hastings, MN 55033 651-438-2927 ● Fax 651-480-1731 usibsystem16@earthlink.net S≪∰® MARK S. KLECKA Asst. General Chairman

JEFF BURK Asst. General Chairman

DARRELL PATTERSON Asst. General Chairman

August 7, 2015

#### SECOND QUARTER REPORT, 2015 SYSTEM COUNCIL NO 16 OF THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS

Brothers and Sisters:

The Quadrennial Convention of System Council 16 was conducted on July 8 and 9, 2015 in Bloomington, Minnesota. The following officers were elected by the Delegation:

General Chairman/Secretary Treasurer – Dale Doyle

Vice General Chairman – Mark Klecka

Executive Board – Brad Carothers, 418 Jeff Hegg, 506 Paul Mayer, 533 Chris Cassens, 547 Jeff Allred, 778 Charles Cox, 881 Andy Bailey, 1146 Joe Lopez, 1199 Ralph Jimison, 1856

Following the election of officers, the Executive Board selected the Audit Committee members for the next four years who are:

Jeff Hegg, 506 Paul Mayer, 533 Chris Cassens, 547

Our Business – Representation & Service

Second Quarter Report August 7, 2015 Page Two

We are considering the addition of another Assistant General Chairman. If you have an interest in a position with System Council 16, please express your interest and experience in writing to this office.

The Delegation conducted not only elections of officers, but other business of the Council. There were all but two council Locals represented. Eric Baertsch of the Legacy CPA firm provided a very detailed presentation on DOL reporting requirements. Director Bill Bohne of the Rail Department addressed the Delegation, as did other representatives of this Organization. Representatives of the various insurance vendors provided information and answered questions. A representative of the U. S. Railroad Retirement Board also provided the Delegation with detailed information.

We wish to thank you for your support for election to the Council and the staff will do our very best to provide each Local service over the next four years.

We have been watching Railroad reportings of car loadings as we continue to hear of furloughs on the class one properties. The car loadings are flat and/or dropping depending on the commodity. A copy of the most recent report from August 7, 2015 is attached.

There was a recent newspaper article reporting that the state of Wyoming could loose 7,300 to 11,000 jobs related to coal mining, coal generation and coal transportation as a result of the clean power plan announced by President Obama once the plan takes effect. This will definitely impact the railroad industry. A copy of the article is enclosed herewith.

National negotiations were held the last week of July in Washington, DC with our coalition. Director Bohne either has or will be providing the Locals with a brief report.

The following is a brief overview of information and/or business conducted on carriers under the jurisdiction of this office:

#### Belt Railway Company of Chicago:

No news to report.

Second Quarter Report August 7, 2015 Page Three

#### CN/CCP/DMIR/DWP/EJE and WC:

We have seen a number of investigation notices issued on the IC property.

We reached an agreement to address certain issues on the DMIR property. The agreement was submitted to the membership for ratification and failed. We are discussing various options with the local officers.

#### CP/Soo:

There is a need for locomotive electricians in the St. Paul shop due to a number of electricians resigning. This matter has been discussed with the shop manager.

There continues to be investigations conducted at the St. Paul shops on our members.

The coalition of organizations meeting with the Carrier to discuss section 6 notices postponed the August meeting and have rescheduled to October. We have been advised that the Brotherhood of Carmen have reached a tentative agreement on the property.

#### Gary Railroad Company:

The first section 6 meeting was held in Gary, IN and a second meeting is scheduled to be conducted in Pittsburg in mid-September.

#### Lake Superior and Ishpeming Company:

The second section 6 meeting was conducted in June and we are scheduled to meet again in late October.

Second Quarter Report August 7, 2015 Page Four

#### NICTD:

Local representatives on the property have advised that the Carrier is looking to hire three additional electricians for the line and Signal Department. The shops are also back to a full force. The road to recovery on this property has been a long time coming.

#### Paducah and Louisville Railway Company:

Two other organizations have reached an agreement on the property. Negotiations continue with this office in an attempt to reach an agreement for our members.

#### **Evansville and Western Railroad:**

We have had some very brief discussions with the Carrier concerning section 6 notices.

#### Montana Rail Link:

No news to report.

#### **BNSF** Railway Company:

We continue to see apprentices hired, although at a slower pace.

We are discussing the scheduling of meetings to discuss the following:

- 1. Attachment D of the section 6 notices specific to BNSF.
- 2. Updating of the BNSF Telecom Agreement.
- 3. Committee meetings on implementation of the Level Agreement.

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We are seeing a few decisions rendered in discipline cases with the members involved being notified of the decisions.

An issue we have been discussing for a number of past quarters at the Allouez Taconite facility has been resolved with a new manager being assigned. Thus far, the issues have reduced considerably.

We continue to see a number of contracting notices effecting our Telecommunication and Engineering Department members.

Attached are articles of general interest including our six month audit report. I would also like to note that due to the time constraints of the month of July, the interest on the CD's has not been added to the balances and the Convention Fund has not been updated.

Respectfully and fraternally submitted,

Dale E. Doyle General Chairman/Secretary-Treasurer

DED/aj

Attachments

#### Dale Doyle's Travel Second Quarter 2015:

April 2, 2015 - Minneapolis, MN - Attend Local 506 Meeting

April 8, 2015 – St. Paul, MN – Attend Local 886 Meeting

April 14-17, 2015 – Glendive, MT – Local 152 Meeting, Investigation

April 20, 2015 – St. Paul, MN – Local 886, Investigation

April 23, 2015 – Superior, WI – Visit Allouez Taconite, Local 1559 Duluth, MN – Attend Local 366 Meeting

May 11, 2015 – Minneapolis, MN – BNSF Labor Relations Meeting / Allouez Issues

May 18-20, 2015 – Gillette, WY – Local 1155, Investigation

June 2-3, 2015 – Minneapolis, MN – Local 1070, LSI Section 6

June 15-16, 2015 – Kansas City, MO – 11<sup>th</sup> District Office Meeting

June 23, 2015 - Minneapolis, MN - Local 506 / BNSF / Post Meeting

#### Rick Heyland's Travel Second Quarter 2015:

June 9-13, 2015 – 10th District Meeting

#### Mark Klecka's Travel Second Quarter 2015:

April 13-14, 2015 – Michigan City, IN – NICTD PTC Meeting

April 15-16, 2015 – Portland, OR & Vancouver, WA – Local 1782 Meeting & Telecom Meeting

May 18-20, 2015 – Merrillville, IN – Gary Railroad Contract Bargaining

June 4-5, 2015 – Oklahoma City, OK – 7<sup>th</sup> District Progress Meeting

June 11-12, 2015 – Fort Worth, TX – Telecom Meetings, Manager Safety, VP and AVP

June 16, 2015 – Kansas City, MO – AVP Curt Henke, Convention Planning

#### Jeff Burk's Travel Second Quarter 2015:

April 14, 2015 – Seattle, WA - Local 1155 Meeting

April 15, 2015 – Vancouver, WA – Local 1782 Meeting

April 16, 2015 – Seattle, WA – Local 1769 Meeting at BNSF Interbay Facility

April 22, 2015 – Amarillo, TX – Local 1146 Meeting

May 4, 2015 – Fort Worth, TX – BNSF Claims Conference

May 5-7, 2015 – Fort Worth, TX – BNSF SACP Meetings

May 12, 2015 – Commerce, CA – BNSF Investigation

June 1, 2015 – Temple, TX – Local 418 Retirement Party for Local Chairman James Moore

June 2-5, 2015 – Oklahoma City, OK – 7<sup>th</sup> District Progress Meeting

June 11, 2015 – Meeting with BNSF Telecom to Update Agreement

June 16, 2015 – Kansas City, MO – 11<sup>th</sup> District Meeting

#### Darrell Patterson's Travel Second Quarter 2015:

- April 1-3, 2015 Fort Worth, TX BNSF SafeAlign Meeting
- April 9, 2015 Roeland Park, KS Local 866 Meeting
- April 10, 2015 Overland Park, KS BNSF TTC New Hire Credentials
- April 13-17, 2015 Glendive, MT Alliance, NE Member Meetings, Shop Tours
- April 29-30, 2015 Overland Park, KS BNSF TTC Trainer Coordinator Meetings
- May 5-7, 2015 Fort Worth, TX BNSF SACP Meetings
- May 22, 2015 Overland Park, KS BNSF TTC New Hire Credentials

June 1-3, 2015 – Fort Worth, TX – BNSF – SafeAlign Meeting

June 9-10, 2015 – Newton, KS – Member Meetings

June 11, 2015 - Roeland Park, KS - Local 866 Meeting

June 16, 2015 – Kansas City, MO – 11<sup>th</sup> District Meeting for Convention

June 17, 2015 - Topeka, KS - Local 959 Meeting

June 22-26, 2015 – Minneapolis, Hastings, MN – Northtown SafeAlign Meeting, Office Work



Mark S. Klecka Vice General Chairman

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November 2, 2015

Jeff A. Burk Asst. General Chairman

Darrell Patterson Asst. General Chairman

Jeff Allred Asst. General Chairman

#### **THIRD QUARTER REPORT, 2015** SYSTEM COUNCIL NO 16 OF THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS

Brothers and Sisters:

Recently all Railroad Department locals have been advised by the Director Bill Bohne of the Railroad Department that our coalition in national bargaining has filed for assistance with the National Mediation Board for assignment of a mediator due to lack of progress in negotiations. The first mediation session will be conducted on November 3, 2015. I have attached here with a copy of Director Bohne's reports to the Locals for sessions held on September 15 and October 6, 2015.

Compounding the slow movement of national negotiations is the current economic state of the industry. I have attached a copy of the weekly freight report from Railway Age which reports for the week of October 24, 2015, carloadings were down 5.6% compared with the same week of 2014. Issues we are having on the carrier's under the jurisdiction of this office will be identified in the reports of the individual carrier.

CSX has recently closed and or reduced operations at two locations, Corbin, Kentucky and Erwin, Tennessee. A copy of a news article concerning these reductions is also attached.

The annual Railroad Department meeting was held the first week of October in Myrtle Beach, S.C. A number of System Council 16 Local Delegates were present. Railroad Coordinating Council Attorney Mike Wolly, who was unable to attend was scheduled to provide a presentation on the many federal statutes affecting employment in the Railroad industry and as we have many new members over the past few years, I have enclosed a copy of that report to share with our entire membership. Also, as there have been a few calls relative to "A" membership as concerns this Organization, this month's Electrical

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Worker Magazine provided some information on "A" membership benefits which I have also copied and enclosed with this report.

On October 28, 2015, the U. S. Senate approved H. R. 3819, which extends federal transportation funding through November 20 and includes language for a PTC deadline extension to December 31, 2019. There had been a number of calls concerning this matter.

The Council staff has received information or conducted business on the following carriers concerning our members under the jurisdiction of this office:

#### Belt Railway Company of Chicago:

No news to report.

#### CN/CCP/DMIR/DWP/EJE/IC and WC:

We continue to see discipline issues on all the CN properties.

One award has been rendered by a Public Law Board concerning a lead man issue on the IC property and that award was distributed to the local initiating the claim.

We reached an agreement on the property to consolidate the Communication Department Rosters on the CCP and IC properties. The Agreement has been approved by the International and distributed to the locals involved.

Taconite shipments on the DMIR property have reduced, resulting in abolishment of four positions at the Duluth Docks. The reductions are resulting in bumps on the property, however, as of this writing, there has been no one furloughed.

#### CP/Soo:

We continue to see issues on this property with discipline. Four discipline cases have been moved forward in the arbitration process.

Third Quarter Report November 2, 2015 Page Three

On a recent visit to the St. Paul Shops, we were advised that the Carrier is starting to place locomotives in storage.

The bargaining coalition which we are party to on the property met with the Carrier on October 12, 2015, an additional meeting is scheduled on December 15, 2015 and this office is scheduled to meet with the Carrier on November 5 to discuss issues specific to our Organization.

#### Gary Railroad Company:

We were scheduled to meet with our coalition in mid-September to discuss Section 6 Notices, however our coalition determined where there was no movement in National specifically concerning health and welfare, we will meet at a later date.

#### Lake Superior and Ishpeming Company:

Our coalition was scheduled to meet with the Carrier on October 28, 2015, however we were notified on October 23, by carrier officials that due to the "very" challenging market and economic conditions the company (LSI Railroad is owned by Cleveland-Cliffs) is facing in the coal and iron ore markets, the company began the closure process of several facilities and a large reduction of forces at those facilities were scheduled for the week of October 26. While the Michigan operations where the LSI is located was not impacted, we agreed to reschedule to a later date.

#### NICTD:

No news to report.

#### Paducah and Louisville Railway Company:

An agreement with the Carrier was ratified by the membership, signed and dated August 31, 2015. The Agreement provides for 3% general wage increases annually through January 1, 2018. We are scheduled to meet with the Carrier in November and will review the agreement codification at that time in accord with the Agreement.

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#### **Evansville and Western Railroad:**

Evansville and Western is owned by the same company that owns Paducah and Louisville. We are scheduled to discuss Section 6 Notices at the same November meeting.

#### Montana Rail Link:

We have an arbitration hearing scheduled in November for a discipline issue on the property.

#### **BNSF** Railway Company:

The last New Hire Termination report submitted to the membership clearly identified the fact hiring of new members on this property has slowed considerably. We have received several calls from the locals about positions going unfilled due to the bidding process, resignations, retirements, etc. The Carrier has stated that they are looking at the need for every position and if they can get by without it being filled they are doing so in an effort to keep from having to reduce forces.

We have seen some funding for discipline cases submitted for arbitration and when the awards are rendered, the claimants and the locals are or will be notified accordingly.

In September we met with the Carrier to discuss the attachment "D" of the Section 6 Notices. There were a number of issues in our Notice discussed and being further reviewed by the Carrier.

One issue that came up prior to the System Council Convention, a revision to the subcontracting agreements on the property has been buried and should no longer be a concern to our Mechanical Department members.

Aside from the articles previously mentioned, please find attached the Council Financial and Staff Travel Reports. You will notice some changes in our Financial Reports, as after the Convention we moved some funds around due to FDIC requirements.

Third Quarter Report November 2, 2015 Page Five

Respectfully and fraternally submitted,

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Dale E. Doyle General Chairman/Secretary-Treasurer

DED/aj

Attachments

#### Dale Doyle's Travel Third Quarter 2015:

July 5-10, 2015 – Bloomington, MN – System Council 16 Convention

- July 17, 2015 St. Paul, MN Investigation Local 886
- July 23, 2015 Duluth, MN Local 366 Monthly Meeting
- July 26-27, 2015 Alliance, NE Investigation Local 1517
- July 28-30, 2015 Denver, CO 8<sup>th</sup> District Progress Meeting
- August 4, 2015 St. Paul, MN Local 886 Meeting
- August 18-21, 2015 Alliance, NE Local 1517 Meeting/Visit
- September 1-2, 2015 Chicago, IL Visit Locals 533 and 757 CN Negotiations
- September 3, 2015 Minneapolis, MN Local 506
- September 8, 2015 St. Paul, MN Local 886 Meeting
- September 9, 2015 St. Paul, MN Meeting with CP Shop Manager
- September 14-17, 2015 Las Vegas, NV Membership Development Conference
- September 20-24, 2015 Havre, MT Locals 1155 and 1856 Visit Investigation – Local 1155
- September 28-29, 2015 Fort Worth, TX BNSF Labor Relations BNSF General Chairmen's Association

#### Mark Klecka's Travel Second Quarter 2015:

- July 5-10, 2015 Bloomington, MN System Council 16 Convention
- July 16-18, 2015 St. Louis, MO J. Miclow Investigation
- July 20-23, 2015 Kansas City, KS CRF Town Hall, Collins Investigation, Ward Investigation

August 10-12, 2015 – Homewood, IL – Chip Williams Investigations

August 24-28, 2015 – Hastings, MN – System Council 16 Staff Meeting

September 1-2, 2015 – Homewood, IL - CN Negotiations

#### Jeff Burk's Travel Second Quarter 2015:

- July 6-10, 2015 Bloomington, MN System Council 16 Convention
- July 14, 2015 Commerce, CA BNSF Mechanical Dept. Investigation
- July 16, 2015 San Bernardino, CA BNSF Telecom Dept. Investigation
- July 27-30, 2015 Denver, CO IBEW 8<sup>th</sup> District Progress Meeting
- August 4, 2015 Fort Worth, TX BNSF SACP Meeting
- August 24-28, 2015 Hastings, MN System Council 16 Staff Meeting
- August 31 September 3, 2015 Memphis, TN Meetings with Local 778 and Local 881
- September 14-17, 2015 Las Vegas, NV IBEW Membership Development
- September 22, 2015 Fort Worth, TX BNSF Mech. LAT Meeting
- September 29, 2015 Fort Worth, TX BNSF LR Meeting
- September 30, 2015 Fort Worth, TX BNSF GCA Meeting

#### Darrell Patterson's Travel Second Quarter 2015:

- July 5-10, 2015 Bloomington, MN System Council 16 Convention
- July 11, 2015 Topeka, KS Delivery of Convention Materials
- July 15, 2015 Topeka, KS Local 959 Meeting
- July 21, 2015 Kansas City, KS Telecom CRF Meeting
- July 31, 2015 Kansas City, KS Argentine Shop Superintendent

Meeting – Level Agreement/Training

August 3-6, 2015 – Fort Worth, TX – BNSF SACP Meeting

August 9-11, 2015 – Vancouver, WA – Investigation

August 13, 2015 – Kansas City, KS – Investigation

- August 24-28, 2015 Hastings, MN System Council 16 Staff Meeting
- September 9, 2015 Kansas City, KS BNSF Zone 4 LAT (BST) Meeting

September 10, 2015 – Kansas City, KS – Local 866 Meeting

- September 21-23, 2015 Fort Worth, TX BNSF LAT (BST) North Region Meeting
- September 28-30, 2015 Fort Worth, TX BNSF Sect. 6 Negotiations and BNSF GCA Meetings



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Darrell Patterson

Asst. General Chairman

Jeff Allred

Asst. General Chairman

November 3, 2015

TO: All Members System Council 16 — IBEW

Brothers and Sisters:

As a result of the July 2015 System Council 16 Convention and the retirement of Vice General Chairman Richard Heyland, I am honored to advise that Local 778 President/Local Chairman Jeff Allred has been appointed as an Assistant General Chairman.

Jeff has served in the capacity of President-Local Chairman for over ten years and has not only been actively involved in his Local, but as an Executive Board Member of the Council.

Jeff can be reached as follows:

Email: jpallred72@outlook.com Cell: 417-830-3735

We look forward to Jeff's service to the Council for many years to come.

In solidarity

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Dale E. Doyle General Chairman

DED/aj

Our Business - Representation & Service

Cc: Subject: DISTRICT 05 National Negotiations

Sisters and Brothers,

The last meeting for National Negotiations was held on Tuesday September 15, 2015 in Crystal City, VA. This was our 5<sup>th</sup> meeting to date.

As I have advised you previously, it seems like the Railroads' main concern is reducing their Health and Welfare costs and containing future Health and Welfare cost increases. One of their main concerns is the Health and Welfare "Cadillac Tax" which will go into effect in 2018. While we don't believe it will affect our plan for quite a few years, the railroads believe otherwise. In past meetings our discussions centered on how to move forward, and a subcommittee was formed to look into various Health and Welfare issues. At this meeting we gave the railroads a wage proposal, and also advised them of a couple of minor modifications to the Health and Welfare that we may be agreeable to in an effort to help contain costs, none of which would have much, if any, impact on your benefits or costs. Of course anything we would be willing to do in the area of Health and Welfare would depend on the wage increases the railroads would be agreeable to.

Needless to say, our coalition is not very happy at the pace at which these negotiations are proceeding, and we are beginning to discuss our options. Following our presentation, the railroads said they would take our proposal under advisement and respond to us at our next bargaining session scheduled for October 6<sup>th</sup> and 7<sup>th</sup>. I will again update you following those sessions.

Any questions, please don't hesitate to contact me.

Fraternally,

Bill Bohné, Jr. Director – IBEW Railroad Department 202-728-6016

#### Good morning Sisters and Brothers,

Our last meeting for National Negotiations took place on October 6<sup>th</sup>. As that was the date our IBEW Railroad Conference began, System Council 6 General Chairman Andy Fiery attended on behalf of the IBEW.

At our prior meeting in September, our coalition had given the railroads a revised proposal that we thought was reasonable. Our hopes were that the railroads would consider our proposal and come back to us with something reasonable. Unfortunately what they came back to us with on October 6<sup>th</sup> was not even close to anything we would consider. As such, following 5 negotiating sessions with little or no progress and in an effort to expedite these negotiations, our coalition unions have decided to request that the National Mediation Board (NMB) invoke mediation. IBEW President Lonnie Stephenson will be sending a letter to the NMB this week requesting such.

I will keep you apprised as this situation progresses. In the meantime, if you have any questions please don't hesitate to contact me.

Fraternally,

Bill Bohné, Jr. Director – IBEW Railroad Department 202-728-6016

### What Are the Benefits of 'A' Membership?

There are two main types of membership in the IBEW, 'A' and 'BA.'

#### Pension

The most important difference between the two classifications is that 'A' members participate in the Pension Benefit Fund, the pension plan administered by the IBEW. All IBEW construction branch members are automatically enrolled as 'A' members. Any member can choose to convert their 'BA' membership.

'A' members receive a pension once they meet the PBF pension requirements. For example, if you retire at 65, and you have been an 'A' member continuously for at least the preceding five years, you get \$4.50 per year of continuous membership per month.

After three-and-a-half years, retired 'A' members make back everything they put in.

#### Death Benefit

All active 'A' members for at least six months are covered by a \$6,250 benefit for death by natural causes, and \$12,500 for accidental deaths, on or off the job. No vesting or years of service are necessary.

The benefit for retirees is different. Retired 'A' members are eligible for a death benefit between \$3,000 and \$6,250, depending on how much of their pension they have received, but the amount does not go below \$3,000.

#### >Leadership

To be a delegate to the convention with the right to vote on every topic, you have to be an 'A' member.

There is another, less tangible, impact. The International Office can count retired 'A' members and includes them in the membership. When an 'A' member retires from the IBEW, the relationship with the union changes, but it does not end. Those 100,000 'A' members drawing a pension are an important part of the strength of the union.

'A' and 'BA' membership dues are \$17 a month. To become an 'A' member is \$33 a month, which is \$17 membership dues and \$16 PBF contribution plus a onetime \$2 fee for the PBF.

You can find all the details of the plan in Article XI of the IBEW Constitution, available online at www.ibew.org/members/ ~ pensionbenefitfund/ArtXI\_041207.pdf



#### THE FEDERAL AGENCIES WE DEAL WITH AND WHY

Prepared for the 2015 Railroad Department Conference by Michael S. Wolly ZWERDLING, PAUL, KAHN & WOLLY, P.C. Washington, DC 20036

There are many federal statutes affecting employment in the railroad industry. These statutes set forth the rights and obligations of rail employees, the unions that represent them, and the carriers that employ them. They are administered by federal agencies that issue rules and regulations that apply the statutes' express provisions and that fill in the gaps necessary to achieve the intent of Congress, which has the sole right to change the law by additional legislation. These are the agencies with whom the IBEW and all of the other rail unions deal with on a daily basis, the statutes they administer, and the authority they wield:

**National Mediation Board** - The NMB is the only federal agency with authority to handle issues that arise under the Railway Labor Act (RLA). It decides disputes over who, if anyone, will serve as representatives of employees; appoints mediators to handle disputes over changes to existing agreements; decides when mediation has failed, at which point it proffers binding arbitration and, if that is rejected by either party to a bargaining dispute, recommends to the President the creation of Presidential Emergency Boards; in commuter rail bargaining cases, the NMB holds hearings intended to publicize the outstanding issues; oversees administration of the arbitration process to resolve disputes over the application or meaning of agreements by the National Railroad Adjustment Board and Public Law Boards, including paying neutral referees/arbitrators.

Enforcement authority for the Railway Labor Act rests with the parties. The NMB has no authority to sue, but it has virtually unlimited discretion in handling representation matters and deciding when to release parties from mediation.

The NMB has 3 Members who are nominated by the President and confirmed by the Senate, no more than 2 of whom can be from the same political party; they serve three-year terms; the Chairmanship rotates annually.

Current members: Chairman Nicholas Geale (Republican); Democrats Harry Hoglander and Linda Puchala.

**PEB - Presidential Emergency Board -** PEBs are quasi-governmental entities, usually comprised of 3-5 neutrals appointed by the President of the United States to help resolve disputes over changes to existing agreements after direct bargaining and mediation have failed to produce a settlement. For disputes with freight carriers, they must issue a report to the President within 30 days after they are appointed. PEB reports contain non-binding recommendations of terms for a settlement which, if the parties don't accept and don't agree on other terms, start a 30-day cooling off period after which self-help (i.e., strikes and lockouts) can be exercised. For disputes with commuter carriers, the process is much more drawn out, lasting 240 days, and include

provisions for two PEBS, the first making recommendations and the second picking one party's last best offer over the others, both non-binding.

**Department of Transportation** - Insofar as the railroad industry is concerned, DOT houses the Surface Transportation Board, the Federal Railroad Administration and the Federal Transit Administration. The Secretary of Transportation is nominated by the President and confirmed by the Senate. It is currently Anthony Foxx.

**Surface Transportation Board** - The STB determines which transportation entities are carriers for purposes of the Railway Labor Act; approves mergers, acquisitions and consolidations of rail carriers; approves abandonments of rail lines and agreements providing trackage rights for railroads other railroads lines; imposes conditions to protect employees from the adverse effect of such transactions; reviews arbitration awards issued that interpret or apply the conditions.

The STB can stay transactions, review and set aside arbitration awards issued pursuant to its decisions and rules, and grant other relief on complaints that rules or ICCTA obligations are being violated.

The STB has 3 Members who are nominated by the President and confirmed by the Senate for 5-year terms; no more than 2 can be from same political party; the President designates the Chairman Currently, the members are:

Dan Elliott, Chairman (Democrat) (former UTU lawyer) Ann Begeman, Vice Chairman (Republican) Deb Miller, Member (Democrat)

**Federal Railroad Administration** - The FRA administers federal rail safety statutes and promulgates regulations governing rail safety under the Rail Safety Improvement Act of 2008 (such as hours of service requirements for railroad workers, positive train control implementation, standards for track inspections, certification of locomotive conductors, and safety at highway-rail grade crossings, alcohol and drug use, use of personal electronic devices, video cameras in locomotive cabs, hazmat, among others). It also oversees high speed rail grants. FRA develops many rules only after receiving input from joint labor-management Rail Safety Advisory Committees (RSACs). It has 400 federal safety inspectors operating out of eight regional offices and investigates all significant rail accidents.

The FRA enforces the FRSA and its safety rules by imposing civil fines as penalties.

The FRA is run by an Administrator appointed nominated by the President and confirmed by the Senate. The current Acting Administrator is Sarah Feinberg.

**Federal Transit Administration -** The FTA handles applications for financial assistance from state and local commuter authorities. Such assistance, called FTA Grants, is used for operating expenses as well as capital projects (i.e., laying track, building new facilities). It is conditioned on protecting employees who may be adversely affected. The Federal Transit Administrator also is a Presidential nominee, confirmed by the Senate. The current Acting Administrator is Therese McMillan.

**Railroad Retirement Board** - The RRB determines which employers are covered by the Railroad Retirement and Railroad Unemployment Insurance Acts and oversees the administration of benefits under those statutes. It has no enforcement authority and must rely on lawsuits brought by parties or the Justice Department to enforce its decisions. The RRB has 3 Members nominated by the President and confirmed by the Senate; one is recommended by labor, one is recommended by the railroads, and the third, a neutral Chairman to represent the public interest, is chosen by the President. Their terms are 5 years. Presently, the Chairmanship is open; the Labor Member is Walt Barrows (a former BRS officer) and the Management member is Steven Anthony (a former NS lawyer).

**Occupational Safety and Health Administration** - OSHA is housed within the Department of Labor (DOL). It receives and investigates employee complaints that their employing carriers have violated their rights under the FRSA (i.e., whistleblower complaints). It appoints administrative law judges to hold hearings on complaints that cannot be resolved informally. Parties dissatisfied with OSHA ALJ decisions can appeal to the DOL's Administrative Review Board. OSHA alos sets standards for occupational safety, investigates violations of those standards and issues citations and fines when violations are found where workplace hazards are not regulated by the FRA. OSHA is headed by the Assistant Secretary of Labor for Occupational Safety and Health David Michaels.

**Department of Labor** - DOL investigates whistleblower complaints, issues findings of its administrative investigations, and prosecutes complaints it finds to be valid in hearings before administrative law judges. Its Administrative Review Board (ARB) hears appeals from decisions of ALJs.

DOL also is responsible for resolving objections over union elections, compiling annual financial reports from unions and employer consultants, and ensuring compliance with the Labor-Management Reporting and Disclosure Act (LMRDA) financial requirements. It can enforce its rulings in federal court.

The Secretary of Labor (now Thomas Perez) is nominated by the President and confirmed by the Senate.

**National Transportation Safety Board** - The NTSB investigates causes of transportation accidents, including rail accidents. It issues reports of its findings and recommendations for preventing future accidents, but has no enforcement or regulatory authority. The NTSB has 5 Members who are nominated by the President and confirmed by the Senate for 5-year terms. The President designates one as Chairman (now Christopher Hart) and another as Vice Chairman (now T. Bella Dinh-zar) for 2-year terms. The other NTSB Members are Robert Sumwalt and Earl Weener; one position is vacant.

**Equal Employment Opportunity Commission** - The EEOC investigates charges of discrimination of all kinds in employment (race, national origin, sex, gender, age, disability, pregnancy), and violations of Family and Medical Leave Act (FMLA) and tries to mediate settlements. It can but usually does not file suit to enforce its findings, which are nonbinding;

instead, it issues the findings and provides complainants with a notice of right to sue on their own. There are five Members of the EEOC, including a Chair, Vice-Chair, and 3 Commissioners nominated by the President and confirmed by the Senate for 5-year terms. Presently, they are Chairman Jenny Yang, Constance Barker, Chai Feldblum, Victoria Lipnic, and Charlotte Burrows.

## Railroads get PTC reprieve as President signs Congressional transportation funding stopgap measure

Written by William C. Vantuono, Editor-in-Chief



The rail industry's frenzied push to extend the Congressionally imposed deadline for implementing Positive Train Control—one of the largest unfunded mandates ever foisted upon a U.S. industry—finally came to fruition on Oct. 29, 2015.

President Obama on Oct. 29 signed into law H.R. 3819, the Surface Transportation Extension Act of 2015, which only the day before had been approved by the U.S. Senate. H.R. 3819, which originated with

the House Transportation and Infrastructure Committee and was approved by the full House on Oct. 27, extends federal transportation funding through Nov. 20 to prevent a Highway Trust Fund shutdown. Most important to railroads, H.R. 3819 includes language for a PTC deadline extension identical to that in H.R. 3763, the Surface Transportation Reauthorization and Reform (STRR) Act of 2015, passed Oct. 22 by the House Transportation and Infrastructure Committee.

That the blanket three-year-minimum PTC implementation deadline extension came about as the direct result of its attachment to another bill is no surprise to Capitol Hill insiders. House T&I Committee Chair Bill Shuster (R-Pa.) felt that the PTC extension language contained in H.R. 3763 would be acceptable to Sen. John Thune (R-S.Dak.), Senate Commerce Committee Chair. Shuster was right, and as a result there was a fallback position to move the PTC language via another legislative vehicle. That vehicle was H.R. 3819, the short-term surface transportation bill extension, which needed to be passed prior to Oct. 29 to keep the Highway Trust Fund from going belly up.

In addition, to extending the deadline to Dec. 31, 2019, H.R. 3819 gives railroads the option to seek a waiver granting an additional two years to install PTC. The legislation now goes to President Obama, who has voiced his displeasure with delaying implementation of PTC, but is still expected to sign the bill.

The AAR puts the amount freight railroads have spent on PTC development, testing and installation at close to \$6 billion, with an additional \$4 billion to be spent before the technology is fully operational. The rail industry has been stressing that, without a deadline extension, there would have been an embargo imposed on certain TIH (toxic inhalation hazard) freight traffic, as well as passenger train operations, a move that would have idled the movement of millions of dollars in commodities vital to the economy and stranded millions of rail passengers. The American Chemistry Council estimated that a one-month shutdown of rail service would cost the U.S. economy more than \$30 billion and would lead to approximately 700,000 lost jobs.

"Members of the House and Senate are to be commended for taking the responsible action to extend the PTC deadline. The extension means freight and passenger railroads can continue moving forward with the ongoing development, installation, real-world testing and validation of this complex technology,' said AAR President and CEO Edward R. Hamberger. "The rail industry remains fully committed to being accountable and transparent in completing PTC."

Mandatory installation of PTC dates back to the Rail Safety Improvement Act of 2008, which stipulated that freight rail lines over which trains hauling TIH (toxic inhalation hazard) commodities and passenger trains operate implement PTC by Dec. 31, 2015. Over the course of at least two years, it became apparent that the deadline could not be met, for various technical and financial reasons. A recent Government Accountability Office (GAO) study on the issue confirmed that railroads have faced numerous problems in implementing the complex technology.



#### CSX announces layoff of at least 180 employees in Corbin

by DEAN MANNING | Filed under News | October 20, 2015 | Print

CSX is laying off at least 180 people and closing its Corbin maintenance facility, the company announced Tuesday.

Corbin Mayor Willard McBurney said CSX officials contacted him Tuesday morning about the layoffs and closing of the locomotive shop, service center and car shop.

"The only things they will have down here is yard traffic," McBurney said.

Rumors have abounded in recent days about possible layoffs at the facility and closing of some operations at the Corbin yard.

"They just walked in this morning and shut the doors," said one source close to CSX.

The lost jobs represent about 50 percent of total employment at the Corbin facility.

CSX officials confirmed the layoffs and closings later Tuesday.

Though their last day was Tuesday, all of the affected employees will receive at least 60 days of pay and benefits. Union employees also may have other benefits available in accordance with their respective labor agreements.

According to information from CSX, 100 jobs composed of train crews and yard workers will remain in Corbin, in addition to a limited number of mechanical employees to support and manage yard traffic.

"Corbin continues to be an important part of the CSX network for the movement of automobiles, consumer products and other freight," CSX officials stated.

In addition to the CSX employees, officials with General Electric confirmed a number of their employees who worked out of the CSX facility. are also being furloughed.

"At this time, the number of GE employees directly impacted remains to be determined. We are working through the transition and identifying new opportunities across the network for these employees," said Jessica Taylor a spokesperson with GE Transportation.

A family member of one of the affected GE employees, who asked not to be identified, said the employees have been offered the option to transfer to facilities in Jacksonville, Fla., Santa Fe. N.M. or Nashville, Tenn.

The layoffs and closings, which are similar to those that occurred at the CSX facility in Erwin, Tenn. earlier this month, are the result of the downturn in the coal industry.

The one difference, being the switching yard in Erwin was also eliminated.

"Central Appalachian coal moving through the (Corbin) terminal has decreased 57 percent in 10 years, due to low natural gas prices and regulation," CSX officials stated, adding that the company has lost more than \$1 billion in revenue since 2011 because of the limited amount of coal being moved.

CSX officials added that transportation of other goods through Corbin has been cut in half since 2005.

The loss of freight has resulted in a decrease in the number of locomotives needed to support the operations.

"These trends are expected to continue," CSX officials stated.

In an e-mail sent out Tuesday entitled "Coal Region Update," CSX Chairman and Chief Executive Officer Michael J. Ward stated that cutting the jobs and closing the shops in Corbin and Erwin was a last resort.

"For some time, CSX has been responding to the contracting coal market with careful resource management, including longer trains, higher rail car loading capacity and other steps, but now more must be done," Ward stated in the e-mail. "The actions at Erwin and Corbin and an ongoing evaluation of the Central Appalachian coalfields have to result in significant structural changes."

Ward acknowledged the impact CSX and its predecessors, Clinchfied and L&N railroads have had on communities such as Corbin and Erwin.

"We know, and deeply regret that the company's reduced activity will make already difficult area economic conditions worse," Ward stated.

"Going forward, CSX will continue to examine ways to size the coal business appropriately," Ward added. "While the conditions are tough, coal accounts for roughly 30 percent of electrical generation in the U.S., and coal remains an important CSX market with active mines in both Central Appalachia and the Illinois Basin. That said, to assure investment and a compelling future for the company and its team, we simply have to direct resources and strategies to growth opportunities, especially domestic intermodal shipments and merchandise traffic."

Jeff Doerr, National President of the railroad division of the International Association of Machinists and Aerospace Workers, said 97 of its members are among the affected employees.

Doerr said there is still a chance those employees could secure other positions within CSX, though it may not be at the Corbin facility, requiring employees to transfer to Huntington, W. Va.

Doerr said union officials understand CSX's position regarding the downturn in the coal industry and they have been in extended discussions with the railroad in an effort to keep its members on the job, even if it is at another location.

CSX and the union had a tentative agreement in place. While there has been no formal vote by the Corbin members, Doerr said when the agreement was presented to members, there was little interest in it.

"We continue to talk to members," Doerr said, noting members at the Corbin facility may still elect to hold a vote.

Ideally, Doerr said the affected members will find new positions within CSX and the union will be working with them to help that happen.

However, the union maintains a list of vacant positions at all of its shops on its website.

"We will do anything we can to find employment for them," Doerr said.

Whitley County Judge-executive Pat White, Jr. said while there has been a lot of positive news on the economic front in Whitley County, the loss of these 180 jobs will have a significant impact on the local economy.

"Obviously, this is heartbreaking news," White said. "Those are the types of jobs where you can raise a family and have some discretionary income that can have a positive impact on a community."

White said the downturn in the coal industry is being felt all over eastern Kentucky. However, with the Tri-county area

becoming more diverse, the impact is being lessened.

"You are starting to see all over eastern Kentucky the decline of coal's impact on the economy and increase of tourist impact on the economic," White said, citing Keeneland as an example.

"Keeneland will be a big project for our region that will be in tune with that trend."

Corbin Economic Development Director Bruce Carpenter said the region has suffered some serious economic losses in the past, pointing to the closing of Tremco in Barbourville, American Greeting Card in Corbin, but the loss of this facility and these jobs is one of the hardest to accept.

"This is very devastating for everyone, especially the families involved," Carpenter said.

Carpenter added, that various workforce development agencies along with the Kentucky Career Center are taking action to help the affected employees, whether through job training, education, or in finding new job opportunities.

State Representative Regina Bunch, R-Williamsburg, said this is the result of President Barack Obama's efforts to destroy the coal industry.

"Because coal production has been greatly reduced in large measure by the war on coal, that means companies like CSX have less product to haul to market," Bunch stated.

Jack Mazurak, communications director for the Kentucky Cabinet for Economic Development, said the various state agencies will be working to assist the affected employees in any manner possible.

"The Cabinet for Economic Development continues to work to grow the number and diversity of good jobs in the area, and we will aggressively pursue any and all other opportunities," Mazurak stated.

Congressman Harold "Hal" Rogers, R-Ky., offered is thoughts and prayers for the families impacted by the layoffs.

"This is a truly heartbreaking loss for Corbin and the surrounding area," Rogers, said noting he will continue to push for regulatory relief in Washington in an attempt kick start the coal industry.

Hall said it is part of the painful effort the area must go through in order to shift away from an economy centered around coal production.

"The coal industry is not coming back anytime soon," Hall said. "Losing these jobs will be devastating to not only ours, but the surrounding counties as well. Sometimes you have to get in survival mode just to keep jobs here. Trying to hold your own is tough in today's economy. That's why we'll continually strive to find jobs for our people."

All fields but Phone Number are required to submit a comment, but contact information is for internal communication only.

# Weekly freight traffic, intermodal volume drops

Written by Carolina Worrell, Managing Editor



For the week ending Oct. 24, 2015, total U.S. rail traffic was 553,144 carloads and intermodal units, down 5.6% compared with the same week in 2014, the Association of American Railroads (AAR) reported on Oct. 28, 2015.

Total carloads for the week were 284,523 carloads, down 7.4% compared with the same week in 2014, while U.S. weekly intermodal volume was 268,621 containers and trailers, down 3.7% compared to 2014.

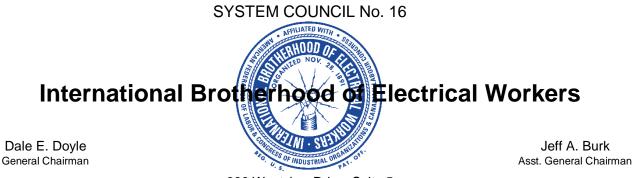
Three of the 10 carload commodity groups posted an increase compared with the same week in 2014. They are: grain, up 13% to 25,301 carloads; motor vehicles and parts, up 9.9% to 18,984; and miscellaneous carloads, up 2.6% to 8,972. Commodity groups that posted decreases compared with the same week in 2014 included: petroleum and petroleum products, down 21.7% to 13,273 carloads; metallic ores and metals, down 18.5% to 21,759 carloads; and coal, down 12.7% to 100,829 carloads.

For the first 42 weeks of 2015, U.S. railroads reported cumulative volume of 11,725,829 carloads, down 4.5% from the same point last year; and 11,236,197 intermodal units, up 2.2% from last year. Total combined U.S. traffic for the first 42 weeks of 2015 was 22,962,026 carloads and intermodal units, a decrease of 1.3% compared to last year.

North American rail volume for the week ending Oct. 24, 2015 on 13 reporting U.S., Canadian and Mexican railroads totaled 374,774 carloads, down 9.6% compared with the same week last year, and 340,848 intermodal units, down 2.7% compared with last year. Total combined weekly rail traffic in North America was 715,622 carloads and intermodal units, down 6.4%. North American rail volume for the first 42 weeks of 2015 was 29,895,549 carloads and intermodal units, down 1.1% compared with 2014.

Canadian railroads reported 74,282 carloads for the week, down 18.1%, and 61,388 intermodal units, up 3.6% compared with the same week in 2014. For the first 42 weeks of 2015, Canadian railroads reported cumulative rail traffic volume of 5,784,017 carloads, containers and trailers, down 0.6%.

Mexican railroads reported 15,969 carloads for the week, down 3.7% compared with the same week last year, and 10,839 intermodal units, down 10.2%. Cumulative volume on Mexican railroads for the first 42 weeks of 2015 was 1,149,506 carloads and intermodal containers and trailers, up 1.7% from the same point last year.



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Darrell Patterson

Asst. General Chairman

Jeff Allred

Asst. General Chairman

January 27, 2016

# FOURTH QUARTER REPORT, 2015 SYSTEM COUNCIL NO 16 OF THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS

Brothers and Sisters:

We wish each of you the very best for 2016.

This past quarter, Local 778 President/Local Chairman Jeff Allred was retained as an Assistant to the Council staff. Jeff has served the Local for several years diligently, and as the Local has jurisdiction over our members in the Communication, Engineering and Mechanical Departments on the BNSF property, Jeff has an expanded knowledge of those Agreements and the work performed in connection therewith. Jeff accepted the position willingly and is eager to assist our members. He will be an asset to this office.

January of each year, most carriers post seniority rosters. I urge all Local Officers to review the rosters for accuracy and omissions and Financial Secretaries to assure all are in compliance with the Union Shop Agreements. If you need any assistance or have any questions, please do not hesitate to contact this office.

National Negotiations continue, although very slow under the direction of three Federal Mediators. Director Bohne has been providing thorough updates to the Locals. Rail traffic continues to slow. Attached is a copy of the Railway Age January 14, 2016 Carload Report.

There have been some significant issues affecting our members' benefits. The Locals have been advised by Director Bohne, however due to the significance of these issues, it is worth discussing at this time. One of the issues includes the sixty (60) day time limit for applying for the Aetna Supplemental Sickness benefits.

Our Business - Representation & Service

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There have been some issues with Locals concerning the filing of the Railroad Retirement Withholding Tax Form, (Form OE-1A) to the International office. There is information on the Council website concerning the OE-1A under the Information Depot section.

There has also been a second issue concerning Railroad Retirement relative to Locals paying officers after retirement. A copy of Director Bohne's emails concerning these matters is attached for your easy reference.

There is one very important issue that I would like to remind all of our members. The use of alcohol and or drugs in the Railroad Industry is a very serious issue and if it is found in your system as a result of a test, there will be consequences.

The Council staff has received information or conducted business on the following Carriers concerning our members under the jurisdiction of this office:

# Belt Railway Company of Chicago:

No news to report.

# CN which includes properties CCP/DMIR/DWP/EJE/IC and WC:

We have been working on agreements with the Carrier to allow for our members in the Telecommunication Department to work with members of the Signal Department for the installation of the PTC equipment. The purpose is to eliminate the use of contractors on the property. We are also working on an Agreement on the DMIR property to update the Discipline Rule and for the IRS mileage allowance for use of personal vehicles for company business.

We have settled at least two claims on the property and have two discipline cases ready to submit to a board for adjudication.

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We understand that there is a need for an Electrician at the Escanaba, Michigan Ore Docks on the property. If you have an interest, please notify this office and we will check to ascertain if the position remains available.

# CP/Soo:

Awards have been rendered on four discipline cases submitted to a board for adjudication. The members and Locals have been notified of the results. We are handling one additional discipline case at this time.

Earlier this month we were advised that a newly hired Electrician at the St. Paul Locomotive Shop was furloughed. We are advised that the Carrier is storing locomotive as business slows.

We met with the Carrier in early December to discuss Local issues and have reached agreement on two issues concerning our members. Approval was recently received from the International and upon execution of the Agreements, final copies will be provided to our Locals and members.

The bargaining coalition met on December 15<sup>th</sup> to discuss the Section Six Notices and have scheduled to meet again in February.

# Gary Railroad Company:

There have been no meetings scheduled to discuss the outstanding Section Six Notices.

Vice Chairman Klecka assisted with a discipline hearing on the property.

# Lake Superior and Ishpeming Company:

We have a February date scheduled to discuss Section Six Notices.

Fourth Quarter Report January 27, 2016 Page Four

# NICTD:

Vice Chairman Klecka is scheduling a visit on the property to discuss recent outsourcing.

# Paducah and Louisville Railway Company:

We are working to complete the codification of the Labor Agreement as required by the August 31, 2015 Agreement. The project should be completed the first quarter of 2016. This is taking an extended period due to retirement of two of the parties involved.

# **Evansville and Western Railroad:**

We reached an Agreement on this property. The Agreement has been approved and executed.

If we have any members who may be interested in a position on this property, please contact this office.

# Montana Rail Link:

Section Six Notices can be served on or about April 1, 2016. A letter has been submitted to our members soliciting their input. Our coalition is scheduled to meet in late March to discuss and formulate our movement on this property.

A hearing to adjudicate a discipline case was held in mid-November. The Neutral rendered a decision and the Local and member were notified of the decision.

# **BNSF** Railway Company:

There have been a few awards rendered on discipline cases and the members and Locals notified of the decisions.

Fourth Quarter Report January 27, 2016 Page Five

We have been working on several issues relative to our demands outlined in Attachment D of the National Section Six Notices and hope to have resolution on a number of issues soon.

There continues to be reports of problems in the coal and oil industry, with bankruptcy of coal companies and oil prices plummeting. BNSF mechanical management has advised they are looking to do as much work as they can on the property to keep from reducing forces as locomotives are placed in storage.

Aside from the articles previously mentioned, please find attached the Council Financial and Staff Travel Reports.

Respectfully and fraternally submitted,

Dale E. Doyle General Chairman

DED/aj

Attachments

### Dale Doyle's Travel Fourth Quarter 2015 :

- October 5-9, 2015 Myrtle Beach, SC Rail Dept Meeting
- October 12, 2015 Minneapolis, MN CP Section 6 Negotiations
- October 14, 2015 Hastings, MN CP General Chairmen's Meeting
- October 22, 2015 Proctor, MN Local 366 Monthly Meeting
- October 28, 2015 St. Paul, MN Local 886 Investigation
- November 4, 2015 Proctor, MN Local 366 Investigation
- November 10-12, 2015 Paducah, KY Evansville & Western Section 6
- November 17-18, 2015 Reno, NV Local 152, PLB Hearing
- December 1, 2015 St. Paul, MN Local 886 Meeting
- December 3, 2015 Minneapolis, MN Local 506 Meeting
- December 8-9, 2015 Washington, DC National Negotiations
- December 11, 2015 Minneapolis, MN CP/SOO Section 6 Local Issues
- December 15, 2015 Minneapolis, MN CP/SOO Section 6 Coalition

### Mark Klecka's Travel Fourth Quarter 2015:

- October 15-16, 2015 Kansas City, KS CRF Meeting
- November 4-5, 2015 Lincoln, NE Investigation
- December 7-8, 2015 Chicago/Homewood, IL Investigation and Agreement Discussion

### Jeff Burk's Travel Fourth Quarter 2015:

October 5-7, 2015 – Myrtle Beach, SC – IBEW Railroad Conference

October 26-29, 2015 – Springfield, MO – Worked with AGC Jeff Allred to setup his office

- November 3-5, 2015 Fort Worth, TX BNSF SACP Meetings
- November 10, 2015 Temple, TX IBEW Local 418 Meeting
- December 15, 2015 Minneapolis, MN CP/SOO Negotiations
- December 16, 2015 Hastings, MN Work at Office

### Darrell Patterson's Travel Fourth Quarter 2015:

- October 5-9, 2015 Myrtle Beach, SC IBEW RR Conference
- October 19-21, 2015 Kansas City, KS BNSF Safe Align Meetings
- November 2-6, 2015 Fort Worth, TX BNSF SACP/Safe Align Meetings
- November 12, 2015 Kansas City, KS Local 866 Meeting
- November 18, 2015 Topeka, KS Local 959 Meeting
- November 19, 2015 Overland Park, KS BNSF TTC Meeting
- December 10, 2015 Kansas City, KS Local 866 Meeting

### Jeff Allred's Travel Fourth Quarter 2015:

November 2-6, 2015 - Fort Worth, TX - BNSF SACP

November 9-12, 2015 – Memphis, TN and Birmingham, AL – Local Meetings and Memphis LAT.

November 18-19, 2015 – Tulsa, Ok – Local Officer Training

December 1-2, 2015 - Tulsa, OK - Local 778 Meeting

### Important Notice Regarding 60 Day Filing Time Limit for Aetna Supplemental Sickness Benefits

Brothers and Sisters,

Over the last few months I have had many appeals sent to me for our members filing late for their Aetna Supplemental Sickness Benefits and having their claims for benefits denied. All have different excuses as to why they did not file within the 60 day time limit, however many members also claim that they filed late because they weren't aware that this Aetna Supplemental Sickness benefit even existed. While we are successful in having some claim denials overturned, it is very difficult to have done and the instances of that are few and far between.

Please share this email and the attachment with your members by distributing it to them and posting it on workplace bulletin boards. We want to make certain your members receive the benefits they are rightfully entitled to. If you have any questions pertaining to the foregoing, please don't hesitate to contact me.

Fraternally,

Bill Bohné, Jr. Director – IBEW Railroad Department 202-728-6016

# AETNA SUPPLEMENTAL SICKNESS BENEFITS IMPORTANT FILING INSTRUCTIONS 60 DAY TIME LIMIT

### **Brothers and Sisters,**

In addition to being entitled to Railroad Retirement Sickness Benefits when you go off sick or injured from work, you are also entitled to <u>AETNA Supplemental Sickness Benefits</u>. These benefits must be filed for separately from Railroad Retirement Sickness benefits, by you, within 60 days of your last day of work. In spite of the filing time limit being raised from 20 days to 60 days, we still have members filing late for these benefits. If you file late, your claim will be denied, and it is quite difficult, if not impossible, to have these denials overturned. So please follow the following instructions!

• The easiest ways to file your claims are over the telephone by calling 1-800-205-7651, or to file a claim on-line go to <u>https://www.wkabsystem.com</u> (you will have to register online at this site to do this).

• The notice of claim must be given within 60 days of the start of disability. The start of disability is the first full day of Total Disability after you stop rendering compensated service for your employing railroad. If you are unable to provide notice within 60 days due to a serious mental or physical injury or illness, you must provide notice of disability to Aetna as soon as improvement of that condition permits, submitted to Aetna Disability-Workability, P.O. Box 14560, Lexington, KY 40512-4560.

### Late Filed Claims

If you do not submit your notice of claim within the prescribed 60-day period, or as soon as improvement of your serious mental or physical condition permits if you are unable to provide notice within 60 days due to that condition, your claim will be denied regardless of your reason for failing to meet the deadline.

### **Enforcement of Time Limits**

Please do not jeopardize your benefits. Make sure you submit your notice of claim to Aetna within 60 days after your disability begins.

**IBEW Railroad Department 12-22-2015** 

#### Railroad Retirement Tax OE-1a Reporting Forms

Brothers and Sisters,

Since this is going out to Railroad Local Union Presidents and Local Chairmen, you will have to share this with the person in your Local who is responsible for filing the Railroad Retirement Withholding Tax reporting form, the OE-1a form, to the International Office, either your Financial Secretary or Treasurer.

It has been brought to my attention by the IBEW Accounting Department that some of our Railroad Local Unions are not filing OE-1a reports timely to this office or are filing incorrect reports, and some of are not filing at all. IR Al Russo has been reaching out to many of your Financial Secretaries and Treasurers, whomever handles these forms for your locals, and getting very little response if any at all.

While the above isn't an issue with most of you, I'm sending this to all RR Local Unions simply as a reminder of the importance of filing these forms and of responding to us when we reach out to you.

To the many of you who are filing timely and correctly, our sincere thanks to you and keep up the good work! To those of you who are not filing timely and/or correctly, please respond to Brother Russo so that we can help you rectify the issues and get your local on the right track. He can be reached at 202-728-6018.

Thanks for your help in this matter. If you have any questions pertaining to the foregoing, please don't hesitate to contact either IR Russo of myself.

Fraternally,

Bill Bohné, Jr. Director – IBEW Railroad Department 202-728-6016

### Retirement

Brothers and Sisters,

First, Happy New Year to you all. I hope you all enjoyed the holiday season ©

It has recently been brought to my attention that some local union officers are retiring from the railroad but continuing on as local union officers or representatives for some time, and receiving pay from their respective local unions. While it is OK for them to stay on as local representatives after retirement from their railroad positions, it is NOT OK for them to continue receiving pay from the local and Railroad Retirement credits for any months beyond their retirement from the railroad. When this happens the person is not entitled to RR annuity benefits for the months in which he/she is credited by the Local Union for Railroad Retirement purposes.

I am in the process of handling a case for a Local Union rep who retired from the railroad in 2013 and received 6 months of RR credit for work performed for the Local union in 2014 (it appears that he maintained his Local Union position until after the Local Union elections were held). I'm not certain how this will turn out yet, but he is at risk of losing 6 months of his retirement annuity.

Please keep this in mind when your Local Union officers or representatives decide to retire from their respective railroads. Any questions, please let me know.

Fraternally,

Bill Bohné, Jr. Director – IBEW Railroad Department 202-728-6016