



Brotherhood Railway Carmen Division

Transportation Communications International Union



Richard A. Johnson
General President

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November 14, 2007

To All Metra Employees Represented by Carmen Division/TCU

Dear Brothers and Sisters:

The current agreement expires December 31, 2007, at which time the parties would negotiate a new agreement covering whatever issues either side wishes to discuss. Two of the most important areas of concern to the members are wages and the cost of health insurance.

As you by now are aware, a collective bargaining agreement has been reached at the national level. As I advised, one of the main disputes was the employees contribution to the health care coverage. The contribution on the National Agreement was capped at \$200.00 per month for each employee. The proposal you have before you provides either no payment by employees and provides that Metra pay all health and welfare costs or a small contribution with a higher level of general wage increases.

After numerous months of discussions with the management of Metra concerning your collective bargaining agreement, the parties have tentatively agreed to a five-year agreement subject to your ratification. We have primarily been working on this due to the escalating costs of health care coverage in our country. Your current health care plan is no different; its costs are rising as sharply as all other health care plans. The cost of the premium for your health care insurance is now \$1108.34 per employee per month. This is equal to \$5.67 per hour per employee. Health care experts predict this cost will continue to increase from 13% to 20% per year for the next several years.

As a result of our discussions with Metra we have reached a tentative contract that would provide you with wage increases and a guarantee that you would not have to make any payment for your health coverage at least through December 31, 2012 if Option II was chosen. Option I allows for a small healthcare contribution but general wage increases at a higher rate. The negotiating committee emphasizes that Option I has a greater economic value in the long term.

The terms of this agreement would provide the following:

- The agreement would be for five (5) years, running through December 31, 2012.
- See Metra contract proposal fact sheet attached that shows the amount of increases in wages divided by the two options offered.

Option I will produce a .55¢ per hour increase in wages and an additional four (4) years of a .05¢ per hour increase paid into the TCU pension fund above Option II for carmen and .46¢ hour for cleaners. These are equal to the same amount of money in value over the life of this contract even though under Option I you pay a small amount each month for cost sharing on the health and welfare plans. This also means that if Option I is chosen, the next contract will be based on the higher amount of wages, i.e., for carmen \$28.85 versus \$28.30, or for cleaners \$24.79 versus \$24.33. The cost sharing amount of \$80.00 beginning January 1, 2011 will continue at \$80.00 until changed in the next round of negotiations.

When viewed in its entirety this contract provides wage increases and benefit improvements that will keep Metra employees at the top of industry standards. All of this is gained with no concessions at all on the part of the members.

Enclosed with this letter is a fact sheet, a TCU Pension Fund example, and a ballot for you to vote. If this proposal is not ratified by the members with this vote that will end the discussions. We will then simply serve Section 6 notices. I urge you to consider the total benefits of the wage package and the fact you will not have to pay towards your health and benefits coverage if Option II is chosen.

Ballots must be received by Wednesday, November 28, 2007.

With best wishes, I remain

Fraternally yours,



General President

RAJ/sjm
enclosures

cc: R. A. Scardelletti
J. P. Condo
R. H. Grygiel

TCU PENSION FUND
Calculation of Age 65 Monthly Benefit under Option 1

| <u>Effective</u> | <u>Date</u> | <u>Metra Hourly Cont.</u> | <u>Accrued Mo. Benefit</u> | <u>Total Mo. Benefit at age 65</u> |
|------------------|-------------|---------------------------|----------------------------|------------------------------------|
| 1999 | 7/1 | \$0.15 | \$13.06 | |
| 2000 | | \$0.15 | \$13.06 | |
| 2001 | 7/1 | \$0.30 | \$19.57 | |
| 2002 | | \$0.30 | \$26.09 | |
| 2003 | 7/1 | \$0.35 | \$28.27 | |
| 2004 | 7/1 | \$0.40 | \$32.61 | \$132.68 |
| 2005 | 7/1 | \$0.45 | \$36.98 | \$169.64 |
| 2006 | 7/1 | \$0.50 | \$33.25 | \$202.89 |
| 2007 | 7/1 | \$0.55 | \$26.25 | \$229.14 |
| 2008 | | \$0.55 | \$27.50 | \$256.64 |
| 2009 | 1/1 | \$0.65 | \$32.50 | \$289.14 |
| 2010 | 1/1 | \$0.75 | \$37.50 | \$326.64 |
| 2011 | 1/1 | \$0.85 | \$42.50 | \$369.14 |
| 2012 | 1/1 | \$0.95 | \$47.50 | \$416.64 |
| 2013 | 1/1 | \$1.00 | \$50.00 | \$466.64 |

These are estimated numbers. Final calculations will be done by Plan Actuaries

- Rules Changes:**
- 3 Consecutive work days off for bereavement, with leave to start within 10 days of death.
 - A second week of vacation can be split into single days of vacation (one week currently.)
 - Unused split vacation days can be added to employee's sick bank
 - Payout of banked sick days to employee's beneficiary in the event of death.