

MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING is made by and between TRANSPORT WORKERS UNION, AFL-CIO and TRANSPORT WORKERS UNION LOCAL 100, AFL-CIO (hereinafter "LOCAL 100" or the "UNION") and the NEW YORK CITY TRANSIT AUTHORITY (hereinafter "NYCT" or the "AUTHORITY") and the MANHATTAN AND BRONX SURFACE TRANSIT OPERATING AUTHORITY (hereinafter "MaBSTOA" or the "OPERATING AUTHORITY")(both of which hereinafter referred to as the "AUTHORITIES"):

It is mutually agreed that the collective bargaining agreement between the UNION and the AUTHORITIES shall be amended further as follows¹:

1. TERM:

On a non-precedential basis, this Agreement shall continue in full force and effect from January 16, 2012 through January 15, 2017.

2. GENERAL WAGE INCREASES²:

The wage rates for hourly and clerical employees represented by the UNION shall be increased as follows:

Effective Date(s):	Increase
January 16, 2012	1.0%
January 16, 2013	1.0%
January 16, 2014	2.0%
January 16, 2015	2.0%
January 16, 2016	2.0%

The wage increases shall be effective on the dates listed above and full retroactive pay shall be made promptly.

3. RAILROAD COMMUTATION PASS

Employees who reside outside of the five (5) boroughs of New York City, as filed with the AUTHORITIES for tax purposes, will be entitled to either the Metro North Railroad or the Long Island Rail Road pass for commutation. In addition, Local 100 members will be entitled to use their EPIC Pass on SIRTOA. All existing rules and regulations applicable

¹ Approval is required by LOCAL 100's Executive Board and ratification by LOCAL 100's membership in addition to approval by the MTA Board.
² All overtime caps shall increase by 150% of the general wage increase.

to commutation passes shall apply. The MTA reserves the exclusive right to revoke the use of such pass, if abuse is established.

4. HEALTH BENEFITS

- a) All employees covered by this Agreement shall, on the first bi-weekly pay period on which the general wage increases above are implemented, contribute, on a pre-tax basis, 2.0% of their gross wages on forty (40) hours per week to defray the cost of Health Benefits and additional benefits as provided below. The parties agree that the increased contribution shall not be payable on any retroactive amounts. The parties also agree to utilize the existing labor-management health benefits committee to study and review the feasibility of the implementation of alternate health benefit delivery methods that will reduce the cost to provide the same level and quality of benefits that are currently enjoyed by active and retirees LOCAL 100 members and their dependents, or to provide improved benefits greater than those enjoyed by active and retired LOCAL 100 members and their dependents, at no additional cost to LOCAL 100 members and/or the AUTHORITIES.
- b) The AUTHORITIES shall maintain all existing Health Benefits for active employees as previously contractually required and, effective ninety (90) days after ratification, administration of the current dental benefits program will be transferred to and assumed by LOCAL 100 and on that date the AUTHORITIES will provide to a trust established by LOCAL 100, the first of a continuing series of monthly of twenty-six dollars and forty-eight cents (\$26.48) per active LOCAL 100 member per month for the provision of improved dental benefits.
- c) Effective ninety (90) days after ratification, administration of the current optical benefits program will be transferred to and assumed by a trust established by LOCAL 100, the first of a continuing series of monthly payments of (10) ten dollars and (67) sixty seven cents per month per active employee³ for the provision of an improved plan of optical benefits, which plan shall be comparable to the superior optical benefits currently covering MTA Metro North employees.
- d) In the event that the Union, in its discretion, determines to restore the provision of dental and optical benefits to the authorities, such

³ The aforementioned monthly optical benefit premium amount reflects the approximately \$1.5 million annual cost of the optical benefits plan as currently constituted, plus an additional amount equal to \$3.23 million per annum as estimate by the MTA to provide LOCAL 100 members with the optical plan that covers MTA Metro North Employees.

benefits, shall be provided at the level described in Addendum A for dental and the level currently enjoyed by Metro North employees for optical benefits. This option may be exercised only during 2014.

- e) The AUTHORITIES shall amend the current plan of health benefits to provide that pre-medicare surviving spouses of deceased future retirees shall receive the same medical benefits as active members up to the date that such surviving spouses attain medicare eligibility, at no cost to such surviving spouse. A future retiree is defined as an employee who retires after the date of ratification of this agreement. This benefit shall not apply in the event the surviving spouse or is otherwise entitled to health care insurance.
- f) The AUTHORITIES will increase the line of duty death benefit, currently \$100,000 to \$250,000.
- g) The AUTHORITIES shall increase the Active Service Member Death Benefit from the current \$5,000 to \$25,000, for employees who die while in active service (other than line-of-duty).
- h) In addition to any and all other leave entitlements, including, without limitation, FMLA and/or sick/vacation leave, employees shall, upon the birth of a child, be entitled to two (2) weeks fully paid Maternity/Paternity Leave, which shall be utilized prior to utilizing any other paid leave benefits.

5. WAGE PROGRESSION

Employees hired after ratification of this Agreement shall progress to top rate of pay according to the following schedule:

Except for Cleaners, newly hired workers in titles whose wage progression in prior agreements was 70%, 80%, 85%, will progress to top rate of pay as follows:

1 st year	70% of top rate
2 nd year	75% of top rate
3 rd year	80% of top rate
4 th year	85% of top rate
5 th year	90% of top rate

Cleaners will progress to top rate of pay as follows:

1 st year	60% of top rate ⁴
2 nd year	65% of top rate
3 rd year	70% of top rate
4 th year	80% of top rate
5 th year	90% of top rate

Newly hired workers in Maintainer titles whose wage progression in prior agreements was 92%, 94%, 96%, or 94%, 96%, 98%, will progress to top rate of pay as follows:

1 st year	85% of top rate
2 nd year	88% of top rate
3 rd year	91% of top rate
4 th year	94% of top rate
5 th year	97% of top rate

The parties acknowledge and agree that employees who are not currently at the top rate of pay will be grandfathered into the terms of the wage progression they were in when they were hired. The parties further agree that, in no event will an employee who is hired after the ratification of this Agreement remain on the progression scale for more than five (5) years.

The parties acknowledge and agree that the AUTHORITIES' current practice of offering a promotional exam concurrently with an open competitive exam, and the AUTHORITIES' practice of preferential hiring of LOCAL 100 members promotional applicants, will continue for the duration of this agreement, to the extent permitted by applicable law.

6. TRAINING & UPGRADE FUND/APPRENTICES

- a) The AUTHORITIES agree to continue to make monthly contributions to the Training and Upgrade Fund (TUF) in the amount of THREE HUNDRED FIFTY THOUSAND DOLLARS (\$350,000) for the duration of this Agreement. The parties have heretofore adopted a "Step Program" for those employees seeking Apprenticeship positions, who lack the educational qualifications required to enter the Apprenticeship Program. Under such Step Program, individuals have been and will continue to be paid their weekly wages (including FICA and pension contributions) by the AUTHORITIES, which amount shall be offset by the AUTHORITIES

⁴ 60% of top rate established prior to 2009.

in their contractual contributions, while said employees are released from duty to attend, on a full time basis for a period of up to six (6) months, a vocational school approved by the TUF. The TUF will provide opportunities for twenty (20) persons to avail themselves of this program in each year of this Agreement.

- b) The parties agree to the creation of a joint labor-management apprenticeship committee, which committee shall meet no later than ninety (90) days following the effective date of this Agreement. The members of the committee shall discuss and agree upon:
 - (a) changes, if any, which they determine should be made to the current TUF program; and
 - (b) the establishment of a bona fide joint labor management administered apprenticeship program that meets recognized industry standards. The committee members will issue a written report of its findings to the AUTHORITIES and LOCAL 100 not later than one hundred eighty (180) days following the effective date of this Agreement.

7. RELEASE TIME

All employees receiving full time paid leave time will have the option of working either forty (40) or forty-five (45) hours per week, and such employees will be paid in accordance with the terms of the contract language currently in effect in RTO.

8. WOMEN'S ISSUES

The AUTHORITIES recognize deficiencies in providing sanitary and accessible restroom facilities for female operators throughout the system. Within thirty (30) days of the execution of this Agreement, the parties will meet to formalize a process to identify such deficiencies and provide such facilities where needed. Under no circumstance will the identified deficiencies extend beyond six (6) months from the execution of this Agreement.

9. BUS PARTITIONS

- a) The AUTHORITIES agree that by no later than January 15, 2017 it will retrofit and install safety partitions on all fleet buses not having such partitions, with the exception of the fleet of MCI buses.
- b) Effective within ninety (90) days of the effective date of this Agreement, the AUTHORITIES will supply on each bus in

passenger service a DNA Kit such as those utilized in other major urban bus transportation systems.

10. EQUITY PAYMENT

The parties acknowledge and agree that Track Workers in the Trackworkers Specialist title should have been eligible, but were not previously eligible for Equity payments. Effective upon full and final ratification of this Agreement, all such employees in the Trackworker Specialist title will be eligible for Equity Fund payments in accordance with current language.

11. MTA BUS

Immediately following the execution of this Agreement, the parties will convene to negotiate and come to terms on a successor agreement for LOCAL 100 members at MTA Bus.

12. DEPARTMENTALS

The parties' further agreements concerning departmental issues, including without limitation the MOW Departmental Agreement which was agreed upon and signed in January 2012, will be implemented upon full and final ratification of this Agreement.

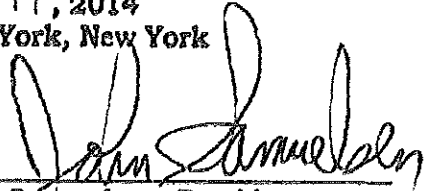
13. INTEGRATION

The parties agree that a committee will be formed consisting of two (2) members appointed by LOCAL 100 and two (2) members appointed by the AUTHORITIES within ninety (90) days of full and final ratification of this Agreement to finalize the integration of the parties' current collective bargaining agreement and side letter agreements and this Agreement.


IT IS AGREED BY AND BETWEEN THE PARTIES THAT ANY PROVISION OF THIS AGREEMENT REQUIRING LEGISLATIVE ACTION, WHETHER BY AMENDMENT OF LAW OR BY PROVIDING ADDITIONAL FUNDS THEREFORE, TO PERMIT ITS IMPLEMENTATION SHALL NOT BECOME EFFECTIVE UNTIL THE APPROPRIATE LEGISLATIVE BODY HAS GIVEN APPROVAL. IT IS FURTHER AGREED THAT THE PARTIES WILL JOINTLY SEEK SUCH APPROVAL WHERE REQUIRED.

IN WITNESS WHEREOF, the parties hereto set their hands and seals as of this 17th day of April, 2014.

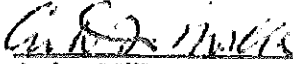
April 17, 2014
New York, New York



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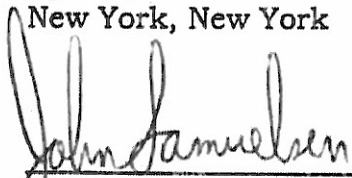
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SIDE LETTER AGREEMENT

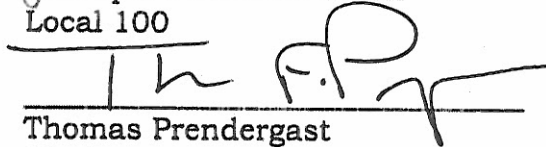
TRANSPORT WORKERS UNION LOCAL, AFL-CIO, TRANSPORT WORKERS UNION 100 ("LOCAL 100" or "UNION") and the NEW YORK CITY TRANSIT AUTHORITY ("NYCT" or "AUTHORITY") and the MANHATTAN AND BRONX SURFACE TRANSIT OPERATING AUTHORITY ("MaBSTOA" or the "OPERATING AUTHORITY") (both of which hereinafter referred to as the "AUTHORITIES") agree as follows:

1. In the interests of sound labor relations, upon ratification of the collective bargaining agreement between the UNION and the AUTHORITIES, the AUTHORITIES will contribute for each of the three remaining years of the collective bargaining agreement (without proration) TWO MILLION DOLLARS (\$2,000,000) to a trust established for permissible purposes. It is the express intent of the parties hereto that the amount to be contributed in total over the life of the collective bargaining agreement will be SIX MILLION DOLLARS (\$6,000,000) spread out over three (3) years.
2. In addition, and also in the interests of sound labor relations, commencing May 2014, the AUTHORITIES invoice monthly to the UNION amounts required to be remitted by LOCAL 100 for health insurance coverage provided to employees of LOCAL 100. Said invoices will reflect the premiums on the basis of the selections of said employees as transmitted to the AUTHORITIES for the previous month. Only those employees reported to the AUTHORITIES will be invoiced for payment by LOCAL 100. \$2.6 million dollars of previous premium payments will be hereby deemed paid in full.

April 17, 2014
New York, New York



John Samuelson, President
Transport Workers Union
Local 100



Thomas Prendergast
Chairman and CEO
Metropolitan Transportation
Authority