

**Sent:** July 19, 2018  
**Subject:** IBEW – NCCC “True-up” Arbitration

Sisters and Brothers,

As you all are aware, the hearing for the “True-up” arbitration was held on July 10<sup>th</sup>. General Chairman Jim Wisniski - System Council 2, General Chairman Tom Owens – System Council 6, General Chairman JJ Giuliano – System Council 9, and General Chairman Dale Doyle – System Council 16, along with International Representative Al Russo and I, were in attendance. The arbitration panel consisted of myself, Ken Gradia from the NCCC (railroads) and Neutral Member Arbitrator Josh Javits. The attached decision was rendered late Tuesday, and we are sending it to you now following our review.

Our attorney presented a compelling case for us before the arbitrator, and I testified before the Panel as a witness for the IBEW. Unfortunately the decision came down in favor of the railroads. Early in the process of getting the agreement ratified, we thought we had a good chance of winning the arbitration. After all, we continued negotiating in good faith following the initial rejection of the agreement by our members, and then went out and were successful in getting the agreement ratified. Also, at that time there was no precedent for a “true-up.” As the matter unfolded, two things occurred that hampered our chances of winning. First came the concession by the IBB to a negotiated “true-up.” That was followed about a month later by the arbitration decision in the BMW/SMART Mechanical arbitration, where not only did the arbitrator rule against their health care plan design proposal, but also ruled that their members had to pay a “true-up” of \$73.24 per month for each month until the health care changes were implemented on them – the period of February through May, 2018. In spite of these decisions, we continued to fight against the “true-up” for our members. Unfortunately, as you’ll see in the attached decision, the precedent set by these other three organizations weighed heavily in the arbitrator’s decision and was something that became impossible to overcome.

This brings to an end this round of bargaining. We’d like to thank our Local Union representatives and our members for your continued support during this long and arduous process. If you have any questions pertaining to the foregoing, please don’t hesitate to contact me.

Fraternally & in Solidarity,

Bill Bohné, Jr.  
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