The original documents are located in Box 19, folder "Intergovernmental Affairs - Meeting with Peter Schabarum, March 11, 1976" of the James M. Cannon Files at the Gerald R. Ford Presidential Library.

PETER SCHABARUM
Thursday, March 11, 1976
2:00 p.m.

THE WHITE HOUSE

WASHINGTON

March 5, 1976

MEMORANDUM FOR : JIM CONNOR

FROM : JIM CANNON

SUBJECT : Pete Schabarum's Letter to the President

I do not believe the President should become involved.

Schabarum is a trouble-maker and supports Reagan. He does not represent the views of the majority of the Los Angeles Council.

THE WHITE HOUSE

WASHINGTON

February 25, 1976

MEMORANDUM FOR: JUDITH HOPE
DAVID LISSY

FROM: JIM CONNOR

I'd appreciate it if you both could take a look at the attached material, check into the matter, and come back to me with a status report and/or recommendation as to appropriate action. Thanks.

encl.
Schabarum, LA, correspondence
re labor agreement under Section
13C of National Mass Transit Act of 1974

Pete Schabarum came in to see the President personally on this one. It is my understanding that the Department of Labor has established a master model contract for employees of transit districts which now has to be implemented before the transit districts qualify for Federal funds from the Urban Mass Transit Authority.

The net result of this is to impose New York City labor standards throughout the country and substantially increase the cost of doing business for all of these transit districts.

At the time that he was in, Schabarum indicated that there was an appeal pending at Labor, but now it looks as if Dunlop made a decision on January 29th, just before he left office, to shoot down their appeal and to insist upon master contract.

Have somebody check it out and get back to me as soon as possbile with an indication of what the current status is, and secondly, whether or not anything can be done about it.

I don't know whether Schabarum's claims are legitimate or not, but the fact of the matter is as he portrayed them, it sounded as though it was another example of the Federal requirement being levied on local units of government in a way that was fundamentally harmful to any drive they might have had for efficiency in cost reductions.

Attachment

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES
856 HALL OF ADMINISTRATION / LOS ANGELES, CALIFORNIA 90012

CHABARUM
RST DISTRICT

February 17, 1976

Honorable Gerald R. Ford
President of the United States
The White House
Washington, D. C. 20500

Dear Mr. President:

On January 14, you were gracious enough to grant me an appointment to discuss my deep concern over a labor agreement sponsored by Labor Secretary Dunlop in response to Section 13C of the National Mass Transit Act of 1974.

My understanding of your instructions to Mr. Richard Cheney were that he develop a report which you would review prior to White House intervention to modify provisions of this unfortunate agreement.

To my knowledge, no action has been taken to develop such a report.

On January 29, the Secretary of Labor ruled against the Southern California Rapid Transit District on its request for approval of a "modified" labor agreement.

Unfortunately, there is no reason to believe that the Department of Labor, even under its new management, will moderate from its position. The result will be the imposition of this National Labor Agreement on transit districts across the country.

This then, Mr. President, is a direct appeal for your personal intervention in this most important matter.

The financial solvency of our nation's transit districts requires national modification of this onerous agreement.

Sincerely yours,

ORIGINAL
SIGNED

PETE SCHABARUM
Supervisor, First District

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES
856 HALL OF ADMINISTRATION LOS ANGELES CALIFORNIA 90012

(213) 974-4111

PETER F. SCHABARUM
SUPERVISOR FIRST DISTRICT

February 17, 1976

Honorable Gerald R. Ford
President of the United States
The White House
Washington, D. C. 20500

Dear Mr. President:

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Sincerely yours,

Pete Schabarum

PETE SCHABARUM
Supervisor, First District

UMTA

THE WHITE HOUSE

WASHINGTON

February 27, 1976

MEMORANDUM FOR: JIM CONNOR

THROUGH: JIM CANNON

FROM: DAVID LISSY
JUDITH RICHARDS HOPE

SUBJECT: Pete Schabarum's Letter to the President

This problem has a long history. At the national level, Bill Coleman is concerned with Section 13c requirements and has briefly discussed this will Bill Usery.

The underlying problem is not only the model agreement but also the way the Department of Labor applies those provisions which condition acceptance of assistance under the Urban Mass Transportation Act upon protection of the interests of the employees affected by such assistance. Many experts feel the model agreement is not so bad, given what the law requires, and some believe that the model agreement has helped stop "leapfrogging" with each agreement going beyond the one before. There is also a sense that existence of the model agreement expedites the process considerably. One of the biggest complaints about the 13c process is that long after DOT has agreed to provide assistance, the funds are still tied up in the DOL approval process.

With respect to Schabarum's specific charges:

1. Schabarum does not speak for the Southern California Rapid Transit District: his position on that Board reflects the minority view. The majority of the Board, while seeking some exceptions from the model agreement, has never associated itself with Schabarum's position. The majority is now reported to be reasonably pleased with Dunlop's decisions while the union is not altogether happy with them.

2. Whatever the merits of Schabarum's views, our position has been that he cannot be treated as the legal spokesman for the Board when he is not. The Board is not appealing the Dunlop decision as far as we know.

3. We should also dispel any notion that Secretary Dunlop snuck this decision through as he walked out the door. In fact, we virtually insisted that he act because the matter had been dragging around the Department of Labor for too long.

Schabarum has already talked to numerous people at the White House. He talked to Dunlop in December and his staff had meetings with Dunlop's staff.

Schabarum is now scheduled to meet with Jim Cannon and Steve McConahey on March 11. His latest letter has received no reply pending that meeting.

We strongly recommend against any White House involvement in the specifics of the Southern California situation and certainly not unless the Board of the Transit District formally requests some review. On the other hand, it might be very helpful if the President were to ask Bill Coleman and Bill Usery to take a look at the problem on a national level and perhaps make recommendations for across the board changes.

Attachments

cc: Steve McConahey

THE WHITE HOUSE
WASHINGTON

From: Robert T. Hartmann

To: JIM CANNON

Date: March 10, 1976 **Time:** 5 p.m. a.m. p.m.

Per our telephone conversation.

Thank you.

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES
856 HALL OF ADMINISTRATION / LOS ANGELES, CALIFORNIA 90012

(213) 974-4111

PETER F. SCHABARUM
SUPERVISOR, FIRST DISTRICT

February 17, 1976

Honorable Gerald R. Ford
President of the United States
The White House
Washington, D. C. 20500

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Sincerely yours,

PETE SCHABARUM
Supervisor, First District

PS: blc

PETER F. SCHABARUM, Supervisor
Room 856, Hall of Administration
LOS ANGELES, CALIFORNIA 90012

NEPAL: WHERE THE
GODS ARE YOUNG
County Art Museum
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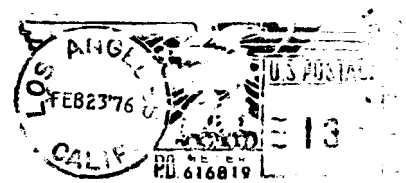

Mr. Robert Hartman
Special Assistant
The White House
Washington, D.C. 20500

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES
856 HALL OF ADMINISTRATION / LOS ANGELES, CALIFORNIA 90012

PETER F. SCHABARUM
SUPERVISOR FIRST DISTRICT

February 17, 1976

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President of the United States
The White House
Washington, D. C. 20500

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Sincerely yours,

ORIGINAL SIGNED

PETE SCHABARUM
Supervisor, First District

PS:blc

Schabarum, Peter

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES
856 HALL OF ADMINISTRATION / LOS ANGELES, CALIFORNIA 90012
(213) 974-1011

PETER F. SCHABARUM
SUPERVISOR FIRST DISTRICT

November 7, 1975

SPECIAL DELIVERY

The Honorable Robert Hartmann
Counsellor to the President
5001 Baltimore Avenue
Westgate, Washington D. C. 20016

Dear Counsellor Hartmann:

Attached are copies of Section 13(c) agreements to be pursued with the Secretary of Labor, hopefully with your help.

I would like to discuss them with you.

Time is ABSOLUTELY of the essence

Sincerely yours,

Peter F. Schabarum

PETE SCHABARUM
Supervisor, First District
County of Los Angeles

PS:le
Atts.

SOUTHERN CALIFORNIA
RAPID TRANSIT DISTRICT

1060 SOUTH BROADWAY • LOS ANGELES, CALIFORNIA 90015 • TELEPHONE (213) 749-6977

BYRON E. COOK, DIRECTOR & PRESIDENT

November 6, 1975

The Honorable John T. Dunlop
Secretary of Labor
Department of Labor
200 Constitution Avenue, N. W.
Washington, D. C.

Dear Mr. Secretary:

At its meeting of November 5, 1975, the Board of Directors of the Southern California Rapid Transit District adopted the APTA agreement executed July 23, 1975, with three modifications, covering our application for Federal operating funds for Federal fiscal years 1974/1975 and 1975/1976. The three modifications were as follows:

1. We have deleted the notice requirement of Paragraph 5(b). The District's Board of Directors felt that this requirement was unduly burdensome and would severely impair the District's right to direct its working forces, in that an existing line could not, for example, be moved one block without providing 60 days advance written notice to the union for the purposes of discussion and possible arbitration thereafter. It is further felt that the notice requirement in no way contributes to the protection of employees.

2. The protective period as set forth in Paragraph 7(a) and in Paragraph 14 has been modified so as to limit benefits to that period in which Federal operating funds are received. In addition, a provision has been added to limit the amount of benefits payable so as not to exceed the amount of Federal funding received during the term of the labor protective agreement. Our purpose in adding this language was to assure that labor protection benefits would be paid with Federal funds, the receipt of which gave rise to the requirement for such benefits.

3. Paragraph 12(e) was modified to delete the second method of determining when "change of residence" is required. The former language is completely unsuitable to the Southern California lifestyle, where

commuting distances in excess of 30 miles are common. The relocation of a District facility by as much as one block could give rise to a claim for relocation benefits in many instances should this language be allowed to remain.

Copies of the agreement, as modified, have been executed by the District and delivered to all of our unions. I feel confident that you will agree that all of the District employees are fully protected by this agreement as respects the receipt of UMTA Section 5 Federal operating funds.

We will keep you advised of all developments in this matter.

Respectfully,

Byron E. Cook

cc: The Honorable Robert E. Patricelli
Administrator
Urban Mass Transportation Administration
400 7th Street, S.W.
Washington, D.C. 20590

The Honorable James Falk
Associate Director
The White House
Washington, D.C.

This is Schedule "A" Alternative

Ideal w/Changes made 11/6/75 to APTA agreement

AGREEMENT PURSUANT TO SECTION 13(c) OF THE
URBAN MASS TRANSPORTATION ACT OF 1964, AS AMENDED

THIS AGREEMENT is made and entered into this _____ day of _____, 197__, by and between the SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT (RECIPIENT) and _____ (UNION).

WHEREAS, the Congress recognized in the National Mass Transportation Assistance Act of 1974 that the urban mass transportation industry required operating assistance to maintain service to the public, stimulate ridership and assist communities in meeting their overall development aims; and

WHEREAS, Sections 3(e)(4), 5(n)(1) and 13(c) of the Act require, as a condition of any such assistance, that suitable fair and equitable arrangements be made to protect urban mass transportation industry employees affected by such assistance; and

WHEREAS, the fundamental purpose and scope of this agreement is to establish such fair and equitable employee protective arrangements on a national and uniform basis for application throughout the urban mass transportation industry to those employees and employees represented by the labor organizations signatory hereto; and

WHEREAS, the Parties hereto have agreed upon the following arrangements as fair and equitable;

NOW, THEREFORE, it is agreed that the following terms and conditions shall apply and shall be specified in any contract governing such federal assistance to the Recipient:

(1)(a) The term "Project", as used in this agreement, shall not be limited to the particular facility, service, or operation assisted by federal funds, but shall include any changes, whether organizational, operational, technological, or otherwise, which are a result of the assistance provided.

(b) The phrase "as a result of the Project" shall, when used in this agreement, include events occurring in anticipation of, during, and subsequent to the Project and any program of efficiencies or economies related thereto; provided, however, that the following are not within the purview of this agreement:

1. Volume rises and falls of business, or changes in volume and character of employment brought about by causes other than the Project (including any economies or efficiencies unrelated to the Project);

2. Changes which are not a result of the Project but which grow out of the normal exercise of seniority rights occasioned by seasonal or other normal schedule changes and regular picking procedures under the applicable collective bargaining agreement;

3. Dismissal, displacement or change of residence brought about by the total or partial termination of the Project, discontinuance of Project services, exhaustion of Project funding, or total or partial termination of experimental service projects instituted by Recipient, including those set forth on attached Schedule "A" and such others as may be from time to time implemented by Recipient.

(2) The Project, as defined in paragraph (1), shall be performed and carried out in full compliance with the protective conditions described herein.

(3) All rights, privileges, and benefits (including pension rights and benefits) of employees covered by this agreement (including employees having already retired) under existing collective bargaining agreements or otherwise, or under any revision or renewal thereof, shall be preserved and continued; provided, however, that such rights, privileges and benefits which are not foreclosed from further bargaining under applicable law or contract may be modified by collective bargaining and agreement by the Recipient and the union involved to substitute other rights, privileges and benefits. Unless otherwise provided, nothing in this agreement shall be deemed to restrict any rights the Recipient may otherwise have to direct the working forces and manage its business as it deems best, in accordance with the applicable collective bargaining agreement.

(4) The collective bargaining rights of employees covered by this agreement, including the right to arbitrate labor disputes and to maintain union security and checkoff arrangements, as provided by applicable laws, policies and/or existing collective bargaining agreements, shall be preserved and continued.* Provided, however, that this provision shall not be interpreted so as to require the Recipient to retain any such rights which exist by virtue of a collective bargaining agreement after such agreement is no longer in effect.

The Recipient agrees that it will bargain collectively with the union or otherwise arrange for the continuation of collective bargaining, and that it will enter into agreement with the union or arrange for such agreements to be entered into, relative to all subjects which are or may be proper subjects of collective bargaining. If, at any time, applicable law or contracts permit or grant to employees covered by this agreement the right to utilize any economic measures, nothing in this agreement shall be deemed to foreclose the exercise of such right.

(5)(a) In the event the Recipient makes any change in the organization or operation of its system which may result in the dismissal or displacement of employees, or rearrangement of the working forces covered by this agreement, as a result of the Project, the procedure set forth in subparagraph (b) hereof shall apply; provided, however, that changes which are not a result of the Project, but which grow out of the normal exercise of seniority rights occasioned by seasonal or other normal schedule changes and regular picking procedures under the applicable collective bargaining agreement, shall not be considered within the purview of this agreement.

(b) At the request of either the Recipient or the representatives of the affected employees, negotiations for the purpose of reaching agreement with respect to application of the terms and conditions of this agreement shall commence immediately. These negotiations shall include determining and selection of forces from among the employees of other urban mass transportation employers who may be affected as a result of the Project, to establish which such employees shall be offered employment with the Recipient for which they are qualified or can be trained; not, however, in contravention of collective bargaining agreements relating thereto. If no agreement is reached within twenty (20) days from the commencement of negotiations, any party to the dispute may submit it to arbitration in accordance with the procedures contained in paragraph (15) hereof. In any such arbitration, final decision must be reached within sixty (60) days after selection or appointment of the neutral arbitrator. In any such arbitration, the terms of this agreement are to be interpreted and applied in favor of providing employee protections and benefits no less than those established pursuant to §5(2)(f) of the Interstate Commerce Act.

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* As an addendum to this agreement, there shall be attached where applicable the arbitration or other dispute settlement procedures or arrangements provided for in the existing collective bargaining agreements or any other existing agreements between the Recipient and the Union, subject to any changes in such agreements as may be agreed upon or determined by interest arbitration proceedings.

(6)(a) Whenever an employee, retained in service, recalled to service, or employed by the Recipient pursuant to paragraphs (5), (7)(e), or (18) hereof, is placed in a worse position with respect to rate of compensation as a result of the Project, he is considered a "displaced employee", and shall be paid a "displacement allowance" to be determined in accordance with subparagraph (b) of this section. Said displacement allowance shall be paid each displaced employee during the protective period following the date on which he is first "displaced", and shall continue during the protective period so long as the employee is unable, in the exercise of his seniority rights, to obtain a position producing compensation equal to or exceeding the compensation he received in the position from which he was displaced, adjusted to reflect subsequent general wage adjustments, including cost of living adjustments where provided for.

(b) The "displacement allowance" will be computed by subtracting the employee's present hourly rate of pay from the hourly rate of pay of the position from which he was displaced. The difference will be paid the employee during each normal payroll period for each hour he works or is otherwise compensated for. The amount of payment per hour will be recalculated in the event of general wage adjustments or cost of living adjustments which may occur during the "protective period".

(c) The displacement allowance shall cease prior to the expiration of the protective period in the event of the displaced employee's resignation, death, retirement, or dismissal for cause in accordance with any labor agreement applicable to his employment.

(7)(a) Whenever any employee is laid off or otherwise deprived of employment as a result of the Project, in accordance with any collective bargaining agreement applicable to his employment, he shall be considered a "dismissed employee" and shall be paid a monthly dismissal allowance to be determined in accordance with this paragraph. Said dismissal allowance shall first be paid each dismissed employee on the thirtieth (30th) day following the day on which he is "dismissed" and shall continue during the protective period, as follows:

Employee's length of service prior to adverse effect	Period of protection
1 day to 6 years	equivalent period
6 years or more	6 years

provided, however, that the protective period shall not exceed the period for which the District receives federal operating subsidy, and, provided further, that the total amount of benefits hereunder shall not exceed the total amount of federal operating funds received by the District during the term of this agreement.

The monthly dismissal allowance shall be computed by multiplying the employee's rate of pay at time of dismissal plus any "displacement allowance" being paid the employee pursuant to paragraph (6) by the hours of his normal work schedule during that month. Such allowance shall be adjusted to reflect subsequent general wage adjustments, including cost of living adjustments where provided for.

(b) An employee shall be regarded as deprived of employment and entitled to a dismissal allowance when the position he holds is abolished as a result of the Project, or when the position he holds is not abolished but he loses that position as a result of the exercise of seniority rights by an employee whose position is abolished as a result of the Project or as a result of the exercise of seniority rights by other employees brought about as a result of the Project, and he is unable to obtain another position, either by the exercise of his seniority rights, or through the Recipient, in accordance with subparagraph (e).

(c) Each employee receiving a dismissal allowance shall keep the Recipient informed as to his current address and the current name and address of any other person by whom he may be regularly employed, or if he is self-employed.

(d) The dismissal allowance shall be paid to the regularly assigned incumbent of the position abolished. If the position of an employee is abolished when he is absent from service, he will be entitled to the dismissal allowance when he is available for service. The employee temporarily filling said position at the time it was abolished will be given a dismissal allowance on the basis of that position, until the regular employee is available for service, and thereafter shall revert to his previous status and will be given the protections of the agreement in said position, if any are due him.

(e) An employee receiving a dismissal allowance shall be subject to call to return to service by his former employer after being notified in accordance with the terms of the then-existing collective bargaining agreement. Prior to such call to return to work by his employer, he may be required by the Recipient to accept reasonably comparable employment for which he is physically and mentally qualified, or for which he can become qualified after a reasonable traning or retraining period, provided it does not require a change in residence or infringe upon the employment rights of other employees under the then-existing collective bargaining agreements.

(f) When an employee who is receiving a dismissal allowance again commences employment in accordance with subparagraph (c) above, said allowance shall cease while he is so reemployed, and the period of time during which he is so reemployed shall be deducted from the total period for which he is entitled to receive a dismissal allowance. During the time of such reemployment, be shall be entitled to the protections of this agreement to the extent they are applicable.

(g) The dismissal allowance of any employee who is otherwise employed shall be reduced to the extent that his combined monthly earnings from such other employment or self-employment, any benefits received from any unemployment insurance law, and his dismissal allowance exceed the amount upon which his dismissal allowance is based. Such employee, or his union representative, and the Recipient shall agree upon a procedure by which the Recipient shall be kept currently informed of the earnings of such employee in employment other than with his former employer, including self-employment, and the benefits received.

(h) The dismissal allowance shall cease prior to the expiration of the protective period in the event of the failure of the employee without good cause to return to service in accordance with the applicable labor agreement, or to accept employment as provided under subparagraph (e) above, or in the event of his resignation, death, retirement, or dismissal for cause in accordance with any labor agreement applicable to his employment.

(i) A dismissed employee receiving a dismissal allowance shall actively seek and not refuse other employment offered him for which he is physically and mentally qualified and does not require a change in his place of residence. Failure of the dismissed employee to comply with this obligation shall be ground for discontinuance of his allowance.

(8) In determining length of service of a displaced or dismissed employee for purposes of this agreement, such employee shall be given full service credits in accordance with the records and labor agreements applicable to him and he shall be given additional service credits for each month in which he receives a dismissal or displacement allowance as if he were continuing to perform services in his former position. The additional service credits will not be included in the protective period as defined in paragraph (14).

(9) No employee shall be entitled to either a displacement or dismissal allowance under paragraphs (6) or (7) hereof because of the abolishment of a position to which, at some future time, he could have bid, been transferred, or promoted.

(10) No employee receiving a dismissal or displacement allowance shall be deprived, during his protected period, of any rights, privileges, or benefits attaching to his employment, including, without limitation, groupd life insurance, hospitalization and medical care, free transportation for himself and his family, sick leave, continued status and participation under any disability or retirement program, and such other employee benefits as Railroad Retirement, Social Security, Workman's Compensation, and unemployment compensation, as well as any other benefits to which he may be entitled under the same conditions and so long as such benefits continue to be accorded to other employees of the bargaining unit, in active service or furloughed as the case may be.

(11)(a) Any employee covered by this agreement who is retained in the service of his employer, or who is later restored to service after being entitled to receive a dismissal allowance, and who is required to change the point of his employment in order to retain or secure active employment with the Recipient in accordance with this agreement, and who is required to move his place of residence, shall be reimbusred for all expenses of moving his household and other personal effects, for the travelling expenses for himself and members of his immediate family, including living expense for himself and his immediate family, and for his own actual wage loss during the time necessary for such transfer and for a reasonable time thereafter, not to exceed five (5) working days. The exact extent of the responsibility of the Recipient under this paragraph, and the ways and means of transportation, shall be agreed upon in advance between the Recipient and the affected employee or his representatives.

(b) If any such employee is laid off within three (3) years after changing his point of employment in accordance with paragraph (a) hereof, and elects to move his place of residence back to his original point of employment, the Recipient shall assume the expenses, losses and costs of moving to the same extent provided in subparagraph (a) of this paragraph (11) and paragraph (12)(a) hereof.

(c) No claim for reimbursement shall be paid under the provisions of this paragraph unless such claim is presented to the Recipient within ninety (90) days after the date on which the expenses were incurred.

(d) Except as otherwise provided in subparagraph (b) changes in place of residence, subsequent to the initial changes as a result of the Project, which are not a result of the Project but grow out of the normal exercise of seniority rights, shall not be considered within the purview of this paragraph.

(12)(a) The following conditions shall apply to the extent they are applicable in each instance to any employee who is retained in the service of the employer (or who is later restored to service after being entitled to receive a dismissal allowance), who is required to change the point of his employment as a result of the Project, and is thereby required to move his place of residence.

If the employee owns his own home in the locality from which he is required to move, he shall, at his option, be reimbursed by the Recipient for any loss suffered in the sale of his home for less than its fair market value, plus conventional fees and closing costs, such loss to be paid within thirty (30) days of settlement or closing on the same of the home. In each case, the fair market value of the home in question shall be determined, as of a date sufficiently prior to the date of the Project, so as to be unaffected thereby. The Recipient shall, in each instance, be afforded an opportunity to purchase the home at such fair market value before it is sold by the employee to any other person and to reimburse the seller for his conventional fees and closing costs.

If the employee is under a contract to purchase his home, the Recipient shall protect him against loss under such contract, and in addition, shall relieve him from any further obligation thereunder.

If the employee holds an unexpired lease of a dwelling occupied by him as his home, the Recipient shall protect him from all loss and cost in securing the cancellation of said lease.

(b) No claim for loss shall be paid under the provisions of this paragraph unless such claim is presented to the Recipient within one year after the effective date of the change in residence.

(c) Should a controversy arise in respect to the value of the home, the loss sustained in its sale, the loss under a contract for purchase, loss and cost in securing termination of a lease, or any other question in connection with these matters, it shall be decided through a joint conference between the employee, or his union, and the Recipient. In the event they are unable to agree, the dispute or controversy may be referred by the Recipient or the union to a board of competent real estate appraisers selected in the following manner: one (1) to be selected by the representatives of the employee, and one (1) by the Recipient, and these two, if unable to agree within thirty (30) days upon the valuation, shall endeavor by agreement within ten (10) days thereafter to select a third appraiser or to agree to a method by which a third appraiser shall be selected, and failing such agreement, either party may request the State or local Board of Real Estate Commissioners to designate within ten (10) days a third appraiser, whose designation will be binding upon the parties and whose jurisdiction shall be limited to determination of the issues raised in this paragraph only. A decision of a majority of the appraisers shall be required and said decision shall be final, binding, and conclusive. The compensation and expenses of the neutral appraiser, including expenses of the appraisal board, shall be borne equally by the parties to the proceedings. All other expenses shall be paid by the party incurring them, including the compensation of the appraiser selected by such party.

(d) Except as otherwise provided in paragraph (11)(b) hereof, changes in place of residence, subsequent to the initial changes as a result of the Project, which are not a result of the Project but grow out of the normal exercise of seniority rights, shall not be considered within the purview of this paragraph.

(e) "Change in residence" means transfer to a work location which is outside a radius of twenty (20) miles of the employee's former work location and farther from his residence than was his former work location.

(13) A dismissed employee entitled to protection under this agreement may, at his option within twenty-one (21) days of his dismissal, resign and (in lieu of all other benefits and protections provided in this agreement) accept a lump sum payment computed in accordance with section (9) of the Washington Job Protection Agreement of May 1936:

Length of Service	Separation Allowance
1 year and less than 2 years	3 months' pay
2 " " " " 3 "	6 " "
3 " " " " 5 "	9 " "
5 " " " " 10 "	12 " "
10 " " " " 15 "	12 " "
15 " " over	12 " "

In the case of an employee with less than one year's service, five days' pay, computed by multiplying by 5 the normal daily earnings (including regularly scheduled overtime, but excluding other overtime payments) received by the employee in the position last occupied, for each month in which he performed service, will be paid as the lump sum.

(a) Length of service shall be computed as provided in Section 7(b) of the Washington Job Protection Agreement, as follows:

For the purposes of this agreement, the length of service of the employee shall be determined from the date he last acquired an employment status with the employing carrier and he shall be given credit for one month's service for each month in which he performed any service (in any capacity whatsoever) and twelve (12) such months shall be credited as one year's service. The employment status of an employee shall not be interrupted by furlough in instances where the employee has a right to and does return to service when called. In determining length of service of an employee acting as an officer or other official representative of an employee organization, he will be given credit for performing service while so engaged on leave of absence from the service of a carrier.

(b) One month's pay shall be computed by multiplying by 30 the normal daily earnings (including regularly scheduled overtime, but excluding other overtime payments) received by the employee in the position last occupied prior to time of his dismissal as a result of the Project.

(14) Whenever used herein, unless the context requires otherwise, the term "protective period" means that period of time during which a displaced or dismissed employee is to be provided protection hereunder and extends from the date on which an employee is displaced or dismissed to the expiration of four (4) years therefrom, provided, however, that the protective period for any particular employee during which he is entitled to receive the benefits of these provisions shall not continue for a longer period following the date he was displaced or dismissed than the employee's length of service, as shown by the records and labor agreements applicable to his employment prior to the date of his displacement or his dismissal; provided, however, that the protective period shall not exceed the period for which the District receives federal operating subsidy, and, provided further, that the total amount of benefits hereunder shall not exceed the total amount of federal operating funds received by the District during the term of this agreement.

(15)(a) In the event there arises any labor dispute with respect to the protection afforded by this agreement, or with respect to the interpretation, application or enforcement of the provisions of this agreement, not otherwise governed by Section (12)(c) hereof, the Labor-Management Relations Act, as amended, Railway Labor Act, as amended, or by impasse resolution provisions in a collective bargaining or protective agreement involving the Recipient and the union, which cannot be settled by the parties thereto within thirty (30) days after the dispute or controversy arises, it may be submitted

at the written request of the Recipient or the union to a board of arbitration to be selected as hereinafter provided. One arbitrator is to be chosen by each interested party, and the arbitrators thus selected shall endeavor to select a neutral arbitrator who shall serve as chairman. Each party shall appoint its arbitrator within five (5) days after notice of submission to arbitration has been given. Should the arbitrators selected by the parties be unable to agree upon the selection of the neutral arbitrator within ten (10) days after notice of submission to arbitration has been given, then the arbitrator selected by any party may request the American Arbitration Association to furnish, from among members of the National Academy of Arbitrators who are then available to serve, five (5) arbitrators from which the neutral arbitrator shall be selected. The arbitrators appointed by the parties, shall within five (5) days after the receipt of such list, determine by lot the order of elimination and thereafter each shall, in that order, alternately eliminate one name until only one name remains. The remaining person on the list shall be the neutral arbitrator. If any party fails to select its arbitrator within the prescribed time limit, the highest officer of the Union or of the Recipient or their nominees, as the case may be, shall be deemed to be the selected arbitrator, and the board of arbitration shall then function and its decision shall have the same force and effect as though all parties had selected their arbitrators. Unless otherwise provided, in the case of arbitration proceedings, under paragraph (5) of this agreement, the board of arbitration shall meet within fifteen (15) days after selection or appointment of the neutral arbitrator and shall render its decision within forty-five (45) days after the hearing of the dispute has been concluded and the record closed. The decision by majority vote of the arbitration board shall be final and binding as the decision of the arbitration board, except as provided in subparagraph (b) below. All the conditions of the agreement shall continue to be effective during the arbitration proceedings.

(b) In the case of any labor dispute otherwise covered by subparagraph (a) but involving multiple parties, or employees of urban mass transportation employers other than those of the Recipient, which cannot be settled by collective bargaining, such labor dispute may be submitted, at the written request of any of the parties to this agreement involved in the dispute, to a single arbitrator who is mutually acceptable to the parties. Failing mutual agreement within ten (10) days as to the selection of an arbitrator, any of the parties involved may request the American Arbitration Association to furnish an impartial arbitrator from among members of the National Academy of Arbitrators who is then available to serve. Unless otherwise provided, in the case of arbitration proceedings under paragraph (5) of this agreement, the arbitrator thus appointed shall convene the hearing within fifteen (15) days after his selection or appointment and shall render his decision within forty-five (45) days after the hearing of the dispute or controversy has been concluded and the record closed. The decision of the neutral arbitrator shall be final, binding, and conclusive upon all parties to the dispute. All the conditions of the agreement shall continue to be effective during the arbitration proceeding. Authority of the arbitrator shall be limited to the determination of the dispute arising out of the interpretation, application, or operation of the provisions of this agreement. The arbitrator shall not have any authority whatsovever to alter, amend, or modify any of the provisions of any collective bargaining agreement.

(c) The compensation and expenses of the neutral arbitrator, and any other jointly incurred expenses, shall be borne equally by the parties to the proceedings and all other expenses shall be paid by the party incurring them.

(d) In the event of any dispute as to whether or not a particular employee was affected by the Project, it shall be his obligation to identify the Project and specify the pertinent facts of the Project relied upon.

(e) Nothing in this agreement shall be construed to enlarge or limit the right of any party to utilize, upon the expiration of any collective bargaining agreement or otherwise, any economic measures which are not inconsistent or in conflict with applicable laws or this agreement.

(16) Nothing in this agreement shall be construed as depriving any employee of any rights or benefits which such employee may have under any existing job security or other protective conditions or arrangements by collective bargaining agreement or law where applicable, including P. L. 93-236, enacted January 2, 1974; provided that there shall be no duplication of benefits to any employees, and, provided further, that any benefit under the agreement shall be construed to include the conditions, responsibilities, and obligations accompanying such benefit.

(17) The Recipient shall be financially responsible for the application of these conditions and will make the necessary arrangements so that any employee affected as a result of the Project may file a claim through his union representative with the Recipient within sixty (60) days of the date he is terminated or laid off as a result of the Project, or within eighteen (18) months of the date his position with respect of his employment is otherwise worsened as a result of the Project; provided, in the latter case, if the events giving rise to the claim have occurred over an extended period, the 18-month limitation shall be measured from the last such event; provided, further, that no benefits shall be payable for any period prior to six (6) months from the date of the filing of the claim. Unless such claims are filed with the Recipient within said time limitations, the Recipient shall thereafter be relieved of all liabilities and obligations related to said claims. The Recipient will fully honor the claim, making appropriate payments, or will give notice to the claimant and his representative of the basis for denying or modifying such claim, giving reasons therefor. In the event the Recipient fails to honor such claim, the Union may invoke the following procedures for further joint investigation of the claim by giving notice in writing of its desire to pursue such procedures. Within ten (10) days from the receipt of such notice, the parties shall exchange such factual material as may be requested of them relevant to the disposition of the claim and shall jointly take such steps as may be necessary or desirable to obtain from any third party such additional factual material as may be relevant. In the event the claim is so rejected by the Recipient, the claim may be processed to arbitration as hereinabove provided by paragraph (15). Prior to the arbitration hearing, the parties shall exchange a list of intended witnesses. In conjunction with such proceedings, the impartial arbitrator shall have the power to subpoena witnesses upon the request of any party and to compel the production of documents and other information denied in the pre-arbitration period which is relevant to the disposition of the claim.

Nothing included herein as an obligation of the Recipient shall be construed to relieve any other urban mass transportation employer of the employees covered hereby of any obligations which it has under existing collective bargaining agreements, including but not limited to obligations arising from the benefits referred to in paragraph (10) hereof, nor make any such employer a third-party beneficiary of the Recipient's obligations contained herein, nor deprive the Recipient of any right of subrogation.

(18) During the employee's protective period, a dismissed employee shall, if he so requests, in writing, be granted priority of employment to fill any vacant position within the jurisdiction and control of the Recipient, reasonably comparable to that which he held when dismissed, for which he is, or by training or retraining can become, qualified; not, however, in contravention of collective bargaining agreements relating thereto. In the event such employee requests such training or re-training to fill such vacant position, the Recipient shall provide for such training or re-training at no cost to the employee. The employee shall be paid the salary or hourly rate provided for in the applicable collective bargaining agreement for such position, plus any displacement allowance to which he may be otherwise entitiled. If such dismissed employee who has made such request fails, without good cause, within ten (10) days to accept an offer of a position comparable to that which he held when dismissed for which he is qualified, or for which he has satisfactorily completed such training, he shall, effective at the expiration of such ten-day period, forfeit all rights and benefits under this agreement.

As between employees who request employment pursuant to this paragraph, the following order where applicable shall prevail in hiring such employees:

(a) Employees in the craft or class of the vacancy shall be given priority over employees without seniority in such craft or class;

(b) As between employees having seniority in the craft or class of the vacancy, the senior employees, based upon their service in that craft or class, as shown on the appropriate seniority roster, shall prevail over junior employees;

(c) As between employees not having seniority in the craft or class of the vacancy, the senior employees, based upon their service in the crafts or classes in which they do have seniority as shown on the appropriate seniority rosters, shall prevail over junior employees.

(19) This agreement shall be binding upon the successors and assigns of the parties hereto, and no provisions, terms, or obligations herein contained shall be affected, modified, altered, or changed in any respect whatsoever by reason of the arrangements made by or for the Recipient to manage and operate the system.

Any such person, enterprise, body, or agency, whether publicly- or privately-owned, which shall undertake the management or operation of the system, shall agree to be bound by the terms of this agreement and accept the responsibility for full performance of these conditions.

(20) The employees covered by this agreement shall continue to receive any applicable coverage under Social Security, Railroad Retirement, Workmen's Compensation, unemployment compensation, and the like. In no event shall these benefits be worsened as a result of the Project.

(21) In the event any provision of this agreement is held to be invalid, or otherwise unenforceable under the federal, State, or local law, in the context of a particular Project, the remaining provisions of this agreement shall not be affected and the invalid or unenforceable provision shall be renegotiated by the Recipient and the interested union representatives of the employees involved for purpose of adequate replacement under §13(c) of the Act. If such negotiation shall not result in mutually satisfactory agreement, any party may invoke the jurisdiction of the Secretary of Labor to determine substitute fair and equitable employee protective arrangements for application only to the particular Project, which shall be incorporated in this agreement only as applied to that Project, and any other appropriate action, remedy, or relief.

(22) The designated Recipient, as hereinabove defined, signatory hereto, shall be the sole provider of mass transportation services to the Project and such services shall be provided exclusively by employees of the Recipient covered by this agreement, in accordance with this agreement and any applicable collective bargaining agreement.

(23) If the Recipient shall have rearranged or adjusted its forces in anticipation of the Project, with the effect of depriving an employee of benefits to which he should be entitled under this agreement, the provisions of this agreement shall apply to such employee as of the date when he was so affected.

(24) Any labor organization which is the collective bargaining representative of employees of the Recipient may become a party to this agreement by serving written notice of its desire to do so upon the Unions, the Recipient and the Department of Labor within sixty (60) days of the date hereof. It shall become a party as of the date of the service of such notice upon all interested parties.

(25) This agreement shall be effective and be in full force and effect for the period from November 26, 1974, to and including June 30, 1981. This agreement shall be subject to revision by mutual agreement of the parties hereto at any time, but only after the serving of a sixty (60) days' notice by either party upon the other.

(26) In the event any project to which this agreement applied is approved for assistance under the Act, the foregoing terms and conditions shall be made part of the contract of assistance between the federal government and the Recipient or other applicant for federal funds; provided, however, that this agreement shall not merge into the contract of assistance but shall be independently binding and enforceable by and upon the parties thereto, in accordance with its terms, nor shall any other employee protective agreement nor any collective bargaining agreement merge into this agreement, but each shall be independently binding and enforceable by and upon the parties thereto, in accordance with its terms.

IN WITNESS WHEREOF, the parties hereto have executed this agreement by their duly authorized representatives.

SOUTHERN CALIFORNIA
RAPID TRANSIT DISTRICT

Date:_____ By_____
Jack R. Gilstrap, General Manager

APPROVED AS TO FORM:

_____
Richard T. Power, General Counsel

AMALGAMATED TRANSIT UNION, AFL-CIO

Date:_____ By_____

Title:_____

AGREEMENT PURSUANT TO SECTION 13(c) OF THE
URBAN MASS TRANSPORTATION ACT OF 1964, AS AMENDED

THIS AGREEMENT is made and entered into this _____ day of _____, 197__, by and between the SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT (RECIPIENT) and _____ (UNION).

WHEREAS, the Congress recognized in the National Mass Transportation Assistance Act of 1974 that the urban mass transportation industry required operating assistance to maintain service to the public, stimulate ridership and assist communities in meeting their overall development aims; and

WHEREAS, Sections 3(e)(4), 5(n)(1) and 13(c) of the Act require, as a condition of any such assistance, that suitable fair and equitable arrangements be made to protect urban mass transportation industry employees affected by such assistance; and

WHEREAS, the fundamental purpose and scope of this agreement is to establish such fair and equitable employee protective arrangements on a national and uniform basis for application throughout the urban mass transportation industry to those employers and employees represented by the labor organizations signatory hereto; and

WHEREAS, the Parties hereto have agreed upon the following arrangements as fair and equitable;

NOW, THEREFORE, it is agreed that the following terms and conditions shall apply and shall be specified in any contract governing such federal assistance to the Recipient:

(1) The term "Project", as used in this agreement, shall not be limited to the particular facility, service, or operation assisted by federal funds, but shall include any changes, whether organizational, operational, technological, or otherwise, which are a result of the assistance provided. The phrase "as a result of the Project" shall, when used in this agreement, include events occurring in anticipation of, during, and subsequent to the Project and any program of efficiencies or economies related thereto; provided, however, that volume rises and falls of business, or changes in volume and character of employment brought about by causes other than the Project (including any economies or efficiencies unrelated to the Project) are not within the purview of this agreement.

(2) The Project, as defined in paragraph (1), shall be performed and carried out in full compliance with the protective conditions described herein.

(3) All rights, privileges, and benefits (including pension rights and benefits) of employees covered by this agreement (including employees having already retired) under existing collective bargaining agreements or otherwise, or under any revision or renewal thereof, shall be preserved and continued; provided, however, that such rights, privileges and benefits which are not foreclosed from further bargaining under applicable law or contract may be modified by collective bargaining and agreement by the Recipient and the union involved to substitute other rights, privileges and benefits. Unless otherwise provided, nothing in this agreement shall be deemed to restrict any rights the Recipient may otherwise have to direct the working forces and manage its business as it deems best, in accordance with the applicable collective bargaining agreement.

(4) The collective bargaining rights of employees covered by this agreement, including the right to arbitrate labor disputes and to maintain union security and checkoff arrangements, as provided by applicable laws, policies and/or existing collective bargaining agreements, shall be preserved and continued. * Provided, however, that this provisions shall not be interpreted so as to require the Recipient to retain any such rights which exist by virtue of a collective bargaining agreement after such agreement is no longer in effect.

The Recipient agrees that it will bargain collectively with the union or otherwise arrange for the continuation of collective bargaining, and that it will enter into agreement with the union or arrange for such agreements to be entered into, relative to all subjects which are or may be proper subjects of collective bargaining. If, at any time, applicable law or contracts permit or grant to employees covered by this agreement the right to utilize any economic measures, nothing in this agreement shall be deemed to foreclose the exercise of such right.

(5)(a) In the event the Recipient makes any change in the organization or operation of its system which may result in the dismissal or displacement of employees, or rearrangement of the working forces covered by this agreement, as a result of the Project, the procedure set forth in subparagraph (b) hereof shall apply; provided, however, that changes which are not a result of the Project, but which grow out of the normal exercise of seniority rights occasioned by seasonal or other normal schedule changes and regular picking procedures under the applicable collective bargaining agreement, shall not be considered within the purview of this agreement.

(b) At the request of either the Recipient or the representatives of the affected employees, negotiations for the purpose of reaching agreement with respect to application of the terms and conditions of this agreement shall commence immediately. These negotiations shall include determining and selection of forces from among the employees of other urban mass transportation employers who may be affected as a result of the Project, to establish which such employees shall be offered employment with the Recipient for which they are qualified or can be trained; not, however, in contravention of collective bargaining agreements relating thereto. If no agreement is reached within twenty (20) days from the commencement of negotiations, any party to the dispute may submit it to arbitration in accordance with the procedures contained in paragraph (15) hereof. In any such arbitration, final decision must be reached within sixty (60) days after selection or appointment of the neutral arbitrator. In any such arbitration, the terms of this agreement are to be interpreted and applied in favor of providing employee protections and benefits no less than those established pursuant to §5(2)(f) of the Interstate Commerce Act.

(6)(a) Whenever an employee, retained in service, recalled to service, or employed by the Recipient pursuant to paragraphs (5), (7)(e), or (18) hereof, is placed in a worse position with respect to rate of compensation as a result of the Project, he is considered a "displaced employee", and shall be paid a "displacement allowance" to be determined in accordance with subparagraph (b) of this section. Said displacement allowance shall be paid each displaced employee during the protective period following the date on which he is first "displaced", and shall continue during the protective period so long as the employee is unable, in the exercise of his seniority rights,

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* As an addendum to this agreement, there shall be attached where applicable the arbitration or other dispute settlement procedures or arrangements provided for in the existing collective bargaining agreements or any other existing agreements between the Recipient and the Union, subject to any changes in such agreements as may be agreed upon or determined by interest arbitration proceedings.

to obtain a position producing compensation equal to or exceeding the compensation he received in the position from which he was displaced, adjusted to reflect subsequent general wage adjustments, including cost of living adjustments where provided for.

(b) The displacement allowance shall be a monthly allowance determined by computing the total compensation received by the employee, including vacation allowances and monthly compensation guarantees, and his total time paid for during the last twelve (12) months in which he performed compensated service more than fifty per centum of each such months, based upon his normal work schedule, immediately preceding the date of his displacement as a result of the Project, and by dividing separately the total compensation and the total time paid for by twelve, thereby producing the average monthly compensation and the average monthly time paid for. Such allowance shall be adjusted to reflect subsequent general wage adjustments, including cost of living adjustments where provided for. If the displaced employee's compensation in his current position is less in any month during his protective period than the aforesaid average compensation (adjusted to reflect subsequent general wage adjustments, including cost of living adjustments where provided for), he shall be paid the difference, less compensation for any time lost on account of voluntary absences to the extent that he is not available for service equivalent to his average monthly time, but he shall be compensated in addition thereto at the rate of the current position for any time worked in excess of the average monthly time paid for. If a displaced employee fails to exercise his seniority rights to secure another position to which he is entitled under the then existing collective bargaining agreement, and which carries a wage rate and compensation exceeding that of the position which he elects to retain, he shall thereafter be treated, for the purposes of this paragraph, as occupying the position he elects to decline.

(c) The displacement allowance shall cease prior to the expiration of the protective period in the event of the displaced employee's resignation, death, retirement, or dismissal for cause in accordance with any labor agreement applicable to his employment.

(7)(a) Whenever any employee is laid off or otherwise deprived of employment as a result of the Project, in accordance with any collective bargaining agreement applicable to his employment, he shall be considered a "dismissed employee" and shall be paid a monthly dismissal allowance to be determined in accordance with this paragraph. Said dismissal allowance shall first be paid each dismissed employee on the thirtieth (30th) day following the day on which he is "dismissed" and shall continue during the protective period, as follows:

Employee's length of service prior to adverse effect	Period of protection
1 day to 6 years	equivalent period
6 years or more	6 years

provided, however, that the protective period shall not exceed the period for which the District receives Federal operating subsidy in an amount equivalent to the cost of the benefits payable.

The monthly dismissal allowance shall be computed by multiplying the employee's rate of pay at time of dismissal plus any "displacement allowance" being paid the employee pursuant to paragraph (6) by the hours of his normal work schedule during that month. Such allowance shall be adjusted to reflect subsequent general wage adjustments, including cost of living adjustments where provided for.

(b) An employee shall be regarded as deprived of employment and entitled to a dismissal allowance when the position he holds is abolished as a result of the Project, or when the position he holds is not abolished but he loses that position as a result of the exercise of seniority rights by an employee whose position is abolished as a result of the Project or as a result of the exercise of seniority rights by other employees brought about as a result of the Project, and he is unable to obtain another position, either by the exercise of his seniority rights, or through the Recipient, in accordance with subparagraph (e).

(c) Each employee receiving a dismissal allowance shall keep the Recipient informed as to his current address and the current name and address of any other person by whom he may be regularly employed, or if he is self-employed.

(d) The dismissal allowance shall be paid to the regularly assigned incumbent of the position abolished. If the position of an employee is abolished when he is absent from service, he will be entitled to the dismissal allowance when he is available for service. The employee temporarily filling said position at the time it was abolished will be given a dismissal allowance on the basis of that position, until the regular employee is available for service, and thereafter shall revert to his previous status and will be given the protections of the agreement in said position, if any are due him.

(e) An employee receiving a dismissal allowance shall be subject to call to return to service by his former employer after being notified in accordance with the terms of the then-existing collective bargaining agreement. Prior to such call to return to work by his employer, he may be required by the Recipient to accept reasonably comparable employment for which he is physically and mentally qualified, or for which he can become qualified after a reasonable traning or retraining period, provided it does not require a change in residence or infringe upon the employment rights of other employees under the then-existing collective bargaining agreements.

(f) When an employee who is receiving a dismissal allowance again commences employment in accordance with subparagraph (c) above, said allowance shall cease while he is so reemployed, and the period of time during which he is so reemployed shall be deducted from the total period for which he is entitled to receive a dismissal allowance. During the time of such reemployment, he shall be entitled to the protections of this agreement to the extent they are applicable.

(g) The dismissal allowance of any employee who is otherwise employed shall be reduced to the extent that his combined monthly earnings from such other employment or self-employment, any benefits received from any unemployment insurance law, and his dismissal allowance exceed the amount upon which his dismissal allowance is based. Such employee, or his union representative, and the Recipient shall agree upon a procedure by which the Recipient shall be kept currently informed of the earnings of such employee in employment other than with his former employer, including self-employment, and the benefits received.

(h) The dismissal allowance shall cease prior to the expiration of the protective period in the event of the failure of the employee without good cause to return to service in accordance with the applicable labor agreement, or to accept employment as provided under subparagraph (e) above, or in the event of his resignation, death, retirement, or dismissal for cause in accordance with any labor agreement applicable to his employment.

(i) A dismissed employee receiving a dismissal allowance shall actively seek and not refuse other employment offered him for which he is physically and mentally qualified and does not require a change in his place of residence. Failure of the dismissed employee to comply with this obligation shall be grounds for discontinuance of his allowance; provided that said dismissal allowance shall not be discontinued until final determination is made either by agreement between the Recipient and the employee or his representative, or by final arbitration decision rendered in accordance with paragraph (15) of this agreement that such employee did not comply with this obligation.

(8) In determining length of service of a displaced or dismissed employee for purposes of this agreement, such employee shall be given full service credits in accordance with the records and labor agreements applicable to him and he shall be given additional service credits for each month in which he receives a dismissal or displacement allowance as if he were continuing to perform services in his former position. The additional service credits will not be included in the protective period as defined in paragraph (14).

(9) No employee shall be entitled to either a displacement or dismissal allowance under paragraphs (6) or (7) hereof because of the abolishment of a position to which, at some future time, he could have bid, been transferred, or promoted.

(10) No employee receiving a dismissal or displacement allowance shall be deprived, during his protected period, of any rights, privileges, or benefits attaching to his employment, including, without limitation, group life insurance, hospitalization and medical care, free transportation for himself and his family, sick leave, continued status and participation under any disability or retirement program, and such other employee benefits as Railroad Retirement, Social Security, Workman's Compensation, and unemployment compensation, as well as any other benefits to which he may be entitled under the same conditions and so long as such benefits continue to be accorded to other employees of the bargaining unit, in active service or furloughed as the case may be.

(11)(a) Any employee covered by this agreement who is retained in the service of his employer, or who is later restored to service after being entitled to receive a dismissal allowance, and who is required to change the point of his employment in order to retain or secure active employment with the Recipient in accordance with this agreement, and who is required to move his place of residence, shall be reimbusred for all expenses of moving his household and other personal effects, for the travelling expenses for himself and members of his immediate family, including living expense for himself and his immediate family, and for his own actual wage loss during the time necessary for such transfer and for a reasonable time thereafter, not to exceed five (5) working days. The exact extent of the responsibility of the Recipient under this paragraph, and the ways and means of transportation, shall be agreed upon in advance between the Recipient and the affected employee or his representatives.

(b) If any such employee is laid off within three (3) years after changing his point of employment in accordance with paragraph (a) hereof, and elects to move his place of residence back to his original point of employment, the Recipient shall assume the expenses, losses and costs of moving to the same extent provided in subparagraph (a) of this paragraph (11) and paragraph (12)(a) hereof.

(c) No claim for reimbursement shall be paid under the provisions of this paragraph unless such claim is presented to the Recipient within ninety (90) days after the date on which the expenses were incurred.

(d) Except as otherwise provided in subparagraph (b) changes in place of residence, subsequent to the initial changes as a result of the Project, which are not a result of the Project but grow out of the normal exercise of seniority rights, shall not be considered within the purview of this paragraph.

(12)(a) The following conditions shall apply to the extent they are applicable in each instance to any employee who is retained in the service of the employer (or who is later restored to service after being entitled to receive a dismissal allowance), who is required to change the point of his employment as a result of the Project, and is thereby required to move his place of residence.

If the employee owns his own home in the locality from which he is required to move, he shall, at his option, be reimbursed by the Recipient for any loss suffered in the sale of his home for less than its fair market value, plus conventional fees and closing costs, such loss to be paid within thirty (30) days of settlement or closing on the sale of the home. In each case, the fair market value of the home in question shall be determined, as of a date sufficiently prior to the date of the Project, so as to be unaffected thereby. The Recipient shall, in each instance, be afforded an opportunity to purchase the home at such fair market value before it is sold by the employee to any other person and to reimburse the seller for his conventional fees and closing costs.

If the employee is under a contract to purchase his home, the Recipient shall protect him against loss under such contract, and in addition, shall relieve him from any further obligation thereunder.

If the employee holds an unexpired lease of a dwelling occupied by him as his home, the Recipient shall protect him from all loss and cost in securing the cancellation of said lease.

(b) No claim for loss shall be paid under the provisions of this paragraph unless such claim is presented to the Recipient within one year after the effective date of the change in residence.

(c) Should a controversy arise in respect to the value of the home, the loss sustained in its sale, the loss under a contract for purchase, loss and cost in securing termination of a lease, or any other question in connection with these matters, it shall be decided through a joint conference between the employee, or his union, and the Recipient. In the event they are unable to agree, the dispute or controversy may be referred by the Recipient or the union to a board of competent real estate appraisers selected in the following manner: one (1) to be selected by the representatives of the employee, and one (1) by the Recipient, and these two, if unable to agree within thirty (30) days upon the valuation, shall endeavor by agreement within ten (10) days thereafter to select a third appraiser or to agree to a method by which a third appraiser shall be selected, and failing such agreement, either party may request the State or local Board of Real Estate Commissioners to designate within ten (10) days a third appraiser, whose designation will be binding upon the parties and whose jurisdiction shall be limited to determination of the issues raised in this paragraph only. A decision of a majority of the appraisers shall be required and said decision shall be final, binding, and conclusive. The compensation and expenses of the neutral appraiser, including expenses of the appraisal board, shall be borne equally by the parties to the proceedings. All other expenses shall be paid by the party incurring them, including the compensation of the appraiser selected by such party.

(d) Except as otherwise provided in paragraph (11)(b) hereof, changes in place of residence, subsequent to the initial changes as a result of the Project, which are not a result of the Project but grow out of the normal exercise of seniority rights, shall not be considered within the purview of this paragraph.

(e) "Change in residence" means transfer to a work location which is outside a radius of twenty (20) miles of the employee's former work location and farther from his residence than was his former work location.

(13) A dismissed employee entitled to protection under this agreement may, at his option within twenty-one (21) days of his dismissal, resign and (in lieu of all other benefits and protections provided in this agreement) accept a lump sum payment computed in accordance with section (9) of the Washington Job Protection Agreement of May 1936:

Length of Service	Separation Allowance
1 year and less than 2 years	3 months' pay
2 " " " " 3 "	6 " "
3 " " " " 5 "	9 " "
5 " " " " 10 "	12 " "
10 " " " " 15 "	12 " "
15 " " over	12 " "

In the case of an employee with less than one year's service, five days' pay, computed by multiplying by 5 the normal daily earnings (including regularly scheduled overtime, but excluding other overtime payments) received by the employee in the position last occupied, for each month in which he performed service, will be paid as the lump sum.

(a) Length of service shall be computed as provided in Section 7(b) of the Washington Job Protection Agreement, as follows:

For the purposes of this agreement, the length of service of the employee shall be determined from the date he last acquired an employment status with the employing carrier and he shall be given credit for one month's service for each month in which he performed any service (in any capacity whatsoever) and twelve (12) such months shall be credited as one year's service. The employment status of an employee shall not be interrupted by furlough in instances where the employee has a right to and does return to service when called. In determining length of service of an employee acting as an officer or other official representative of an employee organization, he will be given credit for performing service while so engaged on leave of absence from the service of a carrier.

(b) One month's pay shall be computed by multiplying by 30 the normal daily earnings (including regularly scheduled overtime, but excluding other overtime payments) received by the employee in the position last occupied prior to time of his dismissal as a result of the Project.

(14) Whenever used herein, unless the context requires otherwise, the term "protective period" means that period of time during which a displaced or dismissed employee is to be provided protection hereunder and extends from the date on which an employee is displaced or dismissed to the expiration of four (6) years therefrom, provided, however, that the protective period for any particular employee during which he is entitled to receive the benefits of these provisions shall not continue for a longer period following the date he was displaced or dismissed than the employee's length of service, as shown by the records and labor agreements applicable to his employment prior to the date of his displacement or his dismissal; provided, however, that the protective period shall not exceed the period for which the District receives federal operating subsidy, and, provided further, that the total amount of benefits hereunder shall not exceed the total amount of federal operating funds received by the District during the term of this agreement.

(15)(a) In the event there arises any labor dispute with respect to the protection afforded by this agreement, or with respect to the interpretation, application or enforcement of the provisions of this agreement, not otherwise governed by Section (12)(c) hereof, the Labor-Management Relations Act, as amended, Railway Labor Act, as amended, or by impasse resolution provisions in a collective bargaining or protective agreement involving the Recipient and the union, which cannot be settled by the parties thereto within thirty (30) days after the dispute or controversy arises, it may be submitted

at the written request of the Recipient or the union to a board of arbitration to be selected as hereinafter provided. One arbitrator is to be chosen by each interested party, and the arbitrators thus selected shall endeavor to select a neutral arbitrator who shall serve as chairman. Each party shall appoint its arbitrator within five (5) days after notice of submission to arbitration has been given. Should the arbitrators selected by the parties be unable to agree upon the selection of the neutral arbitrator within ten (10) days after notice of submission to arbitration has been given, then the arbitrator selected by any party may request the American Arbitration Association to furnish, from among members of the National Academy of Arbitrators who are then available to serve, five (5) arbitrators from which the neutral arbitrator shall be selected. The arbitrators appointed by the parties, shall within five (5) days after the receipt of such list, determine by lot the order of elimination and thereafter each shall, in that order, alternately eliminate one name until only one name remains. The remaining person on the list shall be the neutral arbitrator. If any party fails to select its arbitrator within the prescribed time limit, the highest officer of the Union or of the Recipient or their nominees, as the case may be, shall be deemed to be the selected arbitrator, and the board of arbitration shall then function and its decision shall have the same force and effect as though all parties had selected their arbitrators. Unless otherwise provided, in the case of arbitration proceedings, under paragraph (5) of this agreement, the board of arbitration shall meet within fifteen (15) days after selection or appointment of the neutral arbitrator and shall render its decision within forty-five (45) days after the hearing of the dispute has been concluded and the record closed. The decision by majority vote of the arbitration board shall be final and binding as the decision of the arbitration board, except as provided in subparagraph (b) below. All the conditions of the agreement shall continue to be effective during the arbitration proceedings.

(b) In the case of any labor dispute otherwise covered by subparagraph (a) but involving multiple parties, or employees of urban mass transportation employers other than those of the Recipient, which cannot be settled by collective bargaining, such labor dispute may be submitted, at the written request of any of the parties to this agreement involved in the dispute, to a single arbitrator who is mutually acceptable to the parties. Failing mutual agreement within ten (10) days as to the selection of an arbitrator, any of the parties involved may request the American Arbitration Association to furnish an impartial arbitrator from among members of the National Academy of Arbitrators who is then available to serve. Unless otherwise provided, in the case of arbitration proceedings under paragraph (5) of this agreement, the arbitrator thus appointed shall convene the hearing within fifteen (15) days after his selection or appointment and shall render his decision within forty-five (45) days after the hearing of the dispute or controversy has been concluded and the record closed. The decision of the neutral arbitrator shall be final, binding, and conclusive upon all parties to the dispute. All the conditions of the agreement shall continue to be effective during the arbitration proceeding. Authority of the arbitrator shall be limited to the determination of the dispute arising out of the interpretation, application, or operation of the provisions of this agreement. The arbitrator shall not have any authority whatsovever to alter, amend, or modify any of the provisions of any collective bargaining agreement.

(c) The compensation and expenses of the neutral arbitrator, and any other jointly incurred expenses, shall be borne equally by the parties to the proceedings and all other expenses shall be paid by the party incurring them.

(d) In the event of any dispute as to whether or not a particular employee was affected by the Project, it shall be his obligation to identify the Project and specify the pertinent facts of the Project relied upon. It shall then be the Recipient's burden to prove that factors other than the Project affected the employee. The claiming employee shall prevail if it is established that the Project had an effect upon the employee even if other factors may also have affected the employee (Hodgson's Affidavit in Civil Action No. 825-71).

(e) Nothing in this agreement shall be construed to enlarge or limit the right of any party to utilize, upon the expiration of any collective bargaining agreement or otherwise, any economic measures which are not inconsistent or in conflict with applicable laws or this agreement.

(16) Nothing in this agreement shall be construed as depriving any employee of any rights or benefits which such employee may have under any existing job security or other protective conditions or arrangements by collective bargaining agreement or law where applicable, including P. L. 93-236, enacted January 2, 1974; provided that there shall be no duplication of benefits to any employees, and, provided further, that any benefit under the agreement shall be construed to include the conditions, responsibilities, and obligations accompanying such benefit.

(17) The Recipient shall be financially responsible for the application of these conditions and will make the necessary arrangements so that any employee affected as a result of the Project may file a claim through his union representative with the Recipient within sixty (60) days of the date he is terminated or laid off as a result of the Project, or within eighteen (18) months of the date his position with respect of his employment is otherwise worsened as a result of the Project; provided, in the latter case, if the events giving rise to the claim have occurred over an extended period, the 18-month limitation shall be measured from the last such event; provided, further, that no benefits shall be payable for any period prior to six (6) months from the date of the filing of the claim. Unless such claims are filed with the Recipient within said time limitations, the Recipient shall thereafter be relieved of all liabilities and obligations related to said claims. The Recipient will fully honor the claim, making appropriate payments, or will give notice to the claimant and his representative of the basis for denying or modifying such claim, giving reasons therefor. In the event the Recipient fails to honor such claim, the Union may invoke the following procedures for further joint investigation of the claim by giving notice in writing of its desire to pursue such procedures. Within ten (10) days from the receipt of such notice, the parties shall exchange such factual material as may be requested of them relevant to the disposition of the claim and shall jointly take such steps as may be necessary or desirable to obtain from any third party such additional factual material as may be relevant. In the event the claim is so rejected by the Recipient, the claim may be processed to arbitration as hereinabove provided by paragraph (15). Prior to the arbitration hearing, the parties shall exchange a list of intended witnesses. In conjunction with such proceedings, the impartial arbitrator shall have the power to subpoena witnesses upon the request of any party and to compel the production of documents and other information denied in the pre-arbitration period which is relevant to the disposition of the claim.

Nothing included herein as an obligation of the Recipient shall be construed to relieve any other urban mass transportation employer of the employees covered hereby of any obligations which it has under existing collective bargaining agreements, including but not limited to obligations arising from the benefits referred to in paragraph (10) hereof, nor make any such employer a third-party beneficiary of the Recipient's obligations contained herein, nor deprive the Recipient of any right of subrogation.

(18) During the employee's protective period, a dismissed employee shall, if he so requests, in writing, be granted priority of employment to fill any vacant position within the jurisdiction and control of the Recipient, reasonably comparable to that which he held when dismissed, for which he is, or by training or retraining can become, qualified; not, however, in contravention of collective bargaining agreements relating thereto. In the event such employee requests such training or re-training to fill such vacant position, the Recipient shall provide for such training or re-training at no cost to the employee. The employee shall be paid the salary or hourly rate provided for in the applicable collective bargaining agreement for such position, plus any displacement allowance to which he may be otherwise entitiled. If such dismissed employee who has made such request fails, without good cause, within ten (10) days to accept an offer of a position comparable to that which he held when dismissed for which he is qualified, or for which he has satisfactorily completed such training, he shall, effective at the expiration of such ten-day period, forfeit all rights and benefits under this agreement.

As between employees who request employment pursuant to this paragraph, the following order where applicable shall prevail in hiring such employees:

(a) Employees in the craft or class of the vacancy shall be given priority over employees without seniority in such craft or class;

(b) As between employees having seniority in the craft or class of the vacancy, the senior employees, based upon their service in that craft or class, as shown on the appropriate seniority roster, shall prevail over junior employees;

(c) As between employees not having seniority in the craft or class of the vacancy, the senior employees, based upon their service in the crafts or classes in which they do have seniority as shown on the appropriate seniority rosters, shall prevail over junior employees.

(19) This agreement shall be binding upon the successors and assigns of the parties hereto, and no provisions, terms, or obligations herein contained shall be affected, modified, altered, or changed in any respect whatsoever by reason of the arrangements made by or for the Recipient to manage and operate the system.

Any such person, enterprise, body, or agency, whether publicly- or privately-owned, which shall undertake the management or operation of the system, shall agree to be bound by the terms of this agreement and accept the responsibility for full performance of these conditions.

(20) The employees covered by this agreement shall continue to receive any applicable coverage under Social Security, Railroad Retirement, Workmen's Compensation, unemployment compensation, and the like. In no event shall these benefits be worsened as a result of the Project.

(21) In the event any provision of this agreement is held to be invalid, or otherwise unenforceable under the federal, State, or local law, in the context of a particular Project, the remaining provisions of this agreement shall not be affected and the invalid or unenforceable provision shall be renegotiated by the Recipient and the interested union representatives of the employees involved for purpose of adequate replacement under §13(c) of the Act. If such negotiation shall not result in mutually satisfactory agreement, any party may invoke the jurisdiction of the Secretary of Labor to determine substitute fair and equitable employee protective arrangements for application only to the particular Project, which shall be incorporated in this agreement only as applied to that Project, and any other appropriate action, remedy, or relief.

(22) This agreement establishes fair and equitable employee protective arrangements for application only to federal operating assistance Projects under §§ 3(h) and 5 of the Act and shall not be applied to other types of assistance under § 5 or under other provisions of the Act, in the absence of further understandings and agreements to that effect.

(23) The designated Recipient, as hereinabove defined, signatory hereto, shall be the sole provider of mass transportation services to the Project and such services shall be provided exclusively by employees of the Recipient covered by this agreement, in accordance with this agreement and any applicable collective bargaining agreement. The parties recognize, however, that certain of the recipients signatory hereto, providing urban mass transportation services, have heretofore provided such services through contracts by purchase, leasing, or other arrangements and hereby agree that such practices may continue. Whenever any other employer provides such services through contracts by purchase, leasing, or other arrangements with the Recipient, or on its behalf, the provisions of this agreement shall apply.

(24) An employee covered by this agreement, who is not dismissed, displaced, or otherwise worsened in his position with regard to his employment as a result of the Project, but who is dismissed, displaced, or otherwise worsened solely because of the total or partial termination of the Project, discontinuance of Project services, or exhaustion of Project funding, shall not be deemed eligible for a dismissal or displacement allowance within the meaning of paragraphs (6) and (7) of this agreement.

(25) If any employer of the employees covered by this agreement shall have rearranged or adjusted its forces in anticipation of the Project, with the effect of depriving an employee of benefits to which he should be entitled under this agreement, the provisions of this agreement shall apply to such employee as of the date when he was so affected.

(26) Any eligible employer not initially a party to this agreement may become a party by serving written notice of its desire to do so upon the Secretary of Labor, the American Public Transit Association, or its designee, and the unions signatory hereto, or their designee. In the event of any objection to the addition of such employer as a signatory, then the dispute as to whether such employer shall become a signatory shall be determined by the Secretary of Labor.

(27) In the context of a particular Project, any other union which is the collective bargaining representative of urban mass transportation employees in the service area of the Recipient, and who may be affected by the assistance to the Recipient within the meaning of 49 U.S.C.A. 1609(c), may become a party to this agreement as applied to the Project, by serving written notice of its desire to do so upon the other union representatives of the employees affected by the Project, the Recipient, and the Secretary of Labor. In the event of any disagreement that such labor organization should become a party to this agreement, as applied to the Project, then the dispute as to whether such labor organization shall participate shall be determined by the Secretary of Labor.

(28) This agreement shall be effective and be in full force and effect for the period from November 26, 1974 to and including September 30, 1977. It shall continue in effect thereafter from year to year unless terminated by the A.P.T.A. or by the national labor organizations signatory hereto upon one hundred twenty (120) days' written notice prior to the annual renewal date. Any signatory employer or labor organization may individually withdraw from the agreement effective October 1, 1977, or upon any annual renewal date thereafter, by serving written notice of its intention so to withdraw one hundred twenty (120) days prior to the anhual renewal date; provided, however, that any rights of the parties hereto or of individuals established and fixed furing the term of this agreement shall continue in full force and effect, notwithstanding the termination of the agreement or the exercise by any signatory of the right to withdraw therefrom. This agreement shall be subject to revision by mutual agreement of the parties hereto at any time, but only after the serving of a sixty (60) days' notice by either party upon the other.

(29) In the event any project to which this agreement applies is approved for assistance under the Act, the foregoing terms and conditions shall be made part of the contract of assistance between the federal government and the Recipient or other applicant for federal funds; provided, however, that this agreement shall not merge into the contract of assistance but shall be independently binding and enforceable by and upon the parties thereto, in accordance with its terms, nor shall any other employee protective agreement nor any collective bargaining agreement merge into this agreement, but each shall be independently binding and enforceable by and upon the parties thereto, in accordance with its terms.

IN WITNESS WHEREOF, the parties hereto have executed this agreement by their duly authorized representatives.

SOUTHERN CALIFORNIA
RAPID TRANSIT DISTRICT

Date:_____

By_____
Jack R. Gilstrap, General Manager

APPROVED AS TO FORM:

_____
Richard T. Powers, General Counsel

AMALGAMATED TRANSIT UNION, AFL-CIO

Date:_____

By_____

Title:_____

OFFICIAL CORRESPONDENCE

SCHABARUM, Hon. Peter F.

November 5, 1975

Dear Pete:

I have received your recent letter and copies of your earlier letter to Rod Hills, as well as the booklet enclosed which outlines the matters you are concerned about. I have asked Jim Falk to look into this matter carefully which he has done and he has informed me that the two of you have talked. He further assures me that Southern California officials have met with the Administrators at the Department of Transportation within the last 10 days and they were given the go-ahead to appeal their concerns to the Secretary of Labor who has the discretion to make appropriate decisions in this area.

Thank you for calling this matter to our attention. I am happy that we were able to get the information to you today knowing that time was of the essence. If we can be of any further help, please let us know.

With best regards.

Sincerely,

ROBERT T. HARTMANN
Counsellor to the President

The Honorable Peter F. Schabarum
Supervisor, First District
County of Los Angeles
Board of Supervisors
856 Hall of Administration
Los Angeles, California 90012

RTH:JHF:nm

bcc: Jim Falk

(Complete file forwarded to Central Files)

THE WHITE HOUSE

WASHINGTON

November 5, 1975

Dear Pete:

I have received your recent letter and copies of your earlier letter to Rod Hills, as well as the booklet enclosed which outlines the matters you are concerned about. I have asked Jim Falk to look into this matter carefully which he has done and he has informed me that the two of you have talked. He further assures me that Southern California officials have met with the Administrators at the Department of Transportation within the last 10 days and they were given the go-ahead to appeal their concerns to the Secretary of Labor who has the discretion to make appropriate decisions in this area.

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With best regards.

Sincerely,

ROBERT T. HARTMANN
Counsellor to the President

The Honorable Peter F. Schabarum
Supervisor, First District
County of Los Angeles
Board of Supervisors
856 Hall of Administration
Los Angeles, California 90012

bcc: Jim Falk

THE WHITE HOUSE
WASHINGTON

Date 11/5/75

TO: Robert T. Hartmann

FROM: JIM FALK

_____ For your information

__✓__ For your appropriate handling

_____ For your review and comment

_____ Return to me

_____ Return to file

_____ Return to central files

Comments:

THE WHITE HOUSE

WASHINGTON

DRAFT

November 5, 1975

Dear Pete:

I have received your recent letter and copies of your earlier letter to Rod Hills, as well as the booklet enclosed which outlines the matters you are concerned about. I have asked Jim Falk to look into this matter carefully which he has done and he has informed me that the two of you have talked. He further assures me that Southern California officials have met with the Administrators at the Department of Transportation within the last 10 days and they were given the go-ahead to appeal their concerns to the Secretary of Labor who has the discretion to make appropriate decisions in this area.

Thank you for calling this matter to our attention. I am happy that we were able to get the information to you today knowing that time was of the essence. If we can be of any further help, please let us know.

With best regards.

Sincerely,

Robert T. Hartmann
Counselor to the President

Honorable Peter F. Schabarum
Supervisor, First District
County of Los Angeles
Los Angeles, California 90012

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES
856 HALL OF ADMINISTRATION / LOS ANGELES, CALIFORNIA 90012

213-974-4111

PETER F. SCHABARUM
SUPERVISOR FIRST DISTRICT

11/5/75 referred to Fair for action. J

October 30, 1975

Mr. Robert T. Hartmann
5001 Baltimore Avenue
Washington, D. C. 20016

Dear Mr. Hartman:

Per our discussion on the evening of the Republican Party in Los Angeles I indicated to you that I would send along the material concerning the labor agreement with which I have great concern. The copy of the letter to Mr. Rod Hills which I gave to you is a preliminary explanation. The details are contained in the booklet enclosed herewith. Particular attention is directed to sections D, K, L, M, and N.

The status of this matter is that the Southern California RTD has included within this year's budget an anticipated $26 million Federal subvention which is in the process of being spent. Actual disbursement by the Department of Transportation of these funds is subject only to the District's execution of the agreement, a copy of which is included under section K of the enclosure. Failure on the part of the District to sign this agreement will prevent receipt of the Federal subvention and thereby necessitate the termination of roughly one half of the District's activities.

My personal position is as I have stated in my letter to Mr. Hills. Needless to say, time is of the essence in requesting White House intervention in modifying this miserable agreement.

Very Sincerely yours,

PETER F. SCHABARUM
Supervisor, First District

213-749-6977
4407

PS:smf

Encl.

To: All SCRTD Directors

From: Jack R. Gilstrap

Subject: Labor Protective Agreements for Sec. 5 Applications

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

SOUTHERN CALIFORNIA
RAPID TRANSIT DISTRICT

1060 SOUTH BROADWAY • LOS ANGELES, CALIFORNIA 90015 • TELEPHONE (213) 749-6977

JACK R. GILSTRAP
GENERAL MANAGER

September 11, 1975

~~CONFIDENTIAL~~

To: All SCRTD Directors

From: Jack R. Gilstrap

Subject: Labor Protective Agreements for Sec. 5 Applications

During the many discussions by the Board of Directors over the past months and particularly in recent days, several questions have arisen regarding the labor protective provisions of the new federal operating assistance act and their potential impact on RTD. For the benefit of those Directors who have had to miss portions of the discussions, I am compiling some of the questions and the answers.

1) HOW MUCH FEDERAL OPERATING MONEY SCHEDULED FOR RTD IS INVOLVED?

Fiscal Year 1974-75	$16,500,000
" " 1975-76	$26,300,000
" " 1976-77	$36,000,000 (estimate)

2) WHAT PORTION OF OUR OPERATING BUDGET IS PLANNED TO BE COVERED BY THESE FUNDS?

Fiscal Year 1975-76	16.5%
" " 1976-77	20.6% (estimate)

3) WHAT IS THE RELATIONSHIP BETWEEN FEDERAL OPERATING FUNDS AND OUR CONTRACT WITH THE COUNTY OF LOS ANGELES?

There is an executed contract between the District and the County which provides for a County subsidy of District operations to the extent of $15.5 million, or another 9.7% of the Operating Budget for the current fiscal year.

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES
856 HALL OF ADMINISTRATION / LOS ANGELES, CALIFORNIA 90012

ER F. SCHABARUM
EPVISOR FIRST DISTRICT

September 23, 1975

Mr. Rod Hills
Counsel to the President
The White House
Washington, D. C. 20006

Dear Rod:

The Southern California Rapid Transit District Board of Directors is presently considering the adoption of the national Labor Protective Agreement (13c) which has been negotiated through the Secretary of Labor.

This agreement calls for unrealistic guarantees to all District employees as a condition of federal operating assistance.

For example, if an employee were to be "worsened" in his position, i.e., assigned to a route with fewer overtime hours, he may apply for and receive, for up to six years, the difference between his present and previous wages.

Secondly, if an employee is laid off, he may receive his full salary for a six-year period if the District is unable to place him.

Thirdly, if an employee is reassigned to a work location more than 20 miles from his previous location, the District must pay moving expenses and any loss on the sale or lease of his home, an unrealistic requirement in the urban sprawl of Southern California.

And, finally, the burden of proof in all cases is placed upon the District rather than the claimant.

I cannot believe that the President is aware of the cost implications and philosophy as reflected in this proposal. President Ford's Secretary of Labor, John Dunlop, was a prime mover in the formation of the agreement which I

believe is contrary to the President's philosophy on this subject.

Would you please convey to him my absolute dismay with the undue hardships that are being placed upon transit operators as a result of the 13c agreements. At a period when our nation's largest city is in the midst of bankrupcy and the economic viability of our railroads is on a perilous decline, we are being enticed with Federal dollars into signing labor pacts which mirror those that drove these two institutions into their current fiscal crises.

I have proposed to our Board that we reject this year's allocation of $25 million in Federal assistance and take the consequences -- namely the lay off of over 800 employees and removal from service of 260 buses.

It's not a popular move to have to make, but in my opinion it is preferable to surrendering management decision making to Union leadership.

Sincerely yours,

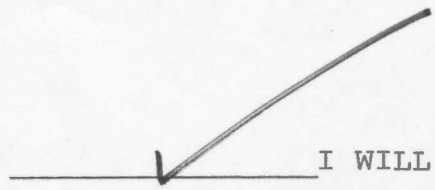
PETE SCHABARUM
Supervisor, First District

PS:asl
Enc.

Thu. 3/11
2 pm

Mr. Cannon:

Peter Shabarum, LA County Supervisor, has requested a meeting with you to discuss County of LA problems as they relate to the Administration, and Section 13(c) of the Department of Labor's contract.
I checked with Steve McConahey--he says OK to see Shabarum.



_____ I WILL SEE SHABARUM w/McConahey

_____ HAVE HIM SEE McCONAHEY INSTEAD

March 10, 11, 12
Yolanda
785 0471

called McConahey
Yessy

February 9, 1976

Dear Pete:

Thank you for your thoughtful note expressing your appreciation for your recent meeting. I'm delighted that you were able to meet with Steve McConahey and Pat Delaney and I know they are aware of your concern with Section 13 (c) of the Department of Labor's contract.

Be assured that we will be giving this matter our utmost concern and will be getting back to you with suggestions in regard to this provision.

Sincerely,

James M. Cannon
Assistant to the President
for Domestic Affairs

Peter F. Schabarum
County of Los Angeles
Board of Supervisors
856 Hall of Administration
Los Angeles, California 90012

COUNTY OF LOS ANGELES
856 HALL OF ADMINISTRATION / LOS ANGELES, CALIFORNIA 90012

(213) 974-4111

PETER F. SCHABARUM
SUPERVISOR, FIRST DISTRICT

3/1
2 pm

February 17, 1976

Honorable Gerald R. Ford
President of the United States
The White House
Washington, D. C. 20500

Dear Mr. President:

On January 14, you were gracious enough to grant me an appointment to discuss my deep concern over a labor agreement sponsored by Labor Secretary Dunlop in response to Section 13C of the National Mass Transit Act of 1974.

My understanding of your instructions to Mr. Richard Cheney were that he develop a report which you would review prior to White House intervention to modify provisions of this unfortunate agreement.

To my knowledge, no action has been taken to develop such a report.

On January 29, the Secretary of Labor ruled against the Southern California Rapid Transit District on its request for approval of a "modified" labor agreement.

Unfortunately, there is no reason to believe that the Department of Labor, even under its new management, will moderate from its position. The result will be the imposition of this National Labor Agreement on transit districts across the country.

This then, Mr. President, is a direct appeal for your personal intervention in this most important matter.

The financial solvency of our nation's transit districts requires national modification of this onerous agreement.

Sincerely yours,

PETE SCHABARUM
Supervisor, First District

PS: blc