

# Exhibit #1 Jim Seitz Et Al Reset Grievance

Step 2 Grievance Filed:

IBT Document: 2021-986-SFO-UA-2

This file generated 2/5/2021 5:24 PM ET



## International Brotherhood of Teamsters

### Grievance Submittal

ET AL



### Employee Information

<b>Name:</b> James Seitz et al	<b>File #:</b> 115906	<b>Station/Dept/Bid Area:</b> SFOMM
<b>Seniority:</b> 11/6/1989	<b>Classification:</b> Avionics Technician-Base	<b>Employee Status:</b> Active
<b>Shop Steward:</b> G Sullivan (125054)	<b>Shift Start Time:</b>	<b>Unit:</b> Local 986
<b>Home phone:</b>	<b>Cell phone:</b> 650-787-1110	<b>Work phone:</b>
<b>Home address:</b> 33459 Caliban Drive		
<b>City:</b> Fremont	<b>State:</b> CA	<b>ZIP:</b> 94555

### Nature of Grievance

**Topic:** 15: Compensation and all other applicable chapters of the United Airlines IBT CBA.

**Violation:** Article 15 - Compensation

**Violation date:** 12/17/2020

**Remedy:** To be made whole. Provide 2020 IBT Industry Reset Calculation information to the United Technician Membership and Make Whole

**Supervisor first contacted:** Colin Botto

**Date of oral answer:** 1/4/2021

### **Case facts:**

Proprietary Information, on or around December 17th United Airlines and the Teamsters Union refused to provide the Industry reset Calculation to the United Technicians claiming the information in the 2020 Rest Calculation was now "proprietary " despite the fact that this information was public information in 2016.

The Union and the company refuse to provide the calculation as outlined in 2016 T/A Letter of Agreement and in statements and publication put out by the Teamsters Union. In 2016 and 2018 the Union stated this was publicly available information but now refuse to show the calculation for 1. Wages & Profit Sharing 2. Retirement & Medical 3. Vacation & Sick time 4. Scope Adjustment.

In 2018 IBT advisor Cheiron Inc claimed that the sum value of Non Pay items increased 360 %. and stated that the CARP pension funding costs increased significantly despite the fact that Company Contributions to CARP in 2018 were \$150 Million dollars less than 2016. CARP was 153% funded in 2016 and 171% funded in 2018 so why did the costs increase ? United Airlines Technicians do not bear the cost to the administrator, fund

or maintain the CARP pension plan. CARP Pension administration costs are not the responsibility of United Technician. The CARP Pension, 401k and Profit sharing are all ERISA plans the union and the company refusal to provide United Technician employees information on these plans is a violation of ERISA laws.

Delta Technicians Pay and Profit sharing for 2020 is equivalent to 61.00 and hour. American Airlines Pay and Profit Sharing is equivalent to 57.00 the average is 59.00 plus 2 % which is at least 60.00 an hour. Delta Airlines Profit Sharing 16.7 % or 8.50 an hour.

The Union and Company now state this information is proprietary information and not even Teamster Officials know the calculation , only United Executives and Cheiron Actuaries .

Cheiron Inc was responsible for the 2018 and 2020 reset calculation. Cheiron Inc has been named in a Federal Investigation in the US District Court Southern District of New York case # 88-civ-4486 involving Senior Teamster union officials and rigging of VEBA healthcare bids. Some of these union Officers and Representatives were involved in the United Technicians Negotiations.

I do not consent to the Union modifying or changing the this grievance. I do not consent to allow the union to settle this grievance without my knowledge or consent which is a violation of my individual rights under the Railway Labor Act.

Remedy sought , provide calculation. The contract is between United employees and United Airlines not the Teamsters union.

# Exhibit #1 Jim Seitz Et Al Reset Grievance

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I certify that to the best of my knowledge, the above statement is true. I hereby authorize the Union to settle my grievance as they deem proper, and I agree to accept and be bound by the settlement agreed to by the Union or its designees.

---

Signature of Grievant

---

Date

---

Signature of Chief Steward/  
Union Representative

---

Print Name of Chief Steward/  
Union Representative

---

Date

# Exhibit #2 J Seitz Reset Grievance UA 142 December 14 2020

Step 2 Grievance Filed: 1/6/2021

IBT Document: 2020-986-SFO-UA-142

This file generated 1/6/2021 3:01 PM ET



## International Brotherhood of Teamsters

### Grievance Submittal



#### Employee Information

**Name:** James Seitz

**Seniority:** 11/6/1989

**Shop Steward:** G Sullivan (125054)

**Home phone:**

**Home address:** 33459 Caliban Drive

**City:** Fremont

**File #:** 115906

**Classification:** Aircraft Technician

**Shift Start Time:** Mid

**Cell phone:** 650-787-1110

**State:** CA

**Station/Dept/Bid Area:** SFOMM

**Employee Status:** Active

**Unit:** Local 986

**Work phone:**

**ZIP:** 94555

#### Nature of Grievance

**Topic:** 15: - Appx. A Wage Scales and all other applicable chapters of the United Airlines IBT CBA. (Article 15, 16 and LOA29)

**Violation:** Article 15 -- Appx. A Wage Scales

**Violation date:** 12/6/2020

**Remedy:** To be made whole. Make Whole

**Supervisor first contacted:** Colin Botto

**Date of oral answer:** 12/14/2020

#### **Case facts:**

The Company and the Union failed to follow the industry Reset language in LOA #29 and other contract provisions including but not limited to Article 15 compensation and Article 16 Benefits.

Delta Technician's Pay and Profit sharing for 2020 is equivalent to \$60.80 American Airlines pay and Profit Sharing is equivalent to \$56.80 the average is \$58.80 plus 2% which is \$59.97

I certify that to the best of my knowledge, the above statement is true. I hereby authorize the Union to settle my grievance as they deem proper, and I agree to accept and be bound by the settlement agreed to by the Union or its designees.

\_\_\_\_\_  
Signature of Grievant

\_\_\_\_\_  
Date

Handwritten signature of Greg Sullivan in black ink.

\_\_\_\_\_  
Signature of Chief Steward/  
Union Representative

Handwritten signature of Greg Sullivan in black ink.

\_\_\_\_\_  
Print Name of Chief Steward/  
Union Representative

Handwritten date 1/6/21 in black ink.

\_\_\_\_\_  
Date

# Exhibit #3 Geoff Wik Reset Grievance UA 143

Step 1 Grievance Filed:

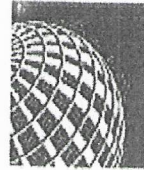
IBT Document: 2020-986-SFO-UA-143

This file generated 1/6/2021 4:46 PM ET



## International Brotherhood of Teamsters

### Grievance Submittal



#### Employee Information

Name: Geoffrey Wik	File #: 221736	Station/Dept/Bid Area: SFOMP
Seniority: 5/17/1999	Classification: Mechanic-Plant Maintenance	Employee Status: Active
Shop Steward: J Reymundo (354849)	Shift Start Time:	Unit: Local 986
Home phone:	Cell phone: 2099888143	Work phone:
Home address: 1308 Artes Ct		
City: Modesto	State: CA	ZIP: 95355

#### Nature of Grievance

Topic: Cost Model and Variable Inputs (Numbers for Calculation) LOA 29 and all other applicable chapters of the United Airlines IBT CBA.

Violation: Other

Violation date 12/15/2020

Remedy: To be made whole. Seeking information on numbers used in calculating the 2020 industry reset. What numbers were input into Cost Model to come up with 7% wage increase? And to be made whole.

Supervisor first contacted: Greg Guio

Date of oral answer:

Case facts:

Management was asked this morning (12/15/2020) if numbers used in Cost Model could be made available. Management was unable to provide an answer.

I certify that to the best of my knowledge, the above statement is true. I hereby authorize the Union to settle my grievance as they deem proper, and I agree to accept and be bound by the settlement agreed to by the Union or its designees.

Signature of Grievant

Date

Signature of Shop Steward/

Chief Steward/Union Representative

Print Name of Shop Steward/

Chief Steward/Union Representative

Date

Print Name of Supervisor

Signature of Supervisor

(Acknowledgment of receipt only)

Date

# Exhibit #3 Geoff Wik Reset Grievance UA 143

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Part II (Optional) To be completed by Supervisor

## Grievant Information

Name of Grievant \_\_\_\_\_

Date Alleged Violation Occurred \_\_\_\_\_

Date Grievance Received

1-7-2021


Date Oral Answer Given to Shop Steward (Name) \_\_\_\_\_ (Date) \_\_\_\_\_

Case facts (Give all relevant facts and highlight important fact differences, if any, from Union position.)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Answer

Please See attached -

  
\_\_\_\_\_  
Supervisor signature

1-12-2021  
\_\_\_\_\_  
Date

## Exhibit #3 Geoff Wik Reset Grievance UA 143

1-12-2021

Answer:

The industry reset was calculated following discussions with the IBT International economics team. The subsequent result and outcome was agreed upon by the parties. There has been no violation of the agreement. This grievance is respectfully denied.

Thanks

A handwritten signature in blue ink, appearing to read 'Greg Guio', is written over the printed name.

Greg Guio

# SFO GRIEVANCE COMMITTEE

REPRESENTING MECHANICS AND RELATED AT UAL SFO

## Close out Letter

(2021-986-SFO-UA-2)

COORDINATOR/  
COMMITTEE  
CHAIR  
FRED WOOD

SECRETARY  
JOHN JOHNSON

CHIEF  
STEWARDS

Jim Seitz (115906)

DEBORAH WARD-  
CRUMMEY  
JET SHOP

The Grievance committee met on 01/13/21 and reviewed the companies answer to the 1<sup>st</sup> step Grievance (2021-986-SFO-UA-2).

DALE MITCHELL  
OV/DOCKS

The Grievance will not be moved forward to the next step of the process outlined in Article 19 for lack of sufficient merit.

MAURICE  
MCDONALD  
BACK SHOPS

Regards

GREG SULLIVAN  
LINE/MM

  
Greg Sullivan

JOANNE ASING  
MPA

Chief Steward Line Area



## International Brotherhood of Teamsters

### Information of Complaint or Grievance



Before using this form, the Shop Steward and the Supervisor shall make an Earnest effort to resolve the issue satisfactorily. This form is to be completed by the member and the Shop Steward. The Supervisor shall then have three days to write a response. The Union, the Member, and the Company shall each get a completed copy.

**Part 1 - To be completed by Shop Steward and Employee:**

#### Employee information:

Name: Jim Seitz File #: 115906 Station/Dept.: SFOMM

Seniority Date: November 6, 1989 Classification: Technician Days Off(Include Dates): RDO

Shop Steward: Ed Mattos Shift Start Time: 2045 Local Union# 986 LAX

Home Phone: \_\_\_\_\_ Cell Phone: 650-787-1110 Work Phone: 650-847-1324

Home Address: 33459 Caliban Drive

City: Fremont State: CA Zip Code: 94555

#### Nature of Complaint:

Applicable Contract Provision(s) LOA #29 Article 1 Article 15 Article 16 but not limited to Date of Claimed Violation(s) 12/17/2020

Remedy Sought: Provide 2020 IBT Industry Reset Calculation information to the United Technician Membership and make whole.

Supervisor First Contacted:(Name) \_\_\_\_\_ Date of Contact: \_\_\_\_\_

Date of Supervisors Oral Answer: \_\_\_\_\_

#### **Case Facts :**

(Give completed details including who, what, where, when, and why. Attach all records, forms, letters, or papers involved).

Proprietary Information, on or around December 17 United Airlines and the Teamsters Union refused to provide the Industry Reset Calculation to the United Technicians claiming the information in the 2020 Reset Calculation was now "proprietary" despite the fact that this information was public information in 2016.

The Union and the Company refuse to provide the calculation as outlined in the 2016 T/A Letter of Agreement and in statements and publications put out by the Teamsters Union. In 2016 and 2018 the Union stated this was publicly available information but now refuse to show the calculation for 1. Wages & Profit Sharing 2. Retirement & Medical 3. Vacation & Sicktime 4. Scope Adjustment.

In 2018 IBT advisor Cheiron Inc claimed the sum value of Non Pay Items increased 360%. and stated that CARP pension funding costs increased significantly despite the fact that Company Contributions to CARP in 2018 were \$150 Million dollars less than 2016. CARP was 153% funded in 2016 and 171% funded in 2018 so why did the costs increase? United Technicians do not bear the cost to administer, fund or maintain the CARP pension plan. CARP Pension administration costs are not the responsibility of the United Technician. The CARP Pension, 401k and Profit Sharing are all ERISA plans the union and company refusal to provide United employees information on these plans is a violation ERISA laws.

Delta Technicians Pay and Profit Sharing for 2020 is equivalent to \$61.00 American Airlines Pay and Profit Sharing is equivalent to \$57.00 the average is \$59.00 plus 2% which is at least \$60.00 an hour. Delta Airlines 2019 Profit Sharing was 16.7% or \$8.50 per hour.



## Exhibit #4 - UA-2 Seitz Closeout Letter

The union and the company now state this information is proprietary information and not even United Teamsters Officials know the calculation, only United Executives and Cheiron Actuaries.

Cheiron Inc was responsible for the 2018 and 2020 reset calculation. Cheiron Inc has been named in a Federal Investigation in the US District Court Southern District of New York Case # 88-civ-4486 involving Senior Teamster union officials and the rigging of VEBA healthcare bids. Some of these same union Officers and Representatives were involved In United Technician Negotiations.

I do not consent to the Union modifying or changing this grievance. I do not consent to allow the union to settle this grievance without my knowledge or consent which is a violation of my individual rights under the Railway Labor Act.

Remedy sought, provide calculation. The contract is between United employees and United Airlines not the Teamsters union.

Shop Steward Signature

Date:

Employee's Signature

Date:

### Part II - To be completed by Supervisor

#### Complaint Information

Name of Complainant

Jim Seitz

Date Alleged Violation Occurred 12/17/2021?

Date Complaint Received 1/6/2021

Date Oral Answer Given to Shop Steward (Name) Greg Sullivan (Date) 1/13/2021

#### Case Facts (Give all relevant facts and highlight important fact difference, if any, from Unions Position.)

The industry reset was calculated following discussions with the IBT International economics team. The subsequent results and outcome were agreed upon by the parties.

#### Answer:

There has been no violation of the agreement. The grievance is denied.

Colin Botto

Supervisor Signature:

1/13/2021

Date:

# Exhibit #4 - UA-2 Seitz Closeout Letter

Step 1 Grievance Filed: 1/4/2021

IBT Document: 2021-986-SFO-UA-2

This file generated 1/5/2021 8:14 AM ET



## International Brotherhood of Teamsters

### Grievance Submittal



#### Employee Information

<b>Name:</b> James Seitz	<b>File #:</b> 115906	<b>Station/Dept/Bld Area:</b> SFOMM
<b>Seniority:</b> 11/6/1989	<b>Classification:</b> Aircraft Technician	<b>Employee Status:</b> Active
<b>Shop Steward:</b> G Sullivan (125054)	<b>Shift Start Time:</b>	<b>Unit:</b> Local 986
<b>Home phone:</b>	<b>Cell phone:</b> 650-787-1110	<b>Work phone:</b>
<b>Home address:</b> 33459 Caliban Drive		
<b>City:</b> Fremont	<b>State:</b> CA	<b>ZIP:</b> 94555

#### Nature of Grievance

**Topic:** 15: Compensation and all other applicable chapters of the United Airlines IBT CBA.

**Violation:** Article 15 - Compensation

**Violation date:** 12/17/2020

**Remedy:** To be made whole. Provide 2020 IBT Industry Reset Calculation information to the United Technician Membership and Make Whole

**Supervisor first contacted:** Colin Botto

**Date of oral answer:** 1/4/2021

#### **Case facts:**

Proprietary Information, on or around December 17th United Airlines and the Teamsters Union refused to provide the Industry reset Calculation to the United Technicians claiming the information in the 2020 Rest Calculation was now "proprietary" despite the fact that this information was public information in 2016.

The Union and the company refuse to provide the calculation as outlined in 2016 T/A Letter of Agreement and in statements and publication put out by the Teamsters Union. In 2016 and 2018 the Union stated this was publicly available information but now refuse to show the calculation for 1. Wages & Profit Sharing 2. Retirement & Medical 3. Vacation & Sick time 4. Scope Adjustment.

In 2018 IBT advisor Cheiron Inc claimed that the sum value of Non Pay items increased 360 %. and stated that the CARP pension funding costs increased significantly despite the fact that Company Contributions to CARP in 2018 were \$150 Million dollars less than 2016. CARP was 153% funded in 2016 and 171% funded in 2018 so why did the costs increase ? United Airlines Technicians do not bear the cost to the administrator, fund or maintain the CARP pension plan. CARP Pension administration costs are not the responsibility of United Technician. The CARP Pension, 401k and Profit sharing are all ERISA plans the union and the company refusal to provide United Technician employees information on these plans is a violation of ERISA laws.

Delta Technicians Pay and Profit sharing for 2020 is equivalent to 61.00 and hour. American Airlines Pay and Profit Sharing is equivalent to 57.00 the average is 59.00 plus 2 % which is at least 60.00 an hour. Delta Airlines Profit Sharing 16.7 % or 8.50 an hour.

The Union and Company now state this information is proprietary information and not even Teamster Officials know the calculation , only United Executives and Cheiron Actuaries .

Cheiron Inc was responsible for the 2018 and 2020 reset calculation. Cheiron Inc has been named in a Federal Investigation in the US District Court Southern District of New York case # 88-civ-4486 involving Senior Teamster union officials and rigging of VEBA healthcare bids. Some of these union Officers and Representatives were involved in the United Technicians Negotiations.

I do not consent to the Union modifying or changing the this grievance. I do not consent to allow the union to settle this grievance without my knowledge or consent which is a violation of my individual rights under the Railway Labor Act.

Remedy sought , provide calculation. The contract is between United employees and United Airlines not the Teamsters union.

## Exhibit #4 - UA-2 Seitz Closeout Letter

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I certify that to the best of my knowledge, the above statement is true. I hereby authorize the Union to settle my grievance as they deem proper, and I agree to accept and be bound by the settlement agreed to by the Union or its designees.

Declines to sign

Signature of Grievant

EM

1/6/21

Date

Greg Sullivan

Signature of Shop Steward/

Chief Steward/Union Representative

Greg Sullivan

Print Name of Shop Steward/

Chief Steward/Union Representative

1/6/21

Date

\_\_\_\_\_  
Print Name of Supervisor

\_\_\_\_\_  
Signature of Supervisor

(Acknowledgment of receipt only)

\_\_\_\_\_  
Date

# SFO GRIEVANCE COMMITTEE

REPRESENTING MECHANICS AND RELATED AT UAL SFO

COORDINATOR/  
COMMITTEE  
CHAIR  
FRED WOOD

## Close out Letter

SECRETARY  
JOHN JOHNSON

(2020-986-SFO-UA-142)

CHIEF  
STEWARDS

(Draft)

DEBORAH WARD-  
CRUMMEY  
JET SHOP

Jim Seitz (115906)

DALE MITCHELL  
OV/Docks

The Grievance Committee met on 01/27/21 and reviewed the companies answer to the 1<sup>st</sup> step Grievance (2020-986-SFO-UA-142).

MAURICE  
MCDONALD  
BACK SHOPS

The Grievance will be closed out for lack of sufficient merit.

GREG SULLIVAN  
LINE/MM



JOANNE ASING  
MPA

Greg Sullivan

Chief Steward Line Area

# Exhibit #5 UA-142 Seitz IBT Closeout Ltr

Step 2 Grievance Filed: 1/6/2021

IBT Document: 2020-986-SFO-UA-142

This file generated 1/6/2021 3:01 PM ET



## International Brotherhood of Teamsters

### Grievance Submittal



#### Employee Information

**Name:** James Seitz

**Seniority:** 11/6/1989

**Shop Steward:** G Sullivan (125054)

**Home phone:**

**Home address:** 33459 Caliban Drive

**City:** Fremont

**File #:** 115906

**Classification:** Aircraft Technician

**Shift Start Time:** Mid

**Cell phone:** 650-787-1110

**State:** CA

**Station/Dept/Bid Area:** SFOMM

**Employee Status:** Active

**Unit:** Local 986

**Work phone:**

**ZIP:** 94555

#### Nature of Grievance

**Topic:** 15: - Appx. A Wage Scales and all other applicable chapters of the United Airlines IBT CBA. (Article 15, 16 and LOA29)

**Violation:** Article 15 -- Appx. A Wage Scales

**Violation date:** 12/6/2020

**Remedy:** To be made whole. Make Whole

**Supervisor first contacted:** Colin Botto

**Date of oral answer:** 12/14/2020

#### **Case facts:**

The Company and the Union failed to follow the industry Reset language in LOA #29 and other contract provisions including but not limited to Article 15 compensation and Article 16 Benefits.

Delta Technician's Pay and Profit sharing for 2020 is equivalent to \$60.80 American Airlines pay and Profit Sharing is equivalent to \$56.80 the average is \$58.80 plus 2% which is \$59.97

I certify that to the best of my knowledge, the above statement is true. I hereby authorize the Union to settle my grievance as they deem proper, and I agree to accept and be bound by the settlement agreed to by the Union or its designees.

\_\_\_\_\_  
Signature of Grievant

\_\_\_\_\_  
Date

Handwritten signature of Greg Sullivan in black ink.

\_\_\_\_\_  
Signature of Chief Steward/  
Union Representative

Handwritten signature of Greg Sullivan in black ink.

\_\_\_\_\_  
Print Name of Chief Steward/  
Union Representative

Handwritten signature of Greg Sullivan in black ink.

\_\_\_\_\_  
Date





# International Brotherhood of Teamsters

## Information of Complaint or Grievance



Before using this form, the Shop Steward and the Supervisor shall make an Earnest effort to resolve the issue satisfactorily. This form is to be completed by the member and the Shop Steward. The Supervisor shall then have three days to write a response. The Union, the Member, and the Company shall each get a completed copy.

**Part 1 - To be completed by Shop Steward and Employee:**

### Employee information:

Name: Jim Seitz File #: 115906 Station/Dept.: SFOMM

Seniority Date: Nov 6 89 Classification: Mechanic Days Off(Include Dates): RDO

Shop Steward: \_\_\_\_\_ Shift Start Time: 2045 Local Union# 986

Home Phone: \_\_\_\_\_ Cell Phone: 650-787-1110 Work Phone: \_\_\_\_\_

Home Address: 33459 Caliban Drive

City: Fremont State: CA Zip Code: 94555

### Nature of Complaint:

Applicable Contract Provision(s) LOA #29 Industry Reset Article 15 Article 16 Date of Claimed Violation(s) 12/6/2020

Remedy Sought: Make whole

Supervisor First Contacted:(Name) Mike Hulett Date of Contact: 12/14/20

Date of Supervisors Oral Answer: \_\_\_\_\_

### Case Facts :

(Give completed details including who, what, where, when, and why. Attach all records, forms, letters, or papers involved).

The Company and the Union failed to follow the Industry Reset language in LOA #29 and other contract provisions including but not limited to Article 15 Compensation and Article 16 Benefits.

Delta Technicians Pay and Profit Sharing for 2020 is equivalent to \$60.80 American Airlines Pay and Profit Sharing is equivalent to \$56.80 the average is \$58.80 plus 2% which is \$59.97.



12-14-20  
Date:

## Name of Complainant \_\_\_\_\_

Date Complaint Received \_\_\_\_\_

Date Oral Answer Given to Shop Steward (Name) \_\_\_\_\_ (Date) \_\_\_\_\_

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There is no handwriting or other markings on the paper.

Date: 12/14/20

# SFO GRIEVANCE COMMITTEE

REPRESENTING MECHANICS AND RELATED AT UAL SFO

COORDINATOR/  
COMMITTEE  
CHAIR  
FRED WOOD

January 20, 2021

SECRETARY  
JOHN JOHNSON

Grievance #: 2020-986-SFO-UA-143

CHIEF  
STEWARDS

Grievant: Geoffrey Wik u221736

DEBORAH WARD-  
CRUMMEY  
JET SHOP

Subject LOA #29-Industry Reset & all that apply

DALE MITCHELL  
OV/DOCKS

Mr Wik,

This letter will serve as notification to you of the closure of said Step 1 grievance. The SFO Grievance Committee met and reviewed both the Company's answer and our CBA. The grievance lacks sufficient merit to advance to Step 2 and will be withdrawn.

MAURICE  
MCDONALD  
BACK SHOPS

GREG SULLIVAN  
LINE/MM

Regards,

JOANNE ASING  
MPA



John Eric Johnson  
SFO Grievance Secretary



Step 1 Grievance Filed:

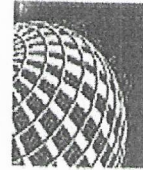
IBT Document: 2020-986-SFO-UA-143

This file generated 1/6/2021 4:46 PM ET



International Brotherhood of Teamsters

Grievance Submittal



Employee Information

Name: Geoffrey Wik	File #: 221736	Station/Dept/Bid Area: SFOMP
Seniority: 5/17/1999	Classification: Mechanic-Plant Maintenance	Employee Status: Active
Shop Steward: J Reymundo (354849)	Shift Start Time:	Unit: Local 986
Home phone:	Cell phone: 2099888143	Work phone:
Home address: 1308 Artes Ct		
City: Modesto	State: CA	ZIP: 95355

Nature of Grievance

Topic: Cost Model and Variable Inputs (Numbers for Calculation) LOA 29 and all other applicable chapters of the United Airlines IBT CBA.

Violation: Other

Violation date 12/15/2020

Remedy: To be made whole. Seeking information on numbers used in calculating the 2020 industry reset. What numbers were input into Cost Model to come up with 7% wage increase? And to be made whole.

Supervisor first contacted: Greg Guio

Date of oral answer:

Case facts:

Management was asked this morning (12/15/2020) if numbers used in Cost Model could be made available. Management was unable to provide an answer.

I certify that to the best of my knowledge, the above statement is true. I hereby authorize the Union to settle my grievance as they deem proper, and I agree to accept and be bound by the settlement agreed to by the Union or its designees.

Signature of Grievant

Date

Signature of Shop Steward/

Chief Steward/Union Representative

Print Name of Shop Steward/

Chief Steward/Union Representative

Date

Print Name of Supervisor

Signature of Supervisor

(Acknowledgment of receipt only)

Date

Part II (Optional) To be completed by Supervisor

Grievant Information

Name of Grievant \_\_\_\_\_

Date Alleged Violation Occurred \_\_\_\_\_

Date Grievance Received

1-7-2021

Date Oral Answer Given to Shop Steward (Name) \_\_\_\_\_ (Date) \_\_\_\_\_


Case facts (Give all relevant facts and highlight important fact differences, if any, from Union position.)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Answer

Please See attached -

\_\_\_\_\_  
\_\_\_\_\_

  
Supervisor signature

1-12-2021  
Date

1-12-2021

Answer:

The industry reset was calculated following discussions with the IBT International economics team. The subsequent result and outcome was agreed upon by the parties. There has been no violation of the agreement. This grievance is respectfully denied.

Thanks

A handwritten signature in blue ink, appearing to read 'Greg Guio', is written above the printed name.

Greg Guio

## **Exhibit #7 Reset Hearing Questions on Procedural Issues**

### **FIRST - PROCEDURAL QUESTIONS**

I want to discuss the procedural actions that led us here. It is imperative because this may not even be a legitimate hearing. I am concerned you are just stalling me out to subvert my rights under the RLA, to make sure six-months goes by before I go to court. The law says if a grievance is closed / final and there is no process in the CBA to reopen it, then court is the proper place to be heard. So, with that:

1. What was the internal union process reopening these grievances?
2. Who took part in this internal process?
3. What was uncovered in this internal union process?
4. When / How was this internal Union process conducted? Was it Local or National AD?  
(Closeout letters issued 02/02 and then reopened on 02/04 so . . . )

## **Exhibit #7 Reset Hearing Questions on Procedural Issues**

5. Did United participate / agree? If not, how can you reopen it because they have already provided their answer? Again, no process in CBA for this at all.

6. On what provision of the CBA are you basing these decisions?

Please explain why the past practices and customs are not considered or acknowledged related to my grievance, specifically, the fact that the "numbers" I am requesting have been provided to me in both 2016 and 2018 with elaborate detail. None of this was considered, remarked upon, or explained.

Please explain to me when and how the contract was changed to create this new grievance process you have applied to my grievance. The contract language is clear regardless of whether you are using an electronic process or a paper process. You cannot arbitrarily add or subtract language to the contract now because you do not want to comply with the process. In the four years the contract has been in place the grievance process has never been carried out in this way.

Please explain to me what the union deliberated about and based its decision on. You have only attached what the company said. Is this part of the new process also? The union adopts the company position without any deliberation? Did the union even counter the company position at all with the fact that these numbers are given to the members and must be given to the

## **Exhibit #7 Reset Hearing Questions on Procedural Issues**

members to ensure the contract is being followed? This is not unreasonable. Essentially, what you are saying is the same as the company just giving me a pay check but refusing to give me the paycheck stub with the information as to the hours worked, the rate of pay, and any deductions to justify why they are paying me what they are paying me. I have a right to know what they based the reset adjustment on in order to verify that the company has complied with the contract.

## Exhibit #8 Email to Greg Sullivan on Closeout of Grievance

**jimseitz@earthlink.net**

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**From:** Jim Seitz <jimseitz8@gmail.com>  
**Sent:** Wednesday, February 10, 2021 11:47 PM  
**To:** Jim Seitz  
**Subject:** Fwd: 2020-986-SFO-UA-142 (Seitz) Close Out Letter (Updated)

Begin forwarded message:

**From:** Greg Sullivan <gsullivan@teamsterssfo.com>  
**Date:** February 10, 2021 at 11:43:31 AM PST  
**To:** Jim Seitz <jimseitz8@gmail.com>  
**Cc:** Greg Sullivan <gsullivan@teamsterssfo.com>, John Johnson <JJohnson@teamsterssfo.com>  
**Subject:** RE: 2020-986-SFO-UA-142 (Seitz) Close Out Letter (Updated)

Jim,

To answer the question about reinstating the grievances, your grievance (reference grievance # below) is at Step 2 after an internal review of our process here at SFO. The Company is not involved.

So, to make sure we have a clear understanding, do you concur with the decision to move your grievances (reference grievance # below) to Step 2 or do you object ?

Regards

Greg

Reference : (2020-986-SFO-UA-142), (2021-986-SFO-UA-2) , (2021-986-SFO-UA-5)

---

**From:** Jim Seitz <jimseitz8@gmail.com>  
**Sent:** Tuesday, February 9, 2021 6:07 AM  
**To:** Greg Sullivan <gsullivan@teamsterssfo.com>  
**Subject:** Re: 2020-986-SFO-UA-142 (Seitz) Close Out Letter (Updated)

Greg I received an email last week from Johnson that all the grievances that were closed out by the union are now open and going to the second step.

Could you please explain to me what part of the grievance procedure in the CBA was followed and who on the company side was involved in this process.

Why did the committee kill the grievances and then decided to do this?

## **Exhibit #8 Email to Greg Sullivan on Closeout of Grievance**

Is the company involved in this as well and who would that be?

I'll be in tomorrow morning and Thursday morning.

I would like to get some clarification on what is going on.

Thanks Jim

On Feb 3, 2021, at 10:49 AM, Jim Seitz <[jimseitz8@gmail.com](mailto:jimseitz8@gmail.com)> wrote:

Greg you stated earlier that this grievance was at second step and scheduled for a hearing on the 26th.

What happened?

Why again did the grievance committee deny the grievance?

Could someone on the IBT grievance committee provide me with the hourly cost value of CARP for a United Technician for the 2020 calculation?

CARP is a ERISA covered plan so there must be some Federal Reporting requirements or reports that are filed on the plan value or cost.

I want to move this grievance to the 3rd step.

What do I need to do?

Thank you

Jim Seitz

On Feb 2, 2021, at 2:19 PM, Greg Sullivan <[gsullivan@teamsterssfo.com](mailto:gsullivan@teamsterssfo.com)> wrote:

Jim,

Please review the attachments of the Grievance and the (Updated) Close Out Letter.



## **Exhibit #8 Email to Greg Sullivan on Closeout of Grievance**

A printed copy will be provided upon your request.

Best Regards

Greg

<2020-986-SFO-UA-142 (Seitz) Close Out Letter (Updated).pdf>

<Jim Seitz 1st step grievance signed (2020-986-SFO-UA-142) (2)  
page1.pdf>

<Jim Seitz 1st step grievance signed (2020-986-SFO-UA-142) (2)  
page2.pdf>

**LOA #29 - INDUSTRY RESET**

December 5, 2016

Captain David Bourne  
Director, Airline Division  
International Brotherhood of Teamsters  
25 Louisiana Avenue, N.W.  
Washington, DC 20001

Dear Captain Bourne:

This letter will confirm our agreement that notwithstanding anything to the contrary in 2016-2022 Technicians and Related Agreement ("United-IBT Agreement"), if at the effective date of the United-IBT Agreement plus 24 Months, 48 months, on the amendable date and every 12 months after the amendable date provided no successor agreement has been reached, United Airlines, Inc.'s ("UAL") Annual Employee Wages and Benefits is not at least two percent (2%) higher than the average of American Airlines' and Delta Airlines' Wages and Benefits, then United's basic wages will be adjusted so that United's Wages and Benefits are two percent higher than said average.

1. Definitions.

- a. "Covered Classifications" means employee classifications covered by the United-IBT Agreement.
- b. "AA CBA" means the joint American Airlines ("AA") collective bargaining agreement(s) in effect as of the Measurement Date that govern(s) terms and conditions of employment of AA's class(es) or craft(s) of employees performing work equivalent to that performed by the Covered Classifications. If an equivalent AA classification is not covered by a CBA, then for that classification "AA CBA" shall mean the applicable AA policies governing Annual Wages and Benefits. If legacy American Airlines and legacy US Airways have not reached a joint collective bargaining agreement before the Measurement Date, the legacy US Airways collective bargaining agreement will be applied as the "AA CBA."
- c. "DL CBA" means the Delta Airlines ("DL") collective bargaining agreement(s) in effect as of the Measurement Date that

govern(s) terms and conditions of employment of DL's class(es) or craft(s) of DL employees performing work equivalent to that performed by the Covered Classifications. If an equivalent DL classification is not covered by a CBA, then for that classification "DL CBA" shall mean the applicable DL policies governing Annual Wages and Benefits.

- d. The first "Measurement Date" is the first day of the month that is 24 months after the effective date of this agreement. Subsequently, there will be a measurement date 48 months after the effective date of this agreement, followed by on the amendable date of the agreement and on the first day of the month following each 12 month anniversary of the amendable date. The parties shall meet to commence the process 6 months prior to the first Measurement Date.
- e. "Annual Employee Wages" is the average of the sum of the highest, hourly rate in each of the following categories for an A&P, line aircraft technician:
  - 1) basic wages
  - 2) license premiums
  - 3) line premium
  - 4) longevity premiums
  - 5) VEBA premium/contributions
  - 6) profit sharing

at the Measurement Date times 2080 hours. For example, if the respective rates are \$40.06, \$5.25, \$1.00, \$1.00 and \$1.20. The calculation is  $\$40.06 + \$5.25 + \$1.00 + \$1.00 + \$1.20 = \$48.51 \times 2080 = \$100,901$ .

- f. "Annual Employee Benefits" includes the following:
  - 1) retirement benefits including defined contribution retirement plans (top-of-scale), defined benefit retirement plans
  - 2) active medical plan cost share

- g. "Time off Adjustments" is the annual cost adjustment for the following:
  - 1) sick pay accrual (max of available accrual)
  - 2) vacation accrual
  - 3) holidays (including both fixed and floating)
- h. "Annual Wages and Benefits" is the sum of Annual Employee Wages, Annual Employee Benefits and Time-off Adjustment for 10, 20 and 30 years of service weighted 20 percent, 60 percent and 20 percent respectively.
- i. "Scope Adjustment" is a final adjustment based on the ratio of the number technicians and related crafts covered in the IBT CBA per mainline aircraft as follows:
  - 1) Number of Full Time Equivalent Employees (FTEs) in comparable positions performing aircraft maintenance covered in the United IBT CBA at each United, American and Delta (adjusted for FTEs dedicated to outside maintenance). The number of FTEs is then divided by the total number of mainline aircraft (owned or leased) as reported in the most recent SEC annual 10-K filing.
  - 2) The ratio of technicians (and related crafts) per aircraft for each carrier will be applied to the value calculated as the summary of "Annual Wages and Benefits" at each carrier, as described above, using the United ratio as the baseline to adjust the Annual Wages and Benefits values of AA and DL by the difference in staffing ratios versus UA
  - 3) This ratio will be applied to adjust UA Annual Wages and Benefits at 25 percent of full differential determined. Headcount information must be jointly verified and agreed to by both parties (UAL and IBT) to ensure that the equivalent classifications represented by IBT at United and other carriers (DL and AA) are represented in the analysis. If agreement cannot be reached on the validity of most current available representative headcount from either AA and/or DL then that carrier will be excluded from in the analysis. The Scope Adjustment

cannot cause a decrease or increase to United's adjusted rate by more than fifty basis points if two carriers are used in the analysis or twenty-five basis points if one carrier is used in the analysis.

- j. "Cost Model" is an economic model, based in MS Excel, which calculates Annual Employee Cost. The model is to be agreed upon by economic experts from the company and the union within two months after the date of ratification of UA's agreement as Exhibit "A". If an agreement is not reached within this timeframe, the matter may be submitted for expedited arbitration as provided in Article 1 G.
2. Adjustment Calculation. If the results of the analysis demonstrate that, as of the Measurement Date, UAL's Annual Wages and Benefits is less than 102 percent (102%) of the combined average of Annual Wages and Benefits under AA CBA and DL CBA, then UAL shall adjust basic wages effective at the beginning of the first pay period after each measurement date to be 102 percent of the combined average. If it is determined that a one-time adjustment will take place, any subsequent pay increases will not take place until such time that the rates in the original UA CBA exceed those rates in the adjusted scale. No adjustment covered in this letter of agreement can cause wage rates to decrease. All other scales in this agreement will also be adjusted so that the percentage difference between each scale and the technician scale remains the same. All lead position pay rates will be recalculated based on the 5% methodology outlined Appendix A.

The parties shall meet to review the Cost Model for the purposes of reaching an understanding of the adjustment analysis. In the event the parties are unable to reach an understanding relative to the adjustment analysis, the matter may be submitted for expedited arbitration as provided in Article 1 G.

Sincerely,

/s/ P. Douglas McKeen

P. Douglas McKeen  
SVP, Labor Relations  
United Continental Holdings, Inc.

/s/ Captain David Bourne

Captain David Bourne  
Director, Airline Division  
International Brotherhood  
of Teamsters

Agreed, this 5<sup>th</sup> day of December, 2016

# Technician's Industry Reset Overview

Data, Methodology and Timing



## The Reset is Designed to Ensure that UA Technician's Contract Value Remains at least 2% Above Average of AA and DL Technicians

### Contract Valuation

A Reset Model has been created to measure the sum value of 5 key contract elements in UA Technician's contract, including; Pay, Time Off, Benefits, Profit Sharing and Scope.

The total value of UA contract elements is then weighed against the average of the same elements for Technicians who work for AA and DL.

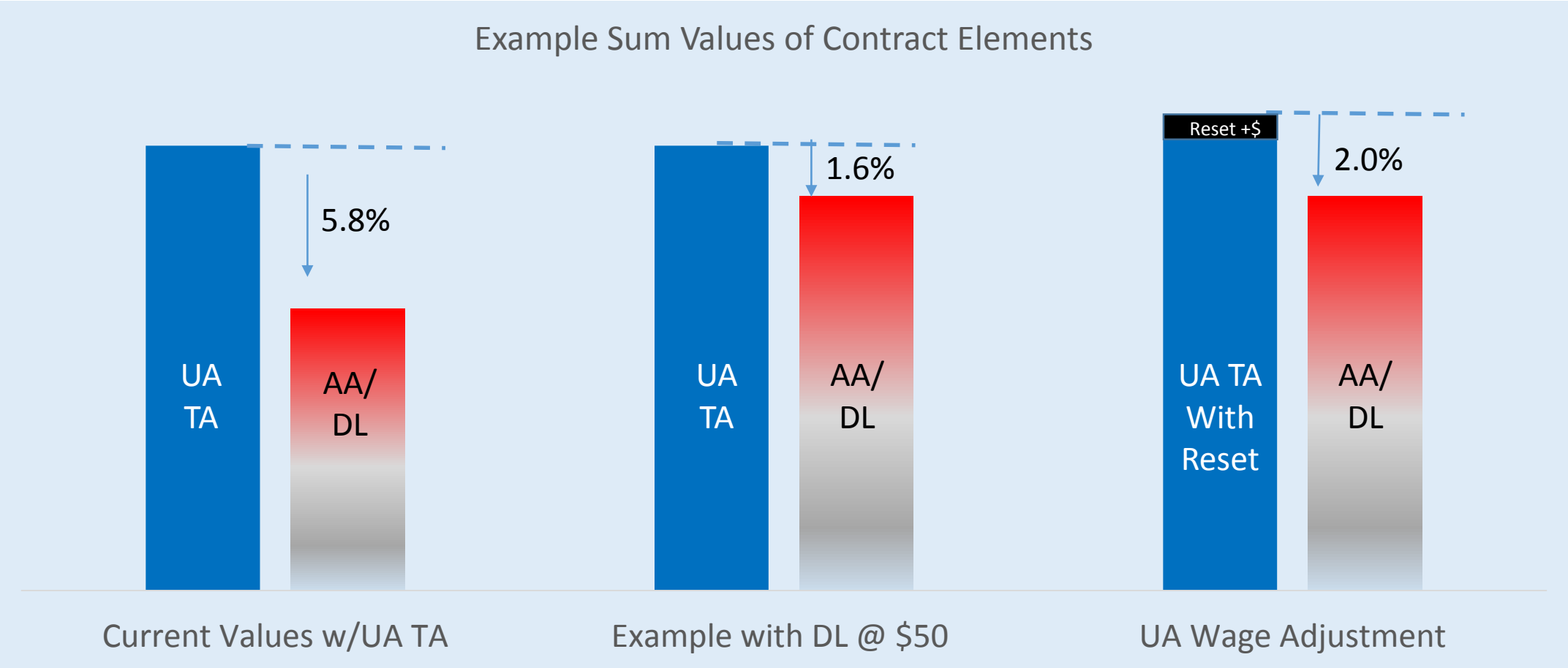
### Reset Mechanism

The total value of UA Technician's contract elements must remain at least 2.0% above the average of AA/DL. If the value of UA Technician's contract it is not at least 2.0% above the average value of AA/DL, the wages of UA Technicians will be increased by an amount to increase the UA contract value to 2.0% above the average of AA/DL.

### Timing

The Reset measurement which occurs every 24 months during contract, and then every 12 months after amendable date to ensure that during the bargaining period for next contract UA Technicians remains above AA/DL by at least 2%.

Example of Reset Model  
Current Value With UA TA and Reset If DL Top of Scale @ \$50





# Industry Reset Overview

- **Purpose:** The industry reset is designed as a mechanism to ensure that the sum value of United Technician's primary contract elements remain at least 2% above the average of the same contract elements for Technicians of American and Delta.
- **Timing:** Reset analysis will occur every 24 months after date of ratification over the course of contract, and every 12 months after the amendable date.
- **Mechanism:** A reset model has been created to measure and compare the value of a selected set of primary contractual elements covering pay, benefits, work rules and retirement contribution level for Technician's at United to that of the average of Technicians at American and Delta. The model's structure will not change, only the periodic updates of data elements being analyzed will change.
- **Application:** If the results of the reset model indicate that the sum value of the United's Technician's contractual elements do not exceed the average value at American and Delta by 2%, the United Technician's wages will be adjusted upwards by an amount needed to adjust United Technician's contract value to 2% above the average of DL and AA Technician's contract.
- **One-Way Valve:** The reset can only be used to improve wages for United Technicians and will not be used to reduce United Technicians wages under any circumstances.

# Individual Contractual Elements Analyzed in Reset Model

# Contract Elements Included in the Reset Analysis

## 1) Pay

- Technicians All-in Wages (Basic pay, A&P License Premium, Line and Longevity)
- VEBA

## 2) Time Off

- Annual Vacation, Sick and Holiday Hours

## 3) Benefits

- Medical Cost Share
- Retirement Contribution

## 4) Profit Sharing

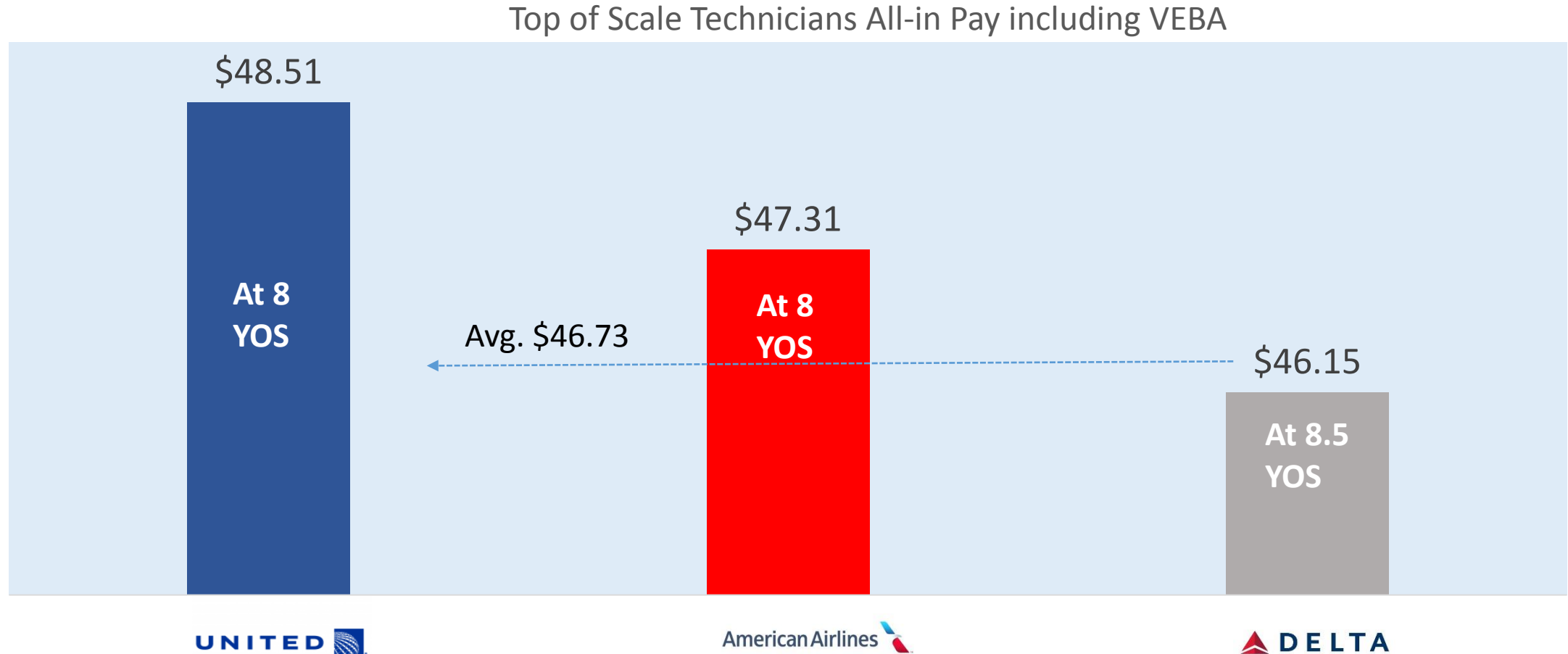
- Profit sharing % to annual UA pre-tax profits

## 5) Scope

- Based on ratio of Technicians heads per mainline aircraft

Note: Model analyzes Pay and Time Off element values at 10, 20 and 30 years of service, weighted 20%, 40%, 20% respectively for headcount. Gaps in all elements besides pay converted to dollars per hour based on UA All-in rate for computability in comparisons.

# Technician's Top of Scale All-In Pay Rates

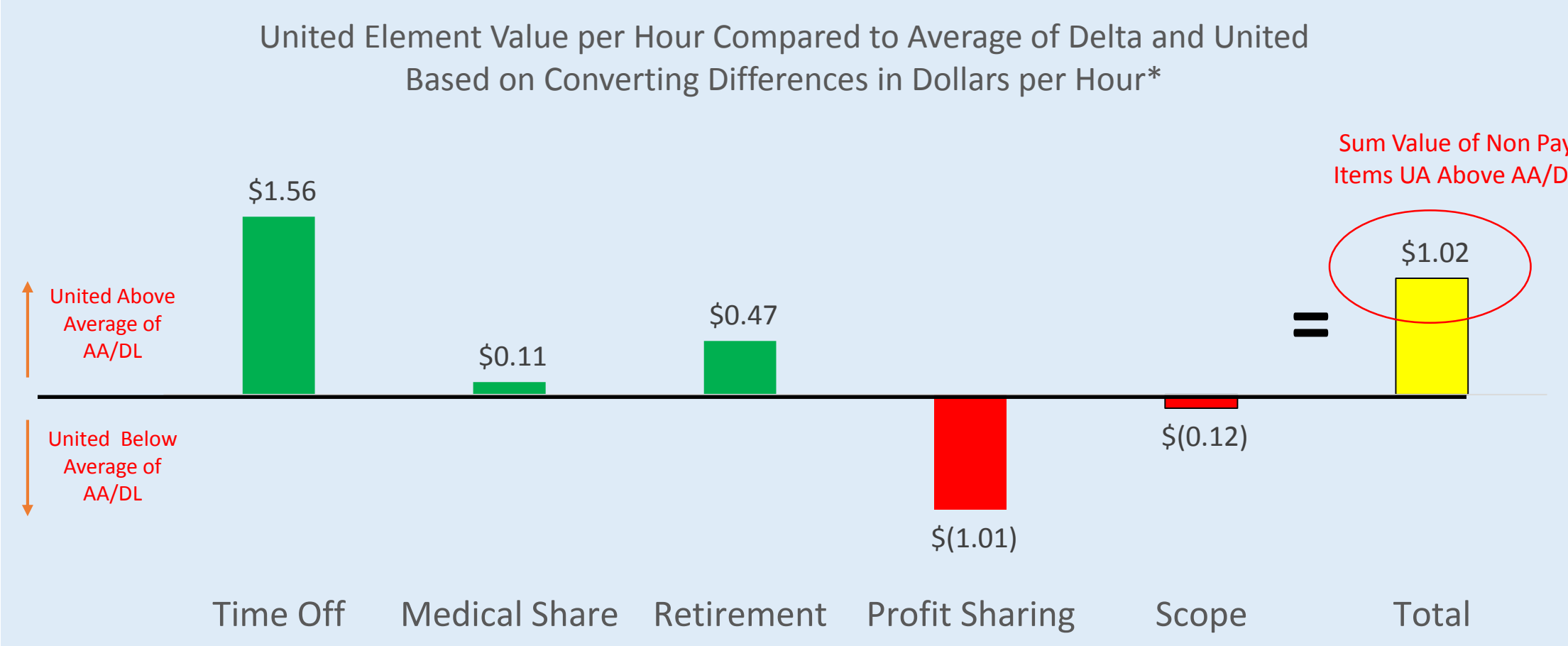


Source: Contracts and Delta Employee Policy Manual

Note: Initial TA top of scale pay rates at UA and AA interim pay rates for 2016




All-in Pay rates include basic pay rate, plus A&P license premium, line and longevity pay, plus VEBA

# Current Value of United TA vs. AA and DL Technician's Contract Element Average Costs Excluding Pay



Note: Model analyzes Time Off (Vacation, Sick and Holiday) values at 10, 20 and 30 years of service, weighted 20%, 40%, 20% respectively for headcount. Gaps in all elements besides pay converted to dollars per hour based on UA All-in rate in comparisons.

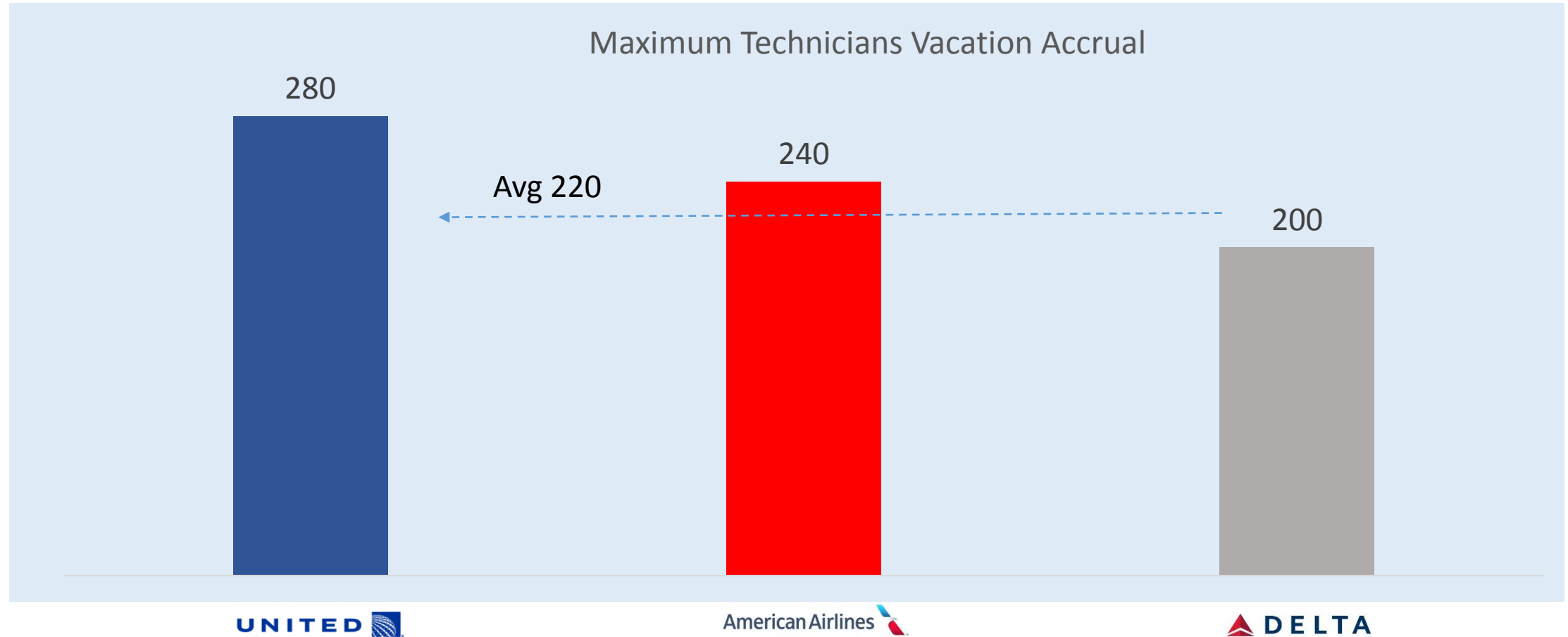
Current Reset Value: UA Tentative Agreement is 5.8% ABOVE Industry Average

	<div>UNITED</div>	<div>Average of<div>American Airlines DELTA</div></div>
Pay*	\$48.43	\$46.73
Difference in Value of All Non Pay Items*	\$1.02	
Total Value of Pay and Non Pay Items	\$49.45	\$46.73
UA Value vs. Average of AA/DL **	5.8% greater than Avg. AA/DL	

\*Note: Model analyzes Pay and Time Off element values at 10, 20 and 30 years of service, weighted 20%, 40%, 20% respectively for headcount.

\*\* If UA contract value is not at least 2% above the average contract value of AA/DL an increase in UA wages will occur to establish UA value at 2% above average of UA/DL. Contract value.

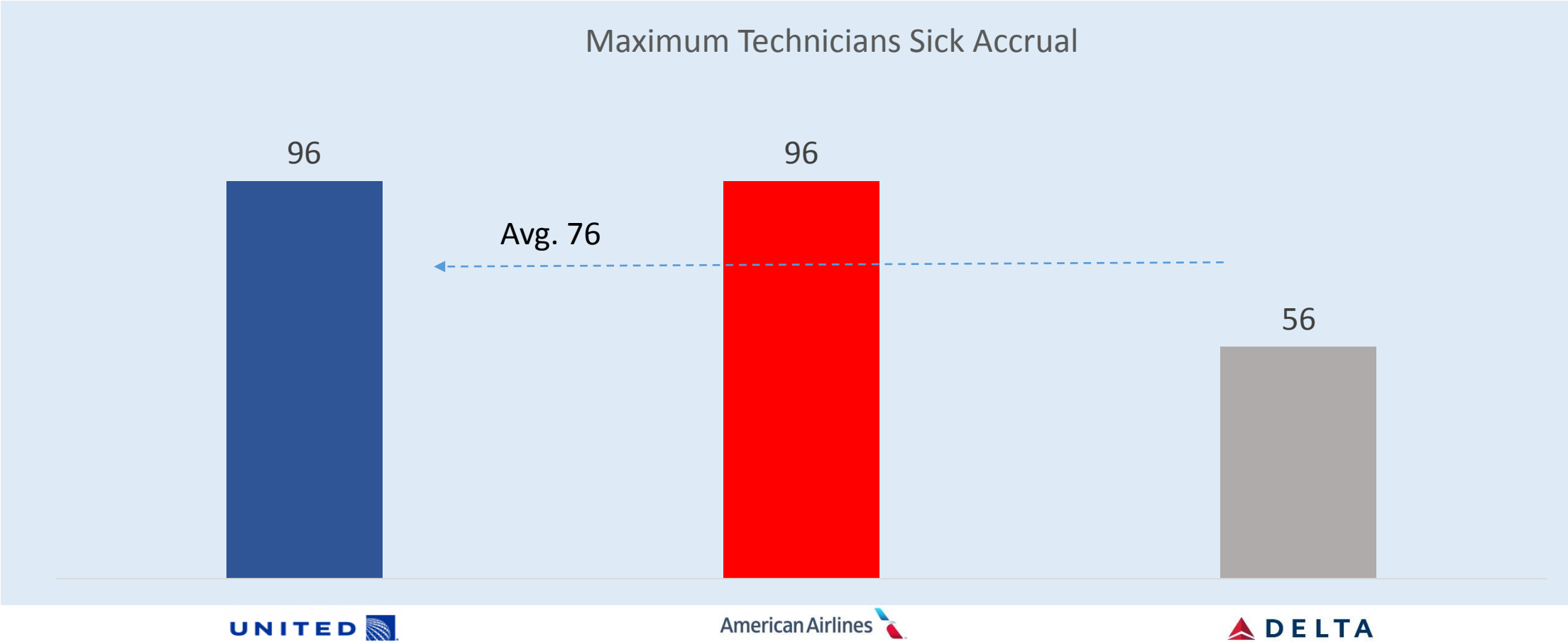
# Technician's Annual Vacation Accrual Hours



Note: AA examples used in reset for Vacation, Sick and Holiday hours are at higher of current AA or US until a new JCBA is ratified.

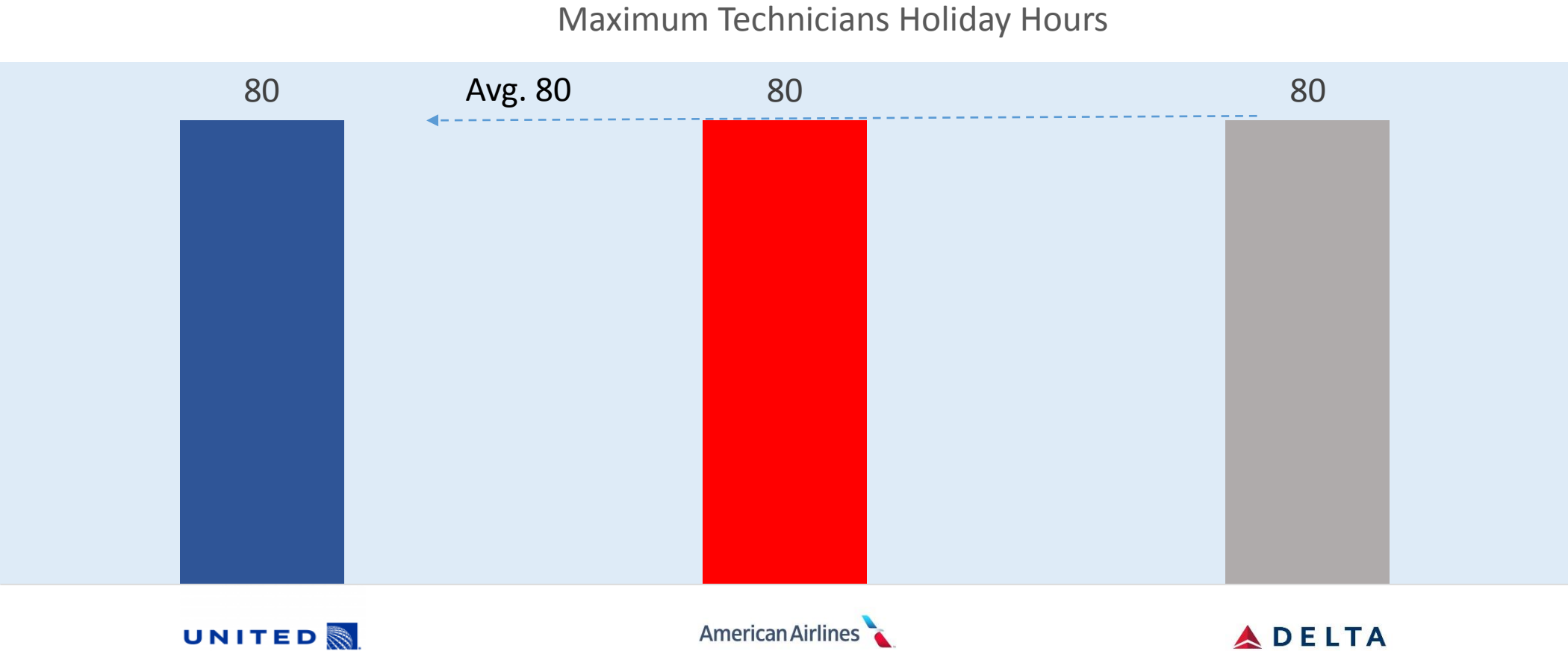


# Technician's Annual Sick Accrual Hours



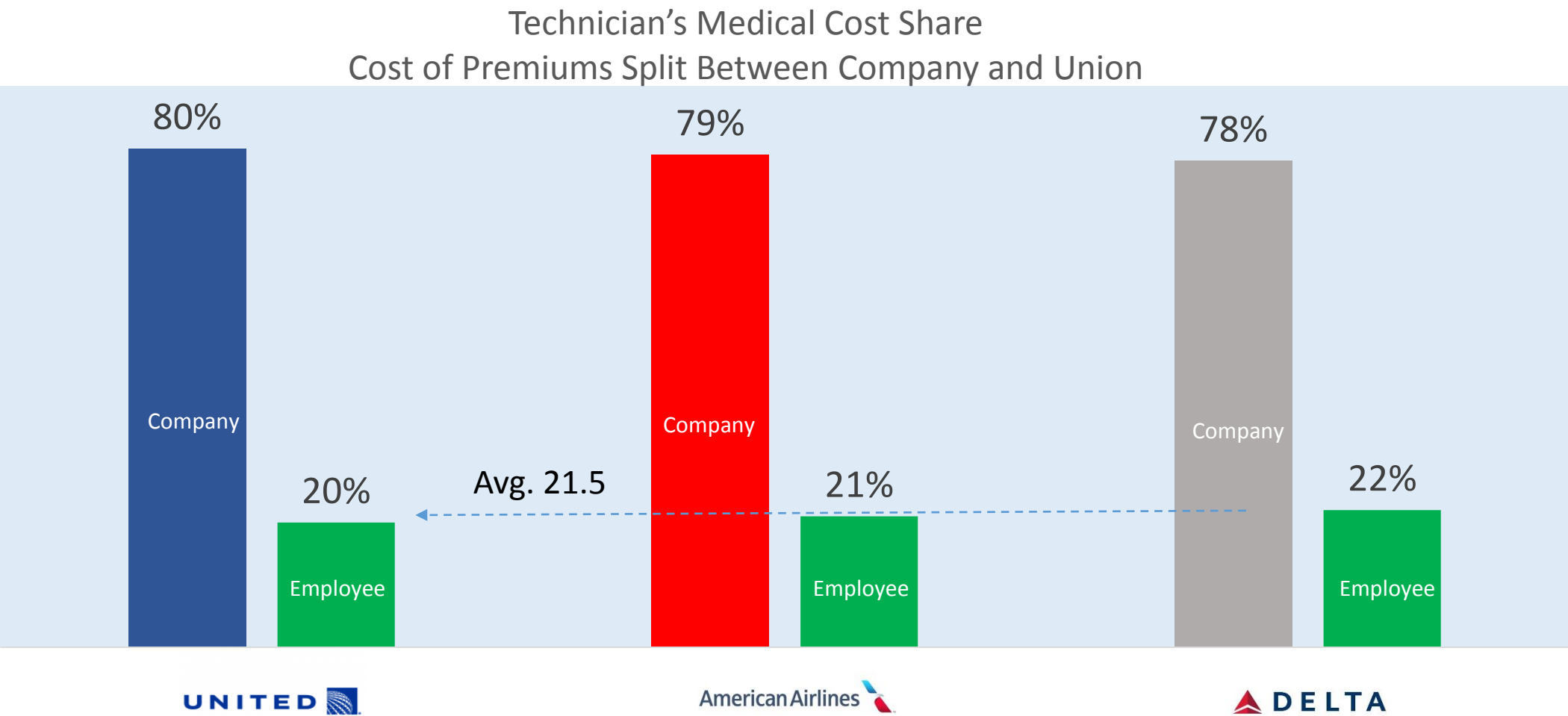
Note: AA examples used in reset for Vacation, Sick and Holiday hours are at higher of current AA or US until a new JCBA is ratified.

# Technician's Annual Holiday Hours

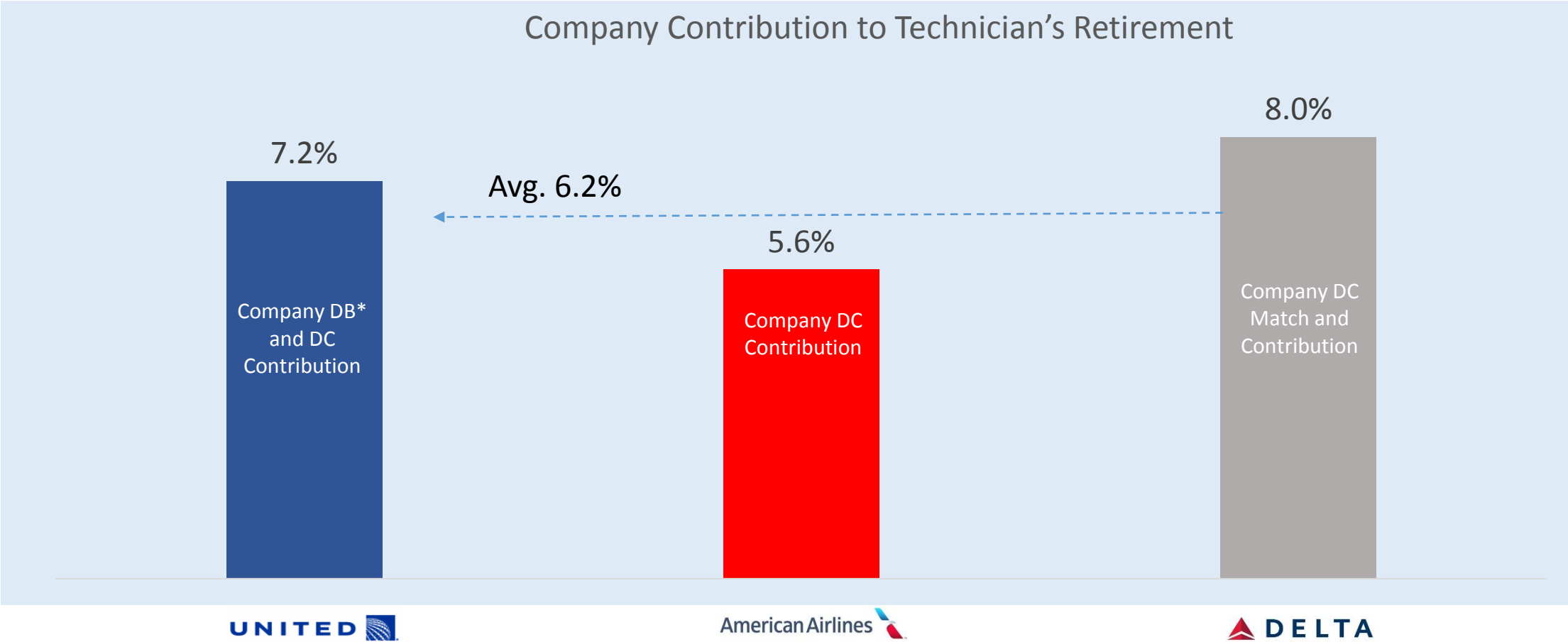


Note: AA examples used in reset for Vacation, Sick and Holiday hours are at higher of current AA or US until a new JCBA is ratified.

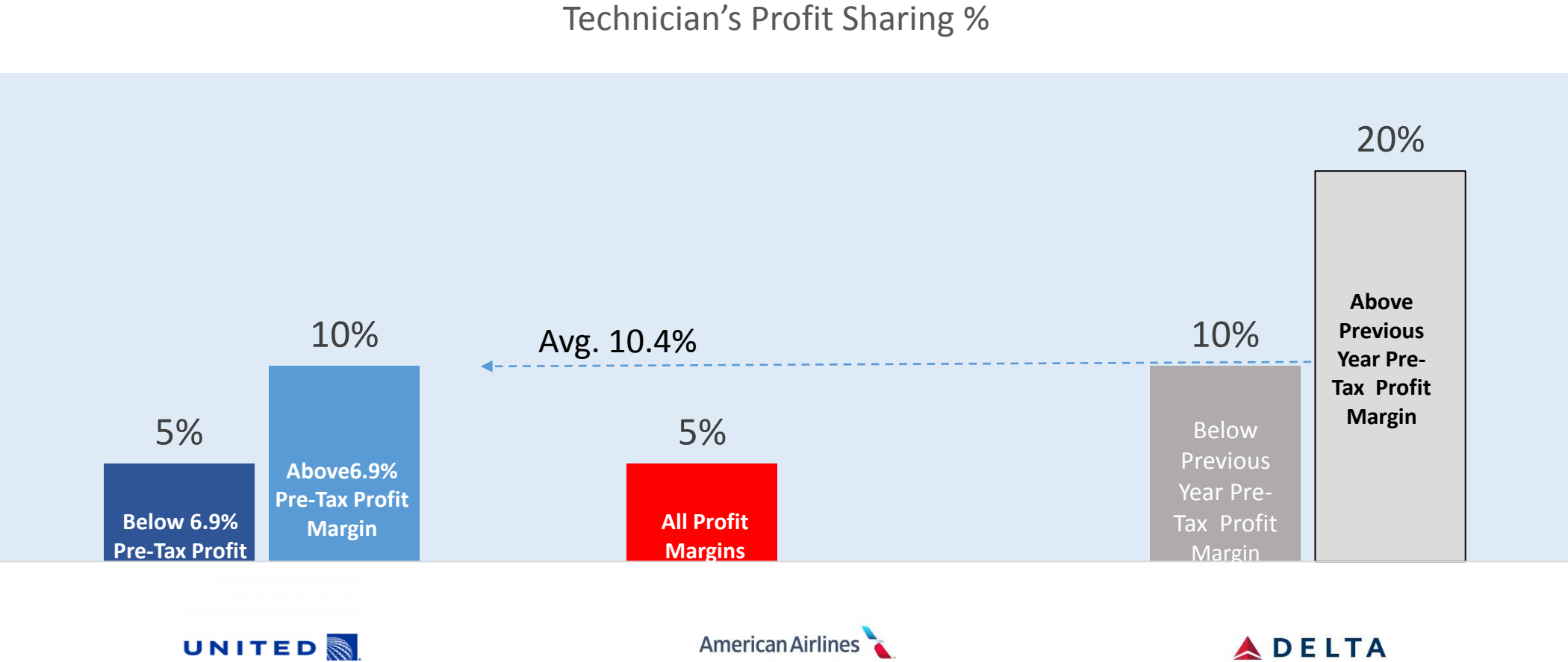
# Technician's Health Care Plan Cost Share



# Technician's Retirement Contribution by Company

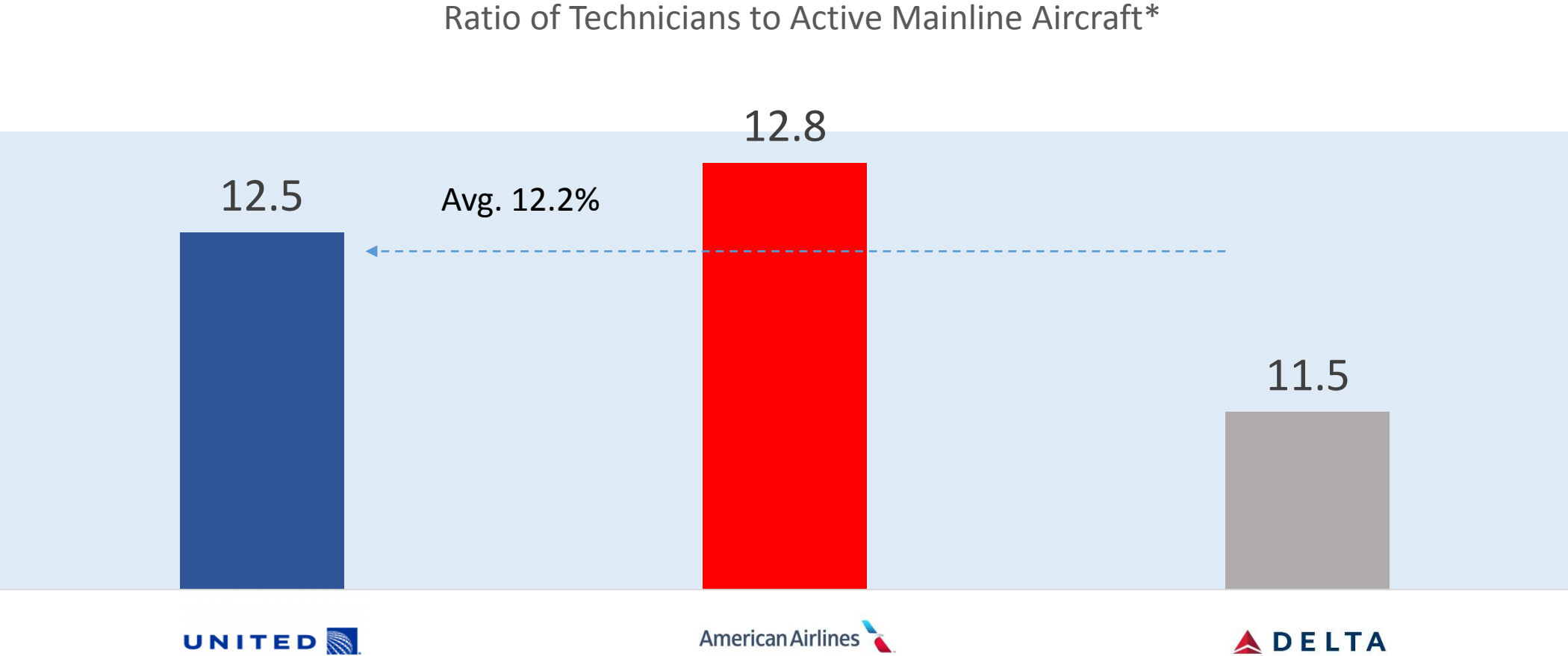


# Technician's Profit Sharing Percentage



Source: Contracts and Policy Manuals  
Note: Example using 2015 UA pre tax profits UA would have paid out 7.5% with under TA's new profit sharing formula, AA would be 5% and DL 15.7% (Avg. AA/DL 10.4%)

# Technician's Scope - Staffing Ratio per Aircraft



Source: US DOT Form 41 Data and SEC filings example from 2015 from employees in equivalent class and craft as UA  
Note: Source data for each carrier must be source verified . Maximum adjustment is .5% with both AA and DL carrier data verified and .25% with only one AA or DL data verified

## Exhibit #11- Feb 2018 IBT UAL Mechanics Dispatch

February 5, 2018

[Mechanics' Dispatch](#)

### 2017 PROFIT SHARING UPDATE

Brothers and Sisters,

There has been some frustration over the shrinking amount of profit sharing for this year, especially in light of the profit sharing announcement at Delta.

The reason the committee took this approach was simple. Based upon our goal of protecting your short and long range goals; we determined, based on the economic forecasts of consultant Dan Akins, that profits would drop leading to a substantial loss in your Profit Sharing. This has been borne out as we see that the pilots have taken a stunning 60% reduction in their Profit Sharing.

While the underlying premise of Profit Sharing is good; the sad reality is that it is tied to the company's profits and is never a guarantee. Our goal was and will always be to ensure that you are recognized for your efforts.

Based upon these concerns, the committee determined that it would be far better to capture the highest hourly rate possible, rather than have annual earnings flex with the ability of the company to make a profit, especially during any future recession. We also recognized that other airlines might increase their respective profit sharing formulae or amounts. In order to capture any possible upward change, the committee included profit sharing at other carriers in the industry reset language in LOA #29.

With our concern that of protecting your finances; and our concerns that the profits would decline, having a negative impact on you, the negotiating committee agreed to the new formula that was based on protecting your hard earned money even in any decline. The reset will occur this December and will take into account the recent increase at Delta Airlines whose profit was much higher than United's. That increase will be applied towards your future raises, and will remain, regardless of the company's profits, for the duration of the agreement and beyond.

Our goal was then and will always remain; protecting the paychecks and financial futures of you and your family. By moving Profit Sharing percentages to hard dollars in your paycheck, we have insured that regardless of United's profits or industry economic downturns that will come, your hard work will always be recognized and protected.

Faternally,

Vincent Graziano

National Coordinator, Technician and Related International Brotherhood of Teamsters Airline Division

Tagged: [Mechanics' Dispatch](#)

Newer Post [February 2018 Business Agents' Report](#)



## Exhibit #12 - May 2018 SFO/LAX IBT BA Report

May 15, 2018

Business Agent's Report

### **LOA #29 Industry Reset – An Explanation**

As we are now in the second year of the Collective Bargaining Agreement, we've been receiving some questions about LOA #29, so we decided to put together a basic explanation for folks.

As many of you know, our members had to endure many years of total compensation that did not reflect the quality of work that was being performed on a daily basis or the status that should be associated with working for one of the largest carriers in the country. The combination of Industry and Company misfortunes conspired to make the term 'Industry Leading Compensation' a distant and positively unattainable objective. Fortunately, things are different now and our CBA, and LOA #29 in particular, assures that our members will remain at the top of the industry in total compensation for years to come and deservedly so.

The basic premise of LOA #29 is very simple: At two years, four years and six years after Date of Ratification (December 5th, 2016), and every year beyond the amendable date thereafter, a measurement of 'Annual Wages and Benefits' will be taken of the top three industry carriers (United Airlines, American Airlines, and Delta Airlines). Those measurements will result in a total rate calculation for each carrier. The total rates for American and Delta will then be averaged. If the total rate for United is not at least 2% above that industry average, then wages at United will be increased so that the United total rate is equal to 2% above the industry average.

The Annual Wages and Benefits is the sum of Annual Employee Wages, Annual Employee Benefits, and Time-Off Adjustments. It is calculated for 10, 20, and 30 Years of Service weighted 20%, 60%, and 20%, respectively.

The Annual Employee Wages is the sum of basic wages, license premiums, line premium, longevity premiums, and HSA/HRA contributions at the measurement date. A profit sharing comparison is made based on a percentage of total wages, and the result is converted to a dollar amount which is added to the other factors to get the total Annual Employee Wages.

Annual Employee Benefits consist of retirement benefits and active medical plan cost share. Retirement benefits are calculated as a percentage of total wages and include Defined Contributions (401K Company contributions) and Defined Benefit (CARP). Active medical plan cost share is also calculated as a percentage of total wages. After the percentages are calculated, they are also converted to a dollar amount using total wages.

The Time-Off Adjustment is made using three factors: sick pay accrual, vacation accrual, and holidays (both fixed and floating). As with previous factors, the percentage is converted to a dollar amount for use in the comparison to the industry average consisting of American and Delta.

## Exhibit #12 - May 2018 SFO/LAX IBT BA Report

As mentioned previously, the 'Annual Wages and Benefits' is the sum of the 'Annual Employee Wages, Annual Employee Benefits and Time-Off Adjustment calculated for 10, 20 and 30 Years of Service weighted 20% (10 YOS), 60% (20 YOS) and 20% (30 YOS).

The total rate used for comparison against the industry average is the Annual Wages and Benefits plus or minus the Scope Adjustment. The Scope Adjustment is simply the ratio of technicians per aircraft.

It should be noted here that all the factors used for the calculations are readily available through SEC filings and other public sources. When this language was being negotiated, the Company set out a huge list of factors that they wanted considered in this calculation, some of them very abstract. It was no small feat to get the factor list down to what we have now. And, although we will obviously use our actuaries when we are determining retirement related costs, the calculations will definitely be simpler as a result of those efforts.

Again, after all calculations are complete, the total rates for American and Delta will be averaged. If the total rate for United is not at least 2% above that industry average, then wages at United will be increased so that the United total rate is equal to 2% above the industry average. If there is to be a wage increase, it is contractually mandated to take effect the first pay period after each measurement date.

All eyes are on the industry right now. The probability of wage movement through the use of the industry reset at the two-year measurement will obviously increase based on short-term movement by American and Delta. But that is by no means guaranteed. We will continue to keep our eyes on the industry to see how things shake out. And, of course, we will strive to make sure you are informed throughout.

### **Labor History for the Month of April**

April 29th, 1899 - Angry over low wages, the firing of any miner who held a union card, and the planting of company spies, miners seize a train, load it with 3,000 pounds of dynamite, and blow up a mill at the Bunker Hill mine in Wardner, Idaho. On May 3, the Governor declared martial law and 700 miners were arrested, hundreds kept imprisoned in a hastily constructed military prison for over a year.

April 29th, 1943 - The special representative to the National War Labor Board issues a report, "Retroactive Date for Women's Pay Adjustments," setting forth provisions respecting wage rates for women working in war industries who were asking for equal pay. A directive issued by the board in September 1942 stated that "rates for women shall be set in accordance with the principle of equal pay for comparable quantity and quality of work on comparable operations."

April 28th, 1971 - The Occupational Safety and Health Administration — the main federal agency charged with the enforcement of workplace safety and health legislation

## **Exhibit #12 - May 2018 SFO/LAX IBT BA Report**

— is formed. April 28 is designated as Workers' Memorial Day, an international day of remembrance for those workers killed, injured, or made sick on the job.

We must never forget!

### **Workers Memorial Day Note from Safety Committee Chairman Ralph Ortiz**

On April 28th each year, Labor observes Workers Memorial Day to remember those who have suffered and died on the job. Every worker death is a tragedy. Each brother or sister killed or injured on the job impacts their family in unimaginable ways. Unions and their members honor those brothers and sisters. Let this year be the year that all brothers and sisters return home safely each and every day to their families.

A special thanks to Brother Ralph for these thoughtful words.

### **Labor Quotes**

Today in America, unions have a secure place in our industrial life. Only a handful of reactionaries harbor the ugly thought of breaking unions and depriving working men and women of the right to join the union of their choice. I have no use for those -- regardless of their political party -- who hold some vain and foolish dream of spinning the clock back to days when organized labor was huddled, almost as a hapless mass. Only a fool would try to deprive working men and women of the right to join the union of their choice. —Dwight D. Eisenhower

Our labor unions are not narrow, self-seeking groups. They have raised wages, shortened hours, and provided supplemental benefits. Through collective bargaining and grievance procedures, they have brought justice and democracy to the shop floor. —John F. Kennedy

No business which depends for existence on paying less than living wages to its workers has any right to continue in this country. By living wages I mean more than a bare subsistence level --I mean the wages of decent living.—Franklin D. Roosevelt

Great quotes from great men. We see all around us the repercussions of the demise in Unionism in this country, but nothing illustrates that more than the disparity in wealth between the one percenters and everyone else in this country and the resulting contraction of the middle class.

### **Stay Informed**

The communication process is an extremely important part of what we do to represent our folks here at SFO and, as we have been outlining for quite some time, we have been blasting out the BA Report along with any other communication we get from the Airline Division or the International to anyone who registers at the TeamstersSFO website. We feel that it is essential for all of our members to be engaged and informed at all times. Therefore, we encourage all of you to spread the word to your fellow technicians to go to the TeamstersSFO website and click on the 'email signup' tab to get on the list.

## **Exhibit #12 - May 2018 SFO/LAX IBT BA Report**

Additionally, the Chief Stewards hold weekly meetings with the Shop Stewards to pass on any important informational items that may come up during the month. It is crucial to our process that every work area on every shift have Shop Steward representation and that the Shop Steward give, at a minimum, weekly briefings to his/her crew so that all the information gets to our members and members have the opportunity to ask questions.

Most importantly, we urge you to also consider getting more involved. Every month, on the last Thursday, we hold Craft Meetings at Local 856. At these meetings, the membership hears reports from the Business Agents and other members of the SFO Committee on Grievances, Safety, Member Assistance, and the TSAP program. Additionally, all members have an opportunity to ask questions and to bring up topics for discussion. Check your IBT Bulletin Board for dates and times and make it a point to stop by whenever you can.

As always, stay informed!

In Solidarity

Mark DesAngles Business Agent  
Local 986

Javier Lectora Business Agent  
Local 856

## Exhibit #13 - December 2018 Mechanics Dispatch



December 13, 2018

Dear Members,

LOA #29 – Industry Reset, the first update of the Reset Cost Model has just been performed, comparing updated pay and other economic items for technicians at United Airlines, Delta Airlines and American Airlines. Financial and actuarial analysts from both the IBT and United Airlines recently met to review data, update the cost model and to calculate a new relative value. The updated output from the cost model indicates that the overall value of United Airlines technician's contract items remains well above the two percent minimum advantage over Delta and American, as required in LOA #29. As shown below, the cost model analysis indicates that the overall value of United Technician's selected contract items is 7.7 Percent above the average value of those items at Delta and American.

	United Airlines	Average of Delta and American
Technician <u>Weighted Average</u> Hourly Pay	\$49.45	\$49.31
Additional Value of All Non-Pay Items above AA & DL	+\$3.67	
Total Value of Pay and Non-Pay Items	\$53.12	\$49.31
United Overall Value vs Average AA/DL	107.7%	

This result is not surprising considering two main factors affecting the updated valuation:

- No significant change for American Airlines' technicians since 2016, and
- A material increase in United technicians' retirement benefit costs.

While there have been some significant improvements in Delta technicians' pay and profit-sharing since 2016, the value of these improvements was undermined by the stagnant value of the technicians contract at American Airlines, where they have not yet reached a new Joint Collective Bargaining Agreement (JCBA). In addition, the relative value of the United technicians' contract has increased due to a large increase in the valuation of the defined benefit plan, CARP, which now includes UA technicians. The improvements in United technicians' retirement plan and pay rates combined with the lack of progress at American have resulted in the value of United technicians' contract items to remain well above the minimum two percent

## Exhibit #13 - December 2018 Mechanics Dispatch

threshold compared to Delta and American (as required in LOA #29). Therefore, no pay increase is due from the first round of the reset analysis that was performed in December of 2018.

However, the Reset Cost Model would have determined that a 1.4 percent pay increase was due to United technicians if technicians at American Airlines (and former US Airways) were able to reach a JCBA in the past two years that contained improvements equivalent to those in the United JCBA. These would include a base pay increase, A&P license pay, line pay, VEBA, vacation hours, medical cost sharing, retirement pay and profit sharing. If American technicians agree to a JCBA over the next two years, in addition to reaching wages and other improvements that are equivalent to or better than those contained in the current UA JCBA, the reset evaluation in 2020 will most likely provide an improvement to United technician pay rates.

The data, methodology and results of the 2018 reset evaluation were calculated, evaluated and assessed by IBT's external financial analyst Dan Akins and by IBT's external actuary, Peter Hardcastle. The data, methodology and results of the 2018 reset evaluation have been deemed to be reasonable and accurate. The large increase in the cost of United's retirement plan was reviewed by Mr. Hardcastle, who states the following:

"I met with United's external actuary to discuss the methodology and assumptions behind the calculation of the cost of CARP. The methodology used by United's actuary considers the market value of the accruals and is consistent with U.S. accounting standards. The cost is based solely on the population of United mechanics and only relates to the cost of benefit accruals for the year. I am in agreement with the methodology used, and I know from experience that the results lie within the range of my expectations. The increase in United's service cost for CARP since 2016, as applied in the cost model, is consistent with my expectation given the increase in benefit population due to the inclusion of the larger and more senior UA Mechanics group, as well as a further drop in the discount rate since 2016."

Both Mr. Akins and Mr. Hardcastle agree that the relative value of the items as calculated by the cost model indicate a 7.7 percent relative advantage of the United technicians' contract items compared to the average value of those same items at Delta and American. The next update of the cost model will be undertaken in early December of 2020, when the then current values of the five contract items will be recalculated and assessed.

In Solidarity,

Vinny Graziano





# MECHANICS DISPATCH

*News and Updates*

## Technicians Update

November 20, 202

### Industry Reset

Dear Brothers and Sisters,

It is time again for the application of the Industry Reset as set out in LOA #29. The good news for this year's measurement is that the TWU-IAM Alliance at American was able to achieve a rich package of wages and benefits that was used in the model to determine our outcome.

I can report today that the model worked as designed and each of you will be getting a 7.06% increase above the 1% Basic Hourly Rate in Appendix A of Article 15. The additional increase at the top of scale Technician rate is approximately \$2.94/hour.

I would like to thank our economist Dan Akins and Actuary Peter Hardcastle for their work ensuring that the formula was applied correctly. You should see the increase in pay shortly. During these difficult times it is certainly welcome news that the Reset worked exactly as intended to make sure this group never falls behind the industry.

In Solidarity,

Vinny Graziano

International Representative

Airline Division

International Brotherhood of Teamsters



## Exhibit #15 - 2020 Delta / American Pay and Profit Sharing Estimates

### 2020 - Pay Rates and Profit Sharing at AMR DAL and UAL

Delta Pay \$52.47 + \$8.43 Delta Profit Sharing = \$ 60.80

Base \$46.72      License \$5.00      Line \$ .75

Delta Profit Sharing 16.7% or \$8.43 an Hour.

American Pay \$55.45 + \$.83 Profit Sharing = \$ 56.28

Base \$49.20      License \$5.25      Line \$1.00

AMR Profit Sharing 2019      1.7% or \$.83

United IBT Reset Pay \$52.14 + \$1.35 Profit Sharing = \$ 53.49

Base \$44.89      License \$5.25      Line \$1.00

United Profit Sharing 2019      2.7% or \$1.35

**Delta Pay and Profit Sharing = \$60.80**

**American Pay and Profit Sharing = \$56.28**

**Average of Delta and American = \$58.54**

**THEN ADD 2% to go above the Average = \$1.17**

**\$59.71 Estimated Hourly Rate.**

**\$53.49 Current UAL Rate**

**\$6.22 Estimated Difference on currently available information**

## October 2019 Pay Scales

### Tech Ops Scales

#### Aircraft Maintenance Technician (AMT) & Related

Step	Hourly Base Rate Effective 10/1/2018	New Hourly Base Rate Effective 10/1/2019
Start	\$22.53	\$23.44
After 6 months	\$26.17	\$27.22
After 1 year	\$26.80	\$27.88
After 1-1/2 years	\$29.20	\$30.37
After 2 years	\$29.59	\$30.78
After 2-1/2 years	\$29.96	\$31.16
After 3-1/2 years	\$30.51	\$31.74
After 4-1/2 years	\$32.13	\$33.42
After 5-1/2 years	\$35.15	\$36.56
After 6-1/2 years	\$36.83	\$38.31
After 7-1/2 years	\$44.92	\$46.72

In addition to Hourly Base Rate, employees may also receive license premiums based on qualifications. To calculate your hourly pay, identify your appropriate step on the base rate scale and apply the applicable shift premium for second and third shift hours and the applicable premiums based on your position and qualifications as indicated on the chart below.

- Maximum of 2 license premiums (see chart below) will be paid for each FAA Airframe, FAA Power Plant, or FCC Radio-Telephone 2nd class or higher license where required.
- FCC Radio-Telephone 2nd class or higher license will only be paid in departments where required.
- Shift Differential: \$0.52 second shift, \$0.59 third shift

Position Requirement	Quals	1 License Premium \$2.50/Hour	2 License Premium \$5.00/Hour	Skill Premium \$3.75/Hour	Line Premium \$0.75/Hour
Line	2 licenses		X		X
Hangar and Shop	2 licenses		X		
Shop - 1 license	1 license	X			
Welder, Machinist, Avionics-shop, AMSCT- SP, Painter-SP	Skilled			X	

## Exhibit #15 - 2020 Delta / American Pay and Profit Sharing Estimates

During the period of this Agreement, the rates of pay for the classifications of work covered will be in accordance with the Wage Schedules shown in this Article 16, which are incorporated and made a part of this Agreement.

The hourly rates of pay as set forth in this Article shall be effective on the first Monday after the date of ratification.

A. An employee, who holds a position in a Crew Chief, Technical Crew Chief, Inspector or Senior classification, will receive his basic classification chart rate plus a Premium of \$2.20 per hour. Premium will increase to \$2.40 per hour as of DOR plus three (3) years. An employee who receives this Premium will continue to receive that Premium, provided that he continues to hold a position entitling him to a Premium position.

1. This Premium is added to his basic classification chart hourly rate of pay and will be considered as part of his base hourly rate for the accrual of all pay related benefits. Length of service increases will be based upon the basic classification date.

2. An employee's base pay will mean the chart rate plus any applicable premiums and/or differentials and will apply to the calculation of pay for any overtime applications, vacation pay, holiday pay, sick leave pay, travel pay, field trips, furlough or severance pay, sick leave conversion to an HRA and pay for occupational illness or injury (OJI).

B. During the period of this Agreement, the chart rates of pay for the basic classifications of work will be as specified on the appropriate pay charts below.

		AMT			
		<u>DOR +12</u>	<u>DOR+24</u>	<u>DOR +36</u>	<u>DOR+48</u>
<u>YOS</u>	<u>DOR</u>	<u>2%</u>	<u>2%</u>	<u>2%</u>	<u>2%</u>
0-1	28.69	29.26	29.85	30.45	31.06
1-2	31.16	31.78	32.42	33.07	33.73
2-3	33.16	33.82	34.50	35.19	35.89
3-4	35.35	36.06	36.78	37.52	38.27
4-5	37.81	38.57	39.34	40.13	40.93
5-6	47.95	48.91	49.89	50.89	51.91
6-7	48.05	49.01	49.99	50.99	52.01
7-8	48.15	49.11	50.09	51.09	52.11
8-9	<u>49.20</u>	<u>50.18</u>	<u>51.18</u>	<u>52.20</u>	<u>53.24</u>

		Inspectors			
		<u>DOR +12</u>	<u>DOR+24</u>	<u>DOR +36</u>	<u>DOR+48</u>
<u>YOS</u>	<u>DOR</u>	<u>2%</u>	<u>2%</u>	<u>2%</u>	<u>2%</u>
0-1	28.69	29.26	29.85	30.45	31.06
1-2	31.17	31.79	32.43	33.08	33.74
2-3	33.18	33.84	34.52	35.21	35.92
3-4	35.40	36.11	36.83	37.57	38.32

## APPENDIX A

- A. Technicians, GSE Technicians, Facilities Technicians, Welder Technicians, Machinist Technicians, Flame Spray Technicians, Plater Technicians, Airport Communication Technicians and Inspectors

### Basic Hourly Rate

Year	Step	[DOS]	[DOS+1] +1.5%	[DOS+2] +1%	[DOS+3] +1%	[DOS+4] +1%	[DOS+5] +1%
0	#1	\$20.65	\$20.96	\$21.17	\$21.39	\$21.61	\$21.83
1	#2	\$24.09	\$24.46	\$24.71	\$24.96	\$25.21	\$25.47
2	#3	\$25.77	\$26.16	\$26.43	\$26.70	\$26.97	\$27.24
3	#4	\$26.20	\$26.60	\$26.87	\$27.14	\$27.42	\$27.70
4	#5	\$27.23	\$27.64	\$27.92	\$28.20	\$28.49	\$28.78
5	#6	\$29.42	\$29.87	\$30.17	\$30.48	\$30.79	\$31.10
6	#7	\$31.63	\$32.11	\$32.44	\$32.77	\$33.10	\$33.44
7	#8	\$36.24	\$36.79	\$37.16	\$37.54	\$37.92	\$38.30
8	#9	\$40.06	\$40.67	\$41.08	\$41.50	\$41.92	\$42.34
A & P License Max		\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25
Longevity Max		\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Line Pay		\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
VEBA – paid up to a maximum of 2080 hours in a calendar year (see Article 16.G.2.d)							
(Starts 4/1/17)		\$1.20	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20

### Lead Technicians / Inspectors

The hourly base rate of pay for Lead Technicians and Inspectors shall be five percent (5%) over the top end hourly base rate (including longevity) of pay for Technicians.