



AMFA – ASA Virgin America Transition Agreement Discussions

Participants for AMFA:

Earl Clark – Chairman and Region I Director
(Via Conference Call)

Jarod Mills – Airline Representative, Local 14

Mark Dahl – Airline Representative, Local 32

Participants for Alaska Airlines:

Constance von Muehlen – VP Maintenance & Engineering

Paul Taylor – Managing Director, Line Maintenance

Jenny Wetzel – VP, Labor Relations

Sonia Alvarado – Director, Labor Services M&E

Update # 8 April 30, 2019

AMFA and Alaska Airlines met in Seattle, WA on April 25, 2019, for a short session to discuss an Alaska Airlines – Virgin America Transition Agreement. The Company began by stating they didn't want to see a line drawn down the middle of the breakrooms separating the Airbus and Boeing Technician workgroups. They also told us “to get more money for more time.”

They then presented us with a Transition Agreement proposal, which included a two-year extension with increased rate percentages on all-in rates. The highlights of their proposal are:

- We would receive our annual contractual raise early upon the date of ratification of 1.5% along with an additional 1%, for a total of 2.5% with no October wage review in 2019.
- October 17, 2020 – we would receive our annual 1.5% raise, plus an additional .5%, for a total of 2%, and if there is an adjustment between our 2% raise and 3% due to the annual wage review, the Company would round up to a maximum of 3%. If the adjustment is above 3%, we would just get that % raise, whether it would be 3.2% or 4.7% etc.
- October 17, 2021– 1.5% annual raise, with the wage review.
- October 17, 2022 – 1.5% annual raise, with the wage review.
- October 17, 2023 – contract would be amendable.

This would include the previous proposed enhancements included in the Alaska Airlines –Virgin America Transition Agreement that was rejected by a majority vote on December 17, 2018:

- Ratification bonus of \$2,500
- Increases to shift differentials:
 - Swing shift from \$0.60 to \$0.65 per hour
 - Grave shift from \$0.75 to \$1.10 per hour
 - Relief shift \$0.80 to \$1.10 per hour
- Longevity allowance increases:
 - Ten (10) through fifteen (15) years: from \$0.15 to \$ 0.25 per hour
 - Sixteen (16) through twenty (20) years: from \$0.20 to \$ 0.30 per hour
 - Twenty-one (21) through twenty-five (25) years: from \$0.25 to \$ 0.40 per hour

- Twenty-six (26) through twenty-nine (29) years: from \$0.30 to \$ 0.50 per hour
- Article 20, paragraph J of the CBA will be amended as follows and will apply to all covered employees:
 - Effective ~~October 16, 2017~~ **[TBD*]**, AMFA employees participating in the **Alaska Airlines, Inc. COPS, MRP & Dispatch** 401(k) plan shall be entitled to an additional matching contribution in cash equal to 50% of up to an additional ~~two~~ **three** percent (~~2%~~**3%**) of the participant's deferrals "i.e., maximum employee contribution to receive all Company match as of ~~October 16, 2017~~ **[TBD* date]** is ~~eight~~ **nine** percent (~~8%~~**9%**) of an employee's deferrals, and the match will be a maximum of ~~4%~~ **4.5%** of eligible compensation.
- Letter of Agreement #9 amended to include all active members of the bargaining unit as of the time of issuance of single certification and to include JFK.

We countered with the following adjustments:

- We would receive our annual contractual raise early upon the date of ratification of 1.5% along with an additional 1.5%, for a total of 3% with no October wage review.
- October 17, 2020 – we would receive our annual 1.5% plus an additional .5% for a total of 2% and if there is an adjustment between our 2% raise and 3% due to the annual wage review, the Company would round up to a maximum of 3%. Example: if the adjustment would be 2.6% to keep us in the middle of our peers, the Company would round that up to 3%. Any adjustment above the 3%, we would just get that % of raise, whether it would be 3.2%, 3.9%, or 4.7% etc.
- October 17, 2021 – 2.5% annual raise, with the wage review.
- October 17, 2022 – 2.5% annual raise, with the wage review.
- October 17, 2023 – contract would be amendable.
- We agreed to include the previous proposed enhancements including in the Alaska Airlines –Virgin America Transition Agreement that was rejected by a majority vote on December 17, 2018, as seen above.
- We asked Ms. von Muehlen if the Company planned to include an updated letter to agree in writing – as Kurt Kinder previously wrote – that if this Transition Agreement passes, to bring back the Airbus outsourced maintenance of "A" check and below to be worked by AMFA represented technicians as Mr. Kinder stated to this Negotiating Committee and to our members.
- Remove the "sunset clause" of the LOA #9, Job Protection, which is the expiration date of October 16 and is one day before our contract becomes amendable.

The Company told us that they will get back to us with an answer to our counter by next week.

Thank you all for being patient and professional during this negotiation process.

Fraternally,

Your Negotiating Committee