



AMFA – ASA Virgin America Transition Agreement Discussions

Update # 10 May 13, 2019

Participants for AMFA:

*Bret Oestreich – National Director
Gene Painter – Asst. National Director
Earl Clark – Chairman and Region I Director
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*

AMFA and Alaska Airlines met in Seattle, WA on May 10, 2019, for a short session to discuss an Alaska Airlines–Virgin America Transition Agreement. For definition purposes, “All-in” is defined as including base pay, license premiums, line premium, and top scale longevity. We presented the Company with a proposal that included the following:

- 4% all-in wage increase on Date of Ratification.
- October 17, 2019 – 1.5% annual all-in raise, with the wage review.
- October 17, 2020 – 1.5% annual all-in raise, with the wage review.
- October 17, 2021 – the contract would be amendable.
- AMFA will apply for Single Carrier Status when the Transition Agreement goes out for a vote of the membership, not waiting for ratification.
- Alaska agrees to the following:
 - (a) If the Transition Agreement fails, both parties mutually agree to go directly to arbitration for either the Transition Agreement or Seniority Integration Agreement, or both.
 - (b) Alaska agrees to cover all costs associated with going forward, if either provision fails.
- AMFA will endorse the agreements and expedite road shows to large stations and conferences with the smaller staffed stations to get the election process started quickly.

Our proposal would include the previous proposed enhancements that was in the AMFA-Alaska Airlines and Virgin America Transition Agreement, which was rejected by a majority vote on December 17, 2018:

- Ratification bonus of \$2500
- 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 thirty (30) years: from \$0.25 to \$ 0.40 per hour
- Thirty (30) or more 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 revised to include all active members of the bargaining unit as of the time of issuance of single certification and amended to include JFK.
- The Kurt Kinder letter updated with Constance von Muehlen signature.

The Company then presented us with a counter proposal that included the following highlights:

- 4½ % all-in wage increase on Date of Ratification, with no annual increase or wage review on October 17, 2019.
- October 17, 2020 – 1.5% annual all-in raise, with the wage review.
- October 17, 2021 – 1.5% annual all-in raise, with the wage review.
- October 17, 2022 – 1.5% annual all-in raise, with the wage review.
- October 17, 2023 – Contract would be amendable.

Their proposal would also include the previous proposed enhancements that was in the AMFA–Alaska Airlines and Virgin America Transition Agreement, which was rejected by a majority vote on December 17, 2018, which are spelled out above in our proposal.

We did not reach an agreement at this time, and we will meet again on Tuesday, May 14, 2019.

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

Fraternally,

Your Negotiating Committee