

AMFA/Alaska Airlines Contract Negotiations Update

Update # 5 April 4, 2016

Participants for AMFA:

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Earl Clark - Chairman and Region I Director

Jason Munson - Airline Representative, Local 14

Mark Dahl - Airline Representative, Local 32

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Participants for Alaska Airlines:

Greg Mays – VP Labor Relations
Kurt Kinder – VP Maintenance & Engineering
Bob Hartnett – Director, Labor Relations Ground
Sonia Alvarado – Manager, Labor Services M&E
Meagan Koerig – Sr Financial Planning Analyst

The Negotiating Committee is providing this update to the AMFA Membership at Alaska Airlines. This is the only official authorized source of negotiating communications by the Committee.

March 28–31, 2016, AMFA and Alaska Airlines met to continue negotiations at the Embassy Suites in Portland, Oregon. We started the first day, which was a half-day session, reviewing our agenda. The Company informed us that they were not willing to discuss Article 3, Status at this time. We then started with Article 19, Severance Allowance; our proposal was to increase the severance amount as Alaska is not in line with the other carriers in the industry. After discussion, no conclusion was made at this time. We then went on to discuss Letter of Agreement # 13, Health and Wellness and decided to come back to it at a later date. We then moved on to Article 11, Leave of Absence; our proposal on this article was for Union Override, which is the amount the Company charges the Union while we are on Union business. After a lengthy discussion we choose to withdraw our proposal and the Company said that they will notify the Union on a yearly basis of the going rate that we are being charged. We also talked about uniforms in Article 18, Safety & Health. Kurt Kinder is going to put out a memo stating that you can turn in your old worn/torn jacket and get a replacement, which does not come out of your yearly uniform allowance.

On March 29 we started the day off with Article 15, Transportation. The Company informed us that they would not be able to delegate alternatives, other than parents, for travel privileges due to tax liabilities. We then moved on to commuter status (D8Y) as we feel that it is not being used fairly throughout the system. After a lengthy discussion, we agreed to drop our proposal with the understanding of the Company posting the commuter pass policy on the M&E website and clarifying the process to request the D8Y boarding priority when commuting to work from your home. We then discussed a moving expense for forced relocation in the event of a furlough. Not coming to a mutual decision, we moved to Article 2, Scope and Letter of Agreement (LOA) # 9, Job Protection. The Company did not want to talk about Scope, but we brought it forward anyway. After breaking for lunch, the Company told us that they were not interested in making any changes to Scope, but were willing to talk about LOA #9. We agreed to table Scope for the time being and discuss LOA #9. We proposed several more stations to the job protection language and removed the expiration date (paragraph 3) from the letter. After a lengthy Company caucus, they said that they have nothing for us on LOA #9, so we ended talks for the day.

On the morning of March 30, the Company told us that they were not prepared to discuss LOA #9, Job Protection any further at this time, but were willing to talk about it at a later date. They wanted to discuss Article 15, Transportation, paragraph C1, on forced relocation allowance. We ended up agreeing to the Company's offer of \$6000 after taxes or an increase of on-line transportation at no cost to the employee of 15000 pounds. To receive the \$6000, the employee would have to move his residence within 90 days unless mutually agreed upon with the VP of maintenance. If he did not move within the 90 days, he would have to reimburse the Company the \$6000 within 30 days. We also made a slight change to the language in Article 9, Seniority, paragraph K, which references the relocation allowance in Article 15, Transportation,

paragraph C1. We then talked about Article 19, Severance Allowance. We told the Company that we are behind all other technicians in the industry, and after that we broke for the day.

On March 31, we started the day with Article 19, Severance Allowance where the Company came back to the table willing to increase the allowance from our current eight (8) weeks of pay to 13 weeks of pay, which we accepted. The Company wanted to discuss Article 5, Hours of Service on their proposal of electronic timekeeping system. They told us that the electronic time keeping system will take some time to develop and they wanted to draft a LOA to address it. We told them that we were good with the language currently in the contract and did not feel that a LOA was necessary, so the Company withdrew their proposal. They also withdrew their proposal on reviewing the entire overtime language in Article 6. We then discussed our proposal of adding two additional holidays in Article 7 and they came back with an emphatic "no." They also gave us info of other work groups in the industry and we thanked them for the info; we will review it and get back to them on the holiday language. The Company said that they reviewed our proposal on banking holidays for a 10-hour shift employee to get a day of banked time rather than eight (8) hours when it is his day off, that way when he used the banked day it would just be a day whether he was on an 8 or 10-hour shift. The Company responded with a "no" due to OASYS constraints. We then moved on to the Company's two proposals on Field Service in Article 8, and they choose to withdrawal both of them. We then discussed AMFA's proposal on Leads bidding separately by station, bid location, and shift in Article 13, Vacations. After explaining our position, the Company said that they have no interest in changing the language on Lead vacation bidding and we ended up withdrawing our proposal. We then tentatively agreed to language regarding the option of being able to add odd days of vacation on either side of a vacation period, rather than just at the end (three or less days for an 8-hour employee and two or less days for a 10-hour employee). We ended our session and set our agenda for our next session in Seattle, WA.

Our Committee would like to thank the observers that took the time to attend. Remember to check your Local's website for the most up-to-date information on times and locations of negotiations: www.amfa14.org and www.amfa32.com. If you have any questions, please contact your Airline Representative or attend your next monthly membership meeting for a question and answer period. If you plan to attend a future negotiation session, please contact your Airline Representative to RSVP, by RSVP'ing you are guaranteed a seat if the room is full.

Upcoming Negotiation Date - Upcoming meeting accommodations and times are yet to be determined.

April 11-13 Seattle, WA

Center Point Business Park in Kent, WA in the Baker Room

May 9-12 Seattle, WA

May 31-June 2 Bay Area

June 28-30 Seattle, WA

Sincerely,

Your Negotiating Committee