

Railroad Transportation and Operation Agreement (RTOA)

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NRC Conference

January 6, 2008



History NRC

- Created to achieve a labor agreement with broad geographical reach
- Railroad Transportation Operating Agreement (RTOA) – 25 years ago
- NRC eventually opened its doors to union and non-union contractors. Become vibrant family of railroad stakeholders.
- RTOA today- 33 contractors, 2 Unions & growing
- “National Locals” – Operating Engineers (Local 150) and Laborers International (Local 773)



New RTOA – Stability with Strong Benefits

- Stability – in 25 years, never been a strike or job walkout
- O’Sullivan (Laborers), Giblin (Operating Engineers) & Chambers (NRC) – signed new agreement, expires 2012
- Competitive wage benefits divided by zones
- Strong health benefits – full medical, dental and wellness with rates – approximately 50% less than comparable programs
- Training Trust – funds extensive Safety Training



New RTOA – National Reach, Mobility & Competitive Pricing

- National reach – in a decentralized labor arena dominated by local unions, new RTOA now has national reach
- Flexibility – crews can be moved from state-to-state and across country without local union interference
- Competitive pricing – dispute resolution process on jurisdiction addressed by Policy Committee
- Competitive pricing – “wage exception” mechanism to lower rates when bidding in a non-union environment



The New RTOA: Stability with Benefits!

National Reach: An expanded Labor Agreement for Railroad Contractors!

Flexibility: Crew mobility!

Competitive Pricing: Geographically-zoned, competitive wages with affordable health benefits!

Get on Track with RAILCET,
Railroad Cooperation & Education Trust—
To become an RTOA Signatory Contractor:
Contact RAILCET toll free at 1-866-724-5238
or visit our website at www.railcet.net

RAILCET



New RTOA – Railroad Cooperation & Education Trust (RAILCET)

- A labor-management promotional organization
- Identify and analyze specific markets & track projects (Transit, Shortline/Regional, Class I and Industrial Railroads)
- National advertising campaign in key trade publications (Progressive Railroading, Railway Age & RT&S)



Why Railroad Transportation Operation Agreement/ RTOA (National Railroad Agreement)

- Expands cooperative agreement to achieve common goals – helps contractors, laborers and operators succeed
- Helps contractors find labor locally
- Geographic reach – locked in 41, accessible in all 50 states
- Fair wage rates and affordable health insurance (\$2.60 per hour)
- Training and reimbursement
- Grievance procedure



RTOA Signatory Contractors

- **Aatlas Track Construction Company**
- **Alfonsi RR Construction**
- **Alltrack Inc.**
- **Ameritrack Railroad**
- **Armond Cassil R.R. Construction**
- **Balfour Beatty Rail**
- **Central IN & Western RR**
- **Central Railgroup**
- **Delta Railroad Construction Inc.**
- **Emergency Track Repair Inc.**
- **GW Peoples Contracting**



RTOA Signatory Contractors

- **Great Lakes Rail Services, Inc.**
- **Great Lakes Trackworks**
- **H&H Trackworks**
- **Hulcher Service**
- **J & J Track Construction**
- **Kelly-Hill Company Inc.**
- **Mid West Railroad Construction**
- **N & J Railroad Construction Inc.**
- **RCC Joint Venture**



RTOA Signatory Contractors

- **Railroad Constructors Inc.**
- **Rail-Trak Construction Co. Inc.**
- **RailWorks Track Services**
- **Summit Rail Services**
- **Swanson Contracting Inc.**
- **Timiny RR Construction**
- **T-N-T Contractors**
- **Track Builders**
- **Trackmasters Inc.**
- **Track Service Inc.**
- **Tranco Industrial Service**
- **US Trackworks**
- **Wintrow Constructic**



What is RAILCET?

- Railroad Cooperation and Education Trust – railroad labor and management that are RTOA signatories

Membership benefits:

- Labor-management cooperation on legislative issues
- Unmatched safety training
- Highly productive workforce
- Competitive wages and low cost healthcare
- Exclusive project bid list via DataFax
- Cooperation Trust Tracking System (CTTS)



RAILCET – Developing 3 Financing Options for Member companies

1. Union contractors Advantage Program (UCAP) – fund established at Celtic Bank to allow RTOA signatories preferred low cost financing for equipment, working capital and bonding.
2. Developing a program with European Bank to bring major finance to rail projects to permit off balance sheet finance to rail customers.
3. Exploring Union Pension fund investments in major rail projects that will produce work RTOA contractors.



RAILCET – Labor-Management Legislative Partnership

- Rail Labor Drive to put rail contractors under Railroad Labor Law including Railroad Retirement, FELA (DEFEATED)
- Partnering with short lines to achieve tax credit extension (ENACTED)
- SAFETEA-LU – expanded transit funding - \$60B in RRIF & TFIA innovative financing, rail eligible (ENACTED)
- Surface Transportation Reauthorization (2009) – labor-management partnership to put RAIL into center of federal infrastructure funding - \$150B objective (UNDER DEVELOPMENT)

