

Mai T. Dinh, Director, Office of Proceedings  
United States Surface Transportation Board  
395 E Street SW  
Washington, DC 20423  
In reference to Docket No. AB 575 (Sub-No. 2X)

ENTERED  
Office of Proceedings  
January 4, 2023  
Part of  
Public Record

Distinguished board members,

We are writing to you today in regards to Montana Rail Link, Inc.'s Discontinuance of Lease Operations and Trackage Rights Exemption that was filed November 18, 2022. Outlined in the Oregon Short Line Protection Item 8 in the appendix "Fringe benefits- *No employee of the railroad who is affected by a transaction shall be deprived during his protection period of benefits attached to his previous employment, such as free transportation, hospitalization, pensions, reliefs, etcetera, under the same conditions and as so long as such benefits continue to accord to other employees of the railroad, in active or on furlough as the case may be, to the extent that such benefits can be so maintained under the present authority of the law or corporate action or through future authorization which may be obtained.*"

In relation to the aforementioned appendix reference the operating craft employees at Montana Rail Link are expected to lose Long Term Disability, Short Term Disability, Life Insurance, Profit Sharing, vacation time losses, overtime pay for working cited holidays in un-scheduled service, health insurance premium increases( Appendix A,) and a bridge insurance package that far exceeds the monetary cap amount of BNSF's package for retiring employees to gap their insurance from age 60 to Medicare( Appendix B.) Additionally, we are going to take a substantial loss from the difference in employer match for a company 401k program.

It is anticipated that shift for shift earnings will increase slightly if the lease termination goes through, but it would not even come close to covering the gap we will have when losing the above-mentioned benefits. As a result of the benefit losses, we would not be surprised if there is a mass exit of manpower as a result. Montana Rail Link does offer a competitive benefits package which we believe has attributed to their ability to hire and retain employees at a time when other carriers that do not offer or have these benefits have struggled with manpower.

We would ask the board to consider imposing a continuation of these benefits as currently written indefinitely to all employees that would be considered "prior rights employees" in the operating craft if the lease termination is approved. We further feel that a continuation of these benefits to all "prior rights employees" in the operating craft would not place an undo financial burden on BNSF as it is a relatively small number of employees when compared to the number they currently have on their system.

Thank you for your time and consideration in this matter. It is our hope that our requests will be looked upon favorably. Included with this correspondence please find a copy of our "bridge insurance" policy and our last printed collective bargaining agreement.

Respectfully Submitted,

Brotherhood of Locomotive Engineers and Trainmen Division 232

# Appendix A

## Long Term Disability

Benefit: 60% of pay. Minimum: 100.00 per month. Maximum: 5,000 per month. Offsets: Primary railroad retirement benefits, and similar income. Duration- Begin: 6 months. End: Age 65 (later if disabled after age 60 ).

*2019 Collective Bargaining Agreement Section IV, Article 5, Long Term Disability, page 78*

## Short Term Disability

Type of Plan: Salary Continuation. Waiting Period 7 days. Benefit: 80% of pay less deductible benefits. Duration: 22 weeks or eligible for LTD.

*2019 Collective Bargaining Agreement Section IV, Article 5, Short Term Disability, page 77*

## Life Insurance

Life Insurance: 2x base pay, rounded to the nearest thousand (or Insurance: \$150,000, whichever is greater). AD & D: Same as life benefit. Benefit: Dependent Spouse \$2,500 Life Child(ren) \$2,500

*2019 Collective Bargaining Agreement Section IV, Article 5, Group Life Insurance, page 77*

## Profit Sharing

Amount: 8% of net income, before tax and profit participation. Allocation: Pro-rate to all eligible employees based on compensation. When Paid: 30 to 90 days after the calendar year end. How Paid: Lump sum

*2019 Collective Bargaining Agreement Section IV, Article 3, Profit Participation Plan, page 70*

## Vacation

Credits to the time bank will be made on each November 1, under the following formula: After one (1) qualifying year = seventeen (17) days. After two (2) qualifying years = twenty-two (22) days. After eight (8) qualifying years = twenty-eight (28) days. After twenty (20) qualifying years = twenty-nine (29) days After twenty-one (21) qualifying years = thirty (30) days After twenty-two (22) qualifying years = thirty-one (31) days After twenty-three (23) qualifying years = thirty-three (33) days After twenty-four (24) qualifying years = thirty-four (34) days

*2019 Collective Bargaining Agreement Section II, Article 7, Flexible Time System, page 27*

## Holiday

Employees required by the Company to work on Thanksgiving Day, Day after Thanksgiving, Christmas Eve, Christmas Day, New Years Eve, New Years Day, Good Friday, Memorial Day, Independence Day, Labor Day, shall receive time and one-half (1½) of their otherwise applicable pay.

*2019 Collective Bargaining Agreement Section II, Article 19, Payment on Holidays, page 41*

## Health Insurance Premiums

The carrier shall remit necessary premiums to the Insurance Carrier as may be required to maintain the Plan with the exception that each employee shall be required to make a maximum contribution to the Plan as provided in Exhibit A. The employee contribution for health care, on a pay period, pre-tax basis, shall be as follows:

Employee: 42.51

Employee +1: 85.01

Employee +2 or more: 127.52

The premium contribution rates shown above shall be frozen and not subject to increase through December 31, 2026.

*2022 Collective Bargaining Agreement Section IV, Article 5, Health and Welfare*

## 401 (k) Match

Employee Voluntary, up to 25% of pay, pre-tax, up to Contribution: the allowable IRS maximum.  
Employer 50% match on first 8% of pay. Contribution: Vesting: 100% immediate vesting.  
Distribution: Paid out at retirement (early (55), or normal (65) ), death, permanent disability, Company separation.

*2019 Collective Bargaining Agreement Section IV, Article 4, 401(k) Savings Plan page 71*

# Appendix B

## Bridge Insurance

If the anticipated legislation becomes law, the Company agrees to commit eighty -five (85%) percent of any payroll tax savings achieved to fund such a medical insurance program. It is also understood that BLE and the Company employees it represents shall be entitled to a proportionate share of such savings for the purpose of obtaining the desired bridge insurance coverage for eligible employees. Alternatively, BLE may combine its share of savings with other employee groups to obtain such coverage

*2019 Collective Bargaining Agreement, Side Letter Dated September 19, 2001, page 189*

Maximum Benefit Amounts: The maximum amount of all benefits to be provided under the plan for and Covered Person:

- a. During his or her lifetime for Covered Major Medical Expenses shall be four hundred thousand dollars (\$400,000.)
- b. Per Calendar Year for covered occupational therapy and supplies shall be one thousand dollars (\$1000.)

*The Montana Rail Link Retiree Benefit Plan #0102, Article IV, Section 4.01, Amendment 22, Dated January 1<sup>st</sup> 2022*

It also should be noted that people feel they are not being told the whole truth throughout this process. MRL had town hall meetings to explain what was going to happen, and that if we ratify the current contract that was being negotiated, we would be allowed to work under it for the life of the contract. That did not happen. We also feel that the union leadership told us the same thing about working under our contract if we signed. We were also told that if we didn't agree to sign the implementation agreement, we would lose everything, including seniority and possibly be forced out of our home terminals or even not be hired by BN. Because of this, many people voted for both out of fear of losing their employment or having to move.

It is hard to imagine that this deal can be done with no care for the employees that are losing wages and benefits they have worked for their whole lives. There is no reason that the employees should not receive these benefits and wages or some kind of compensation package for their years of service to MRL. Especially when you consider the amount of money that MRL was paid by BN to purchase the line.

The last thing that is confusing to many is the Oregon Short Line agreement. In the filing it says you will be compensated if you choose not to go to work for BN. Do we have to accept the job if we are offered, or can we choose not to and receive compensation from the Oregon Shore Line? MRL was very adamant that we must sign a letter stating resignation from MRL and stating that you are planning to work for BN. Why do we need to resign, other than the fact that it would probably eliminate the ability to receive the Oregon Shore Line compensation? None of this has been explained by MRL or by the BLET officials so we need answers from you. We appreciate any answers, even if it is not what we want to hear. That way, we will know and can have a chance to make the right decision for us and our families.

Thank you for your time and consideration in this matter,

Mike Hodges

To whom it may concern,

Please note that this letter is in reference to Docket No. AB 575 (Sub-No. 2X)

I am writing this letter as a current member of the operating department for MRL. I have worked for MRL since 1987 so I definitely have many concerns about the substantial number of things we will be losing in the lease return. The first thing I would like to point out is the great number of engineers that will be forced to work as conductors, due to the elimination of engineers running the RCL locomotives. Most of these positions are held by workers with 20-35 years of experience at MRL. Some may even be forced to work extra boards or midnight RCL jobs. That is the equivalent of losing 20 years of seniority.

Below are some benefits that we will either be completely losing or partially losing, depending on the amount of time you have in. I also believe you will be receiving a copy of the contractual agreements, so I won't put them in this letter, but I will try to explain the differences.

1. Vacation and SDLA days
2. 401K match from company of 4% on the employees 8% input
3. Short term disability & long-term disability
4. MRL bridge insurance
5. Life insurance
6. Health care premiums will increase by around \$100

Here are the differences to the items listed above.

1. Vacation and SDLA days- Everyone who qualifies for vacation days also receives 12 SDLA days to be used for doctor visits, personal, or sick days. The amount of vacation we receive is different from BN and most employees will be losing anywhere from 1-3 weeks of vacation, depending on years of service. We would also have considerably fewer personal days.
2. 401K match from company- There is no ability to put any money in our 401K so that's a loss of the 4% match.
3. Short term & long-term disability- BN doesn't offer disability insurance (short or long term) and must be purchased individually. I spoke with a couple carriers about these policies and was told the price would run around \$250-\$300 per month.
4. MRL bridge insurance- MRL has a bridge insurance that is pretty much the same coverage that we have when we are working, with a minimal cost of \$250 a month. It has a cap of \$400,000. BN has a bridge insurance, but to get close to what we lost, you would have to purchase supplemental packages that can cost up to \$700 per month and the cap is \$185,000. That is not even comparable. The other part of this is that we had the ability to retire at 58 ½ years old and purchase Cobra insurance for 18 months before we go on our bridge. That is also going to be gone.
5. Life insurance- MRL life insurance is two times your yearly income or \$200,000. BN's is \$10,000.

As you can see, currently operating employees that were not allowed to carry the contract we voted on is a huge loss in benefits. Plus, some employees will be losing wages on top of all the lost benefits.

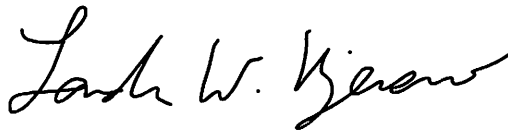
That quote directly contradicts what was presented to the Surface Transportation Board in the Petition For Exemption document. The following is a quote from that document, page 14, paragraph 2 (labor protection).

**“Employees who do not accept BNSF employment are covered under the standard terms of Oregon Short Line.”**

It is my request that you acknowledge that the job offer with BNSF does not satisfy MRL's obligations under labor protection. Employees choosing not to accept the employment with BNSF should be eligible for section 6 and 7 in the Oregon Shortline Agreement.

Thank you for taking the time to review my request.

Respectfully,

A handwritten signature in black ink that reads "Landon W. Kjensmo". The signature is written in a cursive style with a large initial 'L'.

Landon W. Kjensmo

Locomotive Engineer, Montana Rail Link

[lkjensmo@icloud.com](mailto:lkjensmo@icloud.com)

406-794-7529



December 10, 2022

Mai T. Dinh  
Director, Office Of Proceedings  
Surface Transportation Board  
[www.stb.gov](http://www.stb.gov)

In reference to Docket No. AB 575 (Sub-No. 2X)

Prior to my career with Montana Rail Link, I worked for Burlington Northern Santa Fe. In 2012, I resigned from BNSF and took a job offer from Montana Rail Link. I chose Montana Rail Link over BNSF for two reasons, benefits and quality of life. I anticipated retiring with Montana Rail Link due to 35 years being left on the lease at that time. Now that Montana Rail Link is terminating the lease, they are trying to portray the job offer with BNSF as comparable employment. As a prior BNSF employee, I can tell you that's completely false.

The benefits and quality of life do not compare between the two employers. By accepting employment with BNSF I stand to lose 15% yearly profit sharing, 4% 401K match, 3 weeks of scheduled vacation, short term/long term disability, along with substantial life insurance. An operating employee stands to lose 25-30% monetarily by accepting the job with BNSF in benefits alone. Based off my previous earnings, I would lose \$360,000 in profit sharing and \$390,000 in 401k match compounded by the time I retire.

Many of my previous co-workers from my time at BNSF have resigned due to poor quality of life. With their new attendance policies, having a good family life has proven to be very difficult. In my 10 years with Montana Rail Link, I've been able to maintain a family/work life balance due to their reasonable attendance policy.

For these reasons, I feel it would be fair to provide an option to decline employment with BNSF and accept a separation allowance under Oregon Shortline Protection. I believe Montana Rail Link is trying to avoid paying such allowances under the false premise BNSF is a comparable job. The basis of my reasoning comes from the document emailed to employees titled - ACKNOWLEDGMENT OF RESIGNATION AND SEPARATION AGREEMENT FOR UNIONIZED MRL EMPLOYEES. The following is a quote from this document , page 2, paragraph 2. -

**“It has also been explained that you may not be eligible for any Oregon Short Line benefits if you reject the benefits offered in Option 1 (a comparable job with BNSF) and those benefits are later found by an arbitrator or the STB to satisfy MRL’s obligations under labor protection conditions the STB imposes.”**

**From:** leightonrieger@gmail.com  
**Sent:** Friday, December 30, 2022 11:49 AM  
**To:** hildemrl@gmail.com  
**Subject:** Stb letter

Mai T. Dinh, Director, Office of Proceedings  
United States Surface Transportation Board  
395 E Street SW  
Washington, DC 20423  
in reference to Docket No. AB575(Sub-No. 2x)

To whom it may concern,

I am currently working as a promoted engineer on MRL and am wanting to point out a few issues I have with the submission you got from MRL to terminate the lease and return to BNSF. they say that we are getting a comparable compensation with what we currently have. the first issue i have is we currently have a short term disability that is paid for by the company. Under this policy we get 80% of our wages until we are off 6 months and then we go on the long term disability. I will now have to absorb the cost of this if i want protect myself, since unemployment pays substantially lower than any wage of anyone in our department. the second issue is we lose out on profit sharing, yes bnsf engineers(not conductors, which many of us will become) get a paltry sum compared to what we currently get. I believe that they get a percentage of one percent depending on whatever the company decides, compared to a substantial sum which we currently get in the neighborhood of 15%(varies on the year). having been a bnsf engineer and leaving for a better life, i know i was getting approximately an additional paycheck on BNSF vs 3-4 paychecks with the MRL profit-sharing. My third issue is we are currently getting a 4% 401k match with our investment of 8%, engineers(only engineers) on bnsf get a .25% match. Over the lifetime of an employee who works 30 years, that is a huge boost to our retirement. Also my fourth and maybe the largest issue i have is time off, it was largely the reason I left bnsf in the first place. After 7 years on BNSF, I had accumulated 3 weeks of paid leave, on completion of my first year at MRL, i was awarded 4 weeks of paid vacation. Having been on MRL now for 9 years I get 6 weeks of vacation and 12 single day leaves of absences, compared to the 3 weeks maybe 4 of paid vacation and maybe a handful of personal days. As a railroader who usually works the extra board, this a huge hit. Most of us are just wanting a decent life to spend with our families and friends, scheduled time off is the only time off you can bank on. I roughly figure that by us having to make this move, we are taking close to 30 thousand dollar hit. I strongly hope that you look at these issues and make your decision appropriately.

regards,

**Leighton Rieger**

Paul Slater  
1329 Downy Rd  
Laurel, MT 59044

STB Docket #AB575(sub No. 2x)

December, 14 2022

Surface Transportation Board  
395 E Street S.W.  
Washington D.C. 20423-0001

Rose-Michele Nardi, Baker & Miller PLLC  
2401 Pennsylvania Ave. N.W., Suite 300  
Washington D.C. 20037

STB chairman and members;

I am an employee of Montana Rail Link and am writing to express concern over the lease return to the BNSF Railway.

In the filing made to the STB by MRL there are statements made that I believe are not correct and may be misleading. In the filing it states that employees will receive similar wages and benefits on the BNSF as they currently have on MRL. While I cannot speak for all crafts, as an operating craft employee this is far from accurate.

While it is true wages will be similar, the loss of benefits will certainly be detrimental to employees. We currently have short term disability insurance, long term disability insurance, \$150,000 life insurance, far better bridge insurance for retirees, much greater 401k match, profit sharing that averages around 15 percent and much lower insurance premiums. None of this will be provided by BNSF for our craft, which has over 500 employees.

Years for vacation qualification is greatly increased which will cause well over half of our employees to lose vacation time. Some will lose 3 weeks of vacation if the lease termination is approved as is. I cannot stress enough the importance of time off, especially with the issues class 1 railroads are currently having hiring and retaining employees.

The "voluntary" agreements referred to in the filing were not as voluntary as it may seem. When we were presented with the BNSF implementing agreement, it came with notice that it was this or nothing. If we did not accept the agreement as written we would lose any prior rights and would be treated as a new employee, subject to physicals, drug tests and would also not be credited years for vacation qualification. The implementing agreement was naturally accepted, what choice did we have.

The filing also says employees who do not wish to work for BNSF will be protected by the

Oregon short line agreement. I believe this is not accurate, as MRL has stated that by having the option to work for BNSF absolves them from this requirement. We were also told that MRL will force any claimant to arbitration to have their claim settled, should they go that route. Again, not much of a choice.

On October 6th, 2022 MRL sent all craft employees an email with a docusign attachment that was requiring them to immediately sign their resignation. I included a copy of this email which has a date of October 20th, 2022 deadline. MRL wanted everyone to sign this even though our implementing agreement clearly states we have 30 days after STB approval to do so. Why the rush to force this? Our union quickly responded to MRL and they finally relented, but I still question their motives.

While I would much prefer to continue my career with MRL, I fully expect the STB to grant the lease termination. I can only hope you give the employees of MRL consideration in your deliberation. The lost benefits, time off and work rule changes are drastic. We have spent 35 years negotiating for more time off, better benefits and a better overall quality of life than afforded to our BNSF counterparts. To have this taken from us overnight will be a travesty, potentially affecting employee retention which will be paramount in the continued efficient operation of the railroad.

I have included some attachments that support my arguments, and I will make myself readily available to answer any questions that may arise.

Thank you  
Paul Slater  
[paslater@live.com](mailto:paslater@live.com)  
1-406-670-7459



Locomotive engineer Montana Rail Link

*Attachments were not sent to the BNSF as there may be sensitive material included. It was however sent to MRL's representatives and BNSF can request it from them.*


# Certificate of Service

We hereby certify that we have served a copy of these comments to all parties of record on December 20<sup>th</sup> 2022. When we became aware BNSF was added as a party of record on December 30th, 2022, they were served a copy of our submission letters as well.

Respectfully Submitted,

BLET Division 232

  
Matthew Collins (Jan 2, 2023 13:48 MST)

  
Matthew Collins (Jan 2, 2023 16:21 MST)

  
Alex Hilde (Jan 2, 2023 16:43 MST)

  
Jason Ganoe (Jan 2, 2023 21:26 MST)

  
Mike Hodges (Jan 3, 2023 05:26 MST)

*Melissa Brinton*

  
Paul Slater (Jan 4, 2023 13:20 MST)