

MR-CO-01-10/2019



**NORTHERN MICHIGAN
NETWORK CONSOLIDATION
CHANGE OF OPERATIONS**

YRC FREIGHT, Inc. - HOLLAND

**This Change of Operation Optimizes The YRCW
Terminal Network by:**

- Merging Two YRC Freight Terminals into an Existing Holland Terminal Location.
- Alpena, MI (270) and Cadillac, MI (288) will be merged into the Gaylord, MI (GY) Terminal.

Holland



WE MAKE NEXT-DAY HAPPEN.

September 26, 2019

Mr. Ernie Soehl
National Freight Director
2003 US Route 30 Suite B
North Brunswick, NJ 08902

Dear Mr. Soehl,

YRC Freight is requesting a Multi-Region Change of Operations hearing on or about October 30, 2019 in accordance with Article 8, Section 6 of the current NMFA. This Change of Operations utilizes the language just recently negotiated and ratified by our employees to close two (2) YRC Freight, Inc. Terminals and merge those operations into a Holland Terminal in Northern Michigan. Specifically, The YRC Freight Terminals located in Alpena, MI (270) and Cadillac, MI (288) will be merged into the Holland Terminal in Gaylord, MI. All three (3) involved locations are in the jurisdiction of Teamsters Local 406. The purpose of this change request is to increase density and load factor on linehaul movements, improve service, reduce empty mileage, eliminate certain fixed costs (building and lease expense, management staffing, taxes, communication expenses, etc.) and improve efficiencies.

The company fully intends to comply with the terms of the National Master Freight Agreement and all the involved Supplemental Agreements

Sincerely,

Sam Pilger
Vice President, Industrial Relations

CC:

Mr. Michael Hinton
Central Region Freight Coordinator
International Brotherhood of Teamsters
3320 Superior Avenue
Cleveland, OH 44114

Mr. Terry Hoogerhyde
Teamsters Local Union 406
3315 Eastern Ave S.E.
Grand Rapids, MI 49508

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2405 East Edison Rd
South Bend, IN 46615-3517

Ken Kwapwicz
Teamsters Local Union 299
2741 Trumbull Ave
Detroit, MI 48216

CENTRAL REGION LOCAL UNIONS

Teamsters Local Union No 299 2741 Trumbull Ave Detroit, MI 48216	Teamsters Local Union No 364 2405 East Edison Rd South Bend, IN 46615-3517
Teamsters Local Union No 406 3315 Eastern Ave S.E. Grand Rapids, MI 49508	

GENERAL STATEMENT

YRC Freight, Inc. and Holland are proposing and submitting this change of operations to the Multi-Region Change of Operations Committee in order to better optimize the terminal and relay network by:

- **Merging the YRC Freight Terminals of Alpena, MI (270) and Cadillac, MI (288) into the Holland Gaylord, MI terminal**
- **Reducing Empty and Partially loaded miles**
- **Eliminating Fixed Costs at the Alpena, MI and Cadillac, MI Terminal's.**

This change of operations request will improve service, improve linehaul density and load average, reduce empty miles and reduce terminal building costs (ie: management staffing, lease costs, taxes, depreciation, communication, electric, water, sewer costs, etc.).

This change of operations request is in accordance with the new terms of Article 8, Section 6 which state and provide:

MERGER OF TERMINALS BY COMMONLY-OWNED SEPARATE EMPLOYERS COVERED BY THIS AGREEMENT

Seniority shall be dovetailed when commonly owned separate employers covered by this agreement merge (in a shutdown or partial shutdown) two (2) or more terminals. If, after the dovetail, there is insufficient work at the remaining location(s), the remaining affected employees shall be entitled to all contractual rights including Article 5, Section 5 rights but shall have moving expenses paid as set forth in Article 8, Section 6. for purposes of this entire section, employees shall remain in their previous health and welfare and pension funds. The Employer at the remaining location(s) shall use all efforts to find work opportunity for all displaced employees. All items under this provision shall be contained in an approved Change of Operations Committee decision. All other issues shall be addressed by the change of Operations Committee consistent with the language of the Agreement.

The specific terminals being consolidated and a listing of all gaining locations as well as all work opportunities for dock, local cartage, and road are detailed in this document and attached exhibits.

Per the contractual merger language, all employees on the Alpena, MI and Cadillac, MI seniority lists will be dovetailed into the Gaylord, MI seniority list, therefore making a bidding process unnecessary. The Company will request of the committee, on the record to address active to active and inactive to inactive. The Company does not have a position on this matter and will comply with the decision of the Committee.

As it may concern bidding from the other locations listed in the attached exhibits, the company will request a follow the work bid process and will comply with the decision of the Committee.

This change of operations is filed in accordance with Article 8 section 6 of the NMFA.

The Company is requesting an implementation date on or about November 17, 2019 after approval of the Change of Operations request is heard.

The Company agrees that nothing in this proposed Change of Operations is intended to violate and/or alter the provisions of the NMFA or the applicable supplemental agreements.

Moving and lodging expenses shall be paid in accordance with the provisions of Article 8, Section 6 of the NMFA, where applicable.

It is noted and understood that all employees transferring to the Holland, Gaylord, MI terminal will be governed by the Holland work rules and contractual provisions, including the "Hoffa" dispatch rule.

CHANGE OF OPERATION RESTRUCTURE DESCRIPTION

CENTRAL REGION

**YRC Freight
Detroit, MI – 261
Local # 299**

ROAD

PRESENT OPERATION

Detroit, MI currently operates as a road domicile in the YRC Freight network as defined in previous change of operations.

PROPOSED OPERATION

As a result of the realignments described in this change, the Detroit, MI road operation will lose work and be a net minus one (-1) road driver positions as per Exhibit 3. Available work opportunities will be offered as per Exhibit 4. Detroit, MI road primaries will be defined per Exhibit 5.

**YRC Freight
South Bend, IN – 312
Local # 364**

ROAD

PRESENT OPERATION

South Bend, IN currently operates as a road domicile in the YRC Freight network as defined in previous change of operations.

PROPOSED OPERATION

As a result of the realignments described in this change, the South Bend, IN road operation will lose work and be a net minus one (-1) road driver positions as per Exhibit 3. Available work opportunities will be offered as per Exhibit 4. South Bend, IN road primaries will be defined per Exhibit 5.

**YRC Freight
Alpena MI – 270
Local # 406**

LOCAL CARTAGE

PRESENT OPERATION

Alpena, MI currently operates as an end of the line terminal in the YRC Freight network as defined in previous change of operations.

PROPOSED OPERATION

As a result of the realignments described in this change, the Alpena, MI terminal will close and will be a net minus three (-3) local cartage positions as per Exhibit 1. Available work opportunities will be offered as per Exhibit 2. Zip Codes will be distributed to the gaining terminals as defined per Exhibit 6.

**YRC Freight
Cadillac, MI- 288
Local # 406**

LOCAL CARTAGE

PRESENT OPERATION

Cadillac, MI currently operates as an end of the line terminal in the YRC Freight network as defined in previous change of operations.

PROPOSED OPERATION

As a result of the realignments described in this change, the Cadillac, MI terminal will close and will be a net minus five (-5) local cartage positions as per Exhibit 1. Available work opportunities will be offered as per Exhibit 2. Zip Codes will be distributed to the gaining terminals as defined per Exhibit 6.

**Holland
Gaylord, MI- GY
Local # 406**

LOCAL CARTAGE

PRESENT OPERATION

Gaylord, MI currently operates as an end of the line terminal in the Holland network.

PROPOSED OPERATION

As a result of the realignments described in this change, the Gaylord, MI terminal will gain work and be a net plus seven (+7) local cartage positions as per Exhibit 1. Available work opportunities will be offered as per Exhibit 2. Zip Codes will be distributed to the gaining terminals as defined per Exhibit 6.

ROAD

PRESENT OPERATION

Gaylord, MI currently operates as a road domicile in the Holland network.

PROPOSED OPERATION As a result of the realignments described in this change, the Gaylord, MI road operation will gain work and be a net plus two (+2) road driver positions as per Exhibit 3. Available work opportunities will be offered as per Exhibit 4.

**Holland
Grand Rapids, MI- GR
Local # 406**

LOCAL CARTAGE

PRESENT OPERATION

Grand Rapids, MI currently operates as an end of the line terminal in the Holland network.

PROPOSED OPERATION

As a result of the realignments described in this change, the Grand Rapids, MI terminal will gain work and be a net plus one (+1) local cartage positions as per Exhibit 1. Zip Codes will be distributed to the gaining terminals as defined per Exhibit 6.

**Holland
Birch Run, MI- BR
Local # 406**

LOCAL CARTAGE

PRESENT OPERATION

Birch Run, MI currently operates as an end of the line terminal in the Holland network.

PROPOSED OPERATION

As a result of the realignments described in this change, the Birch Run, MI terminal will gain work and be a net zero (+0) local cartage positions as per Exhibit 1. Zip Codes will be distributed to the gaining terminals as defined per Exhibit 6.

**Exhibit 1
Dock/Switcher/P&D**

LOSS					
Dom Name	Dom	Company	Dock Loss	Switcher Loss	P&D Loss
Alpena, MI	270	YRC			-3
Cadillac, MI	288	YRC			-5
		Total			-8

GAIN					
Dom Name	Dom	Company	Dock Gain	Switcher Gain	P&D Gain
Gaylord, MI	GY	Holland			7
Grand Rapids	GR	Holland			1
Birch Run	BR	Holland			0
		Total			8

**Exhibit 2
Dock, Switcher, P&D Work Moves**

GAINING					LOSING		
Dom	Dom Name	Company	P&D	P&D	Dom	Dom Name	Company
GY	Gaylord, MI	Holland	7	-3	270	Alpena, MI	YRC
GY	Gaylord, MI	Holland		-4	288	Cadillac, MI	YRC
GR	Grand Rapids, MI	Holland	1	-1	288	Cadillac, MI	YRC
		Total	8	-8			

**Exhibit 3
Road Driver Gains and Losses Summary**

LOSS			
Dom Name	Dom	Company	Net Loss
Detroit, MI	261	YRC	-1
South Bend, IN	312	YRC	-1
		Total	-2

GAIN			
Dom Name	Dom	Company	Net Gain
Gaylord, MI	GY	Holland	2
		Total	2

**Exhibit 4
Road Work Moves**

GAINING					LOSING		
Dom	Dom Name	Company	Road Drivers	Road Drivers	Dom	Dom Name	Company
GY	Gaylord, MI	Holland	2	-1	261	Detroit, MI	YRC
				-1	312	South Bend, IN	YRC
		Total	2	-2			

**Exhibit 5
Road Primaries**

Code	Origin Name	Code	Destination Name
261	DETROIT	205	BUFFALO
261	DETROIT	270	ALPENA
261	DETROIT	312	SOUTH BEND
261	DETROIT	857	COLUMBUS
312	SOUTH BEND	205	BUFFALO
312	SOUTH BEND	288	CADILLAC
312	SOUTH BEND	857	COLUMBUS

Exhibit 6

Zip Codes

ZIP	Current YRCF Terminal	New Holland Terminal	ST	CITY	ZIP	Current YRCF Terminal	New Holland Terminal	ST	CITY	ZIP	Current YRCF Terminal	New Holland Terminal	ST	CITY
48730	270	GY	MI	E TAWAS	49783	270	GY	MI	SAULT STE MARIE	49727	288	GY	MI	E JORDAN
48739	270	GY	MI	HALE	49784	270	GY	MI	KINCHELOE	49729	288	GY	MI	ATWOOD
48748	270	GY	MI	MCIVOR	49785	270	GY	MI	KINCHELOE	49730	288	GY	MI	ELMIRA
48750	270	GY	MI	OSCODA	49786	270	GY	MI	KINCHELOE	49733	288	GY	MI	FREDERIC
48763	270	GY	MI	TAWAS CITY	49788	270	GY	MI	KINCHELOE AFB	49738	288	GY	MI	GRAYLING
48619	270	GY	MI	COMINS	49791	270	GY	MI	TOPINABEE	49739	288	GY	MI	GRAYLING
48621	270	GY	MI	FAIRVIEW	49792	270	GY	MI	TOWER	49740	288	GY	MI	HARBOR SPRINGS
48636	270	GY	MI	LUZERNE	49795	270	GY	MI	VANDERBILT	49764	288	GY	MI	ODEN
48647	270	GY	MI	KNEELAND	49799	270	GY	MI	WOLVERINE	49769	288	GY	MI	PELLSTON
48705	270	GY	MI	BARTON CITY	48633	288	BR	MI	LAKE GEORGE	49770	288	GY	MI	BAV VIEW
48721	270	GY	MI	BLACK RIVER	48893	288	BR	MI	WEIDMAN	49782	288	GY	MI	BEAVER ISLAND
48728	270	GY	MI	CURRAN	48632	288	GR	MI	LAKE	49796	288	GY	MI	WALLOON LAKE
48737	270	GY	MI	GLENNE	49304	288	GR	MI	BALDWIN	49797	288	GY	MI	WATERS
48738	270	GY	MI	GREENBUSH	49305	288	GR	MI	BARRYTON	49619	288	GY	MI	BRETHREN
48740	270	GY	MI	HARRISVILLE	49307	288	GR	MI	BIG RAPIDS	49620	288	GY	MI	BUCKLEY
48742	270	GY	MI	LINCOLN	49310	288	GR	MI	BLANCHARD	49621	288	GY	MI	CEDAR
48743	270	GY	MI	LONG LAKE	49320	288	GR	MI	CHIPPEWA LAKE	49622	288	GY	MI	CENTRAL LAKE
48745	270	GY	MI	MIKADO	49332	288	GR	MI	MECOSTA	49625	288	GY	MI	COPEMISH
48761	270	GY	MI	S BRANCH	49338	288	GR	MI	PARIS	49627	288	GY	MI	EASTPORT
48762	270	GY	MI	SPRUCE	49340	288	GR	MI	REMUS	49628	288	GY	MI	ELBERTA
48764	270	GY	MI	TAWAS CITY	49342	288	GR	MI	RODNEY	49629	288	GY	MI	ELK RAPIDS
49701	270	GY	MI	MACKINAW CITY	49346	288	GR	MI	STANWOOD	49630	288	GY	MI	EMPIRE
49705	270	GY	MI	AFTON	49402	288	GR	MI	BRANCH	49633	288	GY	MI	FIFE LAKE
49707	270	GY	MI	ALPENA	49410	288	GR	MI	FOUNTAIN	49635	288	GY	MI	FRANKFORT
49709	270	GY	MI	ATLANTA	49411	288	GR	MI	FREE SOIL	49636	288	GY	MI	GLEN ARBOR
49715	270	GY	MI	BRIMLEY	49623	288	GR	MI	CHASE	49637	288	GY	MI	GRAWN
49716	270	GY	MI	BRUTUS	49631	288	GR	MI	EVART	49638	288	GY	MI	HARRIETTA
49717	270	GY	MI	BURT LAKE	49639	288	GR	MI	HERSEY	49640	288	GY	MI	HONOR
49718	270	GY	MI	CARP LAKE	49642	288	GR	MI	IDLEWILD	49643	288	GY	MI	INTERLOCHEN
49719	270	GY	MI	CEDARVILLE	49644	288	GR	MI	IRONS	49645	288	GY	MI	KALEVA
49721	270	GY	MI	CHEBOYGAN	49655	288	GR	MI	LEROY	49646	288	GY	MI	KALKASKA
49723	270	GY	MI	CROSS VILLAGE	49656	288	GR	MI	LUTHER	49648	288	GY	MI	KEWADIN
49724	270	GY	MI	DAFTER	49677	288	GR	MI	REED CITY	49649	288	GY	MI	KINGSLEY
49734	270	GY	MI	GAYLORD	49679	288	GR	MI	SEARS	49650	288	GY	MI	LAKE ANN
49735	270	GY	MI	GAYLORD	49688	288	GR	MI	TUSTIN	49651	288	GY	MI	LAKE CITY
49737	270	GY	MI	GOOD HART	49601	288	GR	MI	CADILLAC	49653	288	GY	MI	LAKE LEELANAU
49743	270	GY	MI	HAWKS	49632	288	GR	MI	FALMOUTH	49654	288	GY	MI	LELAND
49744	270	GY	MI	EMERSON	49657	288	GR	MI	MC BAIN	49659	288	GY	MI	ANTRIM
49745	270	GY	MI	HESSEL	49665	288	GR	MI	MARION	49663	288	GY	MI	MANTON
49746	270	GY	MI	HILLMAN	49626	288	GY	MI	EASTLAKE	49664	288	GY	MI	MAPLE CITY
49747	270	GY	MI	HUBBARD LAKE	49634	288	GY	MI	FILER CITY	49666	288	GY	MI	MAYFIELD
49749	270	GY	MI	INDIAN RIVER	49660	288	GY	MI	MANISTEE	49667	288	GY	MI	MERRITT
49751	270	GY	MI	JOHANNESBURG	48627	288	GY	MI	HIGGINS LAKE	49668	288	GY	MI	MESICK
49752	270	GY	MI	KINROSS	48629	288	GY	MI	HOUGHTON LAKE	49670	288	GY	MI	NORTHPORT
49753	270	GY	MI	LACHINE	48630	288	GY	MI	HOUGHTON LAKE HTS	49673	288	GY	MI	OLD MISSION
49755	270	GY	MI	LEVERING	48651	288	GY	MI	PRUDENVILLE	49674	288	GY	MI	OMENA
49756	270	GY	MI	LEWISTON	48653	288	GY	MI	ROSCOMMON	49675	288	GY	MI	ONEKAMA
49757	270	GY	MI	MACKINAC ISLAND	48656	288	GY	MI	ST HELEN	49676	288	GY	MI	RAPID CITY
49759	270	GY	MI	MILLERSBURG	49610	288	GY	MI	ACME	49680	288	GY	MI	S BOARDMAN
49760	270	GY	MI	BREVORT	49611	288	GY	MI	ALBA	49682	288	GY	MI	SUTTONS BAY
49761	270	GY	MI	MULLETT LAKE	49612	288	GY	MI	ALDEN	49683	288	GY	MI	THOMPSONVILLE
49765	270	GY	MI	ONAWAY	49613	288	GY	MI	ARCADIA	49684	288	GY	MI	BINGHAM
49766	270	GY	MI	OSSINEKE	49614	288	GY	MI	BEAR LAKE	49685	288	GY	MI	TRAVERSE CITY
49774	270	GY	MI	PICKFORD	49615	288	GY	MI	BELLAIRE	49686	288	GY	MI	TRAVERSE CITY
49775	270	GY	MI	BOIS BLANC ISLAND	49616	288	GY	MI	BENZONIA	49689	288	GY	MI	WELLSTON
49776	270	GY	MI	POSEN	49617	288	GY	MI	BEULAH	49690	288	GY	MI	WILLIAMSBURG
49777	270	GY	MI	PRESQUE ISLE	49618	288	GY	MI	BOON	49696	288	GY	MI	TRAVERSE CITY
49779	270	GY	MI	ROGERS CITY	49713	288	GY	MI	BOYNE FALLS	49706	288	GY	MI	ALANSON
49780	270	GY	MI	RUDYARD	49720	288	GY	MI	CHARLEVOIX	49711	288	GY	MI	BAYSHORE
49781	270	GY	MI	ST IGNACE	49722	288	GY	MI	CONWAY	49712	288	GY	MI	BOYNE CITY