

MERGER IMPLEMENTING AGREEMENT
(Portland Hub)
Zone 1
between the
UNION PACIFIC
SOUTHERN PACIFIC TRANSPORTATION COMPANY
and
BROTHERHOOD OF LOCOMOTIVE ENGINEERS

In Finance Docket No. 32760, the U.S. Department of Transportation, Surface Transportation Board ("STB") approved the merger of the Union Pacific Corporation ("UPC"), Union Pacific Railroad Company/Missouri Pacific Railroad Company (collectively referred to as "UP") and Southern Pacific Rail Corporation, Southern Pacific Transportation Company ("SP"), St. Louis Southwestern Railway Company ("SSW"), SPCSL Corp., and The Denver & Rio Grande Western Railroad Company ("DRGW") (collectively referred to as "SP"). In approving this transaction, the STB imposed New York Dock labor protective conditions.

In order to achieve the benefits of operational changes made possible by the transaction, to consolidate the seniority of all engineers working in the territory covered by this Agreement into one common seniority district covered under a single, common collective bargaining agreement,

IT IS AGREED:

I. Portland Hub

New seniority districts shall be created that encompasses the following area: UP territory including milepost 182.79 west of Seattle, Washington to Eastport, Idaho on the Spokane International to milepost 390.0 at Silver Bow Montana to milepost (Pocatello sub) 191.80 at McCammon, Idaho and to milepost (Pocatello sub) 0.64 at Granger, Wyoming; SP territory from (including) Chemult, Oregon to the Portland Terminal. The Hub shall be divided into three zones as follows:

Zone 1 will include operations Chemult north to Seattle and Portland east to (not including) Hinkle.

Zones 2 and 3 are not defined in this document but will be addressed in implementing agreements/awards covering those zones.

NOTE 1: Zone 1 shall include all main and branch lines, industrial leads and stations between the points identified.

NOTE 2: Crews with home terminals within a Zone may work to points outside the Zone and Hub without infringing on the rights of other engineers in other zones or Hubs. The Zone identifies the on duty points for assignments and not the boundaries of assignments. For example a road switcher on duty at Hinkle may work in any direction up to the limits of its radius as set by the road switcher agreement and a work train at Hinkle may work both east and west. Both of these assignments would use Zone 2 crews

without infringing on the rights of Zone 1 crews. A Zone 1 pool freight crew would continue to operate through freight from Portland to Hinkle and perform the same work as it performed pre-merger.

NOTE 3: If former SP lines known as the Siskiyou and Coos Bay are reacquired by the Carrier then those lines that go as far as Bellview/Power will also be included in the SP prior right area.

NOTE 4: Any trackage, either under lease or sale, that may be reacquired by the UP will be included in the appropriate prior right territory.

II. Seniority and Work Consolidation.

The following Zone 1 seniority consolidations will be made:

A. A new seniority district will be formed and a master Engineer roster shall be created for Zone 1 for the engineers on the current SP Portland seniority roster and the current UP First Seniority District roster and UP Second Seniority District roster or on a SP auxiliary board from a point inside Zone 1 but working outside Zone 1 or UP engineer borrowed out to other locations that will return to the Zone upon release. It does not include borrow outs to the Zone, if any. All such engineers must be on one of these rosters on October 1, 1997.

B. The new roster will be created as follows:

1. UP First Seniority District, UP Second Seniority District and SP Engineers will be dovetailed based upon the current engineer seniority date within Zone 1. This shall include any engineer working in trainman/fireman service with an engineer's seniority date. If this process results in engineers having identical seniority dates, seniority ranking will be determined by the engineer's earliest retained hire date with the Carrier.

2. All engineers who entered training and are promoted in Zone 1 after October 1, 1997 will be considered common engineers, have no prior rights and placed on the bottom of the roster. An engineer who entered engineer training prior to October 1, 1997 and finished the training after October 1, 1997 shall not be a common engineer but will have prior rights in the area they took promotion.

3. All engineers placed on the rosters may work all assignments protected by the roster in accordance with their seniority and the provisions set forth in this Agreement.

4. Engineers placed on the Portland Hub Zone 1 Roster shall relinquish all seniority outside the new roster area upon implementation of this Agreement and all seniority inside the Zone held by engineers outside the Zone shall be eliminated. The seniority standing of engineers in more than one Zone of the Portland Hub will be finalized in the final Hub agreement.

5. Current 2nd District engineers working 2nd district assignments at Hinkle shall have the following options:

ON EXTRA BOARD ASSIGNMENTS

- a. Be prior righted to the non extra board assignments and retain their zone 1 prior right and expanded seniority. If they voluntarily leave the assignments the assignments shall no longer be 2nd district assignments and shall become 3rd district assignments until zone 2 is covered by an agreement or an award and shall be further handled in zone 2 at that time.
- b. If the assignments are abolished then the engineer shall be free to exercise his/her prior rights and expanded seniority. If the positions are later reestablished then the engineers who held the assignments at implementation shall be automatically reassigned and when contacted shall have an opportunity to return to it. Should they decline and not return to it then it shall be treated as a voluntary relinquishment per 5(a) above.

EXTRA BOARD ASSIGNMENTS

- c. Be prior righted to the extra board assignments and retain their zone 1 prior right and expanded seniority. If they voluntarily leave the assignments the assignments shall no longer be 2nd district assignments and shall become 3rd district assignments until zone 2 is covered by an agreement or an award and shall be further handled in zone 2 at that time.
- d. If the assignments are abolished then the engineer shall be free to exercise his/her prior rights and expanded seniority. If the positions are later reestablished then the engineers who held the assignments at implementation shall be automatically reassigned and when contacted shall have an opportunity to return to it. Should they decline and not return to it then it shall be treated as a voluntary relinquishment per 5(c) above.

NOTE 1: All 2nd district assignments once vacated will no longer be available to former 2nd district engineers but initially to the 3rd district and finally to the Zone 2 roster.

C. Engineers who are on an authorized leave of absence or who are dismissed and later reinstated will have the right to displace to the appropriate roster, provided his/her seniority at time of displacement would have permitted him/her to hold that selection. The parties will create an inactive roster for all such engineers until they return to service in a Hub or other location at which time they will be placed on the appropriate seniority rosters and removed from the inactive roster.

D. At the time of implementation all assignments will be prior righted to the seniority district that have rights to the assignments on the day prior to implementation. Prior rights shall also extend to the following pools up to the baseline established:

Seattle-Portland	32
Portland-Hinkle	52
Portland-Eugene/Oakridge	32
Oakridge-Klamath Falls	32

NOTE: Portland Terminal shall be considered as common to all seniority districts for determining that service operates within a pre-merger seniority district. For example, it does not matter where in the Portland

terminal a pool freight assignment goes on duty, if it goes to Hinkle or Eugene or Oakridge then they would be prior right assignments.

E. Prior rights shall be phased out on the following schedule:

1. **Portland Extra Boards**- As Portland extra boards are consolidated they shall be filled using the dovetail roster.

NOTE : Because the first consolidated extra board shall be between the UP 1st and 2nd Districts then UP 1st and 2nd district engineers on an interim dovetail basis can make application for that assignment ahead of the SP. Once the SP extra board is consolidated with the UP extra board, full dovetail rights shall govern.

2. **Portland yard assignments**- On the first day of the month following forty-eight (48) months from the date of implementation all Portland yard assignments shall no longer be filled on an 80UP/20SP basis (see page 8, this Article, section M) but, shall be filled using a 40UP/10SP basis for two more years. The dovetail roster shall be used at the end of the six year period and for those assignments not covered by prior rights.

3. **Pool assignments**- The first day of the month following twenty-four (24) months from the date of implementation shall begin a four year period for the transition of prior right assignments in each pool to dovetail assignments. At the end of each year the number of prior right turns (baseline) in each pool shall be transferred to dovetail assignments by 25% until the baseline is eliminated.

Example: The Portland-Hinkle pool baseline for the first three years is 52. On the first day of the month after three years the baseline of prior right turns shall drop to 39. On the first day of the month after four years from implementation the baseline shall drop to 26 turns. This will continue for two more years with the baseline dropping to 13 and then zero. It does not matter how many turns are in the pool at the time, only the baseline is being reduced.

4. **Non-pool and non-yard assignments within the thirty mile radius**- On the first day of the month following twenty-four months from the date of implementation, all non-pool and non-yard assignments within the thirty mile zone shall no longer have prior rights and shall be filled from the dovetail roster.

5. **Other assignments**- Any assignment within Zone 1 not covered above shall be filled using the dovetail roster on the same date that the last pool turns are also subject to the dovetail roster.

6. When assignment(s) goes through the transition from prior right to dovetail there will be no re-advertising of the assignment(s), nor will the process generate a displacement. It means that the next time an engineer places an application for the assignment or an engineer has a displacement from some other reason provided for in the CBA he/she shall do so on the basis of the dovetail roster. There shall be no Sadie Hawkins Days during this transition period.

F. In addition to the above, the dovetail roster shall be used for all new non pool freight assignments that operate over two or more prior right areas, all pool freight assignments above the baseline and any prior right assignment not filled by a prior right engineer.

NOTE: Unassigned work trains shall be run off the extra board(s). Until the extra boards are consolidated work trains will not work on more than one prior right road territory. An unassigned work train may work on both a road territory and anywhere in the Portland terminal. Work train service shall be governed by the controlling CBA.

G. New pool freight operations not covered in Article III of this Agreement and created after the implementation of this Agreement shall be covered under Article IX of the May 1986 National Arbitration Award and seniority issues regarding rights to the new run(s) shall be determined at that time. It is not the intent of this agreement to supplant existing runs with non pool assignments or create non pool assignments to avoid provisions of this Article.

H. Prior right UP 1st and 2nd District and SP engineers will be required to protect all assignments in their pre-merger prior rights area that still remain in the new zone 1. In addition they will be required to protect all consolidated extra boards and all other assignments that have a home terminal on duty point within thirty miles of the Portland Terminal limits.

I. When a permanent Zone 1 prior right vacancy exists at a point inside the thirty mile limit it shall be filled as follows:

1. The senior prior right applicant shall be assigned. If no applicant, and a reserve board exists with prior right engineers on the reserve board, then the junior prior right reserve board engineer shall be recalled in accordance with the reserve board provisions of the surviving CBA.
2. If no prior right applicant and no prior right engineer on a reserve board, then the senior applicant with prior rights on another area, shall be assigned unless that applicant is required to fill a prior right assignment on his/her prior right area.
3. If no applicant with prior rights in another area then the junior reserve board engineer with prior rights in another area shall be recalled in accordance with the reserve board provisions of the surviving CBA.
4. If no such engineer on a reserve board then the senior common engineer who makes application shall be assigned. If none then the senior demoted engineer shall be recalled. If none then the junior engineer from the protecting extra board shall be assigned.

J. When a permanent Zone 1 common vacancy exists at a point inside the thirty mile limit it shall be filled as follows:

1. The senior applicant with any prior rights from the dovetail roster shall be assigned.
2. If none, then the junior prior right engineer on all reserve boards shall be recalled in accordance with the reserve board provisions of the surviving CBA.
3. If none, then the senior applicant with common rights shall be assigned. If none, then the senior demoted engineer shall be recalled. If none, then the junior engineer from the protecting extra board shall be assigned.

K. When a permanent Zone I vacancy exists at a point outside the thirty mile limit it shall be filled as follows:

1. The senior prior right applicant shall be assigned.
2. If none, then the junior engineer on a reserve board who holds prior rights to that assignment shall be recalled in accordance with the reserve board provisions of the surviving CBA.
3. If none, then the senior applicant not holding prior rights to the assignment shall be assigned.
4. If there are no engineers on a reserve board who hold prior rights to the vacancy and no other applicants, then the senior engineer who is demoted (prior rights to the assignment or common) shall be recalled and assigned to the vacancy.
5. If there are no applicants and no prior right reserve board or common demoted engineers, a protecting extra board engineer is forced to the assignment. When selecting the junior engineer on the extra board, those engineers with prior rights on another area shall not be considered as the junior engineer. In this case the junior engineer who can be forced to the assignment will be assigned. That extra board position (the one within the thirty mile limit) may then be filled by recalling an engineer on a different reserve board.

Example: An assignment on the Albany road switcher (SP prior right) goes no bid. If there are any former SP engineers on a reserve board they shall be recalled and the assignment filled through the displacement process. If none on a reserve board then the senior demoted engineer who holds rights to the assignment (prior right or common) shall be recalled. If none in that status, then the junior former SP engineer on the protecting extra board (Eugene) shall be assigned with an SP engineer on the Portland extra board filling the Eugene extra board if that position also goes no bid. The junior reserve board engineer on the UP 1st and 2nd District reserve boards shall then be recalled for the filling of the Portland extra board vacancy if that position goes no bid.

NOTE: If engineers are on the bump board with vacancies pending, CMS may review their prior right status and other eligibility of these engineers prior to proceeding with the above steps.

L. The thirty mile limit restrictions, in (H) above, on force assigning shall be eliminated on the same day that all prior rights are eliminated. Effective that day the provisions of Article II (H),(I),(J) and (K) shall no longer apply. The application and vacancy provisions of the controlling CBA shall govern at that time. When prior rights are eliminated, engineers will be required to protect all assignments in Zone 1.

M. For the first 48 month period that the yard prior rights are in effect, the Portland yard assignments shall be prior righted on an 80(UP)/20(SP)% basis. The next 24 months shall be on a 40/10 basis. When possible, the 80/20 or 40/10 will be filled using the current geographical assignment basis, with the SP protecting Brooklyn assignments up to 20/10% of the total and the UP protecting all other Portland terminal assignments. When it is not possible to fill on this basis then the following shall govern:

1. If a reduction is made in one area and it is necessary to designate an assignment in another area, the first such assignment shall be on a daylight shift, the second on the afternoon shift and the third on the night shift and so forth.

2. The representative from the area being designated shall select the assignment on the first and third shift and the representative from the area losing the assignment shall select the assignment on the second shift. If only one representative then the General Chairman shall make the selection.

Example: Several assignments are reduced at Brooklyn and it is necessary to designate three assignments in the UP area as SP assignments. The UP representative shall select which assignments become SP on the first and third shifts and the SP representative shall select the assignment on the second shift.

3. If assignments are later reestablished in the former area then they shall be re-designated in accordance with (M) above.
4. The parties recognize that at the time of implementation that the numbers may not be 80/20. If not, the parties will not automatically designate jobs in another area but will wait until assignments are reduced or added after implementation. Attachment "A" shows the chart that will be used.

N. During the six year period there shall be a separate reserve board (total of three) for each of the three prior right seniority areas. After the prior rights are eliminated there shall only be one reserve board for Zone 1. While the reserve board provisions of the controlling CBA will govern, should a surplus of engineers develop, the Carrier may use the opportunity to familiarize employees on other assignments in addition to using reserve boards when not needed in train service. This would apply to those pre October 1, 1997 engineers when protected.

III. POOL OPERATIONS.

Pool operations within the Portland Hub zone 1 shall be run as follows:

A. Current UP 1st and 2nd District pool home and away-from-home terminals are not modified by this agreement.

B. SP pool operations shall be modified to add pool freight service between Portland (home terminal) and Oakridge (away-from-home terminal) and sufficient engineers shall be relocated to protect this service.

C. Oakridge-Klamath Falls and Dunsmuir-Oakridge service shall also be instituted and current Eugene-Klamath Falls service shall be discontinued. Recognizing that some employees may commute to Oakridge from Eugene, if due to inclement weather at Oakridge after their return from Klamath Falls, the Carrier will assist with lodging at Oakridge if available. If requested an engineer may receive a two hour call for Oakridge service.

NOTE : The Carrier shall give notice for the implementation of service in (B) and (C) above if not given in the notice to implement this Zone 1 agreement. The notice shall include the number of initial positions that will be changed. Applications shall be accepted for 15 days for the new positions. Engineers shall be notified of their assignment either by application or force in the seven days following close of applications. Assignments shall be phased in beginning 30 days after the application closing date. CMS will work with the local chairman with this process.

If additional positions are established within the first year, over and above the original number, the same process will be used.

D. When the Portland-Oakridge and Oakridge-Klamath Falls service is started, additional traffic may result in both the transfer of positions and an increase in new positions. Both new and transferred will be covered under the provisions of this agreement for a two year period. New positions at Portland will be determined by using the average number of pool turns in the first quarter 1998 as the baseline number. One must remember that employees will be going to assignments in Dunsmuir, Oakridge and Portland.

E. SP Engineers forced to Dunsmuir will be permitted to make application back to their original prior rights Zone. The application must be on file within sixty (60) days of being forced and will be honored when vacancies of a minimum of thirty (30) days exist in the original SP prior right area of Zone 1 and there are no engineers their senior on reserve boards or demoted in that Zone. If an engineer is recalled and declines the recall, then his/her application will be pulled and not reentered. (See relocation section on restrictions if relocation allowances are requested).

NOTE: The minimum of thirty (30) days shall be met when all engineers senior to the forced engineer have been assigned to a working position for a minimum of thirty (30) days or on a leave of absence for a minimum of thirty (30) days and an additional regular assignment becomes vacant. If the engineer returning to the original zone works for ninety (90) days without being demoted then the forced zone rights will be relinquished and the original zone rights reinstated.

F. Any pool freight, local, work train, or road switcher service may be established pursuant to the controlling CBA to operate from any point to any other point within the new Hub with the on duty point within Zone 1.

IV. EXTRA BOARDS

A. Until the UP and SP extra boards are consolidated per (B) below the SP prior right board shall protect yard vacancies with an on duty point in the Brooklyn yard and the UP Second District and UP consolidated First and Second district extra boards shall protect other Portland Terminal Yard vacancies.

B. The three engineer road extra boards at Portland shall be consolidated based on the following time table.

1. The Carrier may serve notice within 8 months from the date of implementation of this agreement to combine the UP 1st and 2nd district extra boards at Portland. The notice will be a 30 day notice that will permit the combining of the two boards on the first day of the month on or after the 30 day notice is given. If notice has not been served at the end of the 8 month period then it shall be deemed to have been served on the last day of the 8 month period after implementation.

2. The Carrier may serve notice to combine the consolidated UP road extra board and the SP road extra board within 12 months from the date of consolidation of the extra boards in (B) (1) above. The notice will be a 30 day notice that will permit the combining of the two boards on the first day of the month on or after the 30 day notice is given. If notice has not been served

at the end of the 12 month period then it shall be deemed to have been served on the last day of the 12 month period after implementation.

C. Other UP extra boards currently in Zone 1 not mentioned above shall continue to operate in accordance with the provisions of the surviving CBA.

D. Any location not listed shall be covered by the nearest extra board or additional extra board(s) may be established pursuant to the provisions of the surviving CBA. It is the intent to establish an extra board at Oakridge.

E. Exhausted extra boards.

1. If prior to consolidation, one of the Portland extra boards is exhausted, then another Portland extra board may be used prior to using other sources of supply. If the Eugene or Oakridge extra board is exhausted then the other extra board may be used prior to using other sources of supply. If prior to an agreement/award in zone 2 the Second District extra board at Hinkle is exhausted the Third District extra board may be used prior to using other sources of supply.
2. An engineer called from his/her extra board for an assignment in another area not principally covered by their extra board shall be handled as follows:
 - a. Pay received for this assignment shall not be used as an offset for extra board guarantee but shall be in addition to, however, it shall be used in computing whether the engineer is entitled to protection pay at the end of the month.
 - b. An engineer unavailable at time of call shall have a deduction made in their extra board guarantee in accordance with the extra board agreement and shall have an offset to their protection in accordance with the protection offset provisions. If miss called for secondary calls, the engineer shall not be placed on the bottom of the board but will hold his/her place.
 - c. An engineer unavailable at time of call shall not be disciplined.
3. Prior to the Carrier using a third extra board, all other sources of supply in the area where the vacancy exists must be exhausted.

NOTE: The nearest extra board will be determined by highway miles. When new assignments are established, the bulletin will identify the protecting extra board.

V. TERMINAL AND OTHER CONSOLIDATIONS

A. At the joint terminal location of Portland all UP and SP operations shall be consolidated into a unified terminal operation. Yard and road crews will not be restricted in the terminal where they can operate. The new terminal limits for Portland shall be: 17.0 on the UP main line, (Sandy siding), 765.01 on the SP main line south of Brooklyn, the Columbia river (North Portland Junction) 6.8 on the north and 741.24 on the SP Tillamook line.

NOTE: While these reflect the current terminal limits, the road/yard zones are still figured from the previous limits. This affects only the UP East main line limits which are 12.25 on the Graham line and 14.50 on the Kenton line. (Reference August 7, 1987 Agreement) The other limits in (A) above remain the same.

B. The provisions of (A) will not be used to enlarge or constrict the current limits except to the extent necessary to combine into a unified operation.

C. The terminal limits for Oakridge shall be MP578.74 and MP582.30.

VI. AGREEMENT COVERAGE

A. General Conditions for Terminal Operations.

1. Initial delay and final delay will be governed by the controlling collective bargaining agreement, including the Duplicate Pay and Final Terminal Delay provisions of the 1986 and 1991 National and Implementing Agreements and awards.
2. Engineers will be transported to/from their trains to/from their designated on/off duty point in accordance with Article VIII, Section 1 of the May 1986 National Agreement. The Carrier shall designate the on/off duty points for engineers.
3. The current application of National Agreement provisions regarding road work and Hours of Service relief under the combined road/yard service Zone, shall continue to apply. Yard crews at any location within the Hub may perform such service in all directions out of their terminal.

B. General Conditions for Pool Operations.

The terms and conditions of the pool operations set forth in Article III shall be the same for all pool freight runs. The terms and conditions are those of the surviving collective bargaining agreement as modified by subsequent national agreements, awards and implementing documents and those set forth below.

1. Turnaround Service/Hours of Service Relief. Turnaround service/ Hours of Service relief at both home and away-from-home terminals;
 - (a) May be handled by extra boards at the away-from-home terminal, and,
 - (b) Shall be handled by extra boards at the home terminals, if extra crews are available, prior to using pool crews. Engineers used for this service may be used for multiple trips in one tour of duty in accordance with the designated collective bargaining agreement rules.
 - (c) Extra boards may handle this service in all directions out of a terminal.
2. Nothing in this Section B (1) prevents the use of other crews to perform work currently permitted by prevailing agreements, including, but not limited to yard crews performing

Hours of Service relief within the road/yard zone, ID crews performing service and deadheads between terminals, road switchers handling trains within their zones and using an engineer from a following train to work a preceding train and payments required by the controlling CBA shall continue to be paid when this work is performed.

3. The Portland-Hinkle pool and the Seattle-Portland pool provisions that provide for guarantee and/or constructive miles shall continue for those engineers who are eligible for them on the day prior to implementation. Each pool shall also continue to be paid under the current short turnaround provisions of those Agreements.
4. The Portland-Hinkle, Seattle-Portland, Portland-Eugene, Portland-Oakridge and Oakridge-Klamath Falls pools shall be governed by, but not limited to, the same ITD, FTD, HAHT and Overtime rules. Rules for future runs that are created under Article IX notices shall be determined at that time and this sets no precedence for future runs.
5. The Portland-Eugene, Portland-Oakridge and Oakridge-Klamath Falls pools shall be governed by the basic Short Turnaround provisions of the Idaho Agreement which currently provides for miles or hours with a minimum of a basic day.

C. **Agreement Coverage** - Engineers working in Zone 1 shall be governed, in addition to the provisions of this Agreement, by the Collective Bargaining Agreement selected by the Carrier, including all addenda and side letter agreements pertaining to that agreement and previous National Agreement/Award/Implementing Document provisions still applicable. Except as specifically provided herein the system and national collective bargaining agreements, awards and interpretations shall prevail. None of the provisions of these agreements are retroactive. The Carrier has selected the Idaho CBA as the controlling CBA in the Portland Hub and it shall be effective in Zone 1 on the implementation date of this agreement.

D. In addition to the above the following will govern in the area covered by this agreement:

1. **Twenty-Five Mile Zone** - At all home and away-from-home terminals, both inside and outside the Hub, pool crews may receive their train up to twenty-five miles on the far side of the terminal and run on through to the scheduled terminal. Crews shall be paid an additional one-half (½) basic day for this service in addition to the miles run between the two terminals. If the time spent in this zone is greater than four (4) hours, then they shall be paid on a minute basis.

Note: At Hinkle this provision will not apply unless Zone 2 is covered with a merger agreement/award with similar provisions.

2. **First-In/First-Out** - Employees in pool freight service will operate and/or deadhead on a first-in/first-out basis, however, pool freight employees used in short turnaround service or given a call and release shall be placed first out after legal rest.
3. **Displacement** - Employees with displacement rights exercising in pool freight service shall place into the pool at the home terminal in the last out position at which time the junior pool freight engineer will be removed. If such junior pool freight engineer is currently on-duty or at the away-from-home terminal; such junior engineer will be removed from the pool upon tie-up at the home terminal.

4. **Personal Leave** - Requests for personal leave day(s) will be granted or rejected at the time requested. If granted, the day(s) will commence at the time granted and the employee's mark up for return to service will be pended in increments of twenty-four (24) hours from that time depending on the number of days granted.

5. **Runarounds** - A terminal runaround occurs when engineers from the same pool, going to the same destination, depart the same yard in other than the order called and both trains have their power attached to their train. "Depart" means that a train has started moving on the track it was made up in.

Example 1: Two engineers are called on duty in the Portland-Hinkle pool. The first out engineer receives his/her train in the Barnes Yard and the second out engineer receives his/her train in the Albina Yard. There cannot be a terminal runaround because the engineer did not depart from the same yard.

Example 2: Two engineers are called on duty in the Portland-Hinkle pool and both engineers receive their trains in the Albina departure Yard. If both trains have their power attached a terminal runaround can occur.

Example 3: Same set of facts as example 2, however, one engineer is required to go to the mechanical facilities to obtain all or part of their power. If the second engineer departs the yard prior to the first engineer returning to their train and putting their power on it no runaround has occurred.

Example 4: Two engineers are called from the same extra board and the first one is called Portland-Oakridge and the other is called Portland-Hinkle. No runaround can occur even if they depart from the same yard.

NOTE: Yards for the purposes of applying this runaround provision at Portland: Albina (East Portland/St. John Jct.); Barnes; Rivergate; Term 6; Kenton/Champ; Fir/Troutdale; and Brooklyn (East Portland/MP 765.01).

VII. PROTECTION.

A. Due to the parties voluntarily entering into this agreement the Carrier agrees to provide New York Dock wage protection (automatic certification) to all prior right engineers who are listed on the Portland Hub Merged Rosters and working an assignment (including a Reserve Board) on October 1, 1997. This protection will start with the effective (implementation) date of this agreement. The engineers must comply with the requirements associated with New York Dock conditions or their protection will be reduced for such items as layoffs, bidding/displacing to lower paying assignments when they could hold higher paying assignments, etc. Protection offsets due to unavailability are set forth in the Questions and Answers and Side Letter #1.

B. This protection is wage only and hours will not be taken into account.

C. Engineers required to relocate under this agreement will be governed by the relocation provisions of New York Dock. Those required to relocate to other than Oakridge may elect in lieu of New York Dock provisions, one of the following options:

1. Non-homeowners may elect to receive an "in lieu of" allowance in the amount of \$10,000 upon providing proof of actual relocation.
2. Homeowners may elect to receive an "in lieu of" allowance in the amount of \$20,000 upon providing proof of actual relocation.
3. Homeowners in Item 2 above, who provide proof of a bona fide sale of their home at fair value at the location from which relocated, shall be eligible to receive an additional allowance of \$10,000.
 - (a) This option shall expire five (5) years from date of application for the allowance under Item 2 above.
 - (b) Proof of sale must be in the form of sale documents, deeds, and filings of these documents with the appropriate agency.
4. With the exception of Item 3 above, no claim for an "in lieu of" relocation allowance will be accepted after two (2) years from date of implementation of this agreement.

NOTE: The two (2) year provision of this paragraph (4) shall be extended for those engineers at Hinkle and Eugene if operations affecting those engineers are not instituted until less than ninety (90) days remain in the two year period or after the two year period. If not instituted until after the period then affected engineers shall have one year from when affected to request an "in lieu of" payment.

5. Engineers receiving an "in lieu of" relocation allowance pursuant to this implementing agreement will be required to remain at the new location, seniority permitting, for a period of two (2) years.
6. In addition to those engineers required to relocate, engineers at Eugene, shall be treated as required to relocate under this Agreement if their pool and extra board assignment is transferred to Portland for the Portland-Oakridge pool, or on a seniority basis on a one for one basis for the number of assignments transferred. Once the number of in lieu of allowances are granted equal to the number of positions transferred all other moves associated with the specific number of assignments transferred will not be eligible for any moving allowances.

NOTE: Paragraph (6) does not cover those instances when a yard or other assignment may be abolished at Eugene as a result of the merger and an engineer can no longer hold at Eugene because of that abolishment. Engineers who must relocate under this scenario are covered under this Article.

- D. There will be no pyramiding of benefits.
- E. National Termination of Seniority provisions shall not be applicable to Engineers hired prior to the effective date of this agreement.
- F. Engineers will be treated for vacation, payment of arbitraries and personal leave days as though all their service on their original railroad had been performed on the merged railroad. Engineers

assigned to the Portland Hub seniority roster with a trainman/engineman seniority date prior to October 1, 1997 shall have entry rate provisions waived and engineers hired after that date shall be subject to the rate progression provisions of the controlling CBA. Those engineers leaving the Portland Hub will be governed by the CBA where they then work.

VIII. FAMILIARIZATION

A. Engineers will not be required to lose time or "ride the road" on their own time in order to qualify for the new operations. Engineers will be provided with a sufficient number of familiarization trips in order to become familiar with the new territory. Issues concerning individual qualifications shall be handled with local operating officers.

B. Engineers who work their assignment (road or yard) accompanied by an engineer taking a familiarization trip in connection with the merger shall be paid one (1) hour at the straight time rate of pay in addition to all other earnings for each tour of duty. This payment shall not be used to offset any extra board payments. The provisions of 3 (a) and (b) Training Conditions of the System Instructor Engineer Agreement shall apply to the regular engineer when the engineer taking the familiarization trip operates the locomotive.

C. Beginning with implementation the Carrier may begin familiarization trips for engineers. They may be removed from their extra board and/or other assignments and temporarily placed on a familiarization board. When on the board they may be placed on other assignments and will be paid as if working the assignment and their riding on the assignment will not affect the pay of the working engineer. The familiarization board shall have the same guarantee, pay and offset provisions as the extra board. The Local Chairmen and CMS will work together to rotate engineers through the familiarization board. The familiarization board provisions shall expire when prior rights are expired.

NOTE 1: Familiarization will begin with any surplus engineers and extra board engineers. Later non pool assignments in the thirty mile zone, yard assignments and finally pool assignments. If prior to this schedule engineers obtain a position needing familiarization this schedule need not be followed.

NOTE 2: Engineers on the familiarization board will not have their protection offset for working a lower paying assignment. If the assignment they are taken from is higher paying than their TPA they will be paid a difference of earnings, however they must claim this difference on their time slip.

IX. IMPLEMENTATION

The Carrier shall give 30 days written notice for implementation of this agreement and the number of initial positions that will be changed in the Hub. Thereafter implementation provisions of the various articles shall govern any further changes.

X. HEALTH AND WELFARE

A. Engineers currently are under either the National Plan or the Union Pacific Hospital Association. Engineers coming under a new CBA will have until January 1, 1999 to make an election as to keeping their old coverage or coming under the coverage of their new CBA. Engineers who do not make an election will have been deemed to elect to retain their current coverage. Engineers hired after

the date of implementation will be covered under the plan provided for in the surviving CBA. Engineers electing to come under the coverage of the Union Pacific Hospital Association should contact that Association to insure that there is no gap in their coverage when they make the transition.

B. If an engineer is covered under a group life and/or disability insurance policy provided for in his/her CBA and that CBA is not the surviving CBA, the Carrier shall continue the premium payments required at the time of implementation of this agreement for those engineers presently covered under those provisions for a period of time as provided for in the group policy agreement however it shall not be longer than six years.

XI. DISCLAIMER

This agreement is a final agreement covering the area described in Zone 1. It is recognized that additional agreements will be entered into between the parties with respect to Zones 2 and 3. Provisions of those agreements cannot modify this agreement. After the final zone agreement is entered into the parties will enter into a master seniority agreement that will set forth the seniority rights, if any, between the different zones.

The provisions of this Agreement are entered into without prejudice to either party's position and the parties agree not to cite this agreement in negotiations/arbitration involving other zones in the Portland Hub or any other Hub.

This Agreement is entered into this 13th day of August, 1998.

For the Organization:

s/ M. A. Mitchell
General Chairman BLE UP

s/ E. L. Pruitt
General Chairman BLE SP West

s/ Jim McCoy
Vice President BLE

s/ D. M. Hahs
Vice President BLE

For the Carrier:

s/ W. S. Hinckley
General Director Labor Relations

s/ T. L. Wilson, Sr.
Director Labor Relations

Portland Hub - Zone 1 - Terms and Conditions

THE FOLLOWING IDENTIFIES TERMS AND CONDITIONS REFERRED TO IN ARTICLE VI(B)(4), (but not limited to) OF THE PORTLAND HUB MERGER AGREEMENT THAT WILL BE APPLICABLE TO THE POOL FREIGHT OPERATIONS, including Helpers, LISTED IN THAT SECTION.

1. **Initial Terminal Delay** - Engineers eligible for Initial Terminal Delay shall be paid on a minute basis after thirty (30) minutes unpaid terminal time has elapsed from the time of reporting for duty up to the time the train leaves the terminal. Existing definitions and interpretations of this rule will continue to apply even though not fully set forth in this document.
2. **Basic Day/Rate of Pay** - The provisions of the November 7, 1991, Implementing Agreement (BLE) and the May 31, 1996, National/Local Agreement (BLE) will apply.
3. **Transportation** - Transportation will be provided in accordance with Section (2)(c) of Article IX of the May 19, 1986, National Arbitration Award (BLE).
4. **Meal Allowances and Eating En Route** - Meal allowances and eating en route will be governed by Sections 2(d) and 2(e) of Article IX of the May 19, 1986, National Arbitration Award (BLE) as amended by the November 7, 1991, Implementing Agreement.
5. **Overtime** - Engineers who have an engineer/train service seniority date prior to October 31, 1985, shall begin overtime at the expirations of eight (8) hours for those through freight runs that are one hundred sixty miles or less and on runs in excess of one hundred sixty miles overtime will begin when the time on duty exceeds the miles run divided by 20, or in any case, when on duty in excess of 10 hours. When overtime, initial terminal delay and final terminal delay accrue on the same trip, allowance will be the combined initial and final terminal delay time, or overtime, whichever is the greater. Employees hired after October 31, 1985, shall be paid overtime in accordance with the National Rules governing same and in the same manner previously paid on the UP prior to the merger.
6. **Held Away From Home Time** - Engineers in pool freight service held at other than home terminal will be paid continuous time for all time so held after the expiration of sixteen hours from the time relieved from previous tour of duty, at the regular rate per hour paid them for the last service performed.
7. **Final Terminal Delay** - Engineers eligible for final terminal delay shall be paid in accordance with Article V of the May 19, 1986 BLE National Arbitration Award.

QUESTIONS AND ANSWERS - BLE PORTLAND HUB ZONE 1

Article I - PORTLAND HUB

- Q1. Article I identifies the three zones for this Agreement. Do all the provisions of this Agreement apply to all three zones?
- A1. No, while all three zones are mentioned in Article I, the Agreement covers Zone 1 unless specifically stated otherwise in a given section.

Article II - SENIORITY AND WORK CONSOLIDATION

- Q2. How long will prior rights be in effect?
- A2. They will be phased out over a six year period.
- Q3. Are full time union officers including full time state legislative board representatives, Company officers, medical leaves and those on leave working for government agencies covered under Article II, C?
- A3. Yes.
- Q4. Article II (M) refers to yard assignment allocations with respect to prior rights. How are assigned yard work trains treated?
- A4. Assigned yard work trains are part of the allocation.
- Q5. Article II (H) requires engineers to protect all assignments with a home terminal within a thirty mile radius of the Portland Terminal limits. Can you give some examples of how that will work for both regular and extra board assignments?
- A5. The first criteria is that the home terminal must be within thirty miles of the terminal limits. The away-from-home terminal may be outside the thirty-mile limit so an employee as part of his/her assignment may travel outside the thirty miles. For example.

Example 1: A pool runs from Portland to Hinkle. This assignment is within the thirty mile limit even though it has an away-from-home terminal at Hinkle, outside the limits. Therefore all 1st, 2nd and SP prior right engineers could be required to protect the assignment.

Example 2: A southbound pool assignment dies on the Hours of Service 40 miles north of Portland. While the train is not within the thirty mile zone, the extra board on duty point is at Portland. As such, if the extra board is used to dogcatch the train, the first out employee would be used, even if an SP prior right employee.

Example 3: A road switcher with an on duty point 45 miles north of Portland goes no bid. An SP prior right employee on the protecting extra board at Portland could fill the assignment pending the force assignment of an engineer because that is one of the duties of the extra board, but a SP prior right employee could not be forced to the vacancy as the permanent occupant.

- Q6. If Article IX of the 1986 National Arbitration Award is amended in the future, what will govern when that Article is mentioned in this Agreement?

- A6. As in all cases, amendments to agreements govern unless previous rules are specifically retained in a savings clause in the amendment provisions.
- Q7. In Article II (E) (4) what are some of the assignments that are non-pool and non-yard in the thirty mile zone?
- A7. At the time of printing this document there was a Vancouver Local, two garbage trains and one Oregon City road switcher.
- Q8. Do SP leaves of absence agreements remain in place for those engineers who are currently on a leave?
- A8. Yes, SP leaves of absence agreements shall continue in force for those engineers on a leave on the date of implementation until they return to service.
- Q9. If an SP engineer on a leave of absence returns to service and an engineer senior to him/her has been forced to Dunsmuir does the returning junior engineer have to replace that forced engineer?
- A9. Yes, the junior engineer must relieve a senior engineer with a request to return and the junior engineer will have the same rights to file a request to return within the time limits of that agreement.

ARTICLE III - POOL OPERATIONS

- Q10. What will be the mileage paid in the Portland to Oakridge and Oakridge to Klamath Falls?
- A10. The mileage paid will be the actual mileage between the two points of the assignments. The points will be from the Albina yard office to Oakridge and from the same point at Oakridge to Klamath Falls using the time table. It does not matter if the engineer picks up his/her train at other location in the Portland terminal, the mileage shall be the same.
- Q11. Will existing pool freight terms and conditions apply on all pool freight runs?
- A11. No. The terms and conditions set forth in the surviving collective bargaining agreements and this document will govern. For example, the basic Idaho ID provisions governing overtime, initial terminal delay, held away-from-home time, etc will apply to the pools in accordance with the engineers eligibility for those provisions based on his/her seniority.
- Q12. Does this agreement affect The Dalles as a home terminal for work to Bend and short pool service to Hinkle?
- A12. No, however it does not prohibit the implementation of other service in accordance with the controlling CBA or National Agreement provisions that does not use The Dalles as a home terminal.
- Q13. During the one year period covering the use of longer application procedures for moving new assignments to Portland and Oakridge in Article III (C) (Note), how will the pool be regulated?
- A13. The pool will be regulated in accordance with the provisions of the CBA. Engineers must understand that the longer application process may result in the pool running short while waiting for additional engineers to relocate and the extra board will be used first to cover the vacancies.
- Q14. Does the one year period in Article III (C) (note) refer to moving allowance eligibility?
- A14. No, only to the period for a longer application process.

ARTICLE IV - EXTRA BOARDS

Q15. How many extra boards will be combined at implementation?

A15. The Portland extra boards have a phase in time table for consolidation.

Q16. Are these guaranteed extra boards?

A16. Yes. The pay provisions and guarantee offsets and reductions will be in accordance with the surviving CBA guaranteed extra board agreement. The Eugene and Oakridge extra boards will also be governed by the surviving CBA.

ARTICLE V - TERMINAL CONSOLIDATIONS

Q17. Are the national road/yard Zones covering yard crews measured from the new Portland terminal limits where the yard assignment goes on duty?

A17. No, see the August 7, 1987 Agreement that extended the limits for the UP mainline limits. Crews that go on duty at Brooklyn will now be able to go North and East from Portland and those on duty on former UP areas will now be able to go South from Portland.

Q18. Are foreign interchanges within the UP Portland terminal?

A18. The National Agreements permit crews to receive and deliver trains to foreign carriers even if outside the home carrier's "terminal". There is a larger "terminal" at interchange points that includes all the trackage of all the Carrier terminals at that location. As such at Portland, a crew may receive and/or deliver a train to any of the locations that were permissible prior to the merger by either the SP or UP.

ARTICLE VI - AGREEMENT COVERAGE

Q19. When the surviving CBA becomes effective what happens to existing claims filed under the other collective bargaining agreements that formerly existed in the Portland Hub?

A19. The existing claims shall continue to be handled in accordance with those agreements and the Railway Labor Act. No new claims shall be filed under those agreements once the time limit for filing claims has expired for events that took place prior to the implementation date.

Q20. Are any constructive miles or trip "guarantee" paid in pool freight service retained?

A20. Yes, however only to those engineers currently eligible for them. If an engineer on the Second District is eligible for them on that District and moves to a pool turn in the Seattle-Portland Pool they shall not be eligible for constructive miles or "guarantee" in that pool.

Q21. Article VI (B) (1) refers to turnaround service being performed at home terminals by pool crews. Does this rule require that they be called before or after extra board crews are called?

A21. No, at the home terminal of the assignment, if the extra board is exhausted regular vacancy procedures apply.

Q22. Is Article VI (D) (1) a short turn around rule?

A22. No, it is a through freight provision which enables an engineer to get his/her own train outside the terminal and run on through the terminal.

Q23. The same section calls for multiple trips in one tour of duty. If the extra board rule and pool freight rule differ on the procedures to be used in multiple trips, what rule governs?

- A23. The extra board rule governs when the extra board is called and the pool rules govern when a pool crew is used.
- Q24. Can the separate 2nd and 3rd District extra boards be used on both sides of Hinkle upon implementation of this agreement?
- A24. Until zone two is covered by an agreement/award the Hinkle extra boards will not be used on both sides, except when the 3rd District board is used when the 2nd district board is exhausted. However when the 2nd District extra board is filled by 3rd District engineers then the engineers on that extra board can go West of Hinkle.
- Q25. When can extra boards at Portland perform this service in any direction?
- A25. When the 1st and 2nd District boards are combined they can cover both of their former areas and when the SP board is combined then the remaining board can go in all directions. If an extra yard assignment is called in accordance with road/yard provisions then that assignment off the consolidated board can go in all directions.
- Q26. How far can an extra board go in performing this service?
- A26. Existing division points for extra boards will be used.
- Q27. Are fence Agreements covering The Dalles and Bend retained?
- A27. Yes, and will be considered part of the controlling CBA.
- Q28. Will the August 10, 1994 Temporary Transfer Agreement be retained?
- A28. Yes, since engineers are currently working outside the Hub under this Agreement, the parties have agreed to retain it.
- Q29. Do the references to Local Chairman refer only to BLE Local Chairmen?
- A29. Yes.
- Q30. What are the miles paid if an Engineer goes to the BNSF at Vancouver to get a train to go to Oakridge?
- A30. The actual additional miles run with train and or engine from the BNSF facility to the Albina yard office shall be paid whether getting or leaving a train in interchange.
- Q31. If a road crew picks up, in interchange, a train from the BNSF at Vancouver is it in the 25 mile zone?
- A31. No, this is an interchange movement that is permitted even if the 25 mile zone provisions did not exist.
- Q32. What if the road crew picked up a UP train at Vancouver, not in interchange from the BNSF, is that covered under the twenty-five mile provisions?
- A32. Yes, since it is outside the UP terminal and was not received from a foreign Carrier.
- Q33. How will vacations for the remainder of 1998 be handled?
- A33. They will continue to be handled under the CBA that covered them at the beginning of the year. Vacations for 1999 will be scheduled at the end of 1998 under the provisions of the Idaho Agreement. In scheduling vacations for 1999 the SP and UP assignments at the Portland terminal shall be scheduled as two separate groups. The extra boards, if not consolidated by scheduling time, shall be scheduled with their respective group. If consolidated they shall be scheduled with the UP assignments. Beginning the next year all employees at the Portland terminal shall be scheduled as one group.

- Q34. Will the Carrier provide copies of the Idaho Agreement as currently printed?
A34. Yes, In addition the parties will meet and review the current printing and prepare a list of amendments to that CBA and reprint a new CBA and the Carrier shall distribute the new reprinting.
- Q35. Does the 25 mile zone in Article VI (D) (1) start from MP 17 on the UP main line?
A35. No, it starts from the same point as the road/yard zone which is 12.25 (Graham) and 14.5 (Kenton).
- Q36. If a crew in the 25 mile zone is delayed in bringing the train into the original terminal so that it does not have time to go on to the far terminal, what will happen to the crew?
A36. Except in cases of emergency, the crew will be deadheaded on to the far terminal.
- Q37. Is it the intent of this agreement to use crews beyond the 25 mile zone?
A37. No. The engineer would be operating off assignment.
- Q38. In Article IV(B), is the ½ basic day for operating in the 25 mile zone frozen and/or is it a duplicate payment/ special allowance?
A38. No, it is subject to future wage adjustments and it is not duplicate pay/special allowance.
- Q39. How is a crew paid if they operate in the 25 mile zone?
A39. If a pre-October 31, 1985 train/engine service seniority date employee is transported to its train 10 miles south of Oakridge and he/she takes the train to Portland and the time spent is one hour south of Oakridge and 10 hours 30 minutes between Oakridge and Portland with no initial or final delay earned, the employee shall be paid as follows:
- A. One-half basic day for the service South of Oakridge because it is less than four hours spent in that service.
 - B. The road miles between Oakridge and Portland.
 - C. Overtime based on the miles run between Oakridge and Portland divided by 20 for the time up to the 10 hours and 30 minutes worked between those two points. (For example if the miles between Oakridge and Portland were 168 then overtime would be after 8 hours and 24 minutes for an overtime payment of 2 hours 6 minutes.)
- Q40. Would a post October 31, 1985 train/engine service employee be paid the same?
A40. No. The National Disputes Committee has determined that post October 31, 1985 train/engine service employees come under the overtime rules established under the National Agreements/Awards/Implementing Agreements that were effective after that date for both pre-existing runs and subsequently established runs. As such, the post October 31, 1985 engineer would not receive the overtime in C above but receive the payments in A & B.
- Q41. How will initial terminal delay be determined when performing service as outlined above?
A41. Initial terminal delay for crews entitled to such payments will be governed by the applicable collective bargaining agreement and will not commence when the crew operates back through the on duty point. Operation back through the on duty point shall be considered as operating through an intermediate point.

ARTICLE VII - PROTECTION

Q42. What rights does a engineer have if he/she is already covered under labor protection provisions resulting from another transaction?

A42. Section 3 of New York Dock permits engineers to elect which labor protection they wish to be protected under. By agreement between the parties, if a engineer has three years remaining due to the previous implementation of Interdivisional Service the engineers may elect to remain under that protection for three years and then switch to the number of years remaining under New York Dock. It is important to remember that a engineer may not receive duplicate benefits, extend their protection period or count protection payments under another protection provision toward their test period average for this transaction.

Q43. How will reductions from protection be calculated?

A43. In an effort to minimize uncertainty concerning the amount of reductions and simplify this process, the parties have agreed to handle reductions from New York Dock protection as follows:

1. Pool freight assignments - 1/15 of the monthly test period average will be reduced for each unpaid absence of up to 48 hours or part thereof. Absences beyond 48 hours will result in another 1/15 reduction for each additional 48 hour period or part thereof.
2. Five day assignments - 1/22 of the monthly test period average will be reduced for each unpaid absence of up to 24 hours or part thereof. Absences beyond 24 hours will result in another 1/22 reduction for each additional 24 hour period or part thereof.
3. Six & seven day assignments - The same process as above except 1/26 for a six day assignment and 1/30 for a seven day assignment.

NOTE: There shall be no offset from protection for rest days on five day and six day assignments.

4. Extra board assignments - 1/30 of the monthly test period average will be reduced for each unpaid absence of up to 24 hours or part thereof. Absences beyond 24 hours will result in another 1/30 reduction for each additional 24 hour period or part thereof.

NOTE: Absences on the extra board shall be calculated from the time of unavailability (layoff, missed call, etc) until the next time called for service. For example: If a engineer lays off on Monday at noon, marks up the next day, Tuesday, and does not work until 2 AM on Wednesday, then they shall be off for protection purposes for thirty-eight (38) hours and shall be deducted 2/30 of their protection.

Q44. Why are there different dollar amounts for non-home owners and homeowners?

A44. New York Dock has two provisions covering relocating. One is Article I, Section 9, Moving Expenses and the other is Section 12, Losses from Home Removal. The \$10,000 is in lieu of New York Dock moving expenses and the remaining \$20,000 is in lieu of loss on sale of home.

- Q45. Why is there one price on loss on sale of home?
A45. It is an in lieu of amount. Engineers have an option of electing the in lieu of amount or claiming New York Dock benefits. Some people may not experience a loss on sale of home or want to go through the procedures to claim the loss under New York Dock.
- Q46. What is loss on sale of home for less than fair value?
A46. This refers to the loss on the value of the home that results from the Carrier implementing this merger transaction. In many locations the impact of the merger may not affect the value of a home and in some locations the merger may affect the value of a home.
- Q47. If the parties cannot agree on the loss of fair value what happens?
A47. New York Dock Article I, Section 12(d) provides for a panel of real estate appraisers to determine the value before the merger announcement and the value after the merger transaction.
- Q48. What happens if an engineer sells the home for \$20,000 to a family member?
A48. That is not a bona fide sale and the engineer would not be entitled to either an in lieu of payment or a New York Dock payment for the difference below the fair value.
- Q49. What is the most difficult part of New York Dock in the sale transaction?
A49. Determine the value of the home before the merger transaction. While this can be done through the use of professional appraisers, many people think their home is valued at a different amount.
- Q50. Who is required to relocate and thus eligible for the allowance?
A50. A prior right engineer who can no longer hold a position at his/her location and must relocate to hold a position as a result of the merger. This excludes engineers who are borrow outs or forced inside the Hub and released, common engineers and engineers who have to exercise seniority in their prior rights area due to a non merger event.
- Example 1: Due to the new Portland-Oakridge pool an employee can no longer hold in Eugene and must relocate to Portland. Since this is a result of the merger transaction then the employee may be eligible.
- Example 2: A pool reduction is made in the 1st District pool in Seattle and the employee reduced from the pool cannot hold in Seattle and displaces to the Portland extra board. This is a seniority move not caused by a merger transaction and the employee is not eligible for a merger relocation.
- Example 3: If the facts are the same as (2) above except the engineer is forced to a yard assignment that they could not be forced to prior to the merger, they are eligible for a relocation if mileage provisions are met.
- Example 4: An engineer is required to relocate to Oakridge for pool, extra board or helper service. The engineer is not entitled to the "in lieu of" provisions but is entitled to New York Dock provisions.
- Q51. Does it matter in the example 2 above if the extra board they place on is consolidated or prior right?
A51. No, since the First District had extra board positions in Portland prior to the merger.

Q52. If the engineer in example 3 above could have placed on an extra board assignment and elect to place on a yard assignment are they entitled to a relocation allowance?

A52. No, that would be a seniority move.

Q53. Are there any seniority moves that will be treated as required to relocate?

A53. Yes, at Eugene, when pool and extra board positions are moved to Portland for the Portland-Oakridge service, senior engineers on a one for one basis may bid to Portland and be treated as required to relocate.

Example 1: Ten pool and three extra board positions are moved to Portland from Eugene. The thirteen highest bidders at Eugene may relocate and be eligible for the allowance if they meet the mileage requirements and not outbid by employees from other locations. If an employee at Salem outbids on one of the Portland positions that bid will be treated as a seniority move and no relocation will be allowed since no work was relocated from Salem. It does not matter if the engineer working at Salem lives in Eugene. Since there is no work being transferred from Salem that is the deciding factor.

Example 2: Ten pool and three extra board positions are moved to Portland from Eugene. Twelve Eugene engineers bid on the positions and one employee remains, whose position was abolished or who was bumped, and who is unable to hold a position within thirty miles of Eugene. That employee bumps an employee at Salem. The Salem employee displaces to Portland because he/she can no longer hold within thirty miles of Salem. If they meet the mileage requirements then both engineers would be eligible for the relocation allowance.

Example 3: Ten pool and three extra board positions are moved to Portland from Eugene. Twelve Eugene engineers bid on the positions and one employee who is able to hold a position within thirty miles of Eugene bumps an employee at Salem. The Salem employee displaces to Portland because he/she can no longer hold within thirty miles of Salem. Neither employee is eligible for an allowance because the chain of moves was started by a seniority move by an employee who could have remained at Eugene or followed his/her work to Portland and voluntarily chose not to do so.

Example 4: Ten pool and three extra board positions are moved to Portland from Eugene. The thirteen highest bidders at Eugene may relocate and be eligible for the allowance if they meet the mileage requirements. At some time in the future, one of the engineers who relocated retires. Another employee at Eugene makes application for the vacancy. This is a seniority move and the employee is not eligible for a relocation allowance under this agreement.

Q54. As positions are added to Portland, at what point are engineers no longer entitled to relocations allowances?

A54. The Agreement provides for a two year window for applying for relocation allowances.

Q55. Are there mileage components that govern the eligibility for an allowance?
A55. Yes, the engineer must have a reporting point farther than his/her old reporting point and at least 30 highway miles between the current home and the new reporting point and at least 30 highway miles between reporting points.

Example 1: The relocating of the on-duty point for road crews from Brooklyn to Albina, both within the Portland Terminal does not trigger a relocation allowance.

Example 2: An employee owns a home in Portland. Due to his/her seniority they are unable to hold at Portland and works in Eugene. When positions are moved to Portland from Eugene the employee is a successful bidder or is forced. Because they own a home in Portland they are not eligible for a relocation allowance back to their home.

Example 3: An employee owns a home thirty-two (32) miles south of Portland and works in Albany forty miles from his/her home. He/she is bumped as a result of the merger and can hold at Portland and places on an assignment at that location. Because the new reporting point is closer to his/her residence than his/her old reporting point no relocation allowance is provided.

Q56. When did the person need to be a home owner to qualify as one for relocation purposes?

A56. New York Dock protects home owners due to loss on sale of home that are caused by the merger. If a non home owner purchases a home after the merger was approved in September 1996 would not be affected by the merger because they were not a home owner at that time.

Q57. Will engineers be allowed temporary lodging when relocating?

A57. Engineers entitled to relocation provisions shall be given temporary lodging for thirty (30) consecutive days as long as they are marked up.

Q58. Are there any restrictions on routing of traffic or combining assignments.

A58. There are no restrictions on the routing of traffic in the Portland Hub once the 30 day notice of implementation has lapsed. There will be a single collective bargaining agreement and limitations that currently exist in that agreement will govern (e.g. radius provisions for road switchers, road/yard moves etc.). However, none of these restrictions cover through freight routing. The combining of assignments between the Carriers is covered in this agreement and is permitted.

Q59. Will the Carrier offer separation allowances?

A59. The Carrier will review its manpower needs at each location and may offer separation allowances if the Carrier determines that they will assist in the merger implementations.

Q60. When will reserve boards be established and under what conditions will they be governed?

A60. Depending on manpower needs there may be engineers on reserve boards on implementation day. The reserve boards will be effective on that day however agreement provisions requiring all vacancies to be filled and the displacement of engineers not entitled to reserve board positions must be complied with prior to the Carrier opening reserve board positions. The reserve board provisions of the controlling CBA will govern its operation.

Q61. What period will be used for the TPA?

A61. 1997.

Q62. How will Union Officers TPA's be established?

A62. The Carrier will average the two above and two below in any service. If greater than their regular TPA it shall be used. Engineers with unusually high or low TPA's will not be considered.

Article VIII -FAMILIARIZATION

Q63. Are there different ways engineers can be familiarized on new territory?

A63. Yes, the parties have tried different methods on different territories and find that several methods work. This has included riding with another crew, using a pilot or peer trainer and/or having a company officer onboard.

Q64. How will the reserve, familiarization and temporary transfer boards interact?

A64. Familiarization and temporary transfer boards will be used first as they provide work opportunities for engineers. Reserve Board usage depends on the manpower dynamics. They may be used if engineers are not needed as trainmen, however engineers will not be placed on reserve boards if non-protected employees in either craft could be furloughed. If a protected engineer was to be furloughed even if demoted to train service, then reserve boards may be used at a location for surplus employees. Part of these dynamics is dependent on the impact on other employees who may have reserve board opportunities in another craft. In any event the controlling CBA will govern the operation of the reserve board.

Q65. Will an engineer on the extra board moving to the familiarization board lose any guarantee?

A65. Since the familiarization board is an extension of the extra board, an engineer would not lose any guarantee unless they absented themselves.

Q66. On implementation will all engineers be contacted concerning job placement?

A66. No, the implementation process will be phased in and engineers will remain on their assignments unless abolished or combined and then they may place on another assignment. When the Carrier posts the notice on pool changes and increases and decreases in extra boards Local Chairman may assist in handling the bidding, application and placement process at that time and engineers may be contacted for placement if insufficient bids are received. The new seniority rosters will be available for use by engineers who have a displacement.

Q67. Will engineers have a displacement to the newly designated yard assignments under the percentage provisions upon implementation?

A67. No, they become effective only when the events in question and answer 66 take place.

Q68. If all yard assignments are filled and the Carrier abolishes an assignment, what is the bumping process?

A68. In most cases the actual assignment abolished will not be held by the junior crew. The Local Chairman will designate, when required, another assignment in accordance with the chart attached to this Agreement and employees will have displacement rights to those positions with their prior right designations and all common employees.

Portland Hub Zone 1 - Side Letters

May 1, 1998

Side Letter No. 1

Gentlemen:

During our discussions on New York Dock Protection we discussed the issue of a pool engineer taking a single day paid absence such as a Personal Leave day or single day vacation and the impact it will have on his/her protection. In an effort to simplify the process and to provide the pool engineer with an alternative the parties agree that a pool engineer shall have one of the following options:

- (1) Elect a single paid personal leave or vacation day and hold their turn so that if it obtains a first out status they will be first out when they are marked up no less than 24 hours later, with no deduction from their protection; or
- (2) Elect a minimum of two consecutive days paid personal leave or vacation days on pools whose round trip district miles are 400 or less or a minimum of three consecutive days on pools whose round trip district miles are more than 400 miles and not hold their turns. If the minimum number of consecutive days are met for each round trip then no deduction will be made in their protection.

Question #1: If the round trip district miles of a run are 390 miles and initial and or final terminal delay make a payment over 400 miles, how many personal leave days must be used?

Answer #1: Only the district miles are used for determining the number of personal leave days to be used. In this case two personal leave days would qualify for no deduction.

Question #2: If the round trip district miles are over 400 miles, how is a deadhead counted?

Answer #2: Deadheads are already taken into account by using a 1/15th offset for pools. Since most pools do not average 15 round trips per month a 1/15th offset is less than using the average for each pool. As a result the round trip district miles are used for determining the number of personal leave days that would substitute for no offset and in this case three personal leave days would qualify.

Question #3: If an employee requests the minimum of 2 days for a 380 round trip, can the Carrier approve only 1 day?

Answer #3: No. Depending on the needs of service, either both days will be granted or both days declined.

- (3) Elect a single paid personal leave or vacation day and not hold their turn resulting in payment of a single day with a corresponding 1/15th deduction from protection.

The option must be selected by the engineer at the time the personal leave or vacation day is granted. Engineers must file the protection form each time they take paid days in accordance with the above options. This letter will not apply to any engineer who does not have wage protection and when no engineer has such protection then this letter shall become null and void.

Yours truly,

s/ W. S. Hinckley
General Director Labor Relations

AGREED:

s/ M. A. Mitchell
General Chairman BLE

s/ E. L. Pruitt
General Chairman BLE

May 1, 1998

Side Letter #2

Gentlemen:

At the end of the prior right period as set forth in Article II (L) the BLE General Chairman may serve a thirty day notice to replace Article VI (D) (2) First In/First Out with the following language:

First In/First Out

- (1) Engineers in pool freight service in Zone 1 who are runaround (terminal or enroute) will be restored to their original positions upon arrival at the applicable terminal.
- (2) Pool engineers in Zone 1 who are runaround due to not being rested under the Hours of Service Act will, upon arrival at their home terminal be restored to their relative position in the pool prior to departure from the home terminal, unless the engineer so notifies the CMS Crew Dispatcher upon tie-up that she/he elects to stay in the new arrival position.
(NOTE: This option is only available to the assigned engineer of the turn.)

If the parties have amended Article VI (D) (2) on either a local, system or national basis then this side letter is null and void.

Yours truly,

s/ W. S. Hinckley
General Director Labor Relations

AGREED:

s/ M. A. Mitchell
General Chairman BLE

s/ E. L. Pruitt
General Chairman BLE

May 1, 1998

Side Letter #3

Gentlemen:

The parties recognize that there are some "Oregon" Agreements that are localized and need to be retained. These agreements or rules are specific to a unique operation that would not be covered under a Idaho Rule. Two examples are the garbage train agreement which provides for certain local operations and a detour agreement which is due to two carriers operating side by side. The parties will meet within the next 45 days and review what should be kept. If a disagreement arises then the matter shall be referred to the General Director and the General Chairman. Failure to agree on all rules shall not interfere with the implementation of the Zone 1 Agreement.

Yours truly,

s/ W. S. Hinckley
General Director Labor Relations

AGREED:

s/ M. A. Mitchell
General Chairman BLE

s/ E. L. Pruitt
General Chairman BLE

August 10, 1998

Mr. E. L. Pruitt
General Chairman BLE
Bakersfield, CA 93307

Dear Sir:

This refers to our discussions concerning a possible amendment to the SP West BLE Modification Agreement for the territory involved in the Portland Hub negotiations. With the ratification of the Portland Hub Agreement the Carrier is willing to amend Article II (F) of the agreement by adding the following note:

NOTE: In the Portland Hub, the provision that the SP West BLE Agreement be selected shall be waived.

The net affect of this amendment is that the SP West engineers in the new Portland Hub may elect to retain the SP West Modification protection, in lieu of regular New York Dock Protection associated with the implementation of the Hub. The Modification Agreement would not be amended for areas outside the Portland Hub.

Engineers would have thirty (30) days from the date they receive their Portland Hub TPA's to notify the Carrier that they were relinquishing amended SP West Modification Protection. It is understood that as part of retaining this protection that the various protection provisions of the SP West Agreement will continue to apply such as Attachment "F" the offset questions and answers and Side Letter #1 of the Roseville Hub would also be applicable.

Yours truly,

s/ W. S. Hinckley

s/ E. L. Pruitt
General Chairman BLE

ATTACHMENT "A"

PORTLAND TERMINAL YARD ALLOCATION CHART PER ARTICLE II M

Total	1	2	3	4	5	6	7	8	9	10
UP	1	2	2	3	4	5	6	6	7	8
SP	0	0	1	1	1	1	1	2	2	2
Total	11	12	13	14	15	16	17	18	19	20
UP	9	10	10	11	12	13	14	14	15	16
SP	2	2	3	3	3	3	3	4	4	4
Total	21	22	23	24	25	26	27	28	29	30
UP	17	18	18	19	20	21	22	22	23	24
SP	4	4	5	5	5	5	5	6	6	6
Total	31	32	33	34	35	36	37	38	39	40
UP	25	26	26	27	28	29	30	30	31	32
SP	6	6	7	7	7	7	7	8	8	8