



BUILDING AMERICA®

July 19, 2017

BRENT C. LEONARD
GENERAL CHAIRMAN SMART-TD 953
5990 SW 28TH STREET SUITE "F"
TOPEKA, KANSAS 66614

RE: Trip Rate detail for Wichita – Herington turn service

Dear Mr. Leonard:

As indicated in the attached agreement for turnaround service between Wichita, Kansas and Herington, Kansas, and per our discussions, the Carrier will establish trip rates for the following runs/pool upon implementation of the service:

Runs/Pools	Conductor Trip Rate
Wichita – Herington – Wichita	\$235.00

Subject to Increase

Not subject to Increase

COT	Description	Amount	COT	Description	Amount
D4	Deadhead S/A	\$0.00	F3	Final Terminal Delay	\$0.13
			I2	Initial Terminal Delay	\$0.17
21	Straight Miles	\$233.20	07	Enroute Meals	\$1.50
	Total	\$233.20		Total	\$1.80

As you are aware, the parties did not use test data to establish the rate; rather it was based on the miles run and the existing trip rate data for ITD, FTD and en route meals for Wichita – Salina (RT30). The trip rate is based on the run miles for Wichita to

Herington and return, which is 140 miles. The parties used the existing trip rate from Wichita – Salina (based on 130 mile basic day), which is \$217.50 and added ten over miles (\$17.50) for a total of \$235.00, including the frozen elements.

The above trip rate figures are exclusive of the agreed upon payment of \$26.00 to the conductor working without a brakeman. Upon implementation, an employee would receive the applicable trip rate for this pool and then would be able to select the \$26.00 differential payment for trips worked without a brakeman, which would be paid in addition to his/her trip rate. In addition, this new trip rate does not exclude employees from receiving other negotiated payments and arbitraries as due under existing agreements.

Please review this information and contact me with any questions or concerns.

Sincerely yours,

A handwritten signature in black ink, appearing to read "B. Wilderman", followed by a horizontal line extending to the right.

Beth Wilderman

MEMORANDUM OF AGREEMENT

Between

UNION PACIFIC RAILROAD COMPANY

And the

SMART-TD

TURNAROUND POOL FREIGHT OPERATIONS WICHITA – HERINGTON - WICHITA

Pursuant to the Salina Hub Merger Implementing Agreement, Article I (E), the Carrier proposed the creation of new turnaround pool service between Wichita and Herington. In an effort to implement/establish this pool, the following is hereby adopted without prejudice to either party's position:

IT IS AGREED:

1. Pool Operations

New turnaround pool freight service may be established with the on/off duty point of Wichita, Kansas. The operation will be to Herington, Kansas with crews tying up back at Wichita, Kansas. In this operation, Herington will be an intermediate point en route.

2. Terms and Conditions

The provisions of the Salina Hub Merger Implementing Agreement will apply.

3. Transportation

When a crew is required to be relieved from duty at other than the on/off duty point identified in Item 1 above, the Carrier shall authorize and provide suitable transportation. Any necessary deadheading will be in combined service.

4. Crew Consist

Wichita-Herington turnaround pool operations may operate as Conductor-only subject to the three work event en route limitations of the Union Pacific Eastern District Modified Crew Consist Agreement dated December 19, 1991.

5. Compensation

- A. Conductors working the Wichita-Herington turnaround pool will be compensated at the agreed upon trip rate of \$235.00, which includes \$1.80 not subject to future increases (frozen pay elements). Overtime for this pool will be based on 140 miles at the applicable overtime divisor for pool freight service. In addition, a differential payment of \$26.00 (subject to all future general wage increases and/or cost of living adjustments) will be paid to a conductor who is required to perform a service trip (i.e. departs the terminal) without a brakeman. This payment will be made in addition to all other earnings made by said Conductor during his or her tour of duty and will not be used as an offset against overtime.

NOTE: The \$26.00 conductor-only turnaround allowance is not payable to a trainman making a familiarization or pilot trip.

- B. It is agreed that crews assigned to this service may receive their train any place up to 25 miles outside Herington as measured from the switching limits and will not be considered as being used off assignment. In conjunction therewith, employees getting their train outside Herington switching limits will be paid a minimum of one (1) hour (the equivalent of 16.25 miles) at the straight time rate of pay or miles ran up to 25 miles, whichever is greater, in addition to all other earnings of the trip. It is understood no more than one (1) such payment will be allowed in a tour of duty for performing this service. This payment will be made in addition to all other earnings made by said Conductor during his or her tour of duty and will not be used as an offset against overtime. The round trip mileage from Herington to where a train is received will not be used to extend the period by which overtime begins.

Example 1: A conductor-only crew is deadheaded from Wichita to White City to retrieve his/her train, a distance of 84 miles (70 miles to Herington; 14 miles further to White City). The crew then takes the train back to Wichita. The total round trip from Wichita to White City and return is 164 miles, and time consumed is eight (8) hours or less. What payment is due in addition to the \$26.00 conductor-only allowance?

Answer 1: The 140 mile trip rate of \$235.00 plus one-hour for getting the train at White City.

Example 2: What would the conductor in Example 1 be paid if the time consumed was 10 hours and 30 minutes?

Answer 2: The 140 mile trip rate of \$235.00, 1 hour 53 minutes overtime (based on the current 16.25 MPH OT divisor) plus one-hour for getting the train at White City.

Example 3: What would the conductor in Example 1 be paid if the train was received 25 miles west of the Herington switching limits and time consumed was 10 hours and 30 minutes?

Answer 3: The 140 mile trip rate of \$235.00, 1 hour 53 minutes overtime (based on the current 16.25 MPH OT divisor) plus one-hour and 32 minutes for receiving the train 25 miles west of Herington.

6. Implementation

This Agreement will become effective 14 days after the date it is signed by both parties. Pool positions will be bulletined in accordance with Schedule Rules.

7. Future Home Terminal Modifications

- A.** In the event the Carrier moves the home terminal for this service to Herington any time during the ten (10) years immediately following the effective date of this Agreement, the Carrier will create a reserve board at Wichita. The number of positions opened on the reserve board will be equal to the number of pool turns moved to Herington on the date Wichita ceases to be a home terminal as well as the number of extra board positions reduced at Wichita and added at Herington as a result of the pool turns being moved to Herington. Any of the protected trainmen listed on Side Letter No. 1 who are working in Wichita on the day that Wichita ceases to be a home terminal for this service will be allowed to bid on the reserve board. Reserve board positions will be awarded based on seniority. Those awarded reserve board positions will be allowed to hold those positions for five (5) years from the date of Wichita ceasing to be a home terminal for this service. Once this five-year period has expired, the reserve board will be abolished and employees will be required to exercise their seniority to working positions. Employees on this reserve board shall be paid a semi-monthly reserve board rate equal to 70% of the basic yard foreman rate multiplied by the number of weekdays in the pay period.

NOTE 1: This provision is not intended to protect Wichita Conductors holding turns on this pool in the event that this pool is abolished and the work continues to be protected out of Wichita either with an extra board or in the Wichita – Salina through freight pool. Nor is it intended to protect Wichita Conductors in the event there are no turns on the Wichita – Herington turnaround pool due to lack of trains being run in the pool.

B. An employee holding the reserve board shall remain in that status for the duration of the reserve board's five-year existence or until the following, whichever is sooner:

- (i) He/she requests to be released from the board to exercise his/her seniority to a vacant position by bid or application.
- (ii) He/she is recalled to active service in junior order to any permanent positions that go no bid in Wichita, including the extra board.
- (iii) He/she is displaced by another employee through the exercise of seniority.
- (iv) He/she retires, resigns or is dismissed in accord with collective bargaining agreement rules.

NOTE 1: Reserve board employees will be recalled to fill permanent vacancies at Wichita ahead of any furloughed Salina Hub employees or prior to forcing any junior employees working elsewhere in the Salina Hub.

NOTE 2: An employee who exercises his/her seniority to a vacant working position per (i) may exercise back to the reserve board in the event he/she can no longer hold a position at Wichita as long as the reserve board is still within its five-year existence. If the employee exercised his/her seniority to a position outside Wichita, he/she is no longer eligible to exercise back to the reserve board whether able to hold a position at Wichita or not.

C. Employees on the reserve board must hold themselves available to return to service upon thirty (30) days' notice (reserve pay shall continue for only seven (7) days) and must return to service in compliance with such thirty (30) days' notice. Reserve pay will continue for seven days in the event employee returns prior to seven days.

NOTE: Failure to return to service within 30 days of notice to return will result in forfeiture of seniority.

D. Employees on reserve board are "in-service" employees and hence are subject to the same physical examination and rules examination as other in-service employees. Employees who fail to respond to notifications for exams or who fail such exams will have their reserve pay stopped until such time as they do pass the applicable exam.

E. Vacation pay while on the reserve board will offset reserve board pay. Time spent in reserve status will not count toward determining whether the

employee is eligible for vacation in the succeeding year but will be counted as compensation towards vacation pay. It will count in determining the length of vacation to which an employee, otherwise eligible, is entitled. Employees on the reserve board are not eligible for Holiday Pay, Bereavement Leave, Jury Duty Pay, and all other similar allowances.

- F. Employees on the reserve board are covered by Health and Welfare plans, union shop, dues check-off, discipline rules, and the grievance procedures that are applicable to employees in active service.

8. General & Savings Clauses

- A. In the event the provisions of this Agreement conflict with any other agreements, understandings or practices, the provisions set forth herein shall prevail and apply.
- B. The terms and conditions of this Agreement are intended to address and/or apply to the turnaround service operations between Wichita and Herington, Kansas. Accordingly, such terms and conditions shall not be applied, or interpreted to apply, to other locations, runs, etc.

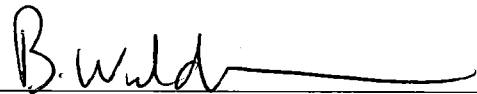
Signed this 28th day of July, 2017, in Omaha, Nebraska.

FOR SMART-TD:



Brent Leonard
General Chairman, SMART-TD

**FOR THE UNION PACIFIC
RAILROAD:**



Beth Wilderman
Director – Labor Relations



BUILDING AMERICA®

SIDE LETTER #1

July 28, 2017

BRENT C. LEONARD
GENERAL CHAIRMAN SMART-TD 953
5990 SW 28TH STREET SUITE "F"
TOPEKA, KANSAS 66614

RE: Wichita – Herington Turn Service, Side Letter #1

Dear Mr. Leonard:

As indicated in the attached agreement for turnaround service between Wichita, Kansas and Herington, Kansas, and per our discussions, the parties agree that the following individuals are eligible to hold the reserve board, if established, under the conditions described therein:

000157720 ALLISON	JS	SN	Z3	OD	SW221
000172975 BLOCHER	DA	SN	Z3	PL	SW221
000135871 KASTLER	MD	SN	Z3	OK	H 186
000214904 KELSO	WS	SN	Z3	OD	SW221
000010164 LAUGHLIN	BW	SN	Z3	OK	H 186
000035733 SOMMERFELD	JC	SN	Z3	OD	SW221
000118701 WILSON	TA	SN	Z3	OD	SW221
000115292 GLAZE	TJ	SN	Z3	LV WK	H 186
000113268 DEMAYO	TE	SN	Z3	OK	H 186
000297599 SHORE JR	RH	YU	YM	OK	H 186
000298137 SORELL	KR	SN	Z3	OD	H 186
000298116 ROBINSON	GD	SN	Z3	OK	H 186
000306085 SCHMIDT JR	LD	SN	Z3	OK	H 186
000344008 MORRISON	SF	YU	YM	OK	H 186
000403645 FOSTER	AJ	YU	YM	OK	H 186
000403646 ENGLERT	GV	SN	Z3	OK	H 186
000403643 ROUNTREE	JE	YU	YM	OK	H 186
000405107 WEBSTER	AM	SN	Z3	OK	H 186
000415604 HARDEY	ER	SN	Z3	LV 1D	H 186

000415603	MOSIER	JR	SN	Z3	OK	H 186
000430792	ATWOOD	MK	SN	Z2	OK	SW148
000430790	ADAMSON	JS	SN	Z3	OD	H 186
000431457	SKINNER	KD	SN	Z2	OK	SW148
000402629	BARNABY	JC	YU	YM	OK	H 186
000430795	CLINE	IJ	SN	Z1	OK	KP187
000435034	STEVENS	JR	SN	Z1	OK	KP187
000433331	MORALES	MA	SN	Z3	OD	H 186
000410285	AUSTIN	D	SN	Z3	OD	H 186
000437529	COUCH	DA	SN	Z3	OK	H 186
000444657	DAVIS	CR	SN	Z3	OD	H 186
000444671	JONES	MT	SN	Z3	OD	H 186
000444650	GOINES	MS	SN	Z3	VI TW	H 186
000444670	DAWSON	DA	SN	Z3	OD	H 186
000445628	SPAULDING	JA	SN	Z3	OK	H 186
000451133	RAMIREZ	J	SN	Z3	LS	H 186
000452755	WHITE	BG	SN	Z3	OK	H 186
000452751	WRIGHT	DW	SN	Z3	OK	H 186
000422169	LOSS	EK	SN	Z3	OK	H 186
000458093	HAMPTON	KB	SN	Z3	OK	H 186
000458118	ESTRADA	RJ	SN	Z3	OK	H 186
000460100	BELLOVICS	LR	SN	Z3	OK	H 186
000459818	HORSCH	SE	SN	Z3	OK	H 186
000460102	BECHTEL	DA	SN	Z3	OK	SW148
000463386	AVINA	ZR	SN	Z1	EL	KP187
000452813	SMITH	SM	SN	Z3	OK	SW148
000430798	GRUNDEMAN	DR	SN	Z3	LB	H 186
000459889	FREEMAN	WB	SN	Z3	OK	SW148
000463944	THOMAS	DE	SN	Z3	OK	SW148
000463895	ONEK	CN	SN	Z3	OD	SW148
000463943	KNIPP	CA	SN	Z3	OK	SW148

000464478	SISSOM	AK	SN	Z3	OK	SW148
000465498	CUNNINGHAM J	JE	SN	Z3	CO	H 186
000468228	HAYES	CS	SN	Z1	OD	KP187
000468240	STURGUESS	TD	SN	Z1	FR	KP187
000468229	MARGITA	JR	SN	Z3	LB	SW148
000469549	BOYER	RP	SN	Z1	EL	KP187
000469421	SWANSON	RL	SN	Z3	LA	H 186
000469426	ROSEWICZ	CA	SN	Z1	OK	KP187
000470063	HOLT	BL	SN	Z3	RS	H 186
000470102	STALLBAUMER	CT	SN	Z3	RS	H 186
000470652	STROWIG	AM	SN	Z3	RN	H 186
000471558	SANDERS	LJ	SN	Z3	RN	H 186
000470665	MORPHIS	JW	SN	Z3	RN	H 186
000471880	CHENOWETH	AT	SN	Z3	FG TN	H 186
000471551	BOETTJAR	SA	SN	Z3	FG TN	H 186
000472745	PAYNE	AJ	SN	Z3	FG TN	H 186
000472889	MILLER	SI	SN	Z3	FG TN	H 186
000472850	KOHMAN	MD	SN	Z3	FG TN	H 186
000472782	HOUSTON	JM	SN	Z3	FG TN	H 186
000474780	LAROSA	KS	SN	Z3	FG TN	H 186

The parties recognize unique circumstances may exist in determining eligibility for a reserve board position, if established. It is understood the intent of a reserve board is to protect those trainmen who live at and normally work in Wichita. If a reserve board is established under the provisions of Item 7A, the General Chairperson and Director Labor Relations will meet and discuss eligibility so that the proper individuals are protected.

Sincerely yours,



Beth Wilderman

I concur:



B.C. Leonard
General Chairman SMART-TD