

MEMORANDUM OF AGREEMENT

UNION PACIFIC RAILROAD COMPANY

And

UNITED TRANSPORTATION UNION

(Former C&NW Committee)

ROAD SWITCHER SERVICE AT ROCHELLE, ILLINOIS

Union Pacific Railroad Company (Carrier) and the United Transportation Union (Union) have arranged to establish service at the newly-constructed intermodal facility at Rochelle, Illinois. This Memorandum of Agreement covers Road Switcher and Road Utility jobs with an on-duty point at Rochelle.

I. Rates of Pay

<u>Class</u>	<u>Per Day</u>
Conductor Road Switcher	\$206.71 (same as FBYM, Foreman-only)
Brakeman Road Switcher	\$190.80 (same as Utility)
Road Utility	\$206.71 (same as FBYM, Foreman-only)

NOTE 1: The rates contained herein will be subject to future wage increases and cost-of-living adjustments.

NOTE 2: For employees hired after June 12, 1996, the above rates shall be adjusted consistent with the C&NW Claim Settlement Side Letter to the 1996 UP/C&NW/UTU Merger Implementing Agreement.

II. Crew Consist: Road Utility; Brakeman Jobs

- (a) The consist of crews assigned at Rochelle shall be consistent with Article I of the C&NW/UTU Crew Consist Agreement effective December 13, 1991.
- (b) At its discretion, Carrier may establish road utility jobs on-duty at Rochelle. In addition to assisting switching operations, road utility employees may, without penalty, be required to assist road trains or perform any and all road service within the following limits: 1) West of Rochelle on the Geneva Sub to MP107; 2) South from Nelson on the Peoria Sub to MP4; and 3) East from Rochelle on the Geneva Sub to MP60 (if assisting Rochelle road switchers or other trains), or on the Geneva Sub to the western limits of W. Chicago Yard at approximately

MP30 (if assisting Rochelle road switchers only). Road utility employees must be RCO qualified prior to assignment at Rochelle.

- (c) Brakeman jobs established under this Agreement may be assigned to a specific road switcher, but may also, without penalty, be required to assist any and all road jobs performing work at Rochelle. Brakemen must be RCO qualified prior to assignment at Rochelle.
- (d) At its discretion, Carrier may assign such non-RCO qualified employees to positions contemplated within this Agreement as necessary consistent with the requirements of service. Non-RCO qualified employees will be entitled to the rates set forth in Section I, but will not be eligible for RCO-related compensation, if any, accruing under national or existing local agreements.

III. Regularly Assigned RCO Road Switcher Service at Rochelle

- (a) Regularly assigned road switcher, remote control operated (RCO) jobs shall be established at Rochelle. Jobs shall be advertised and awarded to the senior Eastern 1 Seniority District applicant(s). Successful applicants shall be trained and must become certified as remote control operators, and will be *assigned* pending RCO certification.
- (b) Subsequent to the initial assignments (post-certification), new positions and permanent vacancies shall be bulletined and awarded first to senior RCO-qualified Eastern 1 Seniority District applicant(s), and second to senior non-RCO qualified Eastern 1 Seniority District applicants who shall be trained and must become certified as remote control operators prior to assignment.

IV. Rochelle Extra Board

- (a) A guaranteed extra board shall be established at Rochelle to protect vacancies in RCO, road service, and, where applicable, yard service. Extra board guarantee shall be governed consistent with conductor provisions set forth in Side Letter No. 14 of the CNW/UTU Crew Consist Agreement effective December 13, 1991. Employees must be RCO qualified prior to assignment to the Rochelle extra board.
- (b) Initial extra board positions shall be advertised and awarded to the senior Eastern 1 Seniority District applicant(s). Successful applicants shall be trained and must become certified as remote control operators, and will be *assigned* pending RCO certification.
- (c) Subsequent to the initial assignments (post-certification) to the Rochelle extra board, additions to the extra board and permanent extra board vacancies shall be bulletined and awarded first to senior RCO-qualified Eastern 1 Seniority District applicant(s), and second to senior non-qualified Eastern 1 Seniority District applicants who shall be trained and

must become certified as remote control operators prior to assignment. If no applications are received, the junior Eastern 1 RCO-qualified employee may be forced, but may exercise seniority beyond Rochelle within the fence period set forth in Section V when a junior Eastern 1 RCO-qualified employee becomes available.

- (d) At its discretion, Carrier may assign such non-RCO qualified employees to extra board positions as necessary consistent with the requirements of service. Non-RCO qualified employees will not be eligible for RCO-related compensation, if any, accruing under national or existing local agreements.

V. RCO Fence at Rochelle

- (a) Employees assigned to road switcher or extra service at Rochelle shall not be permitted to exercise seniority to a job other than RCO road switcher or extra service at Rochelle for a one-hundred-eighty (180) day period as measured from the date assigned.
- (b) Employees assigned to RCO road switcher or extra service at Rochelle shall not be subject to displacement except by senior RCO qualified employees during the one-hundred-eighty (180) day period referred to in (a) above. Employees so displaced must, if required, exercise seniority (protect RCO service) at Rochelle pending completion of the one-hundred-eighty (180) day period referred to herein.

VI. Meals

- (a) Employees working at Rochelle pursuant to this Memorandum of Agreement shall arrange their own meal period consistent with the requirements of service, and are expected to protect their regular duties throughout their shift. It is clearly understood that the employees on these positions will still be permitted a meal period during their tour of duty. Accordingly, no claims in regard to meal periods shall be submitted.

VI. Recitations

- (a) This Memorandum of Agreement will be effective immediately upon execution.
- (b) This Memorandum of Agreement may be cancelled by either party by thirty (30) days written notice, faxed notice sufficient to commence the cancellation period, with original notice to follow via U.S. Mail. Within the cancellation period, the Parties agree to meet and attempt to resolve issues giving rise to the cancellation notice.
- (c) This Memorandum of Agreement is without prejudice to the position of either party in connection with any substantive matter contained herein.

Accordingly, this Agreement shall not be cited or referred to in any property dispute that may arise.

IT IS AGREED:

For the Union:

John W. [Signature]
General Chairman UTU

August 7, 2002
Date

For the Carrier:

JG Alvarado
Director Labor Relations

8/7/02
Date



VIA FAX AND US MAIL

August 7, 2002

Side Letter 1 (Road
Switcher Service at
Rochelle, Illinois Agt.)

MR J W BABLER
GENERAL CHAIRMAN UTU
307 W LAYTON AVE
MILWAUKEE WI 53207

Dear Sir:

This refers to the "Road Switcher Service at Rochelle, Illinois" Agreement (the Agreement) and our several conversations concerning the application of various provisions contained therein. Because the Rochelle Intermodal Facility is new, the Parties thought it best to address certain issues within the context of this side letter.

First, in regard to the Section II(b) establishment of road utility jobs, you were concerned that employees *not* be required to use their personal vehicles in the discharge of their duties. I have been advised that utility vehicles will be available for use by road utility employees, and brakemen too may make use of such vehicles as necessary in the discharge of their duties. Should circumstances arise, however, in which employees make voluntary use of their personal vehicles on more than infrequent and/or on an ad hoc basis, the Parties agree to meet and address those circumstances for the purpose of resolving the issue consistent with the intent of this paragraph, which is to provide reasonable assurances that utility vehicles will be available for employees' use. Nothing in this paragraph or in the Agreement forms any basis for claims activity when no utility vehicle is available for an employee's use.

Second, the intent of Section II(c) in regard to brakemen is to permit the Carrier to require brakemen to assist any and all road jobs performing work at Rochelle. Accordingly, a brakeman may, without penalty, attach him or herself to, and perform service for, any road job performing work at Rochelle. Of course, a brakeman may also perform any service ordinarily associated with the road switcher job to which assigned, both in and beyond Rochelle.

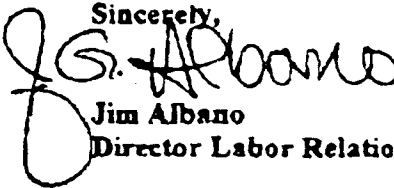
A brakeman is to be distinguished from a road utility job in that an employee occupying a road utility job may be required to work alone both in and beyond Rochelle. On the other hand, a brakeman working apart from the road switcher to which assigned

must attach him or herself to a train performing service at Rochelle. The intent of Section II(c) is to provide for an enhancement of the duties a brakeman may be required to perform. It is not the intent of Section II(c), however, to permit the assignment of a brakeman to solely perform duties generally regarded as those of a road utility employee. Should circumstances arise in which an employee assigned as brakeman is required to spend the majority of his or her time performing service on trains other than the road switcher to which assigned, the Parties agree to meet and address those circumstances for the purpose of resolving the issue consistent with the intent of this paragraph.

Third, in regard to the assignment of Rochelle road utility jobs, it is not the intent of this Agreement to allow a road utility employee to convert into the sole trainman/groundman (conductor/foreman) on any jobs the road utility employee is required or assigned to assist. Accordingly, this Agreement is not intended to affect Article I, Section (A) of the Crew Consist Agreement between the C&NW and the UTU effective December 13, 1991.

If the above accurately sets forth the nature of our discussions, please so signify by signing and dating in the space provided below.

Sincerely,



Jim Albano

Director Labor Relations

CONCUR:

John W. Lobbie
General Chairman UTU

August 8, 2002
Date