

# MEMORANDUM OF AGREEMENT

between

**UNION PACIFIC RAILROAD COMPANY**

and the

**BROTHERHOOD OF LOCOMOTIVE ENGINEERS**

**AND TRAINMEN**

.....  
**Enhanced Customer Service:**  
**Salt Lake City Intermodal Facility**  
.....

Pursuant to Article IX, Section 1, Paragraph (b) of the 1996 BLE National Agreement, Union Pacific Railroad Company ("UP") served notice on August 8, 2005, of its intent to implement new service to the new Salt Lake City Intermodal Facility (located near 5600 West and 800 South) in Salt Lake City, Utah. The essential element of the new service is to operate certain train crews through the Salt Lake City Terminal to/from the Salt Lake City Intermodal Facility without a crew change in Salt Lake City. The objective of this new operation is to ensure UP's service to existing and potential customers is cost-effective, reliable and competitive and that the cycle times (service levels) requested by those customers are achieved. Pursuant to Article I, Section 1, Paragraph (c) of Article IX of the 1996 BLE National Agreement, this new operation will be implemented on a trial basis on or about December 26, 2005.

Union Pacific ("UP") and the Brotherhood of Locomotive Engineers and Trainmen ("BLET") enter into this agreement to provide the particularized service referenced above and to help ensure efficient and reliable service to accommodate the new Salt Lake City Intermodal Facility ("SLCIF") located near 5600 West and 800 South in Salt Lake City, Utah, so UP may retain its current customer base and grow traffic levels. The parties recognize the SLCIF currently as an intermodal loading and unloading facility but which may in the future be joined by other facilities/operations requiring similar particularized and expedited service (auto-ramp, transload facilities, Roadrailer, etc). Accordingly, BLET and UP agree the following shall apply in connection with operations/service to/from the Salt Lake City Intermodal Facility.

## **I. OPERATIONS**

- A. Regular or extra engineers working in through freight service on trains operating into the Salt Lake City Terminal, and terminating at SLCIF, from

Pocatello, Ogden, Provo, Helper, Grand Junction, and/or Green River, or points between those locations and Salt Lake City, including crews providing hours-of-service relief for such employees, may operate through the Salt Lake City Terminal and beyond the Salt Lake City Terminal (switching) limits on the Lynndyl Subdivision to the SLCIF.

NOTE 1: The switching limit referenced in this Article I, Section A, is presently located at Milepost 781.17 on the Lynndyl Subdivision.

- B. Regular or extra employees working in through freight service on trains originating at the SLCIF (or between the SLCIF and the Salt Lake City Terminal (switching) limit on the Lynndyl Subdivision) and operating towards Pocatello, Ogden, Provo, Helper or Grand Junction, including crews providing hours-of-service relief for such employees, may operate through the Salt Lake City Terminal and beyond the Salt Lake City Terminal (switching) limits towards their destination(s).

NOTE 1: The Salt Lake City Terminal switching limits referenced in this Article I, Section B, are presently located at the following mileposts.

Provo Subdivision	MP 739.0
Evanston Subdivision	MP 989.0
Ogden Subdivision	MP 3.25

This Agreement will not artificially extend the current road/yard service zone or the 25-mile zone identified in Article IV B. 1. of the Salt Lake Hub Agreement, nor will crews who receive their train at the SLCIF be eligible for the one-half (1/2) basic day under the 25-mile zone provisions of the Salt Lake Hub Agreement.

NOTE 2: It is the parties' specific intent in Sections A and B, above, to permit all engineers working in through freight service on trains received at or delivered to the SLCIF to operate through the Salt Lake City Terminal without changing crews in the Salt Lake City Terminal. While it is the parties' intent that UP may use a single crew in the operations described herein, nothing herein shall require UP to use one crew. UP may, at its discretion or due to service or operating needs, use more than one crew on these trains – i.e., change crews in Salt Lake City. Crews relieved prior to departing Salt Lake City en route to their objective terminal will be handled in accordance with Q&A #23 of the Salt Lake Hub Agreement.

NOTE 3: It is not intended that trains normally operating over the Lynndyl Subdivision between the mileposts identified above to be covered by this Memorandum of Agreement.

- C.
  - 1. The existing on/off-duty point at Salt Lake City will remain as the on/off-duty point for employees utilized under this Agreement. Employees will be transported to and from the SLCIF to the existing on/off-duty point at Salt Lake City.
  - 2. In the application of this Agreement, no additional miles will be paid for transporting employees between the on/off-duty point in the Salt Lake City Terminal and the SLCIF.
  - 3. Employees utilized under this Agreement will not be used to perform local or work train service between the Salt Lake City Terminal (switching) limit on the Lynndyl Subdivision and the SLCIF. Similarly, employees utilized under this Agreement will not be used to shuttle cars and/or engines to/from the Salt Lake City Terminal to points between the Salt Lake City Terminal (switching) limit on the Lynndyl Subdivision and the SLCIF, while they are working in through freight service on trains operating to/from the SLCIF.

NOTE 1: Nothing in this Memorandum of Agreement shall prohibit or restrict crews currently operating over the Lynndyl Subdivision (e.g. crews working between Salt Lake City and Milford) from performing work currently allowed under collective bargaining rules at the SLCIF or between the SLCIF and the Salt Lake City Terminal.

- D. Except as set forth herein, nothing herein shall serve, or is intended, to restrict UP's existing right(s) under collective bargaining agreement rules to use other crews to serve the SLCIF and/or handle cars or trains to/from the SLCIF as may be dictated by service or operational needs.

## **II. COMPENSATION**

- A. Employees operating trains through the Salt Lake City Terminal to/from the SLCIF pursuant to Article I of this Memorandum of Agreement will be paid an additional eight (8) miles when said employee receives or delivers his train at the SLCIF or between the SLCIF and the Salt Lake City Terminal (switching) limit on the Lynndyl Subdivision. Crews may be required to enter SLCIF by heading or backing their train into the facility. This payment will be in addition to the trip rate or mileage paid for their

assignment and will be subject to all future general wage increases and/or cost of living adjustments.

NOTE: The payment provided in Section A, above, is intended to be made only when an employee operates a train through the Salt Lake City Terminal (switching) limit. If the employee (crew) does not operate through the Salt Lake City Terminal -- e.g., is tied-up or relieved before passing the Lynndyl Subdivision switching limit -- he or she will be paid only the trip rate or the mileage of their assignment.

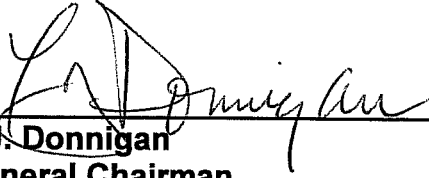
- B. The payment provided in Section A of this Article II shall apply only to those employees specifically covered by Article I of this Memorandum of Agreement, including employees used in accordance with applicable agreement provisions to protect positions on trains operating to/from the SLCIF.
- C. Upon delivering their train at the SLCIF, engineers waiting to be transported for final tie-up will be compensated at the pro rata rate for all time in excess of forty-five (45) minutes from the time their train comes to rest at the SLCIF ("stop time") until transported to the appropriate on/off duty point in the Salt Lake City Terminal.
- D. The payment provided in Section A of this Article II will not be used to extend the onset of overtime for employees working on any of the through freight runs covered by Article I of this Memorandum of Agreement.

### **III. GENERAL AND SAVINGS CLAUSES**

- A. The provisions set forth in this Agreement are made to address a unique and special circumstance and are accordingly made without prejudice to the position(s) of the parties signatory hereto.
- B. The terms and conditions set forth herein are intended to apply only to employees working in through freight service to and from the Salt Lake City Intermodal Facility (SLCIF) and will not be extended or applied to any other freight pool or operation covered by the UP/BLET Idaho collective bargaining agreement.
- C. In the event the provisions of this Agreement conflict with existing collective bargaining agreement provisions, rules and/or practices, the provisions of this Agreement shall prevail.

SIGNED THIS 19 TH DAY OF October, 2006 IN OMAHA, NEBRASKA

**FOR THE BROTHERHOOD OF LOCOMOTIVE  
ENGINEERS AND TRAINMEN**



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**T.J. Donnigan  
General Chairman  
Brotherhood of Locomotive  
Engineers and Trainmen**

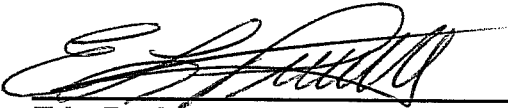
**FOR THE UNION PACIFIC  
RAILROAD COMPANY:**



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**A.L. Weed  
Director – Labor Relations  
Arbitration & Negotiations**

**AGREED:**



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**E.L. Pruitt  
International Vice President  
Brotherhood of Locomotive  
Engineers and Trainmen**

October 19, 2006

Side Letter No. 1

Mr. T.J. Donnigan  
General Chairman  
Brotherhood of Locomotive Engineers  
and Trainmen  
P.O. Box 609  
Pocatello, ID 83204-0609

Dear Sir:

This refers to the parties' Memorandum of Agreement dated October 19, 2006, covering operations to/from the Carrier's Salt Lake City Intermodal Facility (SLCIF).

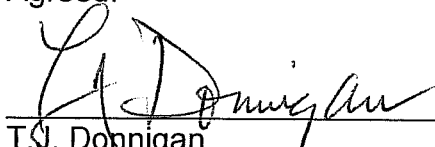
During our negotiations the parties discussed a dispute concerning the proper calculation of certain trip-rate pay elements on certain through-freight pools within the Salt City Hub territory, and whether such pools were to be treated as if coming under interdivisional (ID) pay conditions. Trip rates for these pools have already been implemented using pay elements calculated in accordance with ID pay conditions and the Carrier's interpretation that such pools were not to be covered by ID pay conditions would reduce the trip rates on these pools. Accordingly, contingent with the successful ratification by the BLET of the parties' Memorandum of Agreement covering the SLCIF, the Carrier will adopt the Organization's interpretation and position that all through-freight pools in the Salt Lake City hub territory should fall under interdivisional (ID) pay conditions. Should the Memorandum of Agreement fail to ratify, this Side Letter No.1 is withdrawn and will be of no force or effect.

Sincerely,



Alan L. Weed  
Director Labor Relations  
Arbitration & Negotiations

Agreed:



T.J. Donnigan  
General Chairman, BLET