

# AGREEMENT

between

UNION PACIFIC RAILROAD COMPANY

and

SHEET METAL, AIRLINE, RAIL & TRANSPORTATION –

TRANSPORTATION DIVISION (SMART-TD)

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## AUXILIARY WORK AND TRAINING STATUS (AWTS) AND HANDLING OF FURLOUGH EMPLOYEES HOUSTON HUB

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The current Auxiliary Work and Training Status (AWTS), as well as all Side Letters and Letter of Understandings regarding the same are hereby cancelled and no longer applicable. Accordingly, the following will govern AWTS:

### I. AUXILIARY WORK AND TRAINING STATUS (AWTS)

#### A. AWTS Designation Territories

1. AWTS status may be established at the following territories:
  - a. Avondale to, but not including, Iowa Junction and Kinder.
  - b. Beaumont to, and including Kinder, Iowa Junction, and Alexandria, but not including Alexandria.
  - c. Houston to Palestine, Lufkin, Angleton, Freeport, Galveston, Hearne and Beaumont, but not including Hearne and Beaumont.
  - d. Bloomington to Corpus Christi and Brownsville

**NOTE:** The Carrier may establish multiple AWTS boards/locations within any of the territories identified in 1 a-d above.

**Example:** AWTS boards/locations may be established at Avondale and Livonia.

2. All trainmen will have the opportunity to select one of the AWTS territories described in this Section A.
3. An employee accepting AWTS, will be placed in AWTS status in one of the AWTS territories described in this Section A.

**B. Eligibility**

1. AWTS status will, at implementation of this Agreement, be initially maintained at the present number of employees assigned to AWTS status within the Houston Hub.
2. Not less than sixty (60) days after implementation of this Agreement, the current minimum number of trainmen eligible for AWTS status may be adjusted to no less than thirty percent (30%) of the total number of furloughed employees within the Houston Hub.

**NOTE 1:** Sixty (60) days after implementation of this Agreement, a minimum of 30% of the total number of furloughed employees within the Houston Hub, subject to Article B 4 below, will be eligible for AWTS status.

**Note 2:** The 30% cap of minimum will not exceed ninety (90) trainmen, unless mutually agreed to by the parties.

3. Any trainman with seniority within the Houston Hub and who has performed service as a trainman within the

Houston Hub on or after January 1, 2014 will be eligible for AWTS.

**NOTE:** AWTS will not be afforded to trainmen who are in a borrowed out or leave of absence status.

4. When AWTS is established and or increased at any of the territories described in Article A. above, applicants, including furloughed trainmen, with a standing bid (application) on file with CMS will be selected and assigned in seniority order within seven (7) days after the next upcoming extra board adjustment day.

**EXAMPLE:** Extra boards are adjusted on Tuesday. On Monday January 16, the AWTS calls for an increase of two (2) trainmen. On Tuesday January 24, two (2) trainmen will be selected for AWTS, if the AWTS still calls for the increase.

5. An employee with a displacement (other than a pass-up) or who is furloughed within any of the territories described in Section 1 above may accept AWTS, seniority permitting, within forty-eight (48) hours from the time of having a displacement or furlough.
6. AWTS territories will be the first source of supply to recall trainmen in seniority order to fill full-time positions prior to recalling furloughed trainmen.
7. The senior employee(s) in AWTS status, unless he or she has a request on file with CMS to be recalled following junior trainmen within the applicable AWTS territory described in Article A. above, must accept recall to a full-time position within forty-eight (48) hours from proper notification (via phone call) to recall trainmen from AWTS status.

**NOTE:** Forty-eight (48) hours will be measured from the first attempt by CMS to notify the employee of his or her displacement or furlough.

8. AWTS trainmen may not bid to other AWTS territories nor will they be entitled to bid on regular assignments.

**C. Availability and Guarantee**

1. AWTS employees will be required to be available to start work eight (8) days per month which may also require them to work additional days in order to complete a tour of duty/return to his/her home terminal.
2. AWTS employees will be guaranteed a minimum of eight (8) days pay, at the applicable foreman basic daily rate, per month so long as the employee performs all work and training for which called or is available for service on his/her schedule days.
3. The obligation by an employee in AWTS to be available for work and/or training on a designated work day is not affected or altered by that employee accepting, i.e., volunteering for additional, emergency or extra work on a non-designated work day. The performance of additional work by this employee beyond that required of an employee in AWTS will not alter in any manner his or her obligations as an employee in AWTS or change his or her designated work days.
  - i. The earnings made by an employee in AWTS on a non-designated work day will not, except in the situation set forth in Paragraph C (3) ii, below, be used to offset his or her AWTS guarantee.

- ii. The earnings made by an employee in AWTS on a non-designated work day will be used to offset his or her AWTS guarantee if that trip or tour of duty is a return trip from an away-from-home terminal to his or her home terminal and the preceding trip or tour of duty that resulted in the employee being at the away-from-home terminal commenced on a designated work day. The earnings made by an employee in AWTS on a designated work day will not be used to offset his or her AWTS guarantee if that trip or tour of duty is a return trip from an away-from-home terminal to his or her home terminal and the preceding trip or tour of duty that resulted in the employee being at the away-from-home commenced on a non-designated work day.
4. AWTS employees will be advised of the monthly availability schedule prior to the first extra board adjustment day of the month
5. If an employee in AWTS fails to be available for work or training during two (2) designated workdays, except when observing vacation, within a rolling 120-day period, the employee shall be immediately removed from AWTS and he or she shall be placed in furlough status.
6. An employee removed from AWTS pursuant to Article C. 5 above will not be allowed to bid back to AWTS for a minimum of 120-days.
7. An employee removed from AWTS pursuant to Article C. 5 above for a second time, will not be allowed to bid back to AWTS for a minimum of eighteen (18) months.
8. An employee in AWTS will not be eligible to observe unused personal leave.

9. An employee in AWTS who possesses unused vacation benefits will be allowed to observe his or her vacation at the time the vacation schedule.

**D. Work and Training**

AWTS employee may be used on their designated workdays for any work or training assignments required of other train/yard service employees.

**II. HANDLING OF FURLOUGH STATUS**

**A. Furlough Designation Territories**

1. Article 27 Section E of the former International-Great Northern Railroad Company (I-GN) is hereby eliminated and the following will govern furlough:
2. When it becomes necessary to furlough employees within the Houston Hub, he and/or she will be assigned to one of the following furlough territories:
  - a. Avondale to, but not including, Iowa Junction and Kinder.
  - b. Beaumont to, and including Kinder, Iowa Junction, and Alexandria but not including Alexandria.
  - c. Houston to Palestine, Lufkin, Angleton, Freeport, Galveston, and Beaumont but not including Beaumont.
  - d. Bloomington to Corpus Christi and Brownsville.

**B. Eligibility**

1. When it become necessary to furlough employees within a furlough territory identified in this Article II, the senior trainmen within the furlough territory and with a request on file in CMTS will be placed in furloughed status.

**NOTE:** Senior trainmen electing furlough status pursuant to this Article II B 1 will be required to remain in furlough status for a minimum of 120-days unless recalled to active service.

2. If there is no request for furlough status from senior trainmen, the junior trainman within the furlough territory will be furloughed, unless seniority permitting, he or she exercises his or her seniority and displaces a junior trainman within the Houston Hub.
3. An employee who is furloughed must provide and maintain a valid phone number with Crew Management (CMS).
4. When it is necessary to recall an employee from furloughed status, the senior furloughed trainman within the applicable furlough territory identified in this Article II, unless there are junior furlough trainmen within the furlough territory and he or she has a request on file with CMS to remain in furloughed status, will be recalled and assigned to a permanent vacancy.
5. An employee who is recalled from furlough status after being properly notified, but fails to report for duty within fifteen (15) days from the date of notification will forfeit his or her seniority.
6. Furloughed trainmen may not bid to other Furlough Territories. A furloughed trainman may bid on a regular assignment upon the expiration of 120-days provided there are junior trainmen working fulltime in the applicable Furlough Territory he is assigned to.

### **III. Proper Notification for AWTS and Furlough Trainmen**

Proper notification will be considered as being accomplished by CMS' calling all contact numbers listed in the trainman's personal file in CMTS, a combined minimum of four (4) attempts, and such attempts are so electronically documented. In any event the employee will be considered as properly notified from the first attempt to notify.

**EXAMPLE 1:** An AWTS employee is assigned to a permanent assignment within his/her AWTS territory. CMS's first attempt to contact the employee is at 12:00 noon on Monday. At 3:00 P.M. Monday, the employee is contacted and advised of his/her new assignment. The employee will be marked up at 12:00 noon Wednesday, unless he/she elects to mark-up earlier.

**EXAMPLE 2:** A furloughed employee is recalled to active service on February 1<sup>st</sup>. CMS's first attempt to contact the employee is 2:00 P.M. February 1<sup>st</sup>. At 11:00 A.M. February 2<sup>nd</sup>, the employee is contacted and advised of his or her recall status. The employee will be required to mark-up by 2:00 P.M. February 16<sup>th</sup>.

#### **IV. General**

1. The terms and conditions of this Agreement, general and specific, shall not be applied, or interpreted to apply, to other locations or territories, nor will it prejudice the position of either party and will not be referred to in connection with any other case, agreement and or dispute resolution.
2. This Memorandum of Agreement may be cancelled by either party serving a twelve (12) month advance written notice

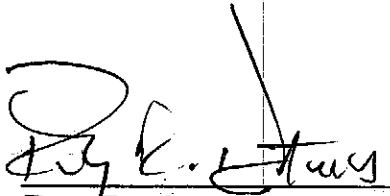


upon the other however such notice cannot be served prior to October 1, 2017.

Signed this 8<sup>th</sup> day of February 2017, in Spring, Texas.

FOR SMART-TD

FOR UNION PACIFIC  
RAILROAD:

  
\_\_\_\_\_  
Roy Davis  
General Chairman

  
\_\_\_\_\_  
T. Gary Taggart  
Director – Labor Relations

# UNION PACIFIC RAILROAD COMPANY

Gary Taggart  
Director – Labor Relations



24125 Aldine Westfield Rd.  
Spring, Texas 77373  
Office: (281) 350-7585

**BUILDING AMERICA**  
February 8, 2017

**SIDE LETTER NO. 1**

MR. ROY DAVIS  
GENERAL CHAIRMAN – SMART-TD  
400 RANDAL WAY  
SUITE 102  
SPRING, TEXAS 77388

DEAR SIR:

This refers to our discussions regarding the Auxiliary Work and Training Status (AWTS) for trainmen/yardmen.

During our discussions, your organization raised the issue that UP could use the AWTS as a mechanism to reduce staffing levels on extra boards and/or to avoid its obligations to properly staff such boards to allow for reasonable and necessary layoffs. The parties discussed this matter at great length and recognized the inherent complexities associated with extra board staffing and manpower availability. Nonetheless, the parties did agree on certain precepts that will guide the administration of the AWTS Agreement and extra board staffing:

1. UP and SMART-TD agree it is not the intent of this Agreement to use AWTS in any manner to reduce the number of employees assigned to extra boards. In this regard, UP specifically acknowledges its obligation to maintain a sufficient number of trainmen/yardmen on extra boards. Additionally, the parties acknowledge AWTS is not intended to function as an alternatively cheaper extra board, but rather as a mechanism to provide

additional work opportunities and compensation to trainmen/yardmen who would otherwise be furloughed. It is not envisioned the existence of AWTS will modify traditional methods used for sizing extra boards.

2. UP specifically pledges to not use this Agreement to increase the number of employees who would otherwise be in furlough status and/or to arbitrarily reduce extra board staffing levels as a result of the existence of AWTS.
3. In the existence of AWTS at a location gives rise to an extra board staffing issue, the parties pledge to promptly investigate the matter (including analyzing applicable data on extra board staffing, extra/emergency work levels, manpower availability, etc.) and resolve the matter.
4. UP and SMART-TD pledge to work together in good faith to timely address these issues and to resolve them in a manner consistent with the spirit and intent of this Agreement.
5. UP will clearly communicate your Organization's concern in this regard, the intent of this Agreement and the commitments set forth in this Side Letter No. 1 to all involved CMS officials.

If the foregoing properly and accurately reflects our understandings regarding these matters, please so indicate by affixing your signature in the space provided below.

Sincerely,

  
T. Gary Taggart  
Director – Labor Relations

AGREED:

  
Roy Davis

General Chairman – SMART-TD

# UNION PACIFIC RAILROAD COMPANY

Gary Taggart  
Director – Labor Relations



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Office: (281) 350-7585

**BUILDING AMERICA**  
February 8, 2017

**SIDE LETTER NO. 2**

MR. ROY DAVIS  
GENERAL CHAIRMAN – SMART-TD  
400 RANDAL WAY  
SUITE 102  
SPRING, TEXAS 77388

DEAR SIR:

This refers to our discussions regarding the Auxiliary Work and Training Status (AWTS) for trainmen/yardmen.

During our discussions, your organization raised a concern in connection with a furloughed trainman having access to the Carrier's system to place a bid requesting AWTS status or in applicable instances for a full time position/assignment.

Accordingly, this letter will confirm our understanding that trainmen who are furloughed under the terms of this Agreement will have access to the CMS system in order to place applicable bids.

If the foregoing properly and accurately reflects our understandings regarding these matters, please so indicate by affixing your signature in the space provided below.

Sincerely,

T. Gary Taggart  
Director – Labor Relations

AGREED:

Roy Davis  
General Chairman – SMART-TD