

UNION PACIFIC RAILROAD COMPANY

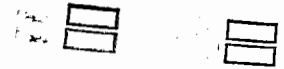
1416 DODGE STREET
OMAHA, NEBRASKA 68179



July 30, 2004

VIA FAX & US MAIL

Mr. J. Kevin Klein
General Chairman
United Transportation Union
501 Mission Street, Suite A
Santa Cruz, CA 96060



AUG 12 2004

UTU (T & S)
GENERAL COMMITTEE

Dear Sir,

Please refer to the Carrier's letter dated July 19, 2004, and our discussion earlier this week concerning trip rate implementation for the Roseville Hub pools listed in Carrier's notice of May 17, 2004.

As we have discussed, an issue raised by the Organization concerned missing trips in the Roseville-Portola/Sparks (RT17) pool for work trains handled by the pool, but in through-freight service. The Carrier has had an ongoing concern that the system logic used in gathering trip rate data would, if required to include work trains, also include actual work train service performed by employees assigned to the pool, albeit in an temporary or emergency situation. Nevertheless, the Carrier did review the above pool and have included an additional 69 working trips associated with work trains, split between the dual trip rates for this pool (16 trips on the Portola side and 53 on the Sparks side). As expected and shown below, the inclusion of these additional trips caused very minor changes in the overall trip rate.

Runs/Pools	Conductor Trip Rate	Brakeman Trip Rate
Roseville – Portola (RT17)	\$206.34	\$193.49
Roseville – Sparks (RT17)	\$164.87	\$154.62

Enclosed is the revised data summary reports for this pool as well as spreadsheets detailing the aforementioned work train trips. These are the rates I will direct Timekeeping to implement effective August 1, 2004. If you have any further questions please do not hesitate to call me.

Yours truly,

Alan L. Weed
Director Labor Relations
Contract Administration

Enclosures

cc: Al Hallberg – Roseville
Peggy Grosskopf – Omaha
Mike Stom – Omaha



UNITED TRANSPORTATION UNION

GENERAL COMMITTEE OF ADJUSTMENT
UNION PACIFIC WEST • CENTRAL CALIFORNIA TRACTION • STOCKTON TERMINAL & EASTERN
ALAMEDA BELT LINE • OAKLAND TERMINAL RAILROAD

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Vice General Chairperson

July 26, 2004

Mr. Alan L. Weed, Director Labor Relations
Union Pacific Railroad Company
1400 Douglas Street STOP 0710
Omaha, Nebraska, 68179-0710

Dear Mr. Weed:

Reference the notice to establish trip rates pursuant to Article V, Section 9, of the 2002 UTU National Agreement sent from UP Director Labor Relations Al Hallbeg to the undersigned dated May 17, 2004 and our discussions related to establishing trip rates.

This committee is agreeable to implementing the following trip rates:

Bakersfield, CA to West Colton, CA (RT26 Pool)

Trip Rate: Conductor - \$211.92; Brakeman - \$198.71

Flip Trip Rate: Conductor - \$440.44; Brakeman - \$412.89

Bakersfield, CA – Los Angeles, CA (RT26 Pool)

Trip Rate: Conductor - \$217.85; Brakeman - \$204.27

Flip Trip Rate: Conductor - \$448.68; Brakeman - \$420.61

The trip rates listed above include the following pay elements:

T21 – Straight Time
TD4 – Pool freight dead head (separate/apart)
TO7 – Meals enroute
TI2 – Initial terminal delay (ITD)
TF3 – Final terminal delay (FTD)

During our discussions we agreed that flip trip rates apply when a crew is used in combination service in the following manner:

1. Dead head from the home terminal to the away from home terminal and then work back to the home terminal, or
2. Work a train from home terminal to away from home terminal and then deadhead back to the home terminal on a continuous time basis.

If a crew works from the home terminal to the away from home terminal and then upon arrival at the away from home terminal that crew is called to work from the away from home terminal to the home terminal that crew is entitled to two trip rates, one for the working trip from the home terminal to the away terminal and one for the working trip from the away terminal to the home terminal.

In addition we discussed the application of a trip rate to turnaround service performed by an interdivisional pool freight crew. Turnaround service is work allocated to the extra board, however when a pool crew is used for turnaround service in their own pool they will be compensated a trip rate for each trip in turnaround service. Pool crews called for short turnaround service are entitled to a trip rate for each tour of duty in short turnaround service.

Extra board trainmen used in turnaround service will be compensated in the normal manner.

This committee will refer the following issue to the National "Disputes Committee," which is referenced in Article V, Part B, Section 6 of the 2002 UTU National Agreement:

1. Threshold for beginning overtime is changed with the inclusion of ITD and FTD in the trip rate.

Will you advise this committee when the above referenced trip rates will be implemented?

Sincerely yours,

J. Kevin Klein
UTU General Chairperson
Union Pacific Western Lines

cc: Mr. Arty Martin, UTU Vice President
Mr. Jim Haggard, Local Chairperson, UTU 835 (T)

Overtime extension in the Roseville Hub pools (with 7/1/03 2.5% GWI)

Current applicable SP Western Lines rules on overtime (Roseville Hub Agreement, Article IV, B.6.)

Pre-10/31/85 employees – after 8 hours on runs 160 miles or less, on runs greater than 160 miles when time on duty exceeds the miles divided by twenty, or in any case after 10 hours.

Post-1985 employees – Miles of run divided by 16.25

ITD/FTD/Overtime Rule

Greater of combined initial/final terminal delay or overtime to be paid

1) Bakersfield to West Colton – RT26 (182 miles)

\$148.99 (Conductor daily basic rate) * 1.5 (OT factor) = 223.49 / 480 minutes = .4656

\$1.48 (imbedded ITD/FTD) / .4656 = 3.18 minutes, rounded to 3

Pre-85 – OT after 9 hours 6 minutes, now **9 hours and 9 minutes**

Post-85 – OT after 11 hours 12 minutes now **11 hours and 15 minutes**

2) Bakersfield to Los Angeles – RT26 (188 miles)

\$148.99 (Conductor daily basic rate) * 1.5 (OT factor) = 223.49 / 480 minutes = .4656

\$4.87 (imbedded ITD/FTD) / .4656 = 10.46 minutes, rounded to 10

Pre-85 – OT after 9 hours and 24 minutes, now **9 hours and 34 minutes**

Post-85 – OT after 11 hours and 34 minutes, now **11 hours and 44 minutes**

3) Roseville to Oakland/San Jose – RT12 (141 miles – average working trip)

\$148.99 (Conductor daily basic rate) * 1.5 (OT factor) = 223.46 / 480 minutes = .4656

\$3.42 (imbedded ITD/FTD) / .4656 = 7.35 minutes, rounded to 7

Pre-85 - OT after 8 hours, now **8 hours and 7 minutes**

Post-85 – OT after 8 hours and 41 minutes, now **8 hours and 48 minutes**

4) Roseville to Fresno – RT12 (180 miles)

\$148.99 (Conductor daily basic rate) * 1.5 (OT factor) = 223.49 / 480 minutes = .4656

\$3.76 (imbedded ITD/FTD) / .4656 = 8.07 minutes, rounded to 8

Pre-85 - OT after 9 hours, now **9 hours and 8 minutes**

Post-85 – OT after 11 hours and 5 minutes, now **11 hours and 13 minutes**

5) Portola to Oakland/Lathrop – RT46 (231 miles)

\$148.99 (Conductor daily basic rate) * 1.5 (OT factor) = 223.49 / 480 minutes = .4656

\$0.11 (imbedded ITD/FTD) / .4656 = 0.24 minutes, rounded to 0

Pre-85 – OT after 10 hours, remains at **10 hours**

Post-85 – OT after 14 hours 13 minutes remains **14 hours and 13 minutes**

6) Roseville to Sparks – RT17 (137 miles)

\$148.99 (Conductor daily basic rate) * 1.5 (OT factor) = 223.49 / 480 minutes = .4656

\$0.46 (imbedded ITD/FTD) / .4656 = 0.99 minutes, rounded to 1

Pre-85 – OT after 8 hours, now **8 hours and 1 minute**

Post-85 – OT after 8 hours 26 minutes now **8 hours and 27 minutes**

7) Roseville to Portola – RT17 (177 miles)

\$148.99 (Conductor daily basic rate) * 1.5 (OT factor) = 223.46 / 480 minutes = .4656

\$0.07 (imbedded ITD/FTD) / .4656 = 0.15 minutes, rounded to 0

Pre-85 - OT after 8 hours 51 minutes, remains **8 hours and 51 minutes**

Post-85 – OT after 10 hours 53 minutes, remains **10 hours and 53 minutes**

Roseville Hub #3	Jul-03	Jul-03
	Conductor	Brakeman
	Daily Basic	Daily Basic
	\$ 148.99	\$ 139.64
		93.7244%
Bakersfield-West Colton (RT26)	\$ 211.92	\$ 198.71
Bakersfield-Los Angeles (RT26)	\$ 217.85	\$ 204.27
Roseville-Oakland/San Jose (RT12)	\$ 166.57	\$ 156.21
Roseville-Fresno (RT12)	\$ 205.97	\$ 193.14
Portola-Oakland/Lathrop (RT46)	\$ 276.45	\$ 259.20
Roseville-Sparks (RT17)	\$ 164.83	\$ 154.58
Roseville-Portola (RT17)	\$ 205.58	\$ 192.77