



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

September 7, 2005

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

Dear Mr. Weed:

Reference your notice to establish trip rates pursuant to Article V, Section 9, of the 2002 UTU National Agreement sent to the undersigned and our discussions related to establishing trip rates.

This committee is agreeable to implementing the following trip rates:

Klamath Falls - Bend (RT32 Pool)

Trip Rate: Conductor - \$174.27; Brakeman - \$163.51

We request that the carrier provide the Flip Trip rate prior to implementation.

The trip rates include the following 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 the home terminal on a continuous time basis.

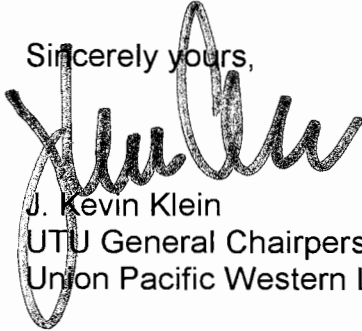
If a crew works from the home terminal to the away from home terminal and then upon arrival at the away from home terminal that crew is called to work from the away from home terminal to the home terminal that crew is entitled to two trip rates, one for the working trip from the home terminal to the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

It is our understanding that the above referenced trip rates will be implemented October 1, 2005

Sincerely yours,

A handwritten signature in black ink, appearing to read "J. Klein", written over the typed name.

J. Kevin Klein
UTU General Chairperson
Union Pacific Western Lines

cc: Mr. Arty Martin, UTU Vice President
Mr. Timothy Andersen, Local Chairman, UTU Local 1573

UNION PACIFIC RAILROAD COMPANY

1400 DOUGLAS STREET
STOP 0710
OMAHA, NEBRASKA 68179



August 25, 2005

VIA FAX & US MAIL

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

Dear Sir,

Pursuant to Article V, Section 9, of the 2002 UTU National Agreement, the Carrier hereby serves notice to establish trip rates for the following runs/pool(s):

Runs/Pool	Conductor Trip Rate	Brakeman Trip Rate
Klamath Falls – Bend (RT32)	\$174.27	\$163.51

In constructing a trip rate for this pool the Carrier found the vast majority of trips made during the test period (744 out of 840) were by the post-1985 employees. Therefore, the pay associated with all working and deadhead trips by the entire base of employees assigned to this pool were used as a starting point to build the trip rate. As has been the custom, monetary adjustments were then made to certain pay elements so to resemble the amounts associated with the pay rules governing pre-1985 employees. For example, the deadhead (TD4) pay element was adjusted upward by \$8830 so that the total deadhead payment figure (\$10,348) when divided by the number of deadhead trips (124) would equal the present basic day figure of \$154.66. The figures for Initial and Final Terminal delay (TI2 and TF3, respectively) were adjusted upward by using the corresponding pay elements in the BLET trip rate for this pool and applying the current differential between the basic day engineer rate with that of a conductor. For example:

Engineer basic day (7/1/05) = \$174.99 Conductor basic day (7/1/05) = \$154.66
 $\$154.66 \div \$174.99 = 88.35\%$

ITD (BLET) pay element of \$746 multiplied by 88.35% equaling \$659, which is then divided by 631 trips (BLET) to equal \$1.04, the figure to be used as the conductor ITD pay element per trip. To get that figure \$503 is added to the conductor ITD pay element of \$372 so that when divided by the 840 conductor trips equals \$1.04. The Final Terminal Delay (FTD) pay element per trip was similarly calculated.

The BLET trip rate documentation is enclosed for your review.

Finally, it was discovered that since this pools inception in June 2004 employees assigned thereto had been compensated for working trips on the basis of 154 road miles when in fact the actual miles are 145. Therefore, a negative adjustment (\$8123) was made to the Straight Time (TD1) pay element to take into account the excess nine (9) road miles paid on each working trip during the test period.

Enclosed you will find summary data incorporating the National Pay Elements as provided by Section 5 of the National Agreement. As in the past, a Brakeman rate was calculated based on the proportional differential between the current basic daily rates of pay for that craft versus that of conductor. The test period used in compiling the enclosed summary data was the twelve-(12) month period, July 1, 2004 through and including June 30, 2005.

Given the parties' experience through past trip rate implementations the Carrier believes any discussion relative to the above can be handled expeditiously through a conference call. In the very near future I will contact your office to arrange a call. The Carrier anticipates an implementation date of October 1, 2005.

Should you have any questions regarding this notice or the enclosed summary data please do not hesitate to call.

Yours truly,



Alan L. Weed
Director Labor Relations
Contract Administration

Enclosures

cc: (w/o encl.)

Tom Jacobi – Western Reg.	Terry Olin – Omaha	Marilyn Ahart – Omaha
Gordon Wellington – Western Reg.	Mark Winkler – Omaha	Rich Gregory – Omaha
Todd Wimmer – Portland	Tony Zabawa – Omaha	Peggy Grosskopf – Omaha
Al Hallberg – Roseville	Mike Stom – Omaha	Lucy Ruf – Omaha