

**Synopsis of Tentative Agreement**  
**Between UTU and NCCC**

**Document "A"**

**(Other than Yardmasters)**

**Article I General Wage Increase**

7-1-02	4%
7-1-03	2.5%
7-1-04	3%

\$1,200 longevity payment for "pre-1985" employees

**Article II Optional Alternative Compensation Program**

Alternative Compensation arrangements such as stock options, stock grants, bonus programs based on carrier performance and 401(k) plans, to be offered at the Carrier discretion and implemented only by mutual agreement.

**Article III Cost-of-Living Payments**

The accumulative 48¢/hour - \$3.84/day COLA payment since 7-1-00 is rolled into and made a part of the rates of pay effective on the date of this agreement and is subject to all General Wage Increases provided herein.

COLA payments at the conclusion of the Agreement period will be applicable in the same manner as in the past (Harris COLA).

#### **Article IV Health and Welfare**

Maintains the status quo regarding benefit levels pending study and negotiation with no employee cost contributions. The parties agree to study and examine plan redesign, cost containment, cost sharing, administrative change and vendor review. This separates UTU from the unfavorable BMW settlement and other CRLO unions with no plan to gather evidence during study and negotiation. Any agreement reached resolving these issues will be subject to ratification pursuant to the UTU Constitution. If no agreement is reached, the matter may be referred to final and binding arbitration.

#### **Article V Pay System Simplification**

Trip rates to be established for through freight assignments. The trip rates will be comprised of pay elements applicable to the assignment involved and will raise earnings of pre-October 31, 1985 employees when deadheading is considered, and will raise post-October 31, 1985 employees to parity. Trip rates will be determined on each individual property for each through freight assignment based upon principles and guidelines contained in this Article V.

The trip rates will be implemented as promptly as possible, but not later than thirty (30) months after the date of the agreement. If not implemented by that date, then effective the next day thereafter, the dual basis of pay for post-October 31, 1985 employees is eliminated on such runs and they will be paid on the same basis as pre-October 31, 1985 employees.

#### **VI Service Scale**

Effective July 1, 2004, any employee subject to entry rates will receive the full rate of pay when working as a conductor/foreman, brakeman/helper, hostler or engineer

(on a carrier party to this agreement on which UTU represents locomotive engineers).

**Article VII Enhanced Manpower Utilization**

Allows for the establishment, through negotiation on each individual carrier, for an automatic mark up rule to be applicable following any period for authorized or approved time off consistent with validated current scientific data and findings regarding employee rest and fatigue abatement.

**Article VIII National Wage and Rule Panel**

Continuation of the Wage and Rule Panel through the term of this agreement to continue handling of the unresolved issues and to also study new issues such as employee protection, access to medical information, employee availability, scheduling of vacation, daily mark up in yard service and national training agreements, and yard conditions related to Remote Control Technology.

**Article IX Off-Track Vehicle Accident Benefits**

Increase the benefit payable from \$150,000 to \$300,000 and increase the aggregate benefit from \$1.5 million to \$10 million. The maximum per week payment to an injured employee covered by this rule is also increased from \$150.00 per week to \$1,000.00 per week.

**Article X General Provisions**

Neither party shall serve notice prior to November 1, 2004, to become effective January 1, 2005, requesting changes on matters contained in this agreement.

Contract period through December 31, 2004,

# **Remote Control Agreement**

**Effective January 1, 2002**

## **Section 1 - Labor Protection**

All employees in train service, or on a train service seniority roster, on the effective date of this agreement are eligible for protection.

Six (6) years protection from the first date on which an RCU assignment is established.

Senior protected employee who cannot hold a position through the normal exercise of seniority will qualify for a Remote Control Protection (RCP) slot.

RCP slots to be created on a one-for-one basis, i.e., one RCP slot for each RCU assignment.

RCP slots will be reduced on a one-for-one basis by a buyout, abolishment of RCU assignments at that location, or establishment of an RCU reserve board at that location. Up to one half of the buy-outs, if any, may be offered to engine service employees,

Employees holding an RCP slot will receive five (5) days pay per week at the yard helper rate. However, if last service performed was as a yard foreman, the yard foreman rate will apply.

There shall be no pyramiding of protection, but the higher level of protection shall be paid.

Existing protective rights and obligations are preserved.

## **Section 2 – Compensation**

Effective January 1, 2002. This is to provide pay allowances and employee protection retroactive to when pilot projects were established.

Payment of 46 minutes based upon the straight time hourly rate of the applicable position, in addition to all other earnings, and subject to all future wage and COLA increases.

## **Section 3 – Training/Certification**

All ground service employees will be trained and qualified to use remote control equipment. Yardmasters supervising remote control operations will receive training in remote control operations.

## **Section 4 – Bidding/Protection of Positions**

RCL assignments to be advertised in the usual manner, as well as force assignment if insufficient bids are received for RCO positions.

## **Section 5 – Overview Committee**

Overview Committee comprised of UTU and Carrier representatives to discuss and resolve issues and problems associated with remote control technology.

## **Document "B"**

### **(Yardmasters)**

#### **Article I General Wage Increase**

7-1-02 4%

7-1-03 2.5%

7-1-04 3%

\$1,200 longevity payment for "pre-1987" employees

#### **Article II Optional Alternative Compensation Program**

Alternative Coinpensation arrangements such as stock options, stock grants, bonus programs based on carrier performance and 401(k) plans, to be offered at the Carrier discretion and implemented only by mutual agreement.

#### **Article III Cost-of-Living Payments**

The accumulative 48¢/hour - \$3.84/day (\$4.41 for 200 hour roads) COLA payment since 7-1-00 is rolled into and made a part of the rates of pay effective on the date of this agreement and is subject to all General Wage Increases provided herein.

COLA payments at the conclusion of the Agreement period will be applicable in the same manner as in the past (Harris COLA).

#### **Article IV Health and Welfare**

Maintains the status quo regarding benefit levels pending study and negotiation with no employee cost contributions. The parties agree to study and examine plan redesign, cost containment, cost sharing, administrative change and vendor review. This separates UTU from the unfavorable

BMW settlement and other CRLO unions with no plan to gather evidence during study and negotiation. Any agreement reached resolving these issues will be subject to ratification pursuant to the UTU Constitution. If no agreement is reached, the matter may be referred to final and binding arbitration.

#### **Article V Service Scale**

Effective July 1, 2004, any employee subject to entry rates will receive the full rate of pay when working as a yardmaster.

#### **Article VI Supplemental Sickness**

Monthly benefit for employee receiving RUIA benefits will increase to \$1,505.50.

For those who have exhausted RUIA benefits, the monthly benefit will increase to \$2,506.00.

#### **Article VII Off-Track Vehicle Accident Benefits**

Increase the benefit payable from \$150,000 to \$300,000 and increase the aggregate benefit from \$1.5 million to \$10 million. The maximum per week payment to an injured employee covered by this rule is also increased from \$150.00 per week to \$1,000.00 per week.

#### **Article VIII Vacations**

Vacation paid on the basis of 1/52 of the compensation earned in the year preceding the year in which the vacation is taken.

**Article IX Turnover Time**

An allowance, not to exceed fifteen (15) minutes at the straight time rate of pay, when required to report early or stay late for the purpose of transitioning ongoing work responsibilities between shifts.

**Article X General Provisions**

Neither party shall serve notice prior to November 1, 2004, to become effective January 1, 2005, requesting changes of matters contained in this agreement.

Contact period through December 31, 2004.



August 28,2002

Chairpersons  
General Committees of Adjustment  
Railroads in the United States

Letter No. WR-6-99

Dear Chairpersons

Enclosed you will find a copy of the recently ratified National Agreement signed in Washington, D.C. on August 20,2002.

As you know, the agreement contains certain time frames within which to resolve issues relative to the health and welfare plans and implementation of trip rates. In this regard you will find enclosed a letter of understanding between the parties establishing September 1, 2002, as the date from which these time frames will be measured.

Additionally, enclosed is a copy of this agreement on a compact disc. If you are unable to view this information, you can download the entire agreement from the UTU Web page ([www.utu.org](http://www.utu.org)). Instructions on how to view the CD and download from the Web site are included herewith.

I want to thank you all for your tireless work and dedicated effort resulting in an agreement overwhelmingly ratified by the UTU Membership.

Fraternally yours,



Byron A. Boyd, Jr.  
International President

cc: P. C. Thompson, Assistant President  
D. L. Hakey, Vice President - Administration  
International Officers  
State Legislative Directors  
Field Supervisors  
Designated Legal Counsel

## QUESTIONS AND ANSWERS

### Article I - Wages

Q-1 How do the eligibility provisions for the Longevity Bonus in this Agreement differ from the eligibility provisions for the Signing Bonus and Lump Sum Payments provided for in Article I, Document "A" of Appendix D of the Award of Arbitration Board No. 559 dated May 8, 1996 ("1996 Agreement")?

A-1 The dates, of course, are different, and the time period for ascertaining eligibility is different. All other eligibility issues should be governed by how eligibility was determined under the 1996 Agreement.

\* \* \* \* \*

Q-2 What are some examples of the application of the Answer to Q-1?

A-2 The following are illustrative examples:

E-1. An employee is reinstated to service with seniority unimpaired but without pay for all time lost. Is such employee entitled to the payment provided for in Section 1(a)?

No.

E-2. Will receipt of vacation pay during the period July 1, 2002 and August 31, 2002 qualify an individual for the Longevity Bonus?

No.

E-3. An employee received compensation for active service performed during the period July 1, 2002 and August 31, 2002 but died prior to September 1, 2002. Is this employee eligible for the Longevity Bonus?

Yes, provided the employee is otherwise eligible as provided in the Article.

E-4. Will employees on reserve boards, guaranteed extra boards, and the like, and those employees receiving displacement/dismissal allowance under the various labor protective provisions be eligible for the Longevity Bonus provided for in the Article?

Yes, provided that such employees are otherwise eligible as provided in the Article.

E-5. Will the Longevity Bonus be included in earnings for calculation of vacation pay?

Yes.

E-6. Will employees on authorized military leave during the period specified in Article I, Section 1(b)(3)(i) be eligible for the Longevity Bonus upon return to service with the Carrier?

Yes, provided they have established seniority in train or engine service with a covered carrier on or before October 31, 1985.

E-7. If an employee is unable to work at any time between July 1, 2002 through August 31, 2002 due to his/her part-time involvement with union business, is such employee eligible for the Longevity Bonus?

NO.

\* \* \* \* \*

Q-3 Will the payment of the Longevity Bonus be used to offset any guarantee an employee may be receiving, regardless of type of guarantee it may be?

**A-3** The Longevity Bonus cannot be used to offset guarantees in protective agreements or arrangements.

\* \* \* \* \*

**Q-4** Under what circumstances will UTU members working as engineers be eligible for the Longevity Bonus?

**A-4** If such employee performed service under a UTU collective bargaining agreement at any time during the period July 1, 2002 through August 31, 2002 and is otherwise eligible, such employee will be eligible for the Bonus.

\* \* \* \* \*

**Q-5** How will General Wage Increases (GWI) and Cost-of-Living (COLA) be applied to other than standard rates of pay and monthly guarantees applicable to road and yard service employees?

**A-5** The GWI's and COLA's provided for in this Agreement will be applied in the same manner as they have been applied in the past.

\* \* \* \* \*

**Q-6** Will the 4% GWI be paid retroactive to July 1, 2002, following ratification and adoption of this Agreement?

**A-6** Yes.

\* \* \* \* \*

**Q-7** Is it the parties' intent that an employee who otherwise qualified under Article I, Section 1, and who received compensation for active service performed during the specified period, would not be eligible for the

Longevity Bonus if he/she were off at any time during the qualification period for union business?

A-7 No.

**Article II - Optional Alternative Compensation Program**

Q-1 How will such a program be determined and implemented?

A-1 The program is totally optional, and will be offered at each Carrier's discretion, and will be implemented only by mutual agreement between the parties.

\* \* \* \* \*

Q-2 What is meant by the term "smallest employee grouping that can be reasonably administered"?

A-2 The least number of employees agreed to by the parties.

\* \* \* \* \*

Q-3 May employees elect to opt out of an agreed to "Optional Alternative Compensation Program" when offered?

A-3 Alternative compensation arrangements negotiated under this Article will cover only the employees mutually agreed to by the parties.

**Article III - Cost-of-Living Payments**

Q-1 Will the cost-of-living adjustments provided for in Part B be applicable to overmile rates of pay?

A-1 Yes.

**Article IV - Health and Welfare**

Q-1 Will any tentative agreement to change Health and Welfare coverage go out for ratification to the affected membership of UTU?

A-1 Yes



**Article V - Pay System Simplification**

Q-1 May the parties subject to the local negotiations that establish Trip Rates agree to include other components (including overtime) in Trip Rates?

A-1 Yes, provided there is mutual agreement to do so.

\* \* \* \* \*

Q-2 If an employee is subject to entry rates and rate progression at the time Trip Rates are established, is such employee to receive the applicable percentage, i.e., 75%, 80%, 85%, etc., of the newly established Trip Rate?

A-2 Yes, as provided in Article V, Part B, Section 4(c)(2) and Article VI.

\* \* \* \* \*

Q-3 Under Article V, Parts B and C, will Trip Rates be developed and implemented on the same basis described therein for engineers and firemen (where applicable) on those properties where UTU is the duly designated representative for such employees under the Railway Labor Act?

A-3 Yes.

\* \* \* \* \*

Q-4 Once a Trip Rate has been developed, are future general wage increases and cost-of-living allowances applicable to the entire Trip Rate?

A-4 Yes, except as provided in Article V, Part B, Section 4(c)(1).

Q-5 Once a pay element has been incorporated in the calculation of the trip rate, will claims for that pay element be considered by the Carrier?

A-5 No. Claims for such pay elements incorporated in the Trip Rate will not be considered by the Carrier and will not be responded to.

\* \* \* \* \*

Q-6 Will all claim settlements or arbitration decisions related to pay elements that are included in Trip Rates be incorporated in the Trip Rate calculation?

A-6 Yes, for those settlements or decisions that are based on events that took place during the applicable Test Period, but were not included during the initial Trip Rate calculation.

\* \* \* \* \*

Q-7 Where a pool/run consists entirely of post-85 employees, will the earnings attributable to them be computed as if they were pre-85 employees?

A-7 Yes, but where the parties determine that recomputing earnings to determine as to what elements of pay to be incorporated in the Trip Rate would have been paid to pre-85 employees is not feasible, the parties may use data from a comparable run (comparable in length, running time, and other operating characteristics) to determine the value of such pay elements, which will be included in the Trip Rate computation.

\* \* \* \* \*

Q-8 Will earnings paid to extra employees working in the pool be included in the test period?

A-8 Yes, as provided in Article V, Part B, Section 3.

Q-9 After the establishment of Trip Rates, the Carrier required additional work of a crew so as to violate a work rule not included in the Trip Rate calculation. Is such penalty payment still applicable and, if so, at what rate?

A-9 Yes, penalty payments not included in the Trip Rate will still be payable at the same amount at which paid prior to the establishment of Trip Rates. For example, if a certain penalty payment is paid as a basic day prior to the establishment of Trip Rates and that penalty payment is not included in the Trip Rate, the proper penalty payment would still be a basic day after the implementation of Trip Rates.

\* \* \* \* \*

Q-10 How will an employee covered by the Trip Rates be compensated for personal leave days, holiday pay and/or vacation pay?

A-10 Compensation for personal leave days, holiday pay and/or vacation pay, will continue to be paid in accordance with rules and practices in existence prior to establishment of Trip Rates. If those rules and practices require payment of earnings of a trip, Trip Rates, if established, will apply.

\* \* \* \* \*

Q-11 Can either party, i.e., UTU or Carrier, submit a dispute over the Trip Rate implementation to the National Disputes Committee?

A-11 Yes.

Q-12 At what point is it appropriate for a dispute to be referred to the National Disputes Committee?

A-12 After notice has been served pursuant to Article V, Part B, Section 9(a) and carrier has proposed a Test Period for a particular run/pool, if an impasse develops, either party may refer a dispute to the National Disputes Committee.

\* \* \* \* \*

4-13 Does a Trip Rate proposed by the Carrier, based solely upon the incorporation of the National Pay Elements set forth in Section 5, become effective thirty (30) days after the Carrier's notice is served, absent agreement between the parties?

A-13 Yes, unless the UTU representative(s) make a timely written referral of the matter to the National Disputes Committee.

\* \* \* \* \*

Q-14 If Trip Rates are not established by the date specified in Article V, Part B, Section 9(g), can the Carrier delay the application of the national pay elements set forth in Article V, Part B, Section 5 to post October 31, 1985 employees effective the next day after that date by simply referring the matter to the National Disputes Committee?

A-14 No. Under those circumstances, Article V, Part B, Section 9(h) provides in part that, effective on the next day after the date specified in Article V, Part B, Section 9(g), post October 31, 1985 employees on runs/pools for which Trip Rates have not been implemented by such date "will be paid on the same basis as Pre-85 Employees represented by UTU with respect to the national pay elements identified in Section 5 of this Part", and the National Disputes Committee will resolve the Trip Rate issue(s) in dispute if such is referred to the Disputes Committee by either party. However, disputes pending before the National Disputes Committee prior to such

date over any issue will be governed solely by the outcome of the dispute resolution process as provided in Article V, Part B, Section 9(h).

\* \* \* \* \*

Q-15 Does the implementation of Trip Rates permit road crews to perform any additional work (moves) at the initial, intermediate or final terminals over and above that permitted by existing agreements?

A-15 Article V, Part A, Section 1(b) provides that the provisions of the new pay system will have no effect on work rules except where a pay element is incorporated in a Trip Rate.

\* \* \* \* \*

Q-16 In computing overtime will the Trip Rate be used?

A-16 No. Overtime will continue to be applied as it is now.

\* \* \* \* \*

Q-17 Will Trip Rates be applicable to both the working trip and the deadhead trip?

A-17 Yes. Where Trip Rates are implemented, employees will receive the Trip Rate for both the deadhead and the working trip. Multiple Trip Rates will not be paid when service and deadhead(s) are combined during a tour of duty.

\* \* \* \* \*

Q-18 Road extra board employees are used to provide Hours of Service relief as well as protecting other road assignment vacancies. How will these employees be compensated when performing service once Trip Rates are established?

A-18 A road extra board employee called to provide hours of service relief, in straight away or multiple trip turnaround service, will be paid the Trip Rate of the service for which called. When called to fill vacancies, road extra board employees will be paid the appropriate Trip Rate of the assignment for which called.

\* \* \* \* \*

Q-19 What constitutes a “material change”?

A-19 Article V, Part B, Section 8 provides a process for adjustment of an established Trip Rate in response to a subsequent material change, i.e., one that significantly affects the run/pool.

\* \* \* \* \*

Q-20 What elements of pay will be included in a yard Trip Rate?

A-20 This determination will be made, where the parties agree to implement a yard Trip Rate, on a basis that is consistent both with yard service and with the terms, conditions, principles and guidelines set forth in Parts A and B of Article V.

\* \* \* \* \*

Q-21 How will the “12-month period of normalized operations” be determined in calculating Trip Rates?

A-21 The 12-month Test Period will be proposed by the carrier in its notice, with the burden of substantiating such period as reflecting “normalized operations” for the pool/run placed on the carrier.

Q-22 Will the establishment of Trip Rates in any way affect Crew Consist provisions?

A-22 No.

\* \* \* \* \*

4-23 Will pay elements not specifically included in Trip Rates continue to be applicable?

A-23 Yes.

\* \* \* \* \*

4-24 How will Trip Rates be determined for new runs/pools since there is no "Test Period"?

A-24 As provided in Article V, Part B, Section 7.

\* \* \* \* \*

Q-25 Will the establishment of Trip Rates have any affect on local agreements providing for mileage and/or earnings regulations.

A-25 No. Such local agreements will continue to apply.

\* \* \* \* \*

Q-26 Does the 12-month period of Normalized Operations contemplated by this Article have to be consecutive?

A-26 Yes, if the 12 consecutive months actually reflect Normalized Operations.

Q-27 Are additional mileage or time payments, such as constructive mileage or terminal mileage payments, afforded certain group(s) of employees as a result of other agreement rules or provisions other than the October 31, 1985 National Agreement to be included in the earnings used to develop a Trip Rate?

A-27 No.

\* \* \* \* \*

Q-28 Does the term "yard runarounds" refer to road crews who are called in order but depart the initial terminal out of that order?

A-28 Yes.

\* \* \* \* \*

Q-29 Will implementation of Trip Rates change a protected employee's test period average or test period hours?

A-29 No.



**Article VI - Service Scale**

Q-1 If an agreement is not reached on an individual railroad as contemplated by Section 3, how will employees establishing seniority on or after July 1,2004 be compensated?

A-1 In accordance with the rules that adjust employee compensation based on length of service in effect on such railroad on June 30,2004

\* \* \* \* \*

Q-2 Are entry rates and rate progression provisions of existing agreements eliminated on July 1, 2004?

A-2 Yes, but only for employees subject to such provisions on June 30,2004 represented by UTU and only when working in a UTU represented craft as a conductor/foreman, brakeman/helper, hostler, engineer (where represented by UTU) or yardmaster on and after July 1,2004.

\* \* \* \* \*

Q-3 A local rule currently provides that an employee who is subject to rate progression will be paid, when working as a conductor, at the full rate of pay. Is that local rule affected by Article VI?

A-3 No.

\* \* \* \* \*

Q-4 How will the new Service Scale contemplated by Section 3 be established?

A-4 By the Carrier, subject to review by the organization representative(s).

**Q-5** Will the Service Scale to be established by the Carrier be identical to that which is governed by existing rules, which are in effect on such Carrier on June 30, 2004?

**A-5** Yes.

\* \* \* \* \*

**Q-6** Does this Article apply to firemen in training programs to become locomotive engineers?

**A-6** NO.

**Article VII - Enhanced Manpower Utilization**

Q-1 What is meant by the phrase “authorized or approved time off”?

A-1 This phrase is intended to mean the time such as, but not limited to, when an employee is off account of personal illness, Family and Medical Leave Act, personal leave days, vacations, or any other approved time off.

\* \* \* \* \*

Q-2 Is the Carrier required to provide the organization representative(s) anything more than a synopsis of their proposed rule?

A-2 Yes. A detailed proposal must be provided to the organization representative(s) prior to any submission of the matter to final and binding arbitration.

\* \* \* \* \*

Q-3 Will this Article have any affect on existing work/rest agreements currently in effect?

A-3 No.

**Article VIII - National Wage & Rules Panel**

Q-1 Are the items to be considered by the Panel limited to those set forth in this rule?

A-1 No. The parties are free to discuss and resolve any matters of mutual concern consistent with the intent of this forum.

**Article IX - Off-Track Vehicle Accident Benefits**

Q-1 What effect do the improvements to the Off-Track Vehicle Accident benefits have upon employees entitled to receive them?

A-1 The Off-Track Vehicle Accident benefit improvements merely increase existing benefit levels.

\* \* \* \* \*

Q-2 What changes were made to the application of “Off Track Vehicle Coverage”?

A-2 The benefits were increased and there are no changes to the application.

**Article X - General Provisions**

Q-1 In several Articles of this Agreement reference is made to the date October 31, 1985 when discussing "pre-85" and "post-85" employees.

The parties recognize that other specific dates may exist in agreements which define issues relative to "pre-85" and "post-85" employees, such as, but not limited to, the June 28, 1985 Conrail Agreement and the June 15, 1987 Agreement covering Yardmasters represented by the former Railroad yardmasters of America.

Accordingly, do the parties agree that the reference to "pre-85" and "post-85" employees in this Agreement is intended to include all employees such as those referenced above?

A-1 The parties agree that this must be answered on a case-by-case basis in light of the parties' mutual intentions and an evaluation of the relevant facts and circumstances.