

MEMORANDUM OF AGREEMENT  
Between  
UNION PACIFIC RAILROAD COMPANY  
And the  
SHEET METAL, AIRLINE, RAIL & TRANSPORTATION –  
TRANSPORTATION DIVISION (SMART-TD)  
(Former CNW)

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AUXILIARY WORK AND TRAINING STATUS (AWTS)

For the Chicago Terminal Complex (CTC)

Due to persistent economic uncertainties and seasonal business peaks inherent to this industry the parties wish to create an alternative to furlough status for trainmen.

THEREFORE IT IS AGREED:

**Section 1 - Eligibility**

- A. Union Pacific may, at its discretion, establish AWTS boards and determine the number assigned thereto consistent with the terms and conditions outlined in this agreement.
- B. Eligibility for voluntary placement to an AWTS board will be restricted to trainmen who are unable through the normal exercise of seniority to hold a train or yard service position and are thus subject to furlough. When necessary to furlough employees on a seniority district, the junior employees at the point(s) where a surplus of employees exists will be furloughed. Within forty-eight (48) hours of notification, the employee may accept AWTS or accept furlough. Any request for additional time to report to work will be reviewed on a case by case basis by the individual designated by Crew Management Services (CMS) and the local Chairman.

**Section 2 – Assignments**

- A. CMS will notify an employee at the time of furlough of the AWTS option. If the employee accepts AWTS, every effort will be made to work and train at the extra board location nearest the employee's residence. Should an AWTS employee be required to work or train at another location more than thirty (30) miles (via the shortest route) from the employee's residence, he/she will be provided lodging, a meal allowance of \$30.00 per day, and if applicable, mileage reimbursement for use of his/her vehicle, while working/training at that location. This payment will not apply to an AWTS employee who voluntarily accepts

placement to an AWTS Board at other than his home location. If training or working on assignment that is tied up at the away from home terminal (AFHT), the meal allowance set forth in Article XIV of the UTU 1985 National Agreement, as amended, would apply. There would be no duplication or pyramiding of payments for meals/and/or lodging. Employees will not be required to work or train outside their seniority district.

- B. CMS may establish rolling/working day sets throughout a calendar month which will obligate AWTS employees to a potential training or work schedule. If working days sets are established, AWTS employees must request this fixed work schedule via standing bid. Once specific day sets are assigned, AWTS employees must be available and protect any service he or she may be required to work (or train) on those calendar days. Absent standing bids of insufficient seniority to obtain the preferred day sets requested, CMS will assign remaining/unassigned working day sets to AWTS employees as service scheduling may require

**Note 1:** Working day sets, if established will be assigned via standing bid during the last week of a current month for the upcoming month. CMS will advise AWTS employees and the local chairman of the monthly schedule on or before the 25<sup>th</sup> day of each month. CMS may electronically post working day set schedules and assignment opportunities via AVR or by broadcast messaging. The AVR or broadcast messaging of day set assignments will constitute notice of the assigned work schedule and any changes in working day sets for AWTS employees.

**Note 2:** Once AWTS employees are assigned day sets for an upcoming and given month, they may not be displaced or move from those day sets for the entire month unless recalled by the Carrier to a full time position. Newly assigned employees may bid on any day sets for the next month. CMS will assign day sets for the remainder of the current month.

**Note 3:** Employees assigned to an AWTS board will work any OS service, training and work events as may be assigned including, but not limited to, any train or yard service calls once the order of call on a protecting extra board(s) has been exhausted. AWTS employees will not be utilized to supplant assigned or extra board employees on any position.

**Note 4:** Where multiple AWTS employees are scheduled on the same day, they will be called for work on a rotation basis. Employees in AWTS may be called out of rotation for training.

### **Section 3 - Availability and Commitment:**

- A. AWTS employees will be required to be available to work or train 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. In long months where an employee would have more than eight (8) scheduled- day sets, the employee would only be required to protect the beginning eight (8) scheduled-day sets. Furloughed trainmen who have opted for or bid on the AWTS board must remain thereon for a period of one hundred and eighty (180) days, seniority permitting, understanding they will be the primary source of supply for assignment to full time positions.
- B. Trainmen assigned to the AWTS board who fail to be available for all scheduled work or training on more than two (2) designated days within a rolling one hundred twenty (120) day period will be placed in furlough status and will not be eligible for subsequent placement on the AWTS board for a period of one hundred and eighty (180) days. During these 180 days, the employee removed from AWTS will not be permitted to displace a junior employee, but will only be allowed to bid on permanent full-time vacancies. This will not preclude the Carrier from recalling an employee removed from the AWTS board to a full-time position consistent with controlling agreement provisions
- C. 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 obligations as an employee in AWTS or change his or her designated work days.

### **Section 4 – Compensation:**

- A. Employees opting for and assigned to an AWTS board who meet all work and/or training obligations will be guaranteed eight (8)- days per month at the applicable Foreman Rate so long as the employee performs all work and training for which called or is available for service on his or her schedule days. If the compensation earned for work or training exceeds this monthly guarantee, the greater amount will be paid. The AWTS guarantee payment will be included in the second half payroll.
- B. The earnings made by an AWTS employee on a non-designated work day will not, except in the situation set forth in Item ‘C’, below, be used to offset his or her AWTS guarantee.

- C. 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 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.
- D. Health and Welfare benefits will be provided to AWTS employees in accordance with applicable agreements. Vacation qualification when an employee is available but not worked, will be handled in the same manner as extra board employees determined by provisions contained in the 1949 National Vacation Agreement (as modified in Article V, Section 2 (b) of the 1996 UTU National Agreement).

**Note 1:** An employee in AWTS will not be eligible to observe unused personal leave on any day scheduled to work or train. An employee in AWTS who possesses unused vacation benefits will be paid in lieu for such unused vacation at the time the vacation is scheduled.

**Note 2:** An employee who desires to take their unused vacation as scheduled in lieu of being paid, must make his or her request known to CMS in advance of being advised by CMS of his or her monthly availability schedule. If said employee fails to make such request in a timely manner, his or her vacation will be handled in accordance with this Section 4.

**Note 3:** Compensation paid for personal leave days observed on days other than schedule work or training days will not be offset against the guarantee. Likewise, vacation paid in lieu of being observed will also not be offset against the guarantee provided employees in AWTS. However, vacation observed as scheduled will be offset against any scheduled work or training days occurring during the vacation period.

#### **Section 5 – Recall Source and Work Obligations**

- A. AWTS boards, where maintained, will be the first source of supply to recall trainmen in the seniority order specified in this Agreement to fill full-time positions, prior to recalling furloughed trainmen who have not opted for AWTS placement. CMS may recall and directly assign recalled AWTS employees to any full-time position.

If a permanent position cannot be filled by application, the most junior employee at the location who is either in displaced status in excess of forty-eight (48) hours or assigned to the protecting extra board, will be assigned to the position. If a junior employee is subsequently assigned to the location, the employee so force assigned may request within five (5) days to relinquish his/her assignment and acquire the position of the junior employee. The junior employee will then be forced to the position so relinquished.

- B. Trainmen opting for placement on AWTS boards are expected to fully avail themselves of all temporary work and training opportunities to remain qualified and stand ready for immediate recall to full-time positions. Employee(s) assigned to the AWTS board must accept recall to a full-time position when so notified by CMS. Failure to accept recall and place onto the full-time position within forty-eight (48) hours from first attempted notification (via phone call) will result in the employee's removal from the AWTS board and his or her placement in furlough status. CMS will make a reasonable number of notification attempts (via phone calls) to recall trainmen from the AWTS board, but in no case will less than four (4) attempts be made, spread across forty-eight (48) hours. Any request for additional time to report to work will be reviewed on a case by case basis by the individuals designated by Crew Management Service (CMS) and the Local Chairman. An employee removed from the AWTS board because he or she failed to respond to full-time recall will not be eligible for subsequent placement on the AWTS board for a period of one hundred and eighty (180) days. This will not preclude the Carrier from recalling an employee removed from the AWTS board consistent with controlling agreement provisions.
- C. It is not the intent of this Agreement to use AWTS board in any manner to reduce the number of employees assigned to working extra boards. Moreover, AWTS boards are not intended to function as an alternative to deprive trainmen/yardmen of full time employment, but rather as a mechanism to provide additional work opportunities and compensation to trainmen/yardmen who would otherwise be furloughed.

**NOTE:** Should AWTS employees on a particular AWTS board be called to fill and work assignment vacancies (other than training, familiarization, OS, etc.) to such an extent the local chairman feels additions to the working list are necessary, he/she may contact CMS to confer on that matter. The burden will be on the local chairman to demonstrate working list additions are necessary by virtue of a consistent need for manpower. Unusual and isolated spikes in manpower demand will not be considered in making this determination. Any disputes concerning the staffing of AWTS boards may be referred directly to the Labor Relations Director and the General Chairperson.

- D. Recall to full time positions from the AWTS board will follow the sequence outlined below:

Step One: Assign the senior trainman on the AWTS board at the location where the full-time position exists. The resultant AWTS vacancy may be backfilled if the position is retained.

Step Two: If no AWTS board has been established at the location where the full time position exists, a board may be established at that location as a voluntary source for recall to full-time positions.

Step Three: Assign the junior trainman from the closest (via highway miles) established AWTS board in the seniority district. This trainman must remain on the position in accordance with the controlling collective bargaining agreement, until relieved/displaced by a senior train service employee or he or she through the bid process, can hold another full time position.

Step Four: Repeat steps until all vacancies have been filled, all AWTS trainmen have been assigned and/or AWTS sources have been exhausted.

Step Five: Recall furloughed trainmen to full time positions in accordance with existing agreement provisions.

**Section 6 – Vacancies:**

- A. When AWTS board are increased and/or trainmen are recalled creating vacancies thereon, eligible furloughed trainmen may, through standing bid, apply for open AWTS positions provided junior trainmen are not working full-time positions at that location.
- B. CMS will provide furloughed trainman access to its CMTS System to place standing bids for AWTS and/or full-time positions. However, it is the furloughed employee's responsibility to contact CMS or OSS if access is denied due to inactivity or non-use of the employee's user ID or Union Pacific's computer system.

**Section 7 – Voluntary Furlough:**

- A. Trainman, notwithstanding their seniority roster standing, who do not opt for AWTS placement upon furlough and/or do not make application for the AWTS board may remain in furlough status until recalled by Union Pacific consistent with controlling collective bargaining agreements and as modified by terms set forth in this Agreement (i.e. there are no or insufficient AWTS trainman available for full time placement).
- B. Except as provided herein, nothing will preclude a furloughed trainman from submitting and maintaining a standing bid request for a full-time position understanding such trainman will be directly assigned to that position and further movement, seniority permitting, will be subject to controlling collective bargaining agreements. Subsequent furlough of a trainman from a

full-time position renews the AWTS board and/or furlough status options contained herein, except where employee was removed from AWTS for 180 days.

**Section 8 – Administrative:**

- A. In the event provisions of this Agreement conflict with any other agreements, understandings or practices, the provisions set forth herein will apply and supersede those items with which there is conflict. Disputes involving the application of this agreement may be referred directly to the Labor Relations Director and General Chairperson.

**Section 9 – Cancellation:**

It is understood this agreement is designed to address unique circumstances to the mutual benefit of all parties. Accordingly, this agreement will not prejudice the position of either party or any be cancelled by either party upon thirty (30) days written notice. Upon such cancellation, any and all agreements, understandings and/or practices regarding AWTS (previous or existing) will be eliminated.

**Section 10 – Implementation:**

The Agreement will be effective December 11, 2018

For the SMART-TD

  
Jerry Kalbfell  
General Chairman

For Union Pacific Railroad:

  
Beth Wilderman  
Director - Labor Relations

December 11, 2018

Mr. Jerry Kalbfell  
General Chairman - SMART/TD  
1333 E. College Avenue  
Suite A  
South Milwaukee, WI 53172

Mr. Kalbfell:

This refers to our discussions regarding the establishment of Auxiliary Work and Training Status ("AWTS") for trainmen/yardmen on the former CNW properties. In conjunction with these discussions, your organization raised several issues and concerns regarding the establishment and operation of this status. Accordingly, this letter will confirm our understandings regarding these matters:

If there is a surplus of trainmen/yardmen, and UP has a need to "borrow-out" trainmen/yardmen to another seniority district, UP may advertise (post) the borrow-out opportunity to all trainmen/yardmen on the seniority district where the surplus exists, and accept applicants for borrowing out in seniority order.

If, due to personal hardship, an employee requests to vacate AWTS prior to the minimum period, the General Chairman and Director Labor Relations will discuss the request on a case by case basis to determine how the employee will be allowed to change positions.

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,



Beth Wilderman  
Director – Labor Relations

AGREED:

  
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Jerry Kalbfell  
General Chairman – SMART/TD



December 11, 2018

Mr. Jerry Kalbfell  
General Chairman - SMART/TD  
1333 E. College Avenue  
Suite A  
South Milwaukee, WI 53172

Mr. Kalbfell:

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. If 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. 2 to all involved CMS officials.

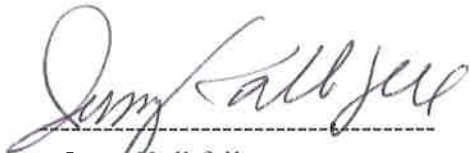
If the foregoing properly and accurately reflects our understandings regarding these matters, please so indicate by affixing your signature in the space provided below.

Sincerely,



Beth Wilderman  
Director- Labor Relations

AGREED:



Jerry Kalbfell  
General Chairman – SMART/TD

December 11, 2018

Mr. Jerry Kalbfell  
General Chairman - SMART/TD  
1333 E. College Avenue  
Suite A  
South Milwaukee, WI 53172

Dear Mr. Kalbfell:

In our discussions of the proposed modifications to the AWTS Agreements we addressed that portion of Section 3(b) which states: *"Trainmen assigned to the AWTS board who fail to be available for all scheduled work or training on more than two (2) designated days within a rolling one hundred twenty (120) day period will be placed in furlough status..."*

The parties intended that a single occurrence might span two (2) calendar days, but be considered as only one (1) day unavailable. The following example outlines the intent:

If an employee is marked as unavailable on a designated work day at 2:30 p.m., then the employee would not again be subject to call for twenty-four (24) hours, and would be considered unavailable on one (1) day. If subsequent to 2:30 p.m. the following day the employee was again unavailable, and it was a designated work day, that would establish a second day of unavailability.

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,

  
Beth Wilderman  
Director- Labor Relations

AGREED:

  
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Jerry Kalbfell  
General Chairman – SMART/TD

December 11, 2018

Mr. Jerry Kalbfell  
General Chairman - SMART/TD  
1333 E. College Avenue, Suite A  
South Milwaukee, WI 53172

Dear Mr. Kalbfell:

In regard to the agreement on the Chicago Terminal Complex (CTC) seniority district which provide for the establishment of AWTS and board, the parties agree to clarify the following:

Section 2 Note 1 provides working day sets, if established, will be assigned by standing bids. CMS will designate whether the standing bids are to be submitted electronically, or submitted verbally to a specific designated individual/recording. Initially when establishing AWTS boards, the monthly working day sets will be advertised/bulletined. Thereafter, unless there is a major change to day sets schedules, no further advertisement will be made.

Section 2 Note 2 provides that employees, once assigned to a day set schedule, will not be displaced or moved from their assigned day sets for the entire month. This would not preclude a senior employee, who accepts AWTS within the 48-hour period referred to in Section 1, Item b, from being added to an AWTS board and the most junior employee being reduced from that AWTS board.

This Clarification will not prejudice the position of either party. Should either party experience unintended negative impact as a result of this application, the parties will meet in good faith to resolve.

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,



Beth Wilderman  
Director – Labor Relations

AGREED:



Jerry Kalbfell  
General Chairman – SMART/TD