Full text contract begins on following page.
MERGER IMPLEMENTING AGREEMENT

(Roseville Hub)

between the

UNION PACIFIC/MISSOURI PACIFIC RAILROAD COMPANY

SOUTHERN PACIFIC TRANSPORTATION COMPANY

and the

BROTHERHOOD OF LOCOMOTIVE ENGINEERS

In Finance Docket No. 32760, the U.S. Department of Transportation, Surface Transportation Board ("STB") approved the merger of the Union Pacific Corporation ("UPC"), Union Pacific Railroad Company/Missouri Pacific Railroad Company (collectively referred to as "UP") and Southern Pacific Rail Corporation, Southern Pacific Transportation Company ("SP"), St. Louis Southwestern Railway Company ("SSW"), SPCSL Corp., and The Denver & Rio Grande Western Railroad Company ("DRGW") (collectively referred to as "SP"). In approving this transaction, the STB imposed New York Dock labor protective conditions.

In order to achieve the benefits of operational changes made possible by the transaction, to consolidate the seniority of all employees working in the territory covered by this Agreement into one common seniority district covered under a single, common collective bargaining agreement,

IT IS AGREED:

I. Roseville Hub

A new seniority district shall be created that encompasses the following area: UP territory including milepost 665.0 west of Elko, Nevada to the end of the track on the former Western Pacific, Sacramento Northern and Tidewater Southern; SP territory including milepost 553.0 west of Elko, Nevada to the end of the track at Oakland/San Francisco, California, south to and including Santa Barbara, California; south from Roseville, California to and (not including) Hivolt via (including) Palmdale, and over the BNSF trackage rights to (not including) Barstow and north from Roseville to (not including) Chemult and the Modoc Line.
II. Seniority and Work Consolidation.

The following seniority consolidations will be made:

A. A new seniority district will be formed and a master Engineer’s Seniority UP/BLE Roseville Hub Merged Roster, will be created for the engineers assigned to the Roseville Hub on September 1, 1997 or on an auxiliary board from a point inside the Hub but working outside the Hub or the WP engineers forced to Salt Lake Hub that will return to the Hub upon release. It does not include borrow outs to the Hub nor engineers assigned to the Hub from an auxiliary board with a home terminal outside the Hub. In addition to the Hub Roster a separate zone roster shall be created for each zone.

B. The new rosters will be created as follows:

1. Engineers placed on these rosters will be dovetailed based upon the engineer’s (seniority date specified thru arbitration by the BLE General Committees). If this process results in engineers having identical seniority dates, seniority ranking will be determined by the employee’s earliest retained hire date with the Carrier.

2. All engineers placed on the roster may work all assignments protected by the roster in accordance with their seniority and the provisions set forth in this Agreement.

3. Engineers placed on the Roseville Hub Merged Rosters shall relinquish all seniority outside the Hub upon implementation of this Agreement and all seniority inside the Hub held by engineers outside the Hub shall be eliminated.

4. New engineers hired/promoted on or after September 1, 1997 will have no prior rights but will have roster seniority rights in accordance with the provisions set forth in this agreement.

5. Engineers currently working in trainman/fireman service with an engineer’s seniority date shall retain their date and be placed on the appropriate merged engineer’s roster and in the appropriate zone based upon the BLE ebb and flow agreements that existed prior to the effective date of this agreement.
6. Student engineers in training on or before September 1, 1997 will be assigned prior rights based on the area designated in the bulletin seeking applications for engine service.

C. Engineer’s initially assigned to the new roster will be accorded prior rights to one of four Zones based on the on duty location the engineer was working on September 1, 1997. The new UP/BLE Roseville Merged Roster seniority district will be divided into the following four (4) Zones:

1. **Zone 1** will include operations Roseville north to (not including) Red Bluff, east to (including) Oroville and (not including) Sparks, including helper service, west to (including) Oakland/San Francisco, south to (including) King City and (not including) Fresno.

2. **Zone 2** will include operations from San Luis Obispo north to (not including) King City, south to (including) Santa Barbara and from Bakersfield north to (including) Fresno and south to (not including) Hivolt via (including) Palmdale and the trackage rights to Barstow.

3. **Zone 3** will include operations from Dunsmuir north to (not including) Chemult and the Modoc Line to (not including) Wendel, south to (including) Red Bluff.

**Note:** If the interim provisions of this agreement, engineers may not move from one Zone to another except in accordance with consolidated seniority provisions which require, among other provisions, the Carrier to post a notice of the intent to promote
additional engineers so that engineers may request transfer to the Zone with the need for additional engineers. Engineers may be held up to 9 months, in lieu of 7 months provided for in the consolidated provisions, prior to being released to another Zone. Surplus engineers may be used in another Zone in accordance with auxiliary board provisions.

**Note:** If the surviving CBA does not have consolidated or auxiliary board seniority provisions then those provisions will be incorporated as a part of this agreement.

6. Consolidated seniority provisions and auxiliary board provisions only apply within the four Zones of the Hub and engineers in the Hub do not have such rights in other Hubs or non-merged areas and correspondingly cannot be forced to those other areas outside the Hub.

**Note 1:** Each Zone shall include all main and branch lines, industrial leads and stations between the points identified.

**Note 2:** Crews with home terminals within a Zone may work to points outside the Zone and Hub. The Zone identifies the on duty points for assignments and not the boundaries of assignments. For example a road switcher on duty at Fresno may work in any direction up to the limits of its radius as set by the road switcher agreement and a work train at Sparks may work both east and west.

7. SP engineers on Auxiliary Boards will be placed in the same Zone as the source of supply location and WP engineers temporarily working in the Salt Lake City Hub shall be placed in a Zone based on the WP BLE ebb and flow agreement that existed pre merger. Engineers currently forced to positions within the Roseville Hub, borrowed out to the Roseville Hub, or working an auxiliary Board position from outside the Hub will be released when their services are no longer required and will not establish a permanent date on the merged roster.
D. Engineers who are on an authorized leave of absence or who are dismissed and later reinstated will have the right to displace to any Hub and prior rights Zone which may have been established on his/her former territory, provided his/her seniority at time of selection would have permitted him/her to hold that selection. The parties will create an inactive roster for all such engineers until they return to service in a Hub or other location at which time they will be placed on the appropriate seniority rosters and removed from the inactive roster.

E. As work is moved from one Zone to another during the interim period, the following will govern:

1. Due to the rebuild of the Roseville yard and the tunnel work needed to run double stacks over former SP routes, current pool home and away from home terminals will remain, except as provided elsewhere in this paragraph (1), until the Carrier notifies the Organization of the implementation of the new pool freight runs. The notice shall list all assignments abolished and all assignments initially posted at the new locations (both pool and extra board). The notice shall be posted for fifteen days and successful applicants shall be notified of the assignments no later than seven days following close of the notice. (Attachment "A" sets forth the order of selection for these assignments.) The assignments shall be phased in 30 days after the bids close.

   Note: When pool turns are relocated a number of extra board positions shall be moved from the same location equal to 30% of the number of pool turns relocated.

2. Interim pool freight rights on existing runs shall be on the basis of prior WP and SP service except as provided in (3) below. SP engineers shall have rights to their former pools and WP engineers shall have rights to their former pools only during this interim period and then Zone rights shall govern. For example former SP engineers shall retain rights ahead of former WP engineers to the SP Oakland-Roseville pool until that pool is abolished or until the interim period is over. The same is true for former WP engineers in their Stockton-Portola pool.
3. Service interruptions through Portola or Sparks shall be handled as follows:

(a) During the interim period it is anticipated that some temporary shifting of employees between Portola and Sparks will be undertaken to handle capital projects. If trains are shifted on a short term basis (maintenance of way windows) then the CMS Director shall discuss the situation with the Local Chairmen involved and shall alternate calls between the two pools during the window. When used at the new temporary location they shall be entitled to a driving allowance of $31.50 per round trip.

(b) At times the Portola and Sparks areas have experienced washouts and heavy snows that have prohibited traffic movement. During these times, both interim and post interim, BLE local chairmen and the Carrier representative will consult so that the pools and extra boards on the disabled line shall be temporarily abolished and the other pools and extra boards shall be increased accordingly to handle the traffic. Should traffic use alternate routes during such periods and all pool and extra board engineers are not needed, then reserve board provisions shall apply for those who hold such rights or auxiliary board provisions. During these times CMS will extend call times. The parties understand that weather conditions in the winter may impact travel and weather conditions will be taken into account in travel time.

**Note 1:** Extended calls in 3 (a) and (b) will be two hour calls.

**Note 2:** During inclement weather the Carrier will provide lodging to those crews in 3(a) and (b) above.
4. The work referred to in section (1) is limited to specific pool turns moved to:

(a) Roseville [Zone 1] from Dunsmuir [Zone 3] / Bakersfield [Zone 2];

(b) San Luis Obispo [Zone 2] from Oakland [Zone 1] and Los Angeles;

(c) Sparks and Portola [Zone 4] from Oakland, Stockton, and Roseville [Zone 1];

(d) Bakersfield [Zone 2] from Los Angeles; and

(e) Dunsmuir from Eugene.

5. Work already in a Zone moving to a new location in the same Zone (e.g. Stockton to Roseville) is covered under the Zone seniority rules and engineers from a different Zone may not bid on those assignments unless there is a shortage in the Zone and then only pursuant to Article II(E)(10).

6. When pool vacancies occur and extra boards are increased at the locations identified due to the restructuring of pool operations the order of selection for the operations listed below are found in Attachment "A":

(A) Roseville - Dunsmuir

(B) Roseville-Bakersfield

(C) San Luis Obispo-East and West

(D) Sparks -West:

(E) Portola-West

(F) Bakersfield - Los Angeles/West Colton:

(G) Dunsmuir-Bend/Oakridge
7. Relocation allowances, either under New York Dock or in lieu of, will not be available during the interim period for movement to pool freight positions or extra boards in Sections 2 & 3 above. Engineers required to relocate to non pool freight positions or other extra boards as a result of the merger may elect to delay their relocation allowance request until after the implementation date of the new pools in Section 1 above.

8. During the interim period as work is relocated between Zones and a vacancy is not filled by bid, then engineers may be forced to the vacancy. The junior engineer at the location at which work is transferred from shall be forced to the vacancy. Local Chairmen shall assist in the assignment and placement process.

**Example:** Ten (10) Pool turns and three (3) extra board positions are abolished at Bakersfield and established at Roseville. Engineers from the seniority district that protect these assignments bid in 12 of them leaving one unbid vacancy. The junior engineer **at Bakersfield (location work is moved from)** not bidding in one of these assignments shall be assigned to the vacancy.

**Note:** Jobs left vacant through the bidding process will be filled by those who have a displacement. The intent of this agreement is to place all engineers on a position during the seven days following the closing of bids. It is also the intent of this agreement to reallocate forces between the Zones where necessary during the interim period so that at the end of the interim period there are not Zones with shortages and other Zones with a surplus. This process is explained in more detail in the questions and answers.

9. It is not the intent of this agreement to move engineers between Zones during the interim period except in response to the relocation of assignments and the equalization of engineers. Due to the reduction of assignments due to the Roseville yard rebuild and temporary movement of work due to capital projects it will be difficult to assess the number of surplus engineers in a Hub on a long term basis.
This agreement will incorporate protection board provisions that will help identify if a surplus exists. During the interim period Auxiliary board provisions will be used for short term vacancies when engineers are needed to cross Zone lines.

10. During the interim period if long term vacancies occur, other than the relocation of assignments in Section (E)(1) which have their own provisions, and a shortage exists in a Zone then the vacancies shall be posted in the other Zones with a surplus and if no bids received then the junior engineer on the Hub seniority roster in the surplus Zone(s) shall be assigned to the vacancy.

Example: Engineers from auxiliary boards from outside the Hub are working at Oakland. When they are released and if there are not enough engineers on the Zone 1 protection board to fill those vacancies then the provisions of (10) above will be used.

Note: The General Chairman and Labor Relations shall meet periodically during the interim period to review the shortages and surpluses within each Zone.

F. Vacancies that do not involve transferring work between Zones shall be handled as follows:

1. Section F vacancies, both interim and after the interim period, that go no bid or application, shall be filled by the provisions of the controlling CBA except as provided within this agreement.

2. Pools shall have an allocation chart for priority in filling specific vacancies and all other assignments in a Zone shall be filled from the Zone roster. After the initial relocation of assignments engineers must be holding Zone prior rights and be working in the Zone to apply for allocated vacancies. If engineers with allocation rights do not bid in an allocated position or there are fewer engineers with those rights than there are positions, then the Zone roster shall be used to fill the vacancies.
3. If assignments are increased and there are not enough engineers in active service (not including the Reserve Board) to cover all assignments, Reserve Board recalls may be started to cover the number of extra vacancies prior to no bid assignments being identified.

**Example:** There are 100 engineers working 100 assignments in a Zone. Two pool turns are added and two new road switchers are added. Since four additional engineers are needed four reserve board engineers may be recalled prior to identifying which vacancies will go no bid.

4. Engineers force assigned to a new Zone or bidding in Section E transfer of work vacancies will transfer their seniority date and prior rights to the new Zone roster. Engineers forced to a new Zone will be permitted to make application back to their original prior rights Zone. The application must be on file within **sixty (60) days of being forced** and will be honored when vacancies of a minimum of thirty (30) days exist in the original Zone and there are no engineers their senior on reserve boards or demoted in that Zone. *If an engineer is recalled and declines the recall, then his/her application will be pulled and not reentered.* (See relocation section on restrictions if relocation allowances are requested).

**Note:** The minimum of thirty (30) days shall be met when all engineers senior to the forced engineer have been assigned to a working position for a minimum of thirty (30) days or on a leave of absence for a minimum of thirty (30) days and an additional regular assignment becomes vacant. If the engineer returning to the original zone works for **ninety (90) days** without being demoted then the forced zone rights will be relinquished and the original zone rights reinstated.

5. Should work be moved from long pool service back to short pool service (i.e. the Sparks-Oakland Pool is abolished and traffic reverts to the Roseville short pools) or lines are abandoned or sold, then those engineers who previously moved from another Zone
to man this service may elect to move back to the original Zone and reinstate those prior rights.

G. At the end of the interim period the Zone seniority dates shall become permanent and only auxiliary board provisions or consolidated seniority provisions will be used to perform work in another Zone.

III. POOL OPERATIONS.

Pool operations within the Roseville Hub shall be restructured and the following shall represent pool operations.

A. Pools with home terminals at Sparks and Portola shall be run as follows:

1. **Sparks-Elko and Portola-Elko** shall be run as two separate single headed pools. These pools may be combined at the far terminal of Elko for the return trip to the home terminal upon ten (10) days notice from the Carrier. If later separated, a similar ten (10) day notice shall be given. When arrival at Sparks/Portola, if not at the home terminal, the engineer shall be driven to the original on-duty point for tie-up.

2. **Sparks-Winnemucca and Portola-Winnemucca** shall be run as two separate single headed pools. These pools may be combined at the far terminal of Winnemucca for the return trip to the home terminal upon ten (10) days notice from the Carrier. If later separated, a similar ten (10) day notice shall be given.
When arrival at Sparks/Portola, if not at the home terminal, the engineer shall be driven to the original on-duty point for tie-up.

Note: It is not the intent of this Agreement to use Winnemucca based engineers west to Sparks or Portola. If they are used in emergency service, then upon arrival at Sparks or Portola they will not be tied up but deadheaded back to Winnemucca in combination service.

3. **Portola-Orovile** service shall be protected from the extra board unless there is sufficient traffic to warrant a pool. If that occurs then a pool shall be established. If traffic levels again fall short then the work shall be protected from the extra board.

4. **Portola-Lathrop/Oakland** service shall be protected from the extra board unless there is sufficient traffic to warrant a pool. If that occurs then a pool shall be established. If traffic levels again fall short then the work shall be protected from the extra board. See (5) below for interim operation of the Portola/Lathrop portion. While the Portola-Lathrop portion remains with the Portola-Stockton doubleheaded pool the Portola-Oakland portion shall run as a separate pool if traffic warrants and if not then off the extra board.

5. **Portola-Stockton** service is currently doubleheaded. It shall remain in service while the new Roseville yard is constructed and shall be abolished in accordance with the provisions of Article II Section E. The Portola-Lathrop service in (4) above shall continue to run with this doubleheaded pool as it currently does until the termination notice is effective.

6. **Sparks-Oakland/Lathrop/Stockton** shall be protected from the extra board unless there is sufficient traffic to warrant a pool. If that occurs then a pool shall be established. If traffic levels again fall short then the work shall be protected from the extra board.

7. **Sparks and Portola** crews at the far terminals of Oakland and or Lathrop/Stockton may be combined at
the far terminal for the return trip to the home terminal upon ten (10) days notice from the Carrier. If later separated a similar ten (10) day notice shall be given. When arrival at Sparks/Portola, if not at the home terminal the engineer shall be driven to the on-duty point for tie-up.

8. Sparks and Portola crews combined at the far terminals of Elko, Winnemucca, Lathrop/Stockton or Oakland shall be paid as follows when they handle a train to other than the terminal they originally departed.

a. The engineer shall be paid the miles of their assignment or miles run whichever is greater and any applicable overtime and/or arbitraries. The train trip shall end at this point.

b. For the transportation from Sparks to Portola or Portola to Sparks they shall be paid a minimum of two hours at the pro rata rate and on a minute basis for all time over two hours. The time shall begin at the time the crew has completed yarding their train and completed any reporting associated with the train. The time shall end when tied up at the home terminal. If the total time on duty would place the engineer on overtime then the two hour payment shall be at the overtime rate.

**Note:** Suitable transportation between Sparks and Portola includes carrier owned or provided passenger carrying motor vehicles or taxi, but excludes other forms of public transportation.

c. If due to inclement weather the engineer is tied up prior to being transported then the transportation time shall begin eight (8) hours after the tie up.
d. If notice is not given to combine the pool at the far terminal and an engineer is used to the wrong terminal they shall be paid a one-half day payment in addition to all other payments listed above. The one-half day payment does not apply if there has been a service interruption on one of the lines. Service interruptions include maintenance of way curfews of eight or more consecutive hours, floods, derailments, weather and acts of God.

B. Winnemucca-Elko/Wendel shall be combined and protected from the extra board unless there is sufficient traffic to warrant a single pool. If that occurs then a pool shall be established. If traffic levels again fall short then the work shall be protected from the extra board.

C. Pools with home terminals at Roseville shall be run as follows:

1. Roseville-Sparks/Portola service shall be operated as one pool as long as sufficient traffic permits the operation of a pool. Should sufficient traffic not be available then the service shall be protected from the extra board.

2. Roseville-San Jose/Oakland shall be operated as one pool as long as sufficient traffic permits the operation of a pool. Should sufficient traffic not be available then the service shall be protected from the extra board.

3. Crews destined for Sparks and Portola in single headed pools will be governed by the dual destination away from home terminal provisions of this Agreement Article III (M). Crews with trains destined for Oakland may be either tied up at Oakland or deadheaded in combination service on to San Jose for tie-up. If tied up at Oakland and then called to take a train from San Jose the engineer will be paid in accordance with Article III (A) (8) (a) & (b).

4. Roseville-Dunsmuir shall be operated as one pool as long as sufficient traffic permits the operation of a pool. Should sufficient traffic not be available then the service shall be protected from the extra board.
5. **Roseville-Fresno/Bakersfield** shall be operated as one pool as long as sufficient traffic permits the operation of a pool. Should sufficient traffic not be available then the service shall be protected from the extra board.

6. **Roseville-Oroville** shall be operated as one pool as long as sufficient traffic permits the operation of a pool. Should sufficient traffic not be available then the service shall be protected from the extra board.

**D. Pools identified in this agreement** running to **Oakland** or **San Jose** may operate over any of the multiple routes.

**E. Pools with home terminals at Dunsmuir and Klamath Falls** shall be run as follows:

1. **Dunsmuir-/Bend/Oakridge** shall be operated as one pool as long as sufficient traffic permits the operation of a pool. Should sufficient traffic not be available then the service shall be protected from the extra board. It is not the intent to deadhead crews from Bend to Oakridge.

2. **Dunsmuir-Klamath Falls** shall be operated as one pool as long as sufficient traffic permits the operation of a pool. Should sufficient traffic not be available then the service shall be protected from the extra board.

3. **Dunsmuir-Lathrop** shall be operated as one pool as long as sufficient traffic permits the operation of a pool. Should sufficient traffic not be available then the service shall be protected from the extra board.

4. **Klamath Falls-Bend** shall be operated as one pool as long as sufficient traffic permits the operation of a pool. Should sufficient traffic not be available then the service shall be protected from the extra board.

   **Note:** Oakridge-Klamath Falls will be covered in the Portland Hub.

5. Should the Modoc line reopen then the Klamath Falls-Wendel pool shall be reinstated.
Note: Operations between Dunsmuir and Eugene shall continue their current operations until the Portland Hub is implemented. At that time the Carrier may serve notice to implement these new operations except Klamath Falls-Bend may be operated at any time.

F. Pools with home terminals at Bakersfield shall be run as follows:

1. Bakersfield-Fresno/Yermo shall be operated as one pool as long as sufficient traffic permits the operation of a pool. Should sufficient traffic not be available then the service shall be protected from the extra board.

2. Bakersfield-Los Angeles/West Colton shall be operated as one pool as long as sufficient traffic permits the operation of a pool. Should sufficient traffic not be available then the service shall be protected from the extra board.

3. Bakersfield-Lathrop shall be operated as one pool as long as sufficient traffic permits the operation of a pool. Should sufficient traffic not be available then the service shall be protected from the extra board.

G. Pools with home terminals at San Luis Obispo shall be run as follows:

1. San Luis Obispo-Los Angeles shall be operated as one pool as long as sufficient traffic permits the operation of a pool. Should sufficient traffic not be available then the service shall be protected from the extra board.

2. San Luis Obispo-San Jose/Oakland shall be operated as one pool as long as sufficient traffic permits the operation of a pool. Should sufficient traffic not be available then the service shall be protected from the extra board.

3. Crews with trains destined for San Jose may be either tied up at San Jose or deadheaded in combination service on to Oakland. When tied up at San Jose and called to take a train from Oakland to
San Luis Obispo the engineer will be paid in accordance with Article III(A)(a)&(b). If an engineer is deadheaded in combination service back to San Jose after delivering their train to Oakland, and then deadheaded again to San Luis Obispo the provisions of Article III(M)(5) apply.

**H. Oakland** and **San Jose** are separate terminals. If an engineer is tied up for rest at Oakland or San Jose, they will not be worked or deadheaded to the other away from home terminal and tied up a second time.

**I. Stockton/Lathrop-Oakland/San Jose** service shall be operated during the interim period with Stockton as the home terminal. This service shall be operated as one pool as long as sufficient traffic permits the operation of a pool. Should sufficient traffic not be available then the service shall be protected from the extra board. This traffic may operate over multiple routes.

**J.** New pool operations shall be governed by Article II Section E for implementation except for Portola-Oakland which may begin upon ten days notice. Operations in (K) below may be implemented upon proper notice/bulletin as provided in current collective bargaining agreements. Pool operations in place prior to the implementation of this Agreement shall continue until the Carrier serves notice to implement new pool operations.

**K.** Any pool freight, local, work train, or road switcher service may be established pursuant to the controlling CBA to operate from any point to any other point within the new seniority district with the on duty point within one of the Zones.

**L.** New pool operations not covered in this implementing Agreement between Hubs or one Hub and a non merged area will be handled per Article IX of the 1986 National Implementation Award.

**M. Away from Home Terminal Dual Destination.** The following conditions shall apply for repositioning crews from one away from home terminal to another at the combined destinations of, Portola/Sparks, and Los Angeles/West Colton.

1. Crews may only be deadheaded prior to tie-up after the initial trip.

**Example:** A crew runs from Roseville to Sparks. If the crew is tied up at Sparks they cannot later be deadheaded to Portola except in emergency situations such as a flood or derailment. The crew can be deadheaded prior to tie-up from Sparks to Portola.
for tie-up at Portola after their original trip from Roseville.

2. Crews will not be deadheaded by train from one away from home terminal to another away from home terminal.

3. Engineers will be paid for the transportation between the terminals in accordance with Article III Section (A) (8) (a) & (b)

4. Once deadheaded between two away from home terminals, an engineer will not be deadheaded back except in an emergency situation such as a flood or derailment.