

MEMORANDUM OF AGREEMENT

between

BNSF RAILWAY COMPANY

and

SMART-TD

To expedite movements in the Houston/Galveston area, the parties agree to extend the present switching limits as follows:

1. Galveston

Present General Switching Limit

New General Switching Limit

Galveston Subdivision: MP 8 +721'

Galveston Subdivision: MP 22.0

2. General

- A. Entry rates for yard employees within the Galveston Terminal shall be governed by the following: new hire employees, after completion of training, will be compensated at ninety (90) percent of the established rate of pay; and, this rate will increase to one hundred (100) percent of the established rate of pay when the employee is promoted to conductor, yard foreman or yardmaster or after two years, whichever occurs first.
- B. The parties understand that any road or yard job can go anywhere within the Houston/Galveston switching limits.
- C. When Galveston yardmen are required to report for duty or are relieved from duty at a point other than the fixed on and off duty point for the service established hereunder, the Carrier shall authorize and provide transportation for the yardman.
- D. Suitable transportation includes Carrier owned or provided passenger-carrying motor vehicles or taxi.


3. Equity

- A. Beyond the prior righted JTD local freight assignment that works between Houston and Galveston (which may be converted to a prior righted JTD yard assignment), transfer work between Houston and Galveston may be performed with former ATSF or former HBT crews.
- B. If an equity concern arises, the parties will meet and attempt to resolve the concern.

This understanding, except as specifically stated herein, will not serve to modify, amend, nor otherwise supersede any applicable schedule rule or agreement and will become effective on December 31, 2014, and will remain in effect subject to cancellation under the provisions of the Railway Labor Act, superseding any provisions of previous agreements to the contrary.

FOR THE BNSF RAILWAY COMPANY:

FOR THE SMART-TD:



M.H. Siegele, Jr.
AVP Labor Relations



C.J. Adams
General Chairman



J.K. Ringstad
General Director Labor Relations

Side Letter #1 - Foreman-Only Utility Transfer Assignments

It is understood that the following will apply to Foreman-Only Utility Transfer assignments covered by ATSF N/S Division Collective Bargaining Agreements within the expanded Galveston/Houston Terminal.


1. Utility Transfer Assignments shall be paid at the Footboard Yardmaster rate of pay. In addition, such positions will be paid a special allowance of \$42.00 for each tour of duty and this allowance will not be subject to future general wage increases (GWI) or cost of living allowances (COLA).
2. Utility Transfer positions may not be attached to assist other (road or yard) crews, nor will they be required to perform general yard switching or industry switching, but will be strictly limited to the specific duties outlined herein.
 - a. Transfer trains and/or intact blocks of cars between locations within switching limits, including interchange to and/or from connecting carriers and switching companies.
 - b. Handle locomotives, including making up/breaking up engine consists. This is not intended to modify the principles of interchange.
 - c. Double inbound/outbound cars to/from the arrival/departure track at any location within switching limits, provided that no track other than the arrival/departure track may be entered more than one time. This will be considered one of the three permissible moves identified in paragraph g. of this Side Letter #1.
 - d. Reposition hazardous material cars in a train, transfer or interchange cut they are handling in order to comply with train placement restrictions.
 - e. Set out defective (bad order) cars from train, transfer or interchange cuts they are handling.
 - f. Set out up to three misrouted cars during anyone train, transfer or interchange move.
 - g. Perform up to three (3) straight pickups or setouts (or combination thereof) during any one train, transfer or interchange move. NOTE: The term "straight" pickup or setout means that the pickup must be first-out on the pickup track and the setout must be left first out on the setout track.
3. Vacancies for Galveston utility transfer assignments will be protected by the Galveston switchman's extra board.
4. This Agreement is not intended to eliminate the shuttle jobs in and around Galveston.

It is understood that this Agreement is not intended to abrogate or otherwise alter the moratorium contained in any current Crew Consist Agreement, and this Agreement will not be referred to by

either party in any other context.


Signed and effective this 31st day of December, 2014.

FOR THE BNSF RAILWAY COMPANY:

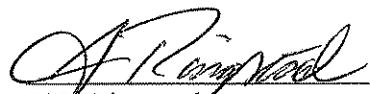


M.H. Siegele, Jr.
AVP Labor Relations

FOR THE SMART-TD:



C.J. Adams
General Chairman



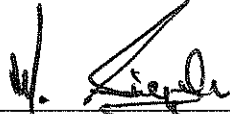
J.K. Ringstad
General Director Labor Relations

Side Letter #2 – Prep Time

Yard engine foremen are required to report at the designated on-duty time and obtain all work orders and paperwork applicable to their assignment. Yard foremen who perform this work are entitled to claim an additional ten (10) minutes pay using CA Code 35.

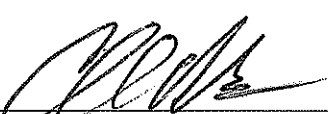
This agreement will become effective on December 31, 2014, and may be cancelled by a 10 day written notice one party upon the other.

FOR THE BNSF RAILWAY COMPANY:



M.H. Siegele, Jr.
AVP Labor Relations

FOR THE SMART-TD:



C.J. Adams
General Chairman



J.K. Ringstad
General Director Labor Relations

Side Letter #3 – Meal Period

In lieu of a 20-minute meal period, the yard crew will be allowed 10 miles if they are on-duty for less than 10'40". If the yard crew is on-duty in excess of 10'40", they will be allowed an additional 6 miles.

Example: A crew is on-duty for between 8'00" and 10'40". They will receive a 10 mile payment. A crew that is on-duty for more than 10'40" will receive a total of a 16 mile payment. This applies whether or not the crew receives a meal period.

Notwithstanding the provisions of this agreement, the parties acknowledge that a crew will continue to be allowed to eat at any time during their tour of duty as long as it does not delay train operations in any way.

This agreement will become effective on December 31, 2014, and may be cancelled by the service of a 10 day written notice of intent to cancel by either party upon the other.

FOR THE BNSF RAILWAY COMPANY:




M.H. Siegele, Jr.
AVP Labor Relations

FOR THE SMART-TD:



C.J. Adams
General Chairman



J.K. Ringstad
General Director Labor Relations

QUESTIONS AND ANSWERS

Q 1 – Will a Foreman-Only Utility Transfer Job be able to perform service outside of switching limits?

A 1 – Generally speaking, no. But, the Foreman-Only Utility Transfer Job is considered a yard job and a yard job may perform limited work in the road/yard service zone.

Q 2 – May a Foreman-Only Utility Transfer Job position be used to perform general switching?

A 2 – No, switch moves beyond those described in the Agreement would be considered a violation of this Agreement.

Q 3 – May a Foreman-Only Utility Transfer Job position be supplemented with additional yardmen to make a full yard crew?

A 3 – No.

Q 4 – May a Foreman-Only Utility Transfer Job position be used to assist road crews in making pickups and/or setouts, including set and release of handbrakes making couplings and relaying and/or giving instructions?

A 4 – No.