

A G R E E M E N T
between the
UNION PACIFIC RAILROAD COMPANY
Northwestern District - Oregon Division
and the
UNITED TRANSPORTATION UNION - C&T Division
UNITED TRANSPORTATION UNION - E Division
and
BROTHERHOOD OF LOCOMOTIVE ENGINEERS
** *** **

SEA-PORT FAST TRACK

In recognition of the fact that it is to our mutual advantage to improve the Company's ability to compete more effectively in the transportation marketplace and specifically with the object of capturing new business, namely, trailer-on-flat-car (TOFC) and container-on-flat-car (COFC), which is presently moving via truck between Portland, Oregon (Albina) and Seattle, Washington (Argo/Stacy Street Yard/Harbor Island),

IT IS AGREED:

Section 1. The Company may establish a through freight service assignment to be manned by an engineer and a conductor subject to the following conditions:

(a) The assignment shall be used for the movement of TOFC and COFC traffic between Seattle and Portland not presently handled by Union Pacific, and shall not be substituted for existing assignments.

(b) Trains operated under this agreement will consist of twenty-five cars or less (not exceeding 2500 feet in length) and will operate without a caboose, utilizing telemetry rear-end devices.

NOTE: It is understood that one telemetry device will be maintained at each home terminal for use on each regular assignment; however, should the device become inoperable, or should it become necessary to operate extra trains in this service, the use of the Star Gauge rear-end marker device will be permissible until such time as the telemetry device can be repaired or replaced.

(c) Portland (Albina) and Seattle (Argo/Stacy Street Yard/Harbor Island) may be designated as both the home and away-from-home terminals with the understanding that each assignment will have a designated home and away-from-home terminal.

(d) The assignment, which may be operated five, six or seven days per week, will be subject to the local starting time rules; otherwise, the assignment will be governed by through freight rules, rates and conditions.

NOTE: In the event the assignment is bulletined to operate five days per week, resulting in the crew tying up at the far terminal on the fifth day, the crew will be deadheaded by bus or train to the home terminal of the crew's assignment.

(e) Trains operating under this agreement will run from terminal to terminal intact and except for setting out cars in emergency (bad orders), no work will be performed enroute. On trains manned by an engineer and conductor, initial and final work will be limited to a single doubleover.

Section 2. Crew members working the Sea-Port Fast Track trains between Portland and Seattle will be guaranteed 185 miles, at the basic rate of pay, for each straightaway trip in either direction.

Section 3. Except as otherwise provided herein, the assignment established pursuant to Section 1 shall be governed by the provisions of the effective working agreements between the parties.

Section 4.(a) Should the volume of traffic dictate, additional assignments may be established to be operated in accordance with the terms and conditions of this agreement.

(b) To encourage the expansion of this service, should the volume of traffic on a given day exceed the 25 cars as provided in Section 1 (b) of this agreement, the assignment may handle up to 50 cars, (not to exceed 5000 feet in length), provided that the crew is supplemented with an extra brakeman from the road extra board. However, this provision shall not be used to avoid the operation of extra service or the establishment of an additional assignment when the volume of traffic in each direction consistently indicates that an additional assignment is warranted.

NOTE: The provisions of this Section 4 (b) shall be limited to one train in each direction per day.

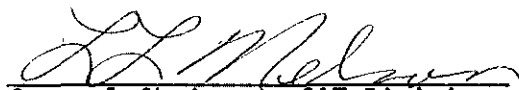
(c) The terms of this agreement shall apply to extra service operated in accordance with Section 1, with the exception of Section 2 in those instances where the Schedule Agreement requires the changing out of extra men at Centralia in which event the Basic Day Rule shall apply.

Section 5. In order to provide an adequate test period, the assignment established pursuant to the terms of this agreement shall remain in effect for not less than six months following the date of its establishment.

Section 6. This agreement shall become effective on May 1, 1986 and thereafter subject to the condition that it shall automatically terminate and be of no further force or effect upon the serving of a ninety-day written notice by any one of the parties upon the other party of its desire to terminate the agreement. It is understood, however, that the parties will meet in conference to review the operation prior to the serving of such a notice by any one of the parties.

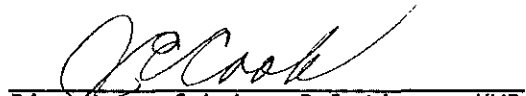
Dated at Portland, Oregon this 28th day of APRIL, 1986.

UNITED TRANSPORTATION UNION:



General Chairman, C&T Divisions


General Chairman, E Division

UNION PACIFIC RAILROAD COMPANY:


Director of Labor Relations, NWD

BROTHERHOOD OF LOCOMOTIVE ENGINEERS:


General Chairman

UNION PACIFIC RAILROAD COMPANY

J. E. COOK
REGIONAL DIRECTOR-
LABOR RELATIONS-WESTERN DISTRICT
J. R. GUM
W. S. HINCKLEY
ASSISTANT REGIONAL DIRECTOR-
LABOR RELATIONS



406 WEST FIRST SOUTH
SALT LAKE CITY, UTAH 84101

November 4, 1986

LR 013-1-2

Mr. J. L. Dayton
General Chairman, BLE
5926 N.E. Killingsworth
Portland, Oregon 97218

Mr. L. L. Nelson
General Chairman, UTU C&T
936 SE Ankeny Street - Suite F
Portland, OR 97214

Gentlemen:

This refers to the Sea-Port Fast Track Agreement dated April 28, 1986.

I would first like to thank both of you and all of the employees for the foresightedness shown in their approval of the Sea-Port Fast Track Agreement. The traffic level is above the original expectations and has a very solid northbound traffic base. The train has successfully demonstrated its value to both Labor and Management by creating new jobs and providing new business.

The goal of the Agreement was to build a train that would gain business and eventually require the services of a brakeman. In the past few weeks, traffic levels have been high enough to place a brakeman on the train a few times. This has been to the benefit of both the Carrier and the employees.

We are now at a crossroads in the evolution of the Sea-Port Fast Track. Some businesses have inquired as to the possibility of making pickups and setouts at Tacoma using the Fast-Track train. As both of you suggested, we did hold several meetings with employees to discover their concerns and those meetings were very beneficial to the Carrier.

In reviewing the Carrier's options, we see two courses of action. One option is to amend the Fast Track Agreement to allow the Carrier to stop at Tacoma (Fife) and make a pickup or setout. I believe this option would best serve the needs of the employees and the Carrier as it would guarantee a brakeman on the train, pay the extra 6 miles and higher rate and allow for future growth and the development of other Fast Track trains.

The second option would be to run a train under the Crew Consist Agreement. This gives the Carrier greater flexibility in that it permits more than one stop and the crew could go right to the port at Tacoma. It also pays at a lower rate and fewer miles. The drawback is that it turns the train into more of a local than a priority train. The Crew Consist Agreement currently allows for the establishment of this train.

While the Carrier may use Crew Consist, it would prefer to first seek an amendment to the Fast Track Agreement which would allow the parties to duplicate the success of the present train on subsequent trains. The Carrier believes that the proposed amendment would provide a greater opportunity for additional jobs. Therefore, the Carrier proposes that the Sea-Port Fast Track Agreement be amended as follows:

"Section 4(b)-2. The Carrier may bulletin one Sea-Port Fast Track Train, per day in each direction, for a stop at Fife, to permit one straight pick-up and/or one straight set-out originating or terminating at that location. The road crew shall be limited to the set-out and/or pick-up at Fife and shall not be permitted into other Tacoma Yard areas. The train(s) bulletined to stop at Tacoma will have a regularly assigned brakeman. The brakeman's position will be considered a must-fill position under the September 15, 1980, Crew Consist Agreement."

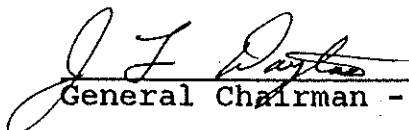
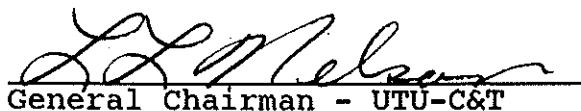
While I appreciate your desire to see a brakeman employed on every train, we must be careful to not overburden this train with added cost too early. This would have a negative effect on the train's profitability. Should daily traffic develop at Tacoma, the Carrier would then put a brakeman on another train to cover this business under the same provisions as the first train.

Should this be agreeable to you, please affix your signatures below and return one copy to this office.

Yours truly,



A G R E E D:


General Chairman - BLE
General Chairman - UTU-C&T

UNION PACIFIC RAILROAD COMPANY

J. E. COOK
REGIONAL DIRECTOR-
LABOR RELATIONS-WESTERN DISTRICT
J. R. GUM
W. S. HINCKLEY
ASSISTANT REGIONAL DIRECTOR-
LABOR RELATIONS



406 WEST FIRST SOUTH
SALT LAKE CITY, UTAH 84101

December 16, 1986

LR 013-1-2

Mr. C. L. Barrett, Jr.
General Chairman, UTU-E
8835 S.W. Canyon Lane
Suite 404-B
Portland, OR 97225

Dear Mr. Barrett:

This refers to the Sea-Port Fast Track Agreement dated April 28, 1986.

I would first like to thank you and all of the employees you represent for the foresightedness shown in their approval of the Sea-Port Fast Track Agreement. The traffic level is above the original expectations and has a very solid northbound traffic base. The train has successfully demonstrated its value to both Labor and Management by creating new jobs and providing new business.

The goal of the Agreement was to build a train that would gain business and eventually require the services of a brakeman. In the past few weeks, traffic levels have been high enough to place a brakeman on the train a few times. This has been to the benefit of both the Carrier and the employees.

We are now at a crossroad in the evolution of the Sea-Port Fast Track. Some businesses have inquired as to the possibility of making pick-ups and set-outs at Tacoma using the Fast-Track train. This provides an opportunity to gain more traffic and hasten the time when additional trains are put on.

The Carrier would prefer to seek an amendment to the Fast Track Agreement which would allow the parties to duplicate the success of the present train on subsequent trains. The Carrier believes that the proposed amendment would provide a greater opportunity for additional jobs. Therefore, the Carrier proposes that the Sea-Port Fast Track Agreement be amended as follows:

RECEIVED
DEC 22 1986
U.T.U.


"Section 4(b)-2. The Carrier may bulletin one Sea-Port Fast Track Train, per day in each direction, for a stop at Fife, to permit one straight pick-up and/or one straight set-out originating or terminating at that location. The road crew shall be limited to the set-out and/or pick-up at Fife and shall not be permitted into other Tacoma Yard areas. The trains(s) bulletined to stop at Tacoma will have a regularly assigned brakeman. The brakeman's position will be considered a must-fill position under the September 15, 1980, Crew Consist Agreement."

Should this be agreeable to you, please affix your signature below and return one copy to this office. This amendment has been proposed to the other Organization's involved.

Yours truly,



A G R E E D:


General Chairman - UTU-E