

MEMORANDUM OF AGREEMENT

Between

UNION PACIFIC RAILROAD COMPANY

and

BROTHERHOOD OF LOCOMOTIVE ENGINEERS AND TRAINMEN

Representing Locomotive Engineers within the territories encompassing the Portland Hub Zones 1, 2 and 3 and the Salt Lake Hub

The Parties agree to adopt the following changes with regard to vacation administration for locomotive engineers in the Portland Hub Zones 1, 2 and 3 and the Salt Lake Hub.

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**VACATION ADMINISTRATION MODIFICATIONS**

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**ARTICLE I. VACATION AGREEMENT ADMINISTRATION MODIFICATIONS**

The Parties agree that the following changes shall be adopted in the administration of vacations as a pilot project in order to achieve an even distribution of vacations throughout the year, stabilize the work force, and address the Organization's request to accommodate junior employees being forced to use/observe all or most of their vacation time within the first few months of the year. The Combined Vacation Agreement dated at Salt Lake City, April 25, 1963, and Memorandum Agreement EO-1369 dated Salt Lake City, December 10, 1976, modified January 1, 1977; July 25, 1980; February 27, 1981; and June 5, 1981, as well as the Vacation Agreement Administration Modifications effective January 1, 2005 are hereby modified to the extent the following shall govern with respect to assigning and administering vacation periods for locomotive engineers for each calendar year across the territories encompassing the Portland Hub Zones 1, 2 and 3 and the Salt Lake City Hub:

*\*\* Where the term 'Local Chairman' is referenced in this document that is understood to mean the BLET Local Chairman with jurisdiction or their designee.*

**Section 1 – Craft and Location of Vacation Allocation:**

- A.** As outlined in Memorandum of Agreement #340526162210, "Preponderance of Service for Vacation Qualification," attached hereto, the Parties mutually agree that the manner in which the crafts of engineer and train service are determined for an employee for vacation scheduling purposes only, shall be based on the location, craft, and class of service where he/she was assigned for a preponderance of the time during the six (6)-month qualification measurement period. The qualification measurement period shall be April 1 through September

30. The provisions of this Agreement will not take effect unless and until Memorandum of Agreement #340526162210 is signed by all parties.

- B. This Section 1 will not modify existing arrangements governing vacation groupings or other matters pertaining to vacation scheduling beyond those items specifically addressed herein.

## **Section 2 – Preparation of Vacation Schedule and Parameter Allocation**

- A. On or about November 15 of each calendar year the Carrier officer designated to administer vacation scheduling shall notify the BLET Local Chairman the number of engineers it is anticipated may be released for vacation purposes in each vacation period during the vacation year which begins on January 1 of the following year. In addition, the Carrier officer designated to administer vacation scheduling shall, between November 15 and December 1, provide the BLET Local Chairman with a list of the names of engineers who have worked a sufficient amount of time to qualify for one, two, three, four or five weeks of vacation during the following year. The notice shall also provide the week in January, February or March when force assigning of vacations shall commence as outlined in Section 2, Paragraph J of this Agreement.
- B. The vacation schedule prepared by the BLET Local Chairman shall be submitted to the Carrier officer designated to administer vacation scheduling on or before December 15. CMS shall display the vacation schedule sufficiently to inform all employees of the vacation period awarded to them. Once approved by the Carrier, the vacation schedule prepared and/or entered into the system by the BLET Local Chairman shall be considered as the official vacation schedule for engineers during the vacation year to which it applies. The official vacation schedule shall not be changed except as provided in Section 2 of this Agreement and the "NOTE" under Subsection (A).

**NOTE:** The parties agree that all references herein to the current manner and process for scheduling vacations is subject to change with the advent/development of technology that makes it feasible for individual employees to input their vacation preferences and be assigned per agreed upon principles of seniority, subject to Organization review, without need for local chairmen to handle that function for them.

- C. The Parties agree the number of employees assigned on the vacation schedule to take vacations during any vacation period, shall not exceed the number which the Carrier officer designated to administer vacation scheduling has indicated may be released during that period at any point. Local Chairmen "float" weeks are not included in this calculation of the total number of weeks.
- D. Except as otherwise provided herein, vacation periods for engineers, subject to the provisions of Paragraph E below, shall be scheduled to commence on Monday of the calendar week, or – for assignments with assigned rest days, on the first scheduled workday following the rest days of the assignment, except that

no vacation shall be scheduled to commence in December when it cannot be completed by December 31. It is incumbent on employees to schedule vacation on the Monday closest to the end of the rest days of these assignments.

**NOTE 1:** In a year when Christmas and/or Christmas Eve falls on Saturday and/or Sunday engineers will be permitted to bid the final week of the year and advance their vacation up to two (2) days in order to permit the vacation ending on December 31<sup>st</sup>.

**NOTE 2:** In the application of Subsection (D) in determining the date when vacation of an engineer is to begin, if an engineer's tour of duty commences at the away-from-home terminal on the day prior to date vacation is to begin and he/she arrives at his/her home terminal after 12:01 a.m. on the date his/her vacation is scheduled to begin, the engineer will be permitted to commence his/her vacation as of that day if he/she so desires or he/she may elect to defer the commencement date of his/her vacation in these circumstances, to the following date. If, however, an engineer has commenced his/her trip from the away-from-home terminal after 12:01 a.m. on the date his or her vacation was scheduled to begin, the commencement date of his/her vacation must, in these circumstances, be deferred to commence on the following date.

- E. An employee may, if desired, defer (start after the scheduled date) or advance (start prior to the scheduled date) vacation up to three (3) days after or before the scheduled start date. An employee desiring to advance or defer his/her vacation must notify CMS no less than twenty-four (24) hours prior to the day the vacation is scheduled to commence. The parties will endeavor to accommodate the requests for advancing or deferring vacation. However, granting requests to advance or defer vacation will be subject to the needs of UP's service.

**NOTE:** The increasing of vacation opportunities and flexibility as set forth herein shall not cause Carrier to incur any additional employee protection expense or guarantee payments as a result thereof.

- F. Employees must apply for one (1), two (2), three (3), four (4) or five (5) vacation weeks based on their entitlement. Engineers who fail to bid for vacation will be force assigned ahead of junior engineers beginning on the Monday of the week when the parties agree force assigning of vacations shall begin for the year. Engineers who are outbid will be force assigned in accordance with Paragraph L of this Section.
- G. Engineers will be permitted to trade assigned vacation periods with the concurrence of the proper BLET Local Chairman and Carrier representative.

- H. Engineers shall be obligated to protect their assignments immediately following expiration of the vacation period unless additional time off is authorized by proper authority prior to the expiration of their vacation period.
- I. No vacations shall be forced in January during the year of 2017. The inception of the forcing of vacations in subsequent years shall be governed by whether a vacation grouping meets the requirements set forth in Section 2, Paragraph J below in the preceding year.
- J. In order to achieve an even distribution of vacations throughout the year, stabilize the work force, and to address the Organization's request to accommodate junior employees being forced to use/observe all or most of their vacation time within the first few months of the year, vacation assignments in each vacation grouping will be made on the following monthly percentage basis:

Parameter allotments will be determined using a 52 week divisor (for the purpose of backfilling). Engineers will be encouraged to bid single days and move weeks from later in the year to the 8.33% monthly base rate during the months of January, February and March. Force assignment of vacations for a subsequent year will be determined by the success of this process. If voluntary vacations reach 75% of the base rate in January, February and March, no force assignments of vacations will be required in January, February and March of the following year. However, should voluntary vacations fail to reach these standards for one or more of these months in a particular year, vacation forcing in the following year will commence in the earliest of the three months for which the goal was not reached. If voluntary vacations fail to reach these standards for each of the three of these months in a particular year, vacation forcing in the following year will commence on the first Monday in January the following year. For purposes of force assigning vacations, each vacation grouping will be measured on its own for purposes of determining the success or failure of the process and treatment in subsequent years.

**EXAMPLE 1:** Vacation Group 1 takes vacations at a rate of 75%, 78% and 83% of the base rate in each of the first three months of the year in the first year. In the second year, no one in Vacation Group 1 will be forced to schedule vacations in January, February or March.

**EXAMPLE 2:** Vacation Group 2 achieves an 81% rate for January, 74% rate for February, and an 82% rate for March in the first year. Vacation Group 2 will be required to force members to take vacation starting in February in the second year due to their failure to achieve 75% of the base rate in February.

**EXAMPLE 3:** Vacation Group 3 takes vacations at a rate of 70% of the base rate in January, and 80% of the base rate in both February and March of the first year. Vacation Group 3's members will be forced to start taking vacation in January of the following year.

**NOTE 1:** The parties acknowledge that a truly flat rate of vacations would equate to  $100\%/52 \text{ Weeks} = 1.92\%/week$  equating to  $1.92\% \times 4 = 7.68$  percent for a four (4) week month (9.6% for a month with 5 Mondays.)

- K.** The allocations of weeks will be increased by a factor of 1.5 for each of the first two weeks of November and for the first two weeks of December for those areas that qualify for “no forcing” in January. For those areas that also qualify for no forcing through February, the allocations of weeks will also be increased by a factor of 1.5 for weeks 2, 3 & 4 in September and the 3<sup>rd</sup> week in December. For those areas that qualify for no forcing through March, the allocations of weeks will also be increased by a factor of 1.5 for the all weeks in October. These additional weeks above the base line can be full or single day weeks. These artificially inflated (additional) weeks are anticipated to be used earlier in the year as personal needs permit/require. During those weeks, should sufficient weeks be vacated to permit backfilling, backfilling will only be permitted to the original 52 week parameter divisor.

**NOTE:** If any solid weeks of vacation are voluntarily “bid in” in January, February, and March, those inflated weeks in September, October, November and December will be decreased proportionately to the number of weeks bid in January, February, and March. All reductions start with inflated weeks in weeks in October then the last three weeks of September, then the third week of December. Then reductions continue on to any inflated weeks in the first two weeks of November. The last reductions would occur in the first two weeks of December. If further reductions are necessary, this process would rotate back to the beginning and repeat. **These weekly allocations shall be reduced by one week per week through the cycle until all voluntarily bid weeks in January, February and March are accounted for.**

**EXAMPLE 1:** There are five hundred and forty (540) vacation weeks to be scheduled in the year. (Divided by 52 = 10.3846 vacations per week.)  $.3846 \times 52 = 19.9996$  which rounds to 20. The allocation would 11 weeks for 20 weeks of the year and 10 weeks for 32 weeks of the year. ( $11 \times 20 = 220$  &  $10 \times 32 = 320$ ;  $220 + 320 = 540$  weeks.) Backfilling would be allowed to the allocation level for each week. In a year when forcing would begin in February CMS will allow 15 vacations to be assigned for each week – first two weeks of November and first two weeks of December ( $4 \times 15 = 60$  weeks.) Similarly, additional vacation slots will be made available for those weeks in September, October and December during years where forcing is delayed to March and April. In any case, backfilling will be limited only to the basic allocation amount of weeks (10 and 11 in this Example 1.)

**EXAMPLE 2:** There are two hundred and ten (210) vacation weeks to be scheduled in the year. (Divided by 52 = 4 vacations per week.) In a year when force assigning commences in February CMS will allow 6 vacations to be assigned for each week in the first two weeks of November and first two weeks of December ( $4 \times 6 = 24$  weeks.) In this example, backfilling would be permitted to 4 per week.

- L. The inception of force assignment of vacations for a specific vacation jurisdiction (grouping) for a particular year will be determined by the extent that engineers engage in voluntary vacation utilization in the preceding year during the months of January, February and March. BLET officers will encourage the engineers under their jurisdiction to take a maximum number of single day and full weeks of vacation during the months of January, February and March. Single Vacation Days voluntarily taken in January, February and March using the Carrier's EAMS will be credited to the engineer's vacation group. Should voluntary vacations not be to a level of at least 75% of what would have been forced in a normal 52 week parameter in January, vacation forcing will commence on the first Monday of January of the following year. The same is true with regard to 75% in February and March (i.e. should vacation taken voluntarily not equal 75% of what would have been forced in those months, vacation forcing will commence on the first Monday of February or March of the following year). In the event there is a substantial number of requested vacation days denied in any month which contributes to a group not achieving their minimum of 75% and would result in returning to the previous 12-month scheduling concept, a review of such denied days will be conducted. If the absenteeism rate in that terminal exceeded 20% (including compensated and non-compensated absences) on days on which vacation days were denied, no denied days will be credited to the 75% in January, February or March. For every day on which days were denied, and the absenteeism rate in that terminal was less than 20% on that day, a credit of one vacation day for every day denied up to a 20% absenteeism rate for the terminal on that day will be added to the number of days taken that day when calculating the 75% minimums.

**EXAMPLE:** There are five hundred and twenty (520) vacation weeks to be scheduled in the year. (Divided by 52 = 10 vacations per week.) During the previous year, engineers took more than 75% of the 8.33% rate in January, February and March. The weeks include both full weeks and single day vacations days taken during the period. Force assigning of vacations will be delayed until the first Monday in April under this scenario. The monthly rate for January, February and March shall be determined to be  $.0833 \times 520 = 43.316$   $\times .75 = 32.487$  weeks (or 227 days) for each month.

**NOTE:** For simplification purposes, a WEEK of vacation will be counted as 7 days (although some have only 5) and single days will be counted as one for each taken. Additionally, each month will be considered as having four (4) weeks (even though 4 of the twelve months have 5).

- M. Vacation weeks vacated in the vacation schedule by an engineer advancing all or part of their vacation to another period may be utilized by the senior engineer applying to the BLET Local Chairman to advance his vacation from another period provided the Local Chairman will advise CMS of the changes at least 48

hours or more in advance of the starting time of the vacation period. BLET Local Chairmen will be permitted to backfill to the basic week parameter.

**NOTE:** A vacation week/slot will be considered open/available once an engineer uses all his/her single days from that week/slot, or vacates the week for other reasons, i.e., retirement etc. The vacated week will be available to be filled by the BLET Local Chairman with jurisdiction over the vacation grouping in which the vacancy occurs. An engineer electing to move his/her vacation into an open week/slot will only be able to move a full week of vacation and will not be allowed to take single day vacations from this moved week.

- N.** Should the Carrier or BLET Division desire to create a new grouping within the jurisdiction of a division (i.e., Hinkle as a sub group for La Grande, The Dalles as a sub group for Portland), such grouping may be established with the mutual agreement of the parties – i.e., the Carrier’s designated party authorized to administer vacations and the BLET Local Chairman or Chairmen with jurisdiction over the vacation grouping the sub-group is being created within. Such sub group, once established will continue until or unless one of the parties removes its agreement to maintain the grouping.

**NOTE:** The parties agree that due to the size of these satellite groups – which result in less than one week of vacation per calendar week through the year, the January force requirement shall be waived, i.e. since there will be weeks during the year when there will be no vacations assigned. The parties agree that for the balance of the year, the vacation requirement will be allocated in a uniform manner. Should the percentages be met voluntarily for February and March, force assignment will be delayed as provided in the agreement.

- O.** The parties agree that the provisions of Appendix 46, the May 15, 2007, Guaranteed Extra Board Agreement will be amended as follows: It is understood that the forfeiture of guarantee where no service is performed between layoffs shall not apply toward BLET Local Chairmen absences due to reasonable layoffs for union business provided the Local Chairman contacts Timekeeping and provides necessary information verifying the reason that caused the LU’s.

Q1. Extra board BLET Local Chairman lays off Union Business at 8pm June 4th for an investigation on June 5. He or she marks up at 5 p.m. on June 5th following the investigation and remains available on the extra board until 7 a.m. June 6th where he or she lays off Union Business again for another investigation. Documentation for each investigation is provided to Timekeeping. Will the time between these two layoffs count toward the forfeiture threshold?

A1. Yes. Since it was known that both investigations were closely assigned, it was not reasonable to expect a trip could have been worked during the gap time.

Q2: Same example as Q1, but the time between layoffs was 96 hours. Will the time between these two layoffs count toward the forfeiture threshold?

A2: No. It is reasonable to expect a trip could have been worked during this time without interfering with the second investigation. It will be necessary for the Local Chairman to contact Timekeeping before payroll close to ask that the gap time not be penalized.

Q3: Extra board BLET Local Chairman lays off Union Business for 24 hours on July 7th to catch up on paperwork (correspondence & submit appeals). He or she remains available on the extra board July 8th & 9th. On July 10th, he or she takes a personal leave day. Will the time between these two layoffs count toward the forfeiture threshold?

A3: Yes. The union business layoff to do paperwork is discretionary in that it can generally be scheduled on alternative dates in most cases. The engineer would have been required to perform service between the two absences to avoid the gap penalty.

Q4: Extra board BLET Local Chairman lays off Union Business for 24 hours October 15th to attend the regularly scheduled monthly Union Meeting. He or she remains available on the extra board October 16 and 17th. On October 18th, he or she begins a week of regularly scheduled vacation (scheduled since the beginning of the year). Will the time between these two layoffs count toward the forfeiture threshold?

A4: No. Since the local chairman is required to attend his or her own union meeting, and it is reasonable to expect he or she may have been able to work an assignment on the two available days before starting a regularly scheduled vacation. It will be necessary for the Local Chairman to contact Timekeeping before payroll close to ask for the gap time not to be penalized.

Q5: Same example as Q4, but the time between layoffs is 12 hours?

A5: Yes. The gap time and the duration of the vacation time will be counted as unavailable time since it is not reasonable to expect any service could be performed during the 12 hours on the extra board. In this scenario, the Local Chairman could have shifted his or her vacation to coincide with the Union Business mark up or deferred 48-72 hours in order to create an opportunity to work between layoffs.

- P. The Parties agree that the provisions of Appendix 46, the May 15, 2007, Guaranteed Extra Board Agreement which call counting the time between layoffs toward for forfeiture of guarantee when *there is no intervening service between layoffs should not apply* to consecutive compensated leaves when such leaves involve different types of leave (i.e. for example PL Days and Single Day Vacation Days) and when those leaves have no intervening time or are continuous in nature.

**EXAMPLE:** A guaranteed extra board employee marks up from a week of vacation and then takes a Personal Leave Day at the conclusion of the vacation.

He or she has one minute of intervening time on his or her work history his or her guarantee should not be subject to forfeiture under these circumstances.

### **Section 3 – Pre-Arrangement of Single Vacation Days**

- A. Consistent with the parties' past practice handling and interpretation, an employee may continue to designate single day week(s) at any time during the course of the year or designate specific weeks as "single day weeks" at the time vacations are assigned for the year.

### **Section 4 – Vacation Qualification Period**

- A. During such full calendar years in which this agreement remains in place, the vacation qualification period shall coincide with the period in which an engineer's 1/52 rate is calculated. For example, an engineer's 1/52 rate for 2017 is based on earnings received December 16, 2015 through Dec 15, 2016. For purposes of determining an engineer's eligibility for vacation in 2017, this same period will be used.

## **ARTICLE II. GENERAL AND SAVINGS CLAUSE**

- A. In the event the provisions of this Agreement conflict with a provision of any other agreement, understanding or practice, the provisions set forth herein shall prevail and apply.
- B. Existing rules and practices regarding vacations not specifically amended by this Agreement shall continue in effect without change.
- C. The parties acknowledge that this is a pilot project and to that objective agree that they shall meet prior to the end of June of 2017 and 2018 to review the progress and effects of the Agreement on the administration of engineers' vacations throughout the territories of the Portland Hub Zones 1, 2 and 3 and the Salt Lake Hub in addition to the impacts of the crew scheduling provisions and pool board regulation changes. Either party may opt to cancel this agreement by serving notice by October 1st of each of the following two years with an effective cancellation date of January 1.
- D. During the intervening time, or as mutually agreed, the parties will meet to discuss the causes of the cancellation notice in an effort to resolve those issues and avoid termination of this Agreement.
- E. The parties agree that further automation of the Carrier's weekly vacation scheduling system must reasonably accommodate current practices for handling the application for and assignment of vacations for locomotive engineers throughout this General Committee of Adjustment as well as the primary importance of seniority in granting the request for specific vacation time for locomotive engineers. The parties also agree that any technology based system

for administering vacations must provide to the engineers the benefits provided and retained in this Agreement.

- F. If neither party opts to permanently cancel this Agreement prior to October 1, 2017 any cancellation thereafter will only be effected by mutual agreement between the parties.

**Signed this 26<sup>th</sup> day of May 2016.**

**For the Carrier:**

**For the Organization:**



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**Beth Wilderman  
Director Labor Relations**

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**Mr. J.L. Dayton  
General Chairman – BLET**