



M. W. GEIGER, JR.
GENERAL CHAIRMAN



Brotherhood of Locomotive Engineers

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BNSF/MRL

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November 1, 1999

Mr. John J. Fleps
Vice President Labor Relations
Burlington Northern Santa Fe Railway Co.
2600 Lou Menk Drive
Garden Level – NOC
Fort Worth, TX 76131-2380

Dear Mr. Fleps:

In accordance with the provisions of the Railway Labor Act, as amended, and the existing agreement, or agreements, now in effect on the Burlington Northern Santa Fe Railway Company, we hereby give notice that effective January 1, 2000 or as otherwise specified, we propose to revise and supplement said agreement or agreements, governing rates of pay, rules and other conditions of work for any and all of the employees of such railroad who are represented by the Brotherhood of Locomotive Engineers, in accordance with the Proposal(s) identified as BLE – ATTACHMENTS "A", Sections 1 through 44, "B" and "C", Sections 1 through 8 appended hereto and made a part hereof. We further reserve the right to serve additional Section 6 Notices to be handled concurrently with BLE ATTACHMENTS "A", "B", and "C".

Written acknowledgement will be appreciated, and pursuant to the provisions of the Railway Labor Act, as amended, a conference for the purpose of discussing the Proposal(s) within thirty (30) days from the date receipt of this Notice is respectfully requested.

It is our position that all lines or divisions of railway owned, operated or controlled by the Burlington Northern Santa Fe Railway Company shall be included in settlement of these Proposal(s) and that any agreement reached shall apply alike to all such lines of this railway.

Sincerely,

M.W. Geiger, Jr.
General Chairman

Enclosure

BLE-ATTACHMENT A

WAGE ISSUES

1. COST-OF-LIVING ALLOWANCE

- a) 3-month adjustment periods
- b) Allow 1 cent for each 0.1 full point change
- c) Immediately incorporated into the basic rates of pay for all purposes

2. GUARANTEED WEEKLY MONTHLY AND YEARLY INCOME

- a) Maximum REQUIRED hours/miles of work per week
- b) Formula developed to allow semimonthly/weekly payments

3. GENERAL WAGE INCREASE

- a) Provide for a 5% general wage increase each six-month period over the term of agreement, effective January 1, 2000.
- b) General wage increases applicable to all basis of pay

4. BASIC DAY THROUGH FREIGHT SERVICE

- a) Restore basic day to 100 miles

5. MILES OVER THE BASIC DAY

- a) Provide for the payment of the same rate of pay for all miles worked

6. OVERTIME

- a) Provide for overtime at 2 times the basic daily rate for all hours worked in excess of 8 hours regardless of miles run
- b) Provide for overtime payments for all engineers, regardless of class of service, for all starts initiated within a 22 and one half hour period of a previous start

7. SHIFT DIFFERENTIAL

- a) Twenty-five percent (25%) differential when required to work between the hours of 6 pm and 6 am; weekends and holidays,
- b) applicable to all classes of service

8. ENTRY RATES – TWO-TIER PAY SYSTEMS

- a) Eliminate all entry rates/two-tier pay systems

9. WAGE DIFFERENTIAL

- a) Allow an engineer 140% of the next highest paid crew member - no matter how derived
- b) Allow additional compensation for handling, setting up and operating remotely operated locomotives, i.e. IDP, DP, Black Box
- c) Allow additional compensation for the handling and operation of tonnage trains
- d) Increase current Special Pay Differential and Thru Freight Allowance
- e) Establish additional payments for engineers who remain available a required number of days per month
- f) Standardize rates of pay (roll existing weight on drivers calculations into basic day)
- g) Establish agreement setting maximum train lengths

10. CERTIFICATION/RECERTIFICATION ALLOWANCE

- a) Increase the Certification allowance to \$25.00 per start or tour of duty worked, subject to future wage increases
- b) Standardize payments for all medical/operational testing requirements under recertification, i.e. vision, hearing, checkride, written or computerized exam
- c) Allow engineers to attend fully compensated recertification classes at Carrier's technical training center on voluntary basis
- d) Standardize agreements allowing engineers right to work during periods when engineers certificate is suspended or revoked.

RULES

11. GUARANTEED EXTRA BOARDS

- a) Establish by agreement a maximum/minimum number of boards - maximum/minimum number of engineers per board
- b) Guarantee established at \$7,000.00 per month, subject to future wage increases
- c) Guarantee payment will comport to method of payment of home railroad
- d) Allow all penalty and arbitrary payments over and above guarantee payments
- e) Establish system agreement for rest day extra boards
- f) Establish "Foot of the board" provisions for all extra boards
- g) Standardize lay off period for guaranteed extra boards

12. JOB SECURITY

- a) Guaranteed employment and /or displacement/dismissal allowance for all sale/lease/abandoned lines
 - 1. home railroad
 - 2. acquiring railroad or corporation
- b) Maintenance of compensation and working conditions - Schedule Agreement

- c) National first right of hire for engineers
- d) Protective benefits equal to an employees years of service for all New York Dock/Washington Job related transactions
- e) New York Dock/Washington Job Employee protection for loss of work to outside contractors

13. ASSISTANT ENGINEERS

- a) Provide sufficient supply to allow ample time off and provide an adequate source of supply of qualified engineers
- b) Engineer only operation premised on hours on duty and train length with higher basic day and overmile rate, including penalty provisions
- c) Second qualified engineer mandatory on runs exceeding four (4) hours on duty with no reduction of labor force except through attrition

14. DEADHEADING

- a) Deadhead time will be paid, actual miles or hours, whichever is the greater, and computed separately from other allowances, with a minimum of a basic day, for all employees regardless of service date

15. CAB CONDITIONS

- a) Establish a system uniform condition to provide for safe, sanitary and healthy locomotive cab
- b) maintain cab temperature at no less than 70 degrees nor more than 80 degrees
- c) provide for mechanical refrigeration for food and beverages, microwave oven, AM/FM radio, high intensity cab lighting, BLE approved locomotive seats

16. ENGINEER RESPONSIBILITY/AUTHORITY

- a) Engineer be granted authority over crew members supporting the movement of trains
- b) Engineer's will be paid additional compensation when required to file reports

17. HELD-AWAY-FROM-HOME TERMINAL TIME/FORCE ASSIGNMENT AWAY FROM HOME

- a) Provide for payment for all time at held-away-from-home terminal
- b) Allow for actual reimbursement for all meals, with a minimum of \$15.00 for a layover between four and twelve hours, \$25.00 for a layover between twelve and twenty eight hours and \$35.00 for a layover exceeding twenty four hours
- c) Suitable lodging to be provided by the carrier and agreed upon on a local basis as agreed upon by BLE Local Chairman
- d) Increase in lieu off/reverse lodging reimbursement

- e) Establish payment for meals and lodging while force assigned
- f) Standardize agreements to allow payments as though the working engineer for all trips required under territorial qualification or familiarization trips

18. REST PERIOD

- a) Engineer will be allowed up to 30 hours of undisturbed rest, on request without violating any Carrier availability policy

19. ESTABLISH ABSOLUTE LAY-OFF RULE

- a) Allow engineers a set number of days that they may lay off after working the required number of hours/miles per week
- b) Establish agreement that requires Carrier to approve advance lay off request in a timely manner

20. ENGINEER TRAINING

- a) Establish a system rule to require minimum standards in the training of locomotive engineers
- b) Increase training allowance

21. MAXIMUM WORK HOURS

- a) Establish a maximum number of hours an engineer is required to be available during any given week and/or month in all classes of service

22. MEAL EN ROUTE

- a) Engineers on duty in excess of 4 hours will be provided a hot meal or time to obtain hot meal en route
- b) Increase meal allowance in route

23. CALLING RULE

- a) Establish a rule to require a carrier to provide an engineer with an 8-Hour call before service is to be performed
- b) Establish specific starting time brackets for engineers
- c) Establish rule to allow engineers to go under pay at the time that they receive their call for service
- d) Establish rule to allow additional payment for all engineers used for service off of their assignment
- e) Establish rule to allow for penalty payment when engineers are not provided timely and accurate line up information
- f) Establish rule to allow engineers to be afforded trip/train specific information

24. AMEND INITIAL AND FINAL TERMINAL DELAY RULES

- a) Terminal delay payments will apply to all engineers regardless of service date
- b) Eliminate grace periods and offsets to terminal delay payments

25. INTERDIVISIONAL SERVICE

- a) Provide for continuous held-away-from-home time
- b) Overtime after eight hours on duty regardless of length of run
- c) Engineers on duty in excess of 4 hours will be provided a hot meal or time to obtain a hot meal en route
- d) 8-Hour call at home terminal
- e) Minimum 10 hour's undisturbed rest at away-from-home terminal upon request
- f) Automatic certification as adversely affected for all employees affected by an Interdivisional transaction
- g) Provide transportation or reasonable allowance if reporting to a point more than 10 miles from one's home

26. ESTABLISH A SYSTEM AGREEMENT TO STANDARDIZE THE SCOPE OF ENGINEER'S DUTIES

27. STANDARDIZE SYSTEM UNION SHOP AGREEMENT

28. STANDARDIZE SYSTEM TIME LIMIT AGREEMENT

29. STANDARDIZE SYSTEM DISCIPLINE AGREEMENT

30. STANDARDIZE SYSTEM VACATION AGREEMENT

31. STANDARDIZE SYSTEM TEMPORARY TRANSFER AGREEMENT

32. STANDARDIZE SYSTEM AGREEMENT FOR TIME SPENT WAITING, i.e. waiting transportation, waiting at mines etc

33. STANDARDIZE SYSTEM AGREEMENT FOR EXCHANGING TRAINS IN ROUTE

34. STANDARDIZE SYSTEM AGREEMENT FOR TRAINER PAY

35. STANDARDIZE SYSTEM AGREEMENT FOR TERMINAL RUN AROUNDS

36. ESTABLISH SYSTEM AGREEMENT TO PROVIDE FOR ENGINEER'S RESERVE BOARD

37. STANDARDIZE SYSTEM AGREEMENT FOR CALLED AND NOT WANTED/CALLED PERFORMED SERVICE AND NOT WANTED

38. STANDARDIZE SYSTEM AGREEMENT FOR APPLICATION, USE, TIME BANK OF PERSONAL LEAVE DAYS AND SINGLE DAY VACATIONS

BENEFITS

39. PAID PERSONAL LEAVE DAYS

- a) Effective January 1, 2000, all engineers represented by the Brotherhood of Locomotive Engineers shall be allowed a total of twenty (20) personal leave days per calendar year.
- b) Eliminate all years of service requirements for acquiring personal leave days
- c) Unlimited accumulation of personal leave days-balance paid at retirement, termination, disability or death

40. SUPPLEMENTAL SICK LEAVE PLAN

- a) 1 day per month for each month of compensated service
- b) Unlimited accumulation - balance paid at time of retirement, termination disability or death
- c) Maternity/Paternity Leave

41. PROFIT SHARING

- a) provide all engineers with a profit sharing plan equivalent to that of the highest officer of the carrier.

42. SHORT TERM/LONG-TERM DISABILITY

- a) 100% of average monthly compensation - first 12 months
- b) 80% of average monthly compensation - until age 62

43. RETIREMENT ACCOUNTS

- a) Similar to accounts established under Section 401K of the Tax Code
- b) Contribution by the carrier to be dollar for dollar match of employees contribution
- c) Establish agreement to add Vanguard's Index Extended Market to existing 401K Plan
- d) Establish agreement to add Labor Member to sit on finance board

44. HOLIDAYS

- a) Amend existing agreements governing paid holidays to provide for a twelfth paid Holiday

- b) Change present qualifying requirements to allow holidays to any engineer having compensated service during the calendar month.
- c) Amend existing agreements to provide payment of double time for all engineers working a holiday, regardless of class of service

45. OFF-TRACK VEHICLE INSURANCE

- a) Improve the present conditions and allowances provided for under the July 26, 1978 National Agreement as follows:

- a. Covered Conditions-

- This article is intended to cover engineers who are injured at any time while operating, riding in, boarding or alighting from off-track vehicles owned or leased by the Carrier; or while operating, riding in, boarding or alighting from a personal vehicle when authorized for use by the Carrier, whether on or off duty, while the engineer is acting at the instruction of Carrier, carrying out the business of the Carrier, or is under pay.

- b) Amend the monetary amounts referred to in Article IV (b) (1) to provide for \$1,000,000.00 for each loss now shown as \$150,000 and \$500,000 for the losses now shown as \$75,000.
 - c) Amend Article IV (b) (3) to read as follows:
 - (3) The Carriers will provide an engineer who is injured as a result of an accident covered under paragraph (a) commencing within 30 days after such accident 80% of the engineers' basic full-time weekly compensation from the carrier for time actually lost, subject to a maximum payment of \$1,000 per week for time lost for a period of 156 continuous weeks following such accident provided, however, that such weekly payment shall be reduced by such amounts as the engineer is entitled to receive as sickness benefits under the provisions of the Railroad Unemployment Insurance Act.
 - d) Amend Article IV (b) (4) by increasing the aggregate limit of payments to be made for any one accident to \$10,000,000.
 - e) Provide an accident insurance policy with adequate coverage for any employee injured or killed in an accident while riding in a Carrier contracted van service whether caused by that contracted carrier or a third party causing the accident.

44. BEREAVEMENT LEAVE

- a) Effective January 1, 2000, revise the current bereavement leave rules by adding stepchild; stepparent; parent-in-law; grandparent and grandchild

- b) Modify agreement to allow five (5) consecutive workdays' bereavement leave to be taken any time until seven (7) days after the death

45. VACATIONS

Amend the National Vacation Agreement as Follows:

- a) Three (3) weeks with pay based upon completion of five (5) or more calendar years of service and upon meeting the qualifying requirements
- b) Four (4) weeks with pay based upon completion of eight (8) or more calendar years of service and upon meeting the qualifying requirement
- c) Five (5) weeks with pay based upon completion of fifteen (15) or more calendar years of service and upon meeting the qualifying requirements
- d) Six (6) weeks with pay based upon completion of twenty (20) or more calendar years of service and upon meeting the qualifying requirements
- e) Allow one additional days vacation for each year of service in excess of twenty (20) years
- f) Allow engineers to set aside up to two weeks of vacation to be taken in single day increments
- g) Allow vacation to be prorated for engineers who do not qualify for all of their vacation on the same percentage that the engineers worked in the preceding year

46. AMEND ARTICLE VIII OF AWARD OF ARBITRATION BOARD 458

- a) Amend Article VIII, Sections 1 and 2 – “reasonable walking distance”
- b) Amend Article VIII, Section 3 - Incidental Work

47. LABOR-MANAGEMENT COMMITTEES TO BE ESTABLISHED BY AGREEMENT ONLY

BLE-ATTACHMENT B

SECTION 6 NOTICE

HEALTH & WELFARE ISSUES

**Railroad Employees National Health and Welfare Plan
(GA-23000)**

Eligibility –

- (1) Provide extended benefit coverage to eligible dependents for one (1) full calendar year following the death of a covered employee.
- (2) Provide extended coverage to furloughed employees for twelve (12) months following the month in which such employees last rendered compensated service or receive vacation pay; provided the employer has transmitted at least three (3) monthly payments to the Plan on behalf of such employees prior to furlough.
- (3) Provide full Plan coverage to an employee and eligible dependents who is suspended or dismissed from service until final disposition under the *Railway Labor Act*.
- (4) Provide full Plan coverage to an employee and eligible dependents who is off and unable to work due to illness or injury until return to service or until eligible for full medicare/medicade benefits
- (5) Eliminate the application of the seven (7) calendar days per month eligibility requirement for benefit coverage under the health and welfare, dental and vision plans

Life/AD&D Insurance –

- (1) Increase Active Employee Life Insurance to \$50,000.00.
- (2) Increase Retired Employee Life Insurance to \$10,000.00.
- (3) AD&D - increase coverage to the following:

TABLE OF COVERED LOSSES AND BENEFIT AMOUNTS	
<u>COVERED LOSSES</u>	<u>BENEFIT AMOUNTS</u>
Life	\$30,000
A hand	\$8,000
A foot	\$8,000
Sight of an eye	\$8,000

Loss of more than
one of the above
in any one accident \$16,000

Paralyzation \$25,000

Loss of sight of an eye means that the eye is entirely blind and that no sight can be restored in that eye.

Loss of a hand means that all of the hand is cut off at/or above the wrist.

Loss of a foot means that all of the foot is cut off at/or above the ankle.

Paralyzation means the loss of use of the extremities of the body as a result of an accident such as but not limited to paraplegic or quadriplegic, and hemiplegia occurring from a traumatic brain injury.

Not more than \$30,000 will be paid for all covered losses caused by all injuries, which you sustain in one accident.

Coordination of Benefits –

- (1) For benefits in connection with on-duty injuries, eliminate any application of such amounts toward the lifetime maximum benefit.
- (2) Increase COB benefit to allow reimbursement up to a maximum of 100% of allowable charges.

Lifetime Maximum –

- (1) Increase lifetime maximum to unlimited.

Reasonable and Customary Determinations –

- (1) Increase the threshold for R&C determinations to the 95th percentile of data selected by the Plan.

Hearing Benefits –

- (1) Establish Hearing Benefits under the Plan.

Birth Control/Reversal -

- (1) Provide coverage under the plan for voluntary sterilization and/or reversal as well as prescription benefits for contraceptive medications.

Employee Contributions -

- (1) Eliminate any and all reference to required employee contributions as referred to in current National Agreement.

Mobile Facilities -

- (1) Amend the current Plan definition of a facility to include a mobile facility used by licensed physicians or other qualified medical personnel to deliver services to employees and their dependents.

Managed Medical Care Program (MMCP)-

- (1) Reduce all co-payments under MMCP to \$5.00 per visit including emergency room.
- (2) Reduce all out-of-network penalties to 10%.
- (3) Eliminate the gatekeeper requirement.

Comprehensive Health Care Benefit (CHCB)-

- (1) Provide uniform application of immunization and well person physical benefits provided under MMCP to CHCB.
- (2) Provide 90/10 co-payments under the CHCB plan.
- (3) Eliminate the annual deductible.
- (4) Provide benefits comparable to MMCP for employees who do not live in MMCP networks.

Managed Mental Health and Substance Abuse Benefit (MHSA)-

- (1) Reduce all co-payments under MHSA to \$5.00 per visit including emergency room.
- (2) Reduce all out-of-network penalties to 10%.

Railroad Employees National Early Retirement Major Medical Benefit Plan (GA-46000)

Eligibility -

- (1) Provide coverage for anyone collecting an annuity pursuant to the Railroad Retirement Act.
- (2) Provide automatic enrollment into GA-46000.

- (3) Provide extended benefits for five (5) calendar years to a dependent spouse who is under the age of 65 when the retired employee qualifies for Medicare.
- (4) Eliminate the COBRA exclusion from age annuitant eligibility.

Managed Care -

- (1) Establish managed care benefits under GA-46000 that are identical in all respects to the MMCP under GA-23000.

Comprehensive Care -

- (1) Establish comprehensive care benefits under GA-46000 that are identical in all respects to the CHCB under GA-23000.

Railroad Employees National Dental Plan (GP12000-A)

Eligibility -

- (1) Provide full Plan benefits to new employees and eligible dependents on the first day of the month following the month in which such employees render compensated service.
- (2) Provide full Plan coverage to an employee and eligible dependents who is suspended or dismissed from service until final disposition under the *Railway Labor Act*.
- (3) Establish benefit coverage for employees who are collecting an annuity pursuant to the Railroad Retirement Act.

Benefits -

- (1) Eliminate the annual deductible.
- (2) Increase the annual maximum to \$3,000.00.
- (3) Increase Type B coverage to 100%.
- (4) Increase Type C coverage to 75%.
- (5) Increase orthodontia benefit to 90% with a maximum of \$2,500.00.
- (6) Provide orthodontia coverage to all employees and covered dependents regardless of age.
- (7) Eliminate the alternate treatment provisions of the Plan.

RAILROAD EMPLOYEES NATIONAL VISION PLAN

Network -

- (1) Expand network coverage to the Vision Service Plan (VSP) Standard Network.

In-Network Benefits -

- (1) Increase the frame allowance to \$112.50.
- (2) Include fitting costs for contact lenses in the covered examination costs.
- (3) Provide full coverage for the following options:
 - Scratch Coating
 - UV Protection
 - Anti-Reflective Coating
 - Photochromic Lenses
 - Progressive Lenses
- (4) Laser surgery benefit. Provide full coverage for laser surgery to correct vision in one or both eyes.

GENERAL

- (1) The Joint Plan Committee (JPC) will continue to function in the same manner as previously agreed to by the parties. When required, the JPC shall be joint policyholders and will jointly participate in the selection of the insurance company or companies or other administrators required to administer such Plans, jointly determine the plan benefits needed to meet the changing needs of the employees and otherwise jointly administer all of the Plans' activities. The Joint Plan Committee shall oversee and administer the Railroad Employees National Health and Welfare Plan, the Railroad Employees National Early Retirement Major Medical Benefit Plan, the Railroad Employees National Dental Plan, the Railroad Employees National Vision Care Plan, the various plans established to provide supplemental sickness benefits to covered employees and any and all plans which may hereafter be developed or introduced to provide health and welfare benefits to active and retired employees and their eligible dependents.
- (2) Any funds accumulated from payments that are not needed to provide current benefits or to cover Plan costs, and any interest thereon, shall be used only to provide additional or improved employee benefits.

Hospital Associations

- (1) Hospital Association benefits will continue to be set by the individual Hospital Association.
- (2) Effective January 1, 2001, the so-called "Dues Offset" formula for Hospital Association members, as provided in Article V, Financing the Policy Contract, of the 1973 Collective Bargaining Agreement, will be amended to provide a monthly payment equal to the projected monthly cost for the calendar year of providing employee medical care for the Railroad Employees National Health and Welfare Plan (the National Plan). Any benefits provided to Hospital Association employees by the National Plan, such as life insurance or dependent coverage, shall not be included in the calculation of the "Dues Offset." The projected monthly cost shall be based on the average contract rates for employee medical care, without adjustment to reflect payments actually made by the Railroads.
- (3) Thereafter, adjustments, if any, shall be made annually on January 1st of each subsequent year.
- (4) The so-called "pick-up fees" for any employees (or dependents, if applicable) transferring from Hospital Association Railroads to Non-Hospital Association Railroads will be borne by the Railroads.
- (5) Disabled or Retired Hospital Association members whose coverage is disrupted for any reason will be allowed to enroll in the Railroad Employees National Early Retirement Major Medical Benefit Plan (GA-46000) without penalty, provided they would have met the eligibility requirements at the time they retired.

BLE – ATTACHMENT C

SECTION 6 NOTICES

1. DEADHEAD OF MAKE-UP TURNS IN SINGLE OR DOUBLE-ENDED POOLS

- a) Establish a rule that requires that build-up crews utilized in either single or double-ended pool service shall be deadheaded back to the home terminal subsequent to the working trip by means of the first available transportation

2. OVERTIME – REGULAR ASSIGNMENTS

- a) Establish a rule that sets forth the practice that engineers shall have the choice of overtime on regular assignments, in seniority order

3. CANCELLATION OF OPS-1-91 DATED AUGUST 10, 1991

4. UPDATE AND IMPROVE LODGING AGREEMENT

5. USE OF DEMOTED ENGINEERS

- a) When demoted engineers are used in emergency service, one basic day at the Engineers Extra Board rate of pay shall be allowed in addition to all other earnings for the service performed

6. FOURTEEN HOUR REST OPTION

- a) Fourteen hours rest to be allowed an engineer who has been aggregated out of the away from home terminal on split rest and return trip does not meet minimum eight hour standard
- b) Extra board engineers to be allowed the opportunity to book fourteen hours rest at their home terminal, if having worked a minimum of eight hours on a shift or run prior to request
- c) When an extra board engineer exercises this option the fourteen hour rest period will not be held against any extra board guarantee payments

7. OPS-35-81 DATED APRIL 24, 1981

- a) Amend Section 707.1 to include extra board vacancies

8. EFFICIENCY TESTING

- a) BNSF Uniform Efficiency Testing files to be made available to the employee at the BLE Local Chairman's request
-