

STB

FD-33388

4-13-98J

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Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

STB-33388

April 13, 1998

The Honorable Jack Reed  
United States Senate  
Washington, D.C. 20510-3903

Dear Senator Reed:

Thank you for your letter requesting the opportunity to speak at the oral argument before the Surface Transportation Board (Board) in the proceeding to decide the proposal by CSX and Norfolk Southern to acquire control of Conrail and to divide certain assets of Conrail between the two acquiring railroads.

The Board recently has confirmed that it will hold oral argument on June 4, 1998, in this proceeding, which is docketed at the Board as STB Finance Docket No. 33388. For your information, I am enclosing a copy of the Board's decision and press release announcing the oral argument. Your letter of February 17, 1998, will be entered as a request to testify, and will be considered with the requests received from other interested parties. As a party of record, you will receive a copy of the Board's decision announcing the list of witnesses and the amount of time allotted to each.

I also am having your letter and my response made a part of the public docket for this proceeding. I appreciate your interest in this matter, and if I may be of further assistance, please do not hesitate to contact me.

Sincerely,

*Linda J. Morgan*  
Linda J. Morgan

Enclosure

**JACK REED**  
RHODE ISLAND

COMMITTEES:  
BANKING  
LABOR AND HUMAN RESOURCES  
AGING

**FILE IN DOCKET**

# United States Senate

WASHINGTON, DC 20510-3903

February 17, 1998

PLEASE RESPOND TO:

- ☐ WASHINGTON:  
WASHINGTON, DC 20510-3903  
(202) 224-4642
- ☐ RHODE ISLAND:  
201 HILLSIDE ROAD  
SUITE 200  
GARDEN CITY  
CRANSTON, RI 02920-5602  
(401) 943-3100
- ☐ FEDERAL BUILDING  
- ROOM 418  
PROVIDENCE, RI 02903-1773  
(401) 528-5200
- TDD RELAY RHODE ISLAND  
1-(800) 745-5555

Mr. Vernon A. Williams  
Surface Transportation Board  
1925 K Street, NW  
Washington, D.C. 20423-3000

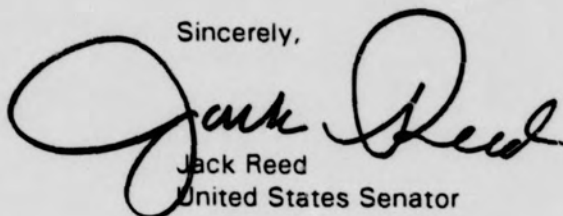
Dear Mr. Secretary:

I write regarding the Surface Transportation Board's (STB) review of the joint acquisition of Conrail by CSX Corporation and the Norfolk Southern Railway Company.

I respectfully request the opportunity to speak at this case's June 4<sup>th</sup>, 1998 oral argument on STB Finance Docket No. 33388.

Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact Neil Campbell of my staff at (202) 224-4642.

Sincerely,

  
Jack Reed  
United States Senator

CHAIRMAN MORGAN

FEB 23 11 00 AM '98

RECEIVED  
SURFACE TRANSPORTATION

STB

FD-33388

4-3-98

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ID-CITIES



City of Cleveland  
Michael R. White, Mayor

Cleveland City Hall  
601 Lakeside Avenue  
Cleveland, Ohio 44114  
216/664-2220

**VIA FACSIMILE (804) 782-6734**  
**AND REGULAR U. S. MAIL**

**April 3, 1998**

**Mr. John W. Snow**  
**Chairman, President and**  
**Chief Executive Officer**  
**CSX Corporation**  
**One James Center**  
**Richmond, Virginia 23219**

**Dear Mr. Snow:**

As I indicated to you in our meeting Monday, I thought it important to provide you with a clear and unambiguous listing of information that is critically needed if the City of Cleveland is to properly evaluate the position of CSX regarding mitigation of the deleterious impact brought upon our citizens by the pending Joint Proposal of CSX and NS to acquire and divide the Conrail assets within our community.

Below is a listing of the issues for which we need your comprehensive response and specific documentation if we are to respond appropriately to the verbal assertions you made to me on Monday. As you are aware, no written back up material was provided by CSX at our meeting with Congressman Stokes on Monday, March 30th, in Washington, D.C.

**1. Train Frequencies**

You reiterated the position taken in earlier discussions with Carl Taylor that CSX was willing to reroute "some" trains to the Lakefront line in addition to the 10 now programmed in your Joint Proposal. You indicated to me that CSX was prepared to take 8-10 trains off the Shortline and put them on the Lakefront Line. Cleveland remains most disappointed by your continued failure to fairly address our most urgent problem, train frequency in our neighborhoods. Your current position would still result in a much higher than acceptable level of traffic on the Shortline through our neighborhoods and University Circle. We believe that at least 25-30 CSX trains could be diverted, bringing projected Shortline traffic below 30 trains per day. We need to know why CSX still adamantly refuses to limit its Shortline operations to between 25 and 29 trains per day.

April 3, 1998

2. Noise Abatement

You proposed comprehensive noise mitigation along the Shortline. We require a comprehensive noise analysis and physical plan showing existing and projected levels of noise impact and describing in detail all noise mitigation techniques to be applied to the neighborhoods and institutional districts in the City of Cleveland. This plan should include, but not be limited to, the location and specifications for all noise suppression walls and landscape elements- including berms, reforestation and beautification measures- and any other forms of noise mitigation you propose. Noise walls must be of premium quality and of sufficient height to adequately protect our neighborhoods and institutional districts. Your analysis and plan must clearly show the application of these noise suppression techniques along all lines on which CSX will regularly operate and the impacts of these measures on the impacted properties.

3. Residential Noise Abatement and Acquisition

You have proposed residential noise abatement and acquisition to address specific properties impacted by your actions. Your plan must identify the criteria you propose to employ in determining the appropriate treatment measures. Specifically, the City of Cleveland expects a full property-by-property accounting of how you intend to identify and address residential noise abatement and acquisition. This accounting must identify which homes CSX proposes to receive some form of residential noise abatement.

4. Abatement and Acquisition Funds

The City of Cleveland finds CSX's offer of \$4000 per house for residential mitigation totally inadequate based on our experience with noise mitigation and residential acquisition and relocation. We expect CSX to do more to appropriately address this problem at a level that is fair to the individual impacted city citizens. The development of a property-by-property analysis which identifies specific mitigation measures and costs accurately is also a necessity.

5. HazMat

The City is pleased by your initial offerings as it regards the issues related to HazMat. The City remains concerned, however, with the dramatic increase in HazMat through its neighborhoods and institutional districts as a result of the Joint Proposal. We ask that CSX provide a complete plan to address our concerns. This HazMat plan must include, but not be limited to, HazMat routing, containment, access and immediate and ongoing emergency response training.

April 3, 1998

6. Grade Crossings

The Joint Proposal will result in significant traffic on critical intersections in the Euclid Green/South Collinwood, Broadway/Kinsman, Goodrich/Lakefront and Edgewater neighborhoods. What are CSX and its partner NS prepared to do to eliminate or otherwise mitigate the impact of increased train frequencies on grade crossings in these neighborhoods?

7. Bridge and Property Maintenance

CSX will inherit numerous bridges and grade crossings and extensive property from Conrail that in certain areas lack proper maintenance. We ask that CSX provide a specific plan for improving all bridges, grade crossings and properties where necessary, which will be owned by CSX and for establishing a long term maintenance plan and endowment program to insure that all CSX properties are kept in good order. Issues such as area beautification, billboard elimination and the redevelopment of surplus property should be addressed in your plan.

8. Home Value Guarantee Plan

CSX has proposed this program but the City has received no written information. Please provide clear specifics on this proposal.

9. Train Operations

You proposed to operate the noisiest trains over the Lakefront Line. Please provide specifics:

- How many trains will be involved?
- What hours of operation do you propose for these trains?

10. Train Limits and Operating House

You propose to limit the length of cars, speed and hours of operation for trains operating through our neighborhoods. Please provide specifics on the upper limits you propose for the number of trains and the maximum speed on each segment of your operations as well as specifics about your offer to run 70% of trains between the hours of 7 a.m. and 9 p.m.



April 3, 1998

11. Commuter Rail

You proposed to preserve options for development of commuter rail in our community. We need to know how CSX would facilitate commuter rail development and the specific conditions under which CSX would allow commuter rail and the Cuyahoga Valley Line to run on trackage it controls.

12. Expenses

The City needs clear specifics on how CSX will reimburse the City of Cleveland for all out-of-pocket expenses it has incurred or will incur in contesting the Joint Proposal and in relocating utilities to accommodate this proposal.

13. Maintenance Endowment

The City requires a clear commitment from CSX on the development of a maintenance endowment which will insure that CSX will remain a good neighbor in our City.

14. Community Advisory Committee

You have proposed the creation of an advisory committee. Once again, no specifics have been offered.

15. Recreation Programs

You have expressed CSX's willingness to participate in recreational programs for the children of the City of Cleveland. Please provide the specifics of your proposal.

16. Employment

The City of Cleveland looks upon the CSX offer to provide jobs to the citizens of another city at an intermodal facility in our City whose development is partially financed by funds from the City of Cleveland as repugnant, inappropriate and unwise. What will CSX do to properly redress such an inappropriate action?



April 3, 1998

17. Outstanding Conrail Issues

While we did not discuss outstanding issues between Conrail and the City, I would hope that we can agree to review all such matters and that CSX, in cooperation with Conrail, will take all reasonable steps to insure that these matters are properly resolved before Day One or as soon as possible thereafter.

In conclusion, I cannot overstate the importance the City of Cleveland attaches to an appropriate response on these issues from CSX that is clear, unambiguous and comprehensive in nature. Only clarity and completeness can contribute to an appropriate resolution, especially, in light of the April 15th deadline we are facing. Given the importance of reviewing written documentation which supports the assertions made on March 30th, I am hereby informing you that I will not participate in any further face to face discussions with you until we have received the requested information and have been given a fair opportunity to analyze CSX's position. As always, our cabinet level task force, organized around this matter and led by Sharon Sobol Jordan, remains available for further clarification at a moment's notice.

Even though we have made some progress in narrowing the issues which divide the City and CSX, I must restate yet once again the City of Cleveland's extreme disappointment that, after more than four months, CSX has adamantly refused to show any serious regard for the issue of train frequency. While many of the items identified above are steps in the right direction most would, at some point, have been resolved through the Federal process. Your proposed offers of assistance are important to our community but are still secondary to the issue of train frequency.

If we are to close the gulf which currently exists between our two organizations, it is absolutely imperative that CSX forthrightly address the issue of train frequency in our neighborhoods and institutional districts. To date, you have not. While I was told it was your intention to do so in the meeting with Congressman Stokes, it was clear by the end of our session that your organization's position on train frequency was almost unaltered.

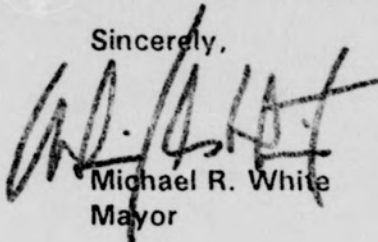
Train frequency remains the central issue. Therefore, we are desirous that in your response to this letter, you specifically state your position on achieving an actual and specific reduction of trains through our neighborhoods and institutional districts. Your unwillingness to appropriately and specifically address this central issue jeopardizes our entire negotiation.

Mr. John W. Snow  
Page 6

April 3, 1998

I look forward to your response on these matters. You have my commitment that the City of Cleveland will give it a serious, timely and fair review. The City of Cleveland has absolutely no wish to be in conflict with CSX nor NS but we must protect the integrity and viability of our neighborhoods. An appropriate response by you to the above queries would aid us in closing the gulf which now divides us.

Sincerely,

A handwritten signature in dark ink, appearing to read "M. R. White", is written over the typed name and title.

Michael R. White  
Mayor

MRW:jj

cc: Secretary Rodney Slater, U.S. Department of Transportation  
Congressman Louis Stokes  
Congressman Dennis Kucinich  
Governor George V. Voinovich  
Chairman Linda Morgan, Surface Transportation Board  
Vice-Chairman Gus A. Owen, Surface Transportation Board  
Thomas O'Leary, Ohio Rail Development Commission

STB

FD-33388

3-25-98

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City of Cleveland  
Michael R. White, Mayor

Cleveland City Hall  
601 Lakeside Avenue  
Cleveland, Ohio 44114  
216/664-2220

**VIA FACSIMILE (804) 782-6734**  
**AND REGULAR U.S. MAIL**

March 25, 1998

Mr. John W. Snow  
Chairman, President and  
Chief Executive Officer  
CSX Corporation  
One James Center  
Richmond, Virginia 23219

Dear Mr. Snow:

Thank you for your speedy reply.

I am prepared to come to Washington next week to continue discussions with you regarding the CSX/NF merger. While I am not responding to all the points you raised in your letter of this date, let me make one point fundamentally clear. The issue of increased "neighborhood frequency" by your trains is a core issue which must be substantively addressed if there is ever to be a final negotiated agreement between the City of Cleveland and CSX. This is the same position I made known to you on March 2, to which we have received no reply, and I want to reiterate our position before conducting yet another session. It has been the failure of CSX to appropriately address the "neighborhood frequency" issue, despite repeated requests by my staff and I, that has in part led to our inability to reach resolution. Any negotiated resolution of this matter must include a reasonable and fair reduction in the planned "neighborhood frequency" of trains.

Sincerely,

A handwritten signature in black ink, appearing to read "M. R. White", is written over the typed name.

Michael R. White  
Mayor

MRW:jj

cc: Secretary Rodney Slater, U.S. Department of Transportation  
Congressman Louis Stokes  
Congressman Dennis Kucinich  
✓ Chairman Linda Morgan, Surface Transportation Board  
Vice-Chairman Gus A. Owen, Surface Transportation Board

STB

FD-33388

3-24-98

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ID-CITIES



City of Cleveland  
Michael R. White, Mayor

Cleveland City Hall  
601 Lakeside Avenue  
Cleveland, Ohio 44114  
216/661-2220

**VIA FACSIMILE (804) 782-6734**  
**AND REGULAR U.S. MAIL**

March 24, 1998

Mr. John W. Snow  
Chairman, President and  
Chief Executive Officer  
CSX Corporation  
One James Center  
Richmond, Virginia 23219

Dear Mr. Snow:

Today is March 24th and I must admit to being a bit perplexed. Your letter of March 18th indicated you would be contacting me in the very near future and that you are prepared to move quickly to finalize a mutually acceptable environmental mitigation agreement between the City of Cleveland and CSX before April 15, 1998. To date, I have heard nothing further from you.

The City of Cleveland for more than 90 days has been attempting to engage CSX in serious, consistent and reasonable discussions around its effort to complete its merger of Conrail. The meetings at the staff level have been sporadic at best. We have gone for weeks without re-engaging after a meeting and the follow up to these meetings has been less than overwhelming. I am aware of Mr. Taylor's response to me but as I have indicated to you, his response was less than what we had expected, since it failed to address the "neighborhood frequency" issue, which is why I had hoped we could have reconvened before now.

Mr. John W. Snow  
Page 2

March 24, 1998

When we last met in Washington, some 22 days ago with Congressman Stokes, you promised that you would return for serious discussions. I did not hear from you until your letter of March 18th, which, interestingly, was only sent to me after the STB issued an order the day before encouraging the parties to work out their differences by April 15, 1998. I immediately sent a response to your letter agreeing to continue these discussions, although I remained doubtful about the process you had requested.

Here we are, today, after all these letters, after all these assertions, after all these strategically placed "cc's", and we yet have no meeting nor has anyone from CSX attempted to schedule such a meeting. This is indicative of the wide gulf which remains between the assertions of your company and the actions of your company. I'm sure you will agree that words without deeds are of little value.

Not only do we not have a meeting scheduled but the process you have insisted upon does not create the opportunity, I believe, for real success. Mr. Snow, I have great respect for the wide ranging responsibilities you have as the President of CSX. I hope you have the same respect for my background as Mayor of the City of Cleveland. In eight years, my administration has successfully concluded negotiations with many large corporations including the NFL (\$247 million), Continental Airlines (\$156 million), Office Max (\$2.3 million) along with seven Cleveland Banks, (\$1.3 billion). I provide this information to you not to brag but to indicate to you that I and my administration have participated in serious negotiations in the past and we know how to obtain a reasonable resolution that is fair to all. In none of these negotiations has the CEO insisted on being the central negotiator prior to a reasonable attempt by our representatives to close the range of differences. When I offered this option to your representatives ten days ago, I was rebuffed. I made this recommendation because I still believe that a matter of this complexity needs intense staff scrutiny and much more day to day engagement. As an aside, it's interesting to note that not one CSX representative attempted to discuss this matter with the administration, even though they visited the City Council several days ago.

The City of Cleveland has tried everything we know to avoid an extended contentious outcome. Thus far, we have not been successful. However, because we remain committed to obtaining a negotiated settlement, I have directed my office to contact yours this afternoon in an effort to request first that our staffs immediately begin an intensive series of meetings in order to close the gulf which remains. I am prepared to tell my staff not to come home without a deal and I am prepared for them to be engaged as long as it takes to obtain a negotiated settlement.

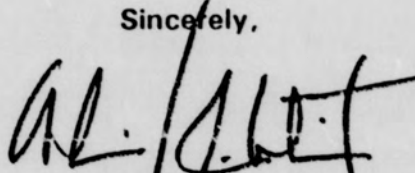


Mr. John W. Snow  
Page 3

March 24, 1998

The question remains, is CSX committed to a negotiated settlement or more public assertions without action, and are you willing to finally address the "neighborhood frequency" issue?

Sincerely,



Michael R. White  
Mayor

MRW:jj

cc: Secretary Rodney Slater, U.S. Department of Transportation  
Congressman Louis Stokes  
Congressman Dennis Kucinich  
Chairman Linda Morgan, Surface Transportation Board  
Vice-Chairman Gus A. Owen, Surface Transportation Board



City of Cleveland  
Michael R. White, Mayor

Cleveland City Hall  
601 Lakeside Avenue  
Cleveland, Ohio 44114  
216/664-2220

**VIA FACSIMILE (757) 629-2306**  
**AND REGULAR MAIL**

March 24, 1998

Mr. David R. Goode  
Chairman, President and Chief Executive Officer  
Norfolk Southern Corporation  
Three Commercial Place  
Norfolk, Virginia 23510-2191

Dear Mr. Goode:

Based on our continuing communication, I am prepared to send a high level Cleveland team to your headquarters in Norfolk, Virginia with my request that they do all that is reasonable to obtain a negotiated settlement with Norfolk Southern as it regards the Conrail merger. I make this offer because I believe that only intense negotiations around the clock afford us any opportunity to be successful. I am also making this offer because of my belief in your sincerity regarding your company's interest in resolving this matter.

Ms. Sharon Sobol-Jordan, who leads our working group on this matter, will be calling Mr. Bruno Mastri within the next twenty-four hours.

Sincerely,

A handwritten signature in black ink, appearing to read "M. R. White", is written over the word "Sincerely,".

Michael R. White  
Mayor

MRW:jj

cc: Secretary Rodney Slater, U.S. Department of Transportation  
Congressman Louis Stokes  
Congressman Dennis Kucinich  
Chairman Linda Morgan, Surface Transportation Board  
Vice-Chairman Gus A. Owen, Surface Transportation Board



STB

FD-33388

3-11-98

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FILE IN DOCKET

AN-33388

2460 West Hemlock Way  
Chandler, AZ 85248  
March 7, 1998

Linda Morgan, Chairman  
Surface Transportation Board  
1925 K Street N.W.  
Washington, D.C. 20423-0001

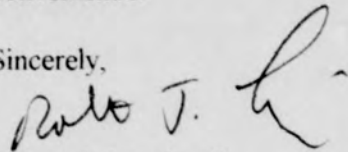
Dear Ms. Morgan,

My initial letter to you dated February 1, 1998 was sent to the wrong mailing address. Since I have no idea whether you received it or not, I am sending you a copy of my file including an update on my case. I have been instructed by Cynthia Spurlock to send my claim for benefits to Stephen E. Crable with the National Mediation Board in Washington.

I do hope that you look into this matter and realize the potential loss of benefits to Conrail employees that lose their jobs prior to the merger. It is not fair that this practice can happen and Conrail not be liable to pay out protection benefits that have already been accepted by both Union and Employer. In my 21 years of employment with Conrail, I have always had to fight for every inch of benefit claims from them. It seems that they will do everything necessary to avoid these claims and finally pay after they put their employees through several months of aggravation and paperwork. Sometimes it cost me more to fight for my rights and win my case than the case was worth. To me, it's a matter of principle. I truly hope you look at this the same way. I have paid for this protection agreement and I will do whatever necessary to achieve it.

Thank you for any assistance that you may give me and I will await your reply at your earliest convenience.

Sincerely,

  
Robert J. Lombardi

RECEIVED  
SURFACE TRANSPORTATION  
BOARD  
MAR 11 3 14 PM '98  
CHAIRMAN MORGAN

2460 West Hemlock Way  
Chandler, AZ 85248  
February 1, 1998

Linda Morgan, Chairperson  
Surface Transportation Board  
427 Hart Senate Office Building  
Washington, D.C. 20510

Dear Ms. Morgan,

I have been a member of Local 139, of the Sheet Metal Workers International Association, in Boston, MA since July 1, 1976 and was furloughed from Conrail on July 7, 1997. As you can see, I have been in this Union, in good standings for 21 years. When my position was abolished, I was told that this was a permanent lay off. My wife and I decided that since I was no longer going to be working for the railroad, that it was time to move on and join my family in Arizona. Knowing this, I applied for severance benefits that were agreed to in my latest contract between Conrail and the Sheet Metal Workers International Association. I sent a claim to my General Chairman, Mr. Andrew Pirro, jr. on July 12, 1997 and a second letter on August 16, 1997, with more information for him to take to the Labor Board. On September 3, 1997, Mr. Pirro forwarded my claim to Mr. A.J. Licate with Conrail requesting benefits that I would be entitled to. I received a letter from Mr. Licate, sent to me by Mr. Pirro, denying my claim for benefits. He stated that I did not provide any dates showing the transfer of my work after September 12, 1996. Since then, I have written two more letters to Conrail requesting benefits that I should be entitled to. Conrail will not acknowledge my claim or pay any benefits. Let me explain:

On June 2, 1997 CSX and Norfolk Southern railroads purchased all stock not owned by Conrail giving them the controlling share of the company. On June 3, 1997 CSX and Norfolk Southern merged a jointly controlled company called Green Acquisition Corporation into Conrail. Under the Railway Labor Act, if any other company is directly or indirectly owned or controlled, that company is considered a carrier. This is a hostile takeover of Conrail and you could also call it a change in the operation of the carrier. Conrail is now being controlled by this new company called Green Acquisition Corporation. This entitles me to the benefits as described in the Employee Protection Agreement of September 25, 1964. Under Section 2 of the Employee Protection Agreement, if your work is transferred to another seniority district and you cannot exercise your rights according to the agreement, you are entitled to receive these benefits as described in Section 7. My position was abolished and at the same time a new position was posted on June 25, 1997 in Selkirk, N.Y. That is over 100 miles from my headquarters. I do not have rights to this territory and a Sheet Metal Worker from that area received the position on July 24, 1997. He now covers my territory from Selkirk. But because of this, I do have rights to file a claim for severance benefits. What they have done is called, Transfer of Work. By Conrail denying me these benefits, this allows them to start abolishing positions before the merger is approved by the Surface Transportation Board.



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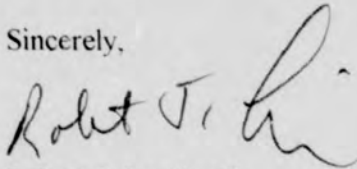
My argument is this. CSX and Norfolk Southern now own Conrail. I realize that this merger is subject to approval by the Surface Transportation Board, but this is not really a merger. They bought Conrail, they own it and it is a change in the operation of the carrier. My job was abolished after this happened. It was also transferred to an area outside of my seniority zone. After 21 years of service, I should be entitled to more than just an unemployment check. The non-agreement management already received a six month salary stay bonus and can receive two years severance pay if their jobs are abolished.

With the merger in the hands of the Surface Transportation Board, it is important for them to see that Conrail employees are losing their jobs without benefits that are agreed to before the merger goes into effect. The CSX Railroad will be taking over the territory that I would have worked in. This railroad does not utilize their own people for maintenance. They contract their building maintenance work out. By eliminating employees now, they are trying to save money on claims later. Why should Mr. Levan, CEO of Conrail receive 22 million dollars for losing his job and I can't even receive benefits that I am entitled to? I should not need to go to this extreme to collect on something that is part of a union contract.

I have included copies of all my correspondences about this claim for benefits. I have also included a copy of the protection agreement that is currently in effect. Please take the time to read my letters. I feel as a U.S. Taxpayer and Railroader of 21 years, I should at least be able to have my case brought before the board before they make such an important decision that will effect a lot of people.

Thank you for any assistance that you can give me. I will await your reply at your earliest convenience.

Sincerely,

A handwritten signature in cursive script, appearing to read "Robert J. Lombardi".

Robert J. Lombardi



Z 222 979 087  
2460 West Hemlock Way  
Chandler, AZ 35248  
March 7, 1998

Stephen E. Crable  
National Mediation Board  
1301 K Street, N.W.  
Washington, D.C. 20572

Dear Mr. Crable,

I am writing to you to appeal a claim that has been denied by Conrail involving a railroad labor contract that is currently in effect.

I have been a member of Local 139, of the Sheet Metal Workers International Association, in Boston, MA since July 1, 1976 and was furloughed from Conrail on July 7, 1997. As you can see, I have been in this Union, in good standings for 21 years. When my position was abolished, I was told that this was a permanent lay off. My wife and I decided that since I was no longer going to be working for the railroad, that it was time to move on and join my family in Arizona. Knowing this, I applied for severance benefits that were agreed to in my latest contract between Conrail and the Sheet Metal Workers International Association. I sent a claim to my General Chairman, Mr. Andrew Pirro, jr. on July 12, 1997 and a second letter on August 16, 1997 with more information for him to take to the Labor Board. On September 3, 1997, Mr. Pirro forwarded my claim to Mr. A.J. Licate with Conrail requesting benefits that I would be entitled to. I received a letter from Mr. Licate, sent to me by Mr. Pirro, denying my claim for benefits. He stated that I did not provide any dates showing the transfer of my work after September 12, 1996. Since then, I have written two more letters to Conrail requesting benefits that I should be entitled to. Conrail will not acknowledge my claim or pay any benefits. Let me explain:

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( 2 )

The western half is now covered from Selkirk, NY and the eastern half from Boston, MA. What they have done is called, Transfer of Work. But because of this, I do have rights to file a claim for severance benefits. By Conrail denying me these benefits, this allows them to start abolishing positions before the merger is approved by the Surface Transportation Board.

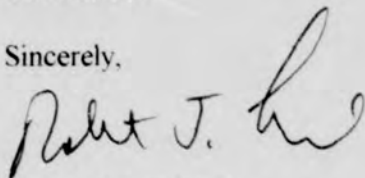
My argument is this. CSX and Norfolk Southern now own Conrail. I realize that this merger is subject to approval by the Surface Transportation Board, but this is not really a merger. They bought Conrail, they own it and it is a change in the operation of the carrier. My job was abolished after this happened. It was also transferred to an area outside of my seniority zone. After 21 years of service, I should be entitled to more than just an unemployment check. The non-agreement management already received a six month salary stay bonus and can receive two years severance pay if their jobs are abolished.

The CSX Railroad will be taking over the territory that I would have worked in. This railroad does not utilize their own people for maintenance. They contract their building maintenance work out. By eliminating employees now, they are trying to save money on claims later. Why should Mr. Levan, CEO of Conrail receive 22 million dollars for losing his job and I can't even receive benefits that I am entitled to? I should not need to go to this extreme to collect on something that is part of a union contract.

I have included copies of my correspondences with Conrail about this claim for benefits. I have also included a copy of the protection agreement that is currently in effect. Can you review my agreement and make a decision as to whether I have a case or not? Please take the time to read my letters.

Thank you for any assistance that you can give me. I will await your reply at your earliest convenience.

Sincerely,



Robert J. Lombardi

cc: Linda J. Morgan, Surface Transportation Board



# Sheet Metal Workers' International Association

UNITED STATES DISTRICT COUNCIL OF RAILROADS

408 So. 24th St.  
Altoona, Pennsylvania 16602  
(814) 941-4972

ANDREW M. PIRRO, JR.  
General Chairman

Mr. A. J. Licate  
Director Labor Relations  
Consolidated Rail Corporation  
2001 Market Street  
P.O. Box 41415  
Philadelphia, PA 19101-1415

September 3, 1997

Re: R. J. Lombardi  
Request benefits under September '64 protection agreement.

Dear Mr. Licate,

This letter is a formal request of all benefits for Mr. R. J. Lombardi. That he would be entitled to under the September 1964 protection package please see his inclosed letter for it is self explanatory and demonstration how Conrail has transferred his work to a another seniority district. Without providing him the appropriate opportunity to follow his work.

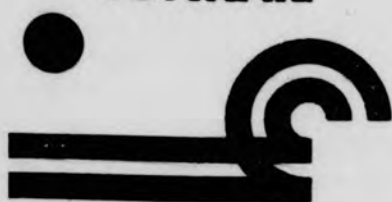
Thank you in advice for your handling of this grievances.

cc R. J. Lombardi

Sincerely,

Andrew M. Pirro, Jr.  
General Chairman

**CONRAIL®**



October 29, 1997

Mr. Andrew M. Pirro, Jr.  
General Chairman  
Sheet Metal Workers' International Association  
408 South 24th Street  
Altoona, PA 16602

Re: System Docket SM - 214; R. J. Lombardi (719755)  
September 24, 1964 Agreement

Dear Mr. Pirro,

This refers to your letter dated September 3, 1997 requesting protective benefits on behalf of R. J. Lombardi under the September 25, 1964 National Agreement. Your correspondence forwarded a letter from Mr. Lombardi dated July 12, 1997 which allegedly demonstrates that Conrail transferred his work to another seniority district without providing him the appropriate opportunity to follow his work. Mr. Lombardi specifically requested a separation allowance under Section 7 of Article I., as further stated in pertinent part in his letter as follows:

"As I have suspected for quite some time my position with Conrail has been abolished. The reason has nothing to do with my job performance or force reduction. Frankly, they just don't need a Sheetmetal Worker in West Springfield anymore.

Since I started working for Conrail over 21 years ago, they have eliminated buildings, sold and leased territories in my seniority zone and changed and updated how they operate the railroad with regard to my work, according to the current agreement between our union and Conrail. By doing this they have put me in a worse position as far as my duties are concerned. Four out of five work days per week I am doing the duties of a B&B mechanic or Electrician, because there isn't sufficient work in my craft to keep a Sheetmetal Worker busy. Or, if the job is too big they will just contract out the work.

When my partner, Charles Paquette retired at the end of 1990, they did not replace his job because there was not enough work for two Sheetmetal Workers. I believe they have kept me on because of my willingness to assist other crafts as needed."

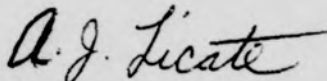
Mr. Andrew M. Pirro, Jr.  
System Docket SM-214  
October 29, 1997

Effective September 12, 1996, Article I of the September 25, 1964 Agreement was applied to Conrail SMW employees. You contend the claimant's entitlement to benefits is based on a transfer of work to another seniority district. However, you have not identified any specific date or transaction which allegedly transferred any work on or after September 12, 1996. In fact, Mr. Lombardi clearly admits that since the end of 1990, there was not sufficient SMW work to justify his employment and that he primarily assisted other crafts in the performance of their duties.

Mr. Lombardi listed 16 events which allegedly occurred since his employment with Conrail, none of which involve a transfer of work to another seniority district. Further, Mr. Lombardi did not provide any specific dates or any showing that any of these events occurred after September 12, 1996, when the 1964 Agreement became effective on Conrail, or that his furlough had any causal nexus to any specific event that could qualify as a transaction under Article I of the September 25, 1964 Agreement. If there is a specific transaction on which this claim is based, please advise.

Based on the foregoing, I have no alternative other than to deny your request for benefits. If you would like to discuss this issue in conference, please advise and I will place it on the docket for the next monthly meeting.

Sincerely,



A. J. Licate  
Senior Director-Labor Relations



Z 222 979 086  
2460 West Hemlock Way  
Chandler, AZ 85248  
December 8, 1997

Mr. A.J. Licate  
Senior Director-Labor Relations  
Conrail  
2001 Market Street  
Philadelphia, PA 19101-1415

RE: System Docket SM-214; R.J. Lombardi (719755)

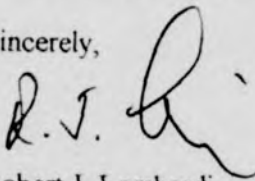
Dear Mr. Licate,

This refers to your letter dated October 29, 1997 denying benefits under the September 25, 1964 National Agreement. At this time I am appealing your decision and sending you the proof that my position was transferred after September 12, 1996. Enclosed you will find copies of my job being abolished effective July 7, 1997, a new position being posted outside my seniority zone on July 1, 1997 and the award going to another Sheet Metal Worker in Selkirk on July 24, 1997. My work has been divided between this new position and Paul Sullivan, another Sheet Metal Worker in Beacon Park. That is the transfer of work.

This entitles me to the benefits as described in the Employee Protection Agreement of September 25, 1964. Under Section 2 of the Employee Protection Agreement, if your work is transferred to another seniority district and you cannot exercise your rights according to the agreement, you are entitled to receive these benefits as described in Section 7. My position was abolished and at the same time a new position was posted in Selkirk, N.Y. That is over 100 miles from my headquarters. I do not have rights to this territory and a Sheet Metal Worker from that area now covers part of my territory from Selkirk. This is not illegal. Conrail has the right to cover my area from Selkirk if there is not sufficient work to keep a Sheet Metal Worker busy. But because of this, I do have rights to file a claim for severance benefits. Therefore, I wish to be paid according to Section 7 of the Employee Protection National Agreement of September 25, 1964 in a lump sum amount equal to 360 days at my rate of pay in effect at the time of my abolishment.

I will await your reply at your earliest convenience.

Sincerely,



Robert J. Lombardi

c.c. Mr. D.C. Buchanan, Director of Railroad Workers, S.M.W.I.A.

**CONRAIL<sup>®</sup>**



January 22, 1998

Mr. R. J. Lombardi  
2460 West Hemlock Way  
Chandler, AZ 85248

RE: System Docket SM-214, R. J. Lombardi (719755)

Dear Mr. Lombardi,

This refers to your letter dated December 8, 1997 which advises that you are appealing my decision outlined in letter dated October 29, 1997, relative to your request for severance allowance under Section 7 of the September 25, 1964 National Agreement.

Your initial request, as outlined in your letter to General Chairman Pirro dated July 12, 1997, was based on 16 events which occurred since your employment began and which you contended involved a transfer of work under the September 25, 1964 National Agreement. Your request was denied on the basis these events were not qualifying transactions under the subject agreement, and that there was no showing that any of these events took place after the 1964 Agreement became effective on Conrail. In your letter of December 8, 1997, you have abandoned your original claim, as initially submitted, and now contend that effective July 7, 1997, your work was transferred to a new position posted in another seniority district and another existing position held by P. Sullivan. You also contend that the Carrier has the right to cover work with positions from other seniority districts, but that action contemplates a transfer of work and entitles you to severance allowance under the September 25, 1964 Agreement.

The abolishment or establishment of positions is not evidence of a transfer of work transaction under the September 25, 1964 Agreement. Again, you have not identified any specific work which allegedly has been transferred, as contemplated under the subject agreement. The fact is that your position was abolished because there simply was not sufficient work available, and you acknowledged that this situation existed before the September 25, 1964 Agreement became effective on Conrail. Your position was responsible for facility maintenance work in Seniority District 2B. Mr. Sullivan's position is responsible for maintenance in Seniority District 1B, and a position currently held by B. Wood is responsible for maintenance work in Seniority District 3C.



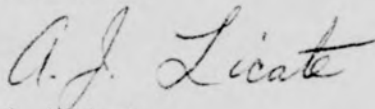
Mr. R. J. Lombardi  
System Docket SM-214  
January 22, 1998

Therefore, there was no transfer of work involved. Even if facilities located in district 2B are occasionally maintained by employees headquartered in other seniority districts, and no evidence has been presented to show that is happening, it would not support your contention that work was transferred. The fact is that facilities are fixed structures and as long as they are in use, they are maintained at fixed locations. Therefore, there can be no transfer of work.

You also contended that you had no rights to the position established in Seniority District 3C. However, you certainly had the right to apply for positions in Seniority District 3C under Rule 3-C-6 of the Agreement. The subject position was initially awarded to A. J. Leonardo, who established seniority effective July 24, 1997, because there were no applications from current Sheet Metal Workers. In fact, more recently, you advised the Carrier that you do not wish to be considered for vacancies in your craft or in other crafts, and that you have relocated to Arizona.

There is no contractual support for your claim for a severance allowance under the September 25, 1964 Agreement. Therefore, your request remains denied in its entirety.

Sincerely,



A. J. Licate  
Senior Director-Labor Relations

cc: Mr. Andrew M. Pirro, Jr., General Chairman  
Sheet Metal Workers' International Association  
408 South 24th Street  
Altoona, PA 16602

Z 235 897 745  
2460 West Hemlock Way  
Chandler, AZ 85248  
February 1, 1998

Mr. A.J. Licate  
Senior Director-Labor Relations  
Conrail  
2001 Market Street  
Philadelphia, PA 19101-1415

RE: System Docket SM-214; R.J. Lombardi (719755)

Dear Mr. Licate,

This refers to your letter dated January 22, 1998. Once again I do not accept your decision on my claim for severance benefits of the September 25, 1964 agreement.

In my 21 years of working for Conrail, there have always been two different ways to interpret the rules as they are written. This is just another example of how the company avoids paying claims. You can bring up any statement you wish as to when the occurrences happened. The facts are simple. Conrail was taken over by the Norfolk Southern and the CSX Railroads on June 2, 1997. My position was abolished on July 7, 1997 and my work transferred to two other seniority zones effective July 24, 1997. I say that this is transfer of work. You tell me that the facilities that I maintained are at fixed locations. This is true, but the employees that now maintain them are from another zone. I will now demonstrate to you the transfer of work. If you look up the words, transfer and work in the dictionary you will find that the word transfer means; move or convey from one place to another, and the word work means; be employed; perform labor. Conrail moved my position outside of my seniority zone along with the labor that I would have performed.

I also can state that Paul Sullivan and A. J. Leonardo have been and still are performing work in my zone. Since my abolishment, building maintenance was performed in Pittsfield, MA, and camp car site work in Chatham, NY by Mr. Leonardo. Air line and building maintenance work in W. Springfield & Westfield, MA as well as heating maintenance in New Haven, CT by Paul Sullivan. These are just examples of work being performed by other Sheet Metal Workers from another zone.

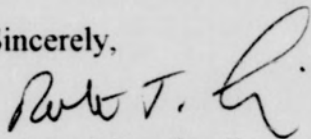
I am sending to the U. S. Department of Labor, the Surface Transportation Board and U. S. Senator Arlen Specter, (PA) copies of everything I have, including a copy of the protection agreement of September 25, 1964.

( 2 )

Let them decide if Conrail is eliminating positions without paying any benefits while a hostile take over is in effect. Let's see how they feel about railroaders losing their jobs without being able to collect benefits that have been agreed upon by collective bargaining contracts.

All I am asking for is my fair share of the 22 million dollars that Mr. Levan is going to receive for losing his job.

Sincerely,

A handwritten signature in dark ink, appearing to read "Robt J. Lombardi". The signature is fluid and cursive, with a large, sweeping "L" at the end.

Robert J. Lombardi

cy: Mr. Andrew Pirro, S.M.W.I.A.

U.S. Senator Arlen Specter, Pennsylvania

Linda Morgan, Chairman, Surface Transportation Board

Debra Hall, U.S. Department of Labor, OLMS

POSITION AWARD -- BULLETIN NUMBER 002

PAGE - 3

NO POSITIONS TO AWARD

\*\*\*THE FOLLOWING POSITION TO BE ABOLISHED END OF TOUR OF DUTY 07/07/97\*\*\*  
25-063-6687-3007-9 SHEET METAL WORKER W SPRINGFIELD MA RJ LOMBARDI 719755

## POSITION ADVERTISEMENT -- BULLETIN NUMBER 004

PAGE -2

POSITION: B&B SHEETMETAL WORKER  
POSITION NUMBER 25-063-3450-0330-4  
HEADQUARTERS: SELKIRK, NY  
RATE OF PAY: \$17.29 per hour  
TOUR OF DUTY 7:00 AM to 3:30PM  
LUNCH: 30 minutes  
RELIEF DAYS: SATURDAY and SUNDAY  
INCUMBENT: READVERTISED NO BIDDERS

**SHEET METAL WORKER:** Applicants must be able to read and write the English language and possess a valid NYS Drivers license. Applicants must be of high grade skill, qualified to all work necessary in trouble shooting, repairing, laying out, constructing, erecting sheet metals or its substitutes, pipe-fitting and plumbing in connections with structures, shop, buildings, powerhouses and yards. Applicants must possess and carry daily, a personal tool box with required appropriate small hand tools to perform above mentioned duties and operate and maintain power tools and machinery safely. As a prerequisite to assignment, applicant who has not previously been qualified on such work shall be given a non-written examination and/or test to show workable knowledge of the craft. Applicant must be able to read and have knowledge of the S7C Safety Rule Book and exhibit a serious attitude toward safety.

FIXED HEADQUARTERS. MUST BE QUALIFIED FOR AND ABLE TO OBTAIN TRACK TIME. MUST BE QUALIFIED ON ASSIGNED TERRITORY. EXPENSES WHILE AWAY FROM HEADQUARTERS. MUST HAVE A VALID DRIVER'S LICENSE.

PAGE 3

POSITION AWARD -- BULLETIN NUMBER 006

SHEETMETAL WORKERS  
INTERNATIONAL

POS# TITLE	HEADQUARTERS	AWARDEE	SENIORITY
25-063-3450-0330-4 SHEET MET WRK SELKIRK	NY	AJ LEONARDO	768433 07/24/97
0330-4 B&B SHEETMETAL WKR SELKIRK.	NY	READVERTISED NO BIDDERS	



STB

FD-33388

4-9-98

J

ID-BUSINESS





Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

*AS-33388*

April 9, 1998

Mr. John Snow  
Chairman and Chief Executive Officer  
CSX Corporation  
One James Center  
901 E. Cary Street  
Richmond, VA 23219

Dear Mr. Snow:

I have received the recent letters that you have sent to Mayor Michael White of Cleveland, Ohio, regarding negotiations between the City of Cleveland and CSX. I also have received several pieces of correspondence which Mayor White has sent to you on the same subject. I will place your letters, Mayor White's letters, and this response in the formal docket for this proceeding.

Sincerely,

*Linda J. Morgan*  
Linda J. Morgan

*John W. Snow*

One James Center  
Richmond, Virginia 23219  
(804) 782-1434

John W. Snow  
Chairman, President  
Chief Executive Officer

March 24, 1998

Via Fax: 216-664-2815

The Honorable Michael R. White  
Mayor of Cleveland  
Cleveland City Hall  
601 Lakeside Avenue  
Cleveland, OH 44114

FILE IN DOCKET

Dear Mayor White:

Thank you for your letter. I recognize that you have been involved in many negotiations and I would urge, once again, that the first step in this process should be a meeting limited to the principals. It's been my experience that there first has to be a meeting of the minds of the decision makers and that once that occurs, the staffs can then work out the details. I don't believe that staffs can work out the basic framework of an agreement, and I interpret what the STB said in its Order as requesting that the principals try to reach agreement.

As you know, our staffs have met many times, frankly, without being able to resolve this issue. We arranged a train trip in which your staff sat for literally hours with key members of my staff. Carl Taylor, our chief operating officer, spoke to your staff and also to you. I think the best opportunity to resolve the issues is for us to first meet.

I recognize that your schedule is busy. However, I note that a tentative schedule of appearances before the STB on April 2<sup>nd</sup> indicates that both of us will be in Washington, and that might be a good place for us to get together. My assistant, Debbie Ellison, has called your scheduler asking for a meeting and suggesting Washington, and I obviously will try to meet you at another locale if the 2<sup>nd</sup> isn't convenient.

I do look forward to sitting down with you so that we can make real progress on this issue before April 15.

Sincerely,

*John W. Snow*

/dke



Suite 560, National Place  
1331 Pennsylvania Avenue, N.W.  
Washington, D.C. 20004  
(202) 783-8124

To: Mary for Richard Orellana

Fax: 565-9015

From: Steve Liebman

Date: \_\_\_\_\_

Pages: 1 + Cover

If you have any problems with this transmission, please call us at 202-783-8124  
This message is intended only for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential, and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, or the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please immediately notify us by telephone, and return the original message to us at the above address via the U.S. Postal Service.

Comments: \_\_\_\_\_  
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STB

FD-33388

4-9-98

J

ID-CITIES



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

30-33388

April 9, 1998

The Honorable Michael R. White  
Mayor  
City of Cleveland  
Cleveland City Hall  
601 Lakeside Avenue  
Cleveland, OH 44114

Dear Mayor White:

I have received the recent letters that you have sent to John Snow with CSX and David Goode with Norfolk Southern. I also have received the letters which Mr. Snow and Mr. Goode sent to you on the same subject. I will place all of these letters and this response in the formal docket for this proceeding.

Sincerely,

*Linda J. Morgan*  
Linda J. Morgan



City of Cleveland  
Michael R. White, Mayor

Cleveland City Hall  
601 Lakeside Avenue  
Cleveland, Ohio 44114  
216/664-2220

FILE IN DOCKET

**VIA FACSIMILE (757) 629-2306**  
**AND REGULAR MAIL**

March 24, 1998

Mr. David R. Goode  
Chairman, President and Chief Executive Officer  
Norfolk Southern Corporation  
Three Commercial Place  
Norfolk, Virginia 23510-2191

Dear Mr. Goode:

Based on our continuing communication, I am prepared to send a high level Cleveland team to your headquarters in Norfolk, Virginia with my request that they do all that is reasonable to obtain a negotiated settlement with Norfolk Southern as it regards the Conrail merger. I make this offer because I believe that only intense negotiations around the clock afford us any opportunity to be successful. I am also making this offer because of my belief in your sincerity regarding your company's interest in resolving this matter.

Ms. Sharon Sobol-Jordan, who leads our working group on this matter, will be calling Mr. Bruno Mastri within the next twenty-four hours.

Sincerely,

A handwritten signature in dark ink, appearing to read "M. R. White".

Michael R. White  
Mayor

MRW:jj

cc: Secretary Rodney Slater, U.S. Department of Transportation  
Congressman Louis Stokes  
Congressman Dennis Kucinich  
Chairman Linda Morgan, Surface Transportation Board  
Vice-Chairman Gus A. Owen, Surface Transportation Board





**Cleveland City Hall**  
601 Lakeside Avenue, Room 202  
Cleveland, Ohio 44114-1079  
216/664-4270 Fax 216/664-2815

To: Chairman Linda Morgan

From: Mayor Michael R. White

Telephone 202-565-9015

Date: March 24, 1998 Time: 12:35 pm Total Number of Pages: 5

Sender ☒ HAS ☐ Has Not called ahead to announce transmission.  
If transmission is not complete, please call sender at phone number listed above.

Comments

STB

FD-33388

4-9-98

J

ID-CITIES



Office of the Chairman

**Surface Transportation Board**  
Washington, D.C. 20423-0001

FILE IN DOCKET

FD-33388

April 9, 1998

Mr. David R. Goode  
Chairman, President and CEO  
Norfolk Southern Corporation  
3 Commercial Place  
Norfolk, VA 23510-2191

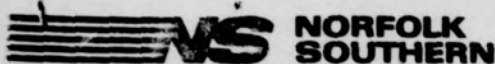
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Sincerely,

*Linda J. Morgan*

Linda J. Morgan



Norfolk Southern Corporation  
Three Commercial Place  
Norfolk, Virginia 23510-2191  
804 629-2610

David R. Goode  
Chairman, President and  
Chief Executive Officer

March 19, 1998

FILE IN DOCKET

Honorable Michael R. White  
Mayor, City of Cleveland  
Cleveland City Hall  
601 Lakeside Avenue  
Cleveland, Ohio 44114

Dear Mayor White:

I appreciated the opportunity to have a face-to-face exchange on March 11 and hope it prepared the way for progress with Cleveland's concerns about the implementation of the Conrail transaction.

Now that the Surface Transportation Board has given us thirty days to resolve our differences or have a third-party solution imposed, we will again stretch to find practical mitigation measures acceptable to you and your constituents. We will not let our disagreement with Cleveland's assessment of the problem stand in the way of creative, realistic steps -- whether those suggested on the 11th or alternatives -- to respond to the city's concerns.

Cleveland lies at the heart of the New Norfolk Southern and has a long and honorable tradition as a railroading center. We need to join the resourcefulness of our staffs to our own personal commitment to find a fair and workable resolution of Cleveland's objections to increased rail traffic, so Cleveland will not only accept but relish its role as a 21st century transportation hub. I am ready to meet with you on any mutually convenient day to end this dispute.

Sincerely,

cc: Hon. Linda Morgan, Chair, Surface Transportation Board  
Hon. Gus A. Owen, Vice Chair, Surface Transportation Board