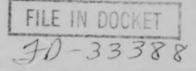


Title This Jacket STB FD-33388 9-28-99 ID-BUSINESS



Surface Transportation Board Hashington, 0.C. 20423-0001



September 28, 1999

Mr. R. Walrod **Purchasing Supervisor** Monofrax, Inc. **370 New York Avenue** Falconer, New York 14733-1797

Dear Mr. Walrod:

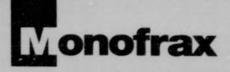
This responds to your September 15, 1999 letter to me regarding your concern about the transit time associated with Monofrax shipments moving over the Norfolk Southern (NS).

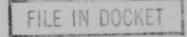
I appreciate that you have made the Board aware of the rail service issues affecting your company. At my request, our Office of Compliance and Enforcement (OCE), which has responsibility for monitoring the operational aspects of the Conrail Transaction, was immediately in contact with NS regarding your concerns. Also, I appreciate your offer to provide the Board with regular updates on your rail service so that we can continue to assess the transition and the potential impacts on shippers of service delays. You may make those future updates directly available to OCE Director Melvin Clemens, if you wish, which will enhance his ability to interact with NS on service issues.

Through our combined efforts, we hope to avoid plant shut-downs and to see acceptable service levels restored on the Conrail system in the very near future. Please do not hesitate to contact me on any matter in which we can be helpful.

Sincerely,

Linda J. Morgan Linda J. Morgan





Monofrax, Inc. 1870 New York Avenue Falconer, New York 14733-1797

Telephone 716-483-7200 Telefax 716-665-2478

R. Walrod

Direct dial: Telephone 716-483-7204 Velefax 716-483-7251

September 15, 1999

1.

Attn: Linda Morgan Surface Transsportation Board 1925 "k" Street NW Washington, DC 20423

RE: Second Published Update on Norfolk Southern's Delivery Delays to Monofrax since 6/1/99

Dear Ms. Morgan,

Norfolk Southern issues weekly progress reports to STB in Washington. We will be issuing monthly progress reports on this situation. The following sections show transit times on cars arriving in Jamestown, NY yard. However, there are many other cars in transit on the NS system for which no ETA is available. This makes it very difficult and expensive to run a 350 manned plant on a JIT basis without a partial or full plant shutdown.

A. Shipments from Wedron, Ill. To Monofrax in Falconer, NY

| Rail car # | Ship Date | Arrival Date | Transit Time |
|-----------------|-----------|--------------|--------------|
| First Release | | | |
| BN440295 | 6/2/99 | 6/30/99 | 28 DAYS |
| BN419168 | 6/4/99 | 6/30/99 | 26 DAYS |
| BN441496 | 6/8/99 | 6/30/99 | 22 DAYS |
| NOKL824628 | 6/10/99 | 7/7/99 | 27 DAYS |
| NOKL830127 | 6/28/99 | 7/12/99 | 14 DAYS |
| ATSF 303180 | 6/29/99 | 7/12/99 | 13 DAYS |
| BN419227 | 7/2/99 | 7/15/99 | 13 DAYS |
| BN451459 | 7/2/99 | 7/20/99 | 18 DAYS |
| BN440192 | 7/8/99 | 7/20/99 | 12 DAYS |
| NOKL824607 | 7/12/99 | 7/23/99 | 11 DAYS |
| ATSF317051 | 7/14/99 | 7/26/99 | 12 DAYS |
| BN438351 | 7/16/99 | 7/26/99 | 10 DAYS |
| BN430161 | 7/20/99 | 8/2/99 | 13 DAYS |
| BN441474 | 7/22/99 | 8/2/99 | 11 DAYS |
| Second Publicat | ion: | | |
| ATSF304983 | 7/30/99 | 8/13/99 | 14 DAYS |

Under Conrail, transit time would be 6 - 8 days.

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STATION

| Rail Car # | Ship Date | Arrival Date | Transit Time |
|--------------------|-----------|--------------|--------------|
| First Publication: | | | |
| CN371480 | 6/4/99 | 6/30/99 | 26 DAYS |
| CNIS368051 | 6/11/99 | 6/30/99 | 19 DAYS |
| CNIS368480 | 6/29/99 | 7/16/99 | 17 DAYS |
| USLX5200 | 6/30/99 | 7/16/99 | 16 DAYS |
| CN371906 | 7/5/99 | 7/22/99 | 17 DAYS |
| CN370942 | 7/13/99 | 7/28/99 | 15 DAYS |
| CN377551 | 7/12/99 | 7/26/99 | 14 DAYS |
| Second Publication | on: | | |
| CNIS368476 | 7/20/99 | 8/5/99 | 16 DAYS |
| CN369568 | 7/20/99 | 8/5/99 | 16 DAYS |
| USLX5209 | 7/28/99 | 8/16/99 | 19 DAYS |
| USLX5204 | 8/3/99 | 8/26/99 | 23 DAYS |
| CN377102 | 8/9/99 | 9/6/99 | 28 DAYS |
| USLX5207 | 8/11/99 | 9/6/99 | 26 DAYS |
| CN371513 | 8/17/99 | 9/13/99 | 27 DAYS |
| CN371732 | 8/24/99 | 9/13/99 | 20 DAYS |
| CN370942 | 8/25/99 | 9/13/99 | 19 DAYS |

B. Shipments made from Jonquierre, Quebec to Monofrax in Falconer, NY

•••

Under Conrail, transit time would be 8 - 10 days.

C. Shipments made from Starke, Florida to Monofrax in Falconer, NY

| Rail Car # | Ship Date | Arrival Date | Transit Time |
|-------------------|-----------|--------------|--------------|
| First Publication | : | | |
| CSXT242117 | 6/4/99 | 7/7/99 | 33 DAYS |
| CSXT223358 | 6/23/99 | 7/23/99 | 30 DAYS |
| CSXT222576 | 7/2/99 | 7/22/99 | 20 DAYS |
| CSXT223188 | 7/7/99 | 7/22/99 | 15 DAYS |
| Second Publicati | on: | | |
| CSXT221489 | 7/13/99 | 8/18/99 | 36 DAYS |
| CSXT223893 | 8/3/99 | 9/6/99 | 34 DAYS |
| CSXT222530 | 8/11/99 | 9/2/99 | 22 DAYS |

Under Conrail, transit time would be 12 days.

Two issues are long transit times and variation in transit times. It makes it very difficult to Run a plant on a JIT basis..

Please feel free to call me should you have questions or need additonal information at 716-483-7204.

Very Truly Yours,

R. Walnod

R. Walrod Purchasing Supervisor

c.c. J. Guinan, NYS Dept of Transportation
U. S. Senator Moyn¹han
U.S. Senator Schumer
Congressman Houghton
D. Thomas, Manufacturing Manager
G. Wrap, Manufacturing Manager
A. Jordan, Corporate Affairs and Strategic Planning for NS
R. Dowe, NS



Title This Jacket STB F.D-33388 9-28-99 ID-PUBLIC



Surface Transportation Board

Washington, D.C. 20423-0001

September 28, 1999

FILE IN DOCKET

Mr. Robert J. Cuif 11230 Homewood LN Auburn, CA 95603

Dear Mr. Cuff:

This responds to your letter to Celia Mc Adam, a copy of which you sent to me. Your letter raises concerns about noise and air pollution in Auburn, California following the Board's approval of the merger of the Union Pacific Railroad Company and the Southern Pacific Transportation Company (hereafter UP/SP). In addition, you ask whether the Board has information on the number of projected trains through Auburn.

As you correctly note, there is no limit on the number of trains UP/SP may operate, provided that UP/SP complies with the environmental mitigation conditions imposed by the Board in its August 12. 1996 decision authorizing the UP/SP merger (<u>STB Decision</u>). We have no information to suggest that UP/SP is not complying with those conditions. Accordingly, there is no reason for the Board to be monitoring the number of trains.

With respect to your concerns about noise and air pollution in Auburn, the <u>STB Decision</u> (at 218-219) explains that the Board's Section of Environmental Analysis (SEA) undertook a thorough environmental analysis of the proposed merger. SEA issued a comprehensive five volume Environmental Assessment in April 1996. A detailed Post Environmental Assessment was issued in June 1996. As relevant here, SEA recommended general, regional, and local mitigation measures pertaining to areas potentially affected by increased traffic as a result of the merger. Although SEA concluded that, overall, the merger would result in several environmental benefits, see STB Decision at 219, SEA also concluded that, absent appropriate environmental mitigation, the merger could have potential environmental effects regarding air quality, noise, safety, and transportation of hazardous materials. Accordingly, SEA proposed extensive mitigation measures addressing the environmental concerns that were raised.

After extensively considering the various environmental issues (id. at 218-225), the Board imposed all of the mitigation measures proposed by SEA (id., App. G at 276-280). The Board agreed with SEA that, with this environmental mitigation, there will be no significant adverse impact on the environment, and that the preparation of a full Environmental Impact Statement was therefore unnecessary. As you note, the mitigation imposed by the Board included mitigation to address anticipated noise and air pollution impacts (conditions 11, 14, 15, 16, App. G at 276-277). The Board also required UP/SP to comply with all applicable Federal Railroad Administration (FRA) rules and regulations in conducting rail operations on the merged system (condition 13, App. G. at 277). Whistle blowing, which appears to be the primary focus of your concern, is a matter regulated by the FRA.

Finally, during the UP/SP merger proceeding several local communities (including Placer County, CA in which Auburn is located) negotiated memoranda of understanding with UP/SP to implement mitigation measures and take other appropriate actions to address their particular environmental concerns. In the <u>STB Decision</u>, the Board imposed a condition requiring UP/SP to comply with the terms of the Memorandum of Understanding executed by Placer County and UP/SP (condition 21, App. G at 278). As I have indicated, we have no information to suggest that UP/SP is not complying with any of the environmental conditions imposed upon the Board's approval of this merger in 1996.

I hope that this information is useful to you. Please do not hesitate to contact me if we can be helpful in the future.

Sincerely,

Linda J. Morgan

ROBERT J. CUFF 1230 HOMEWOOD LN. AUBURN CA. 95603 8/18/99

TO: CELIA Mc ADAM DIRECTOR P.C.T.P.A CC; P.C.T.P.A BOARD MEMBERS SUBJECT: NOISE POLLUTION

FILE IN DOCKE

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Dear Ms. Mc Adam,

It appears that the Federal Surface Transportation Board has permitted the Union Pacific to operate an unlimited number of trains through Auburn, **providing** the environmental mitigation concerns are met as contained in the Surface Transportation Board Finance Docket now 32760, decision No. 44, decided August 6, 1996. Following are excerpts from this document.

SAFETY IMPACT With respect to safety, mitigation includes more frequent track and train car inspections, signs on grade crossings identifying toll free numbers to call in the event of a signal malfunction, and a requirement that UP/SP provide emergency response personnel with information regarding anticipated train movements and work with communities to develop plans to deal with the transportation of hazardous materials, emergencies, and the upgrading of grade crossing signals. In addition, UP/SP will be required to equip certain trains carrying hazardous materials with two-way end-of-train devices to enhance braking capabilities on particular line segments. In response to concerns involving air pollution, UP/SP will have to reduce idling of locomotives, close box car doors on empty cars, and use more efficient locomotives when equipment becomes available.

NOISE POLLUTION To address noise impacts, UP/SP shall consult with the affected counties that have communities that would experience an increase of 3 DBA OR MORE AS A RESULT OF THE INCREASED RAIL TRAFFIC over rail lines in the State of California. If appropriate, UP/SP SHALL DEVELOP A NOISE ABATEMENT PLAN. UP/SP shall submit the result of these consultations to SEA who will review these findings with FRA.

AIR POLLUTION UP/SP shall implement the draft emissions standards for diesel-electric railroad locomotives that the Environmental Protection Agency has developed. It is the Board's understanding the EPA plans to propose these standards. Under these standards, UP/SP shall utilize newly manufactured or re-built locomotives that are more fuel efficient and produce less emissions. To further facilitate the improvement of air quality for specific locations, UP/SP shall consult with appropriate state and local air quality officials in the States of California etc. and shall advise SEA as to the status and the results of these consultations. UP/SP shall adopt existing UP training and operating practices that are designed to reduce locomotive fuel consumption and air pollution. These include; throttle modulation, use of dynamic braking, increased use of pacing and coasting trains, isolating unneeded horsepower, shutting down locomotives when not in use for more than an hour when temperatures are above 40 degrees, and maintaining and u, grading SP locomotives to UP standards. UP/SP shall convert all railroad locomotives to the standards for visible smoke reduction that are established in the South Coast Air Quality Basin.

FRA REGULATIONS UP/SP shall comply with all applicable Federal rules and regulations while conducting rail operations on the merged system. The Code of Federal Regulations--49CFR part 210--currently contains regulations limiting the amount of noise pollution permissible for train operation.

Currently, noise and air pollution are a severe problem for residents of Auburn as well as for residents of Roseville exposed to the new switching vard, and for Reno, where the town is bisected by double tracks. I also understand that we are unable to get any projection of increased freight traffic from U.P. Officials. I suspect that if the Company is unregulated and permitted to disregard the aforementioned requirements established by the Federal Rail Authority (F.R.A.) and the Environmental branch of the Surface Transportation Board (S.E.A) that we can expect to see between 50 and 100 freight trains each 24 hour period. I understand the current peak operation reached 31 trains during a 24 hour period.

Federal regulations require that trainmen whistle 1/4 mile before each crossing, whether the crossing is guarded or not. We have 7 guarded crossings in Auburn (see attachment). If the trainman looks out the window and sees that the crossing guards are down, the lights are flashing etc. Why then, does he have to give all of the homeowners for miles around 10 or more 114 d.b. blasts?? I am reminded of the airlines, who upon receiving new jets in 1959, used them to fit their schedule without making any effort to be good neighbors. Today they have a curfew at most airports from 11:00pm to 7:00am. Thanks to the deregulation frenzy, we now have 4 major railroads in place of 40, and are putting more and longer trains on fewer tracks. It may pay U.P. officials in Omaha to give some consideration to becoming better neighbors. I believe that when the noise pollution caused by frivolous whistle blowing, over burdened tracks, etc. reaches some, currently undetermined level, that public reaction will resemble that faced by the airlines when they introduced the jets.

Attached for your use, is some information about the Surface Transportation Board. Perhaps they can give us an accurate number of projected trains and advise us concerning whether or not the U.P. is in full compliance with docket number 32760

Rabert J Caff Sincerely, Robert J. Cuff -- Placer County Voter Information Advocate (pcvia)

cc: Paul Ogden, Auburn City Manager Harriet White, Placer County Supervisor, Linda J Morgan, Chairperson S.T.B V Judith Donato, Roseville Resident



Surface Transportation Board Organization

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Key Contacts

Mission

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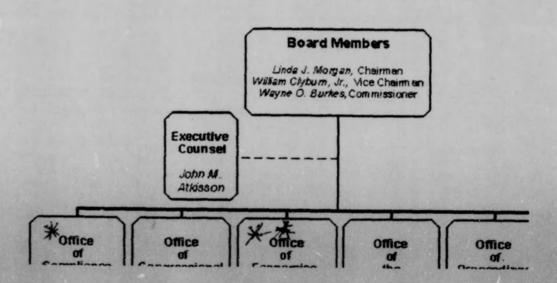
Publications

Transportation Links

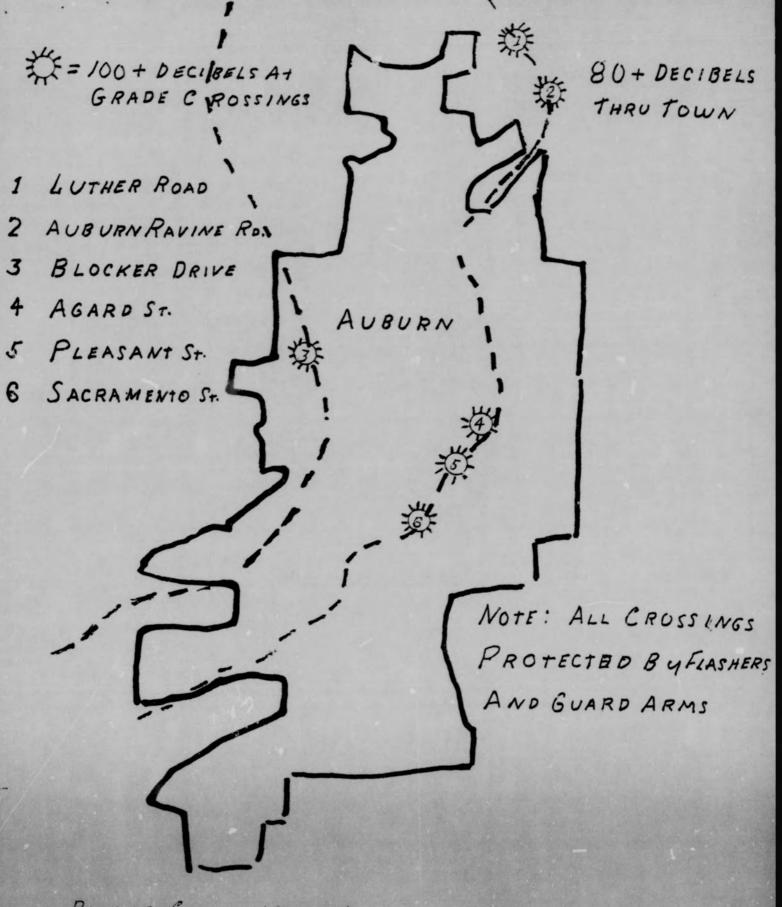
Feedback & Comments

* OFFICE OF COMPLIANCE & EXFORCEMENT MELVIN F. CLEMENS ** OFFICE OF ENVIRONMENTAL ANALYSIS & ADMIN. LELAND K. CARDNER

Surface Transportation Board



UNION PACIFIC IMPACT, ON AUBURN



PLACER COUNTY VOTER INFORMATION ASSUCIATION (PEULA) 9/5/46





Office of the Chairman

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

FILE IN DOCKET

September 28, 1999

Mr. Clarence Turnquist President International Longshoremen's Association c/o 2125 Tryon Road Ashtabula, OH 44004

Dear Mr. Turnquist:

Thank you for your letter regarding the acquisition of Conrail by Norfolk Southern (NS) and CSX. Specifically, you express concerns over a number of interpretations, adverse to the members of your union, made by NS's Labor Relations Department subsequent to the implementing agreement negotiated after the Conrail acquisition transaction was approved by the Surface Transportation Board (Board).

I am forwarding your letter to Mr. David Goode, Chairman, President, and Chief Executive Officer of Norfolk Southern Corporation. I am asking Mr. Goode to respond, by October 22, 1999, to the concerns that you have raised. After I have received Mr. Goode's response, I will be back in touch with you.

I appreciate your concern about these matters, and know that all parties, including the Board, are interested in the fair implementation of the Conrail acquisition transaction. In that regard, I will have your letter, this response, and any response I receive from Mr. Goode, made a part of the public docket for the Conrail proceeding.

Sincerely,

Linda J. Morgan

Linda J. Morgan



Surface Transportation Board Washington, B.C. 20423-0001

Office of the Chairman

FILE IN DOCKET

September 28, 1999

Mr. David R. Goode Chairman, President, and Chief Executive Officer Norfolk Southern Corporation Three Commercial Place Norfolk, Virginia 23510-9225

Dear Mr. Goode:

Enclosed is a letter from Mr. Clarence Turnquist, President of the International Longshoremen's Association Local 1913. He expresses concern over a number of interpretations, adverse to the members of his union, made by Norfolk Southern's Labor Relations Department subsequent to the implementing agreement negotiated after the Conrail acquisition transaction was approved by the Surface Transportation Board (Board).

Given the interest of all parties, including the Board, in the fair implementation of the Conrail acquisition transaction, I have advised Mr. Turnquist that I would be asking you to respond to the concerns that he has raised. Please assist the Board by responding to us by October 22, 1999.

Thank you for your cooperation and prompt attention to this matter.

Sincerely,

Linda J. Morgan

Enclosure



INTERNATIONAL LONGSHOREMEN'S ASSOCIATION

FILE IN DOCKET

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

August 24, 1999

Dear Ms. Morgan and Board Members:

I am writing this letter to you in regards to the recent acquisition of Conrail by Norfolk Southern and CSX. We are the International Longshoremen Association Local 1913 in Ashtabula, Ohio at the Norfolk Southern Coal Dock (Conrail Coal Dock). We had to negotiate our Implementing Agreement with Norfolk Southern in Washington D.C. prior to this takeover. We are just a small organization of about 60 members. We were the last organization to sign our implementing agreement. At that time, we basically felt we had no choice but to sign since all the arbitrators had sided with Norfolk Southern. These were Unions with thousands of members and substantial financial resources. We tried to negotiate in good faith on our part. We basically lost all our agreements that we had worked for, for 30 years at the dock over this Implementing Agreement. Anything that was left in from our old ConRail Contract which wasn't much, we were still hoping to keep as it was. After the takeover, Norfolk Southern's Labor Relations decided to interpret the agreements we made to whatever situation suited them to benefit them and not even being consistent in doing this.

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Norfolk Southern said they (referring to Carrier) made some mistakes on some agreements that they left out certain wording or paragraphs. They now want them changed or the paragraphs added to benefit them.

They told us for vacations, that we could take one week of our vacation one day at a time. They did not say anything about any other changes on vacations or Personal Days. Now they are telling us that if you take a vacation day or personal day during the week, that time does not count towards your 40 hours to entitle you for overtime pay or premium pay. This was never told to us. Under our ConRail agreement personal days counted toward your time. We did not have vacations days before, but we were not told of it not counting toward premium pay. We found out after some employees decided to take one. Now, they are penalized! (Attachment B,Section 11, article 12, paragraph B). Article X, Section 2 nothing states about not counting towards 40 hours.

We are a seven day operation. We have always worked seven days a week with Saturday and Sunday rest days supposedly. We were guaranteed Saturday first trick. We rotated shifts every week with third shift rotating to second shift, and second shift rotating to first, etc. First shift Saturday was told if working Sunday, and second and third shifts were told on Friday what they were working on Saturday and Sunday. When Norfolk Southern agreed to us working Monday through Friday with no guaranteed Saturday first shift, they told us verbally that weekend notification would be done the same. Later in April of 1999, they came to the Dock and told us they had to decided to impose a four (4) hour call out rule. This is not something we agreed on, they said this is what they wanted. I asked the Dock Superintendent for their interpretation of the rule. I was told that they would still let us know on Friday what shifts would work on Saturday and Sunday, but if there was some problem where a boat broke down or was wind bound or something of that nature that they had up to four (4) hours before the shift was to start they could call you and tell you to stay home. If they couldn't get ahold of you and you showed up for work they

would pay you one (1) hour. This is what they were forcing on us. On June 5, 1999, five days into the takeover on a Saturday, they decided to cancel second trick (3:00 p.m. - 11:00 p.m.) at 1:00 p.m. They would not even follow their own rules for one week. We were also forced to give up our weekly rotation, which had been in effect for 30 years to rotating on the first Sunday of the month, or once a month. Along the same subject, even though our workweek was Monday through Friday we started our workweek on Sunday ending on Saturday. Vacations started on Sunday and ended on Saturday. This had also been this way for 30 years. We rotated shifts on Sunday every week. Norfolk Southern would not consent to rotating shifts every week, but did agree to rotate shifts on the first Sunday of the month. Agreeing with us or acknowledging the fact that we start our workweek on Sunday. Four weeks into the take over, they say we can't do this anymore and that the work week will start on Monday with rest days following the work week because everyone else does it that way and they are interpreting the agreement that way now. We now change shifts the first Sunday of the month for one day then change assignment on the Monday following. We negotiated our Implementing Agreement ILA-NS, not with everyone else. (Article XXII, Section 5, shift rotations, page 20)

They have basically taken away our seniority. The only seniority we have was to pick our initial job. They will not let a senior man move by choice to fill vacancies. We always had an agreement that when someone went on vacations who were interested in holding down that vacation the senior man was able to take it. This is what we called a choice sheet. We also had what we called a preference list. This was if someone marked off for the day whomever wanted to fill that job had marked on this sheet of their wanting it. These two things entitled a man to have seniority. We were told that Norfolk Southern didn't have any agreement allowing people to move off their bid jobs. That the only way you could move off your job was if they forced you to move. You could be one of the oldest employees at the dock with almost 30 years service and be forced and someone with a lot less seniority wasn't. We have had Neutrals rule that seniority is the main rule in any work place including the Dock. With Norfolk Southern that is not so anymore. We want it back. (Section 11, Article 12, Paragraph B)

We were also told and it is in the Implementing Agreement that extra men will be used to fill vacancies created by mark offs. vacation days, or personal day and vacations. Since the takeover they have promoted or absorbed three of our employees into supervision without replacing them. This in turn forces all extra men into crew when at least five (5) men are on vacation. When six (6) men are on vacation, they are blanking a job for the week. This leaves us without any extra men, and they will not double any of these men on crew, so on a daily vacancy which they said extra men will cover of fill---there are none. They, then either blank the job or force another person off his job to cover the vacancy and blank his job. This is done on a regular basis. This is another agreement that they are bending to the breaking point on their interpretation. When Norfolk Southern filed with the STB they gave false information. They said we would not lose any jobs. Under ConRail we had 53 regular jobs, 4 guaranteed 40 hour extra men, and 7 extra men to fill vacancies. That is a total of 64 jobs. Now, we have 53 crew jobs and 7 extra men. Out of these 60, one has been off on disability for almost a year and a half, and another has been off for two to three weeks due to major surgery and will be off four to five months leaving us at 58 people. Even at 60 jobs or men, that is 4 less than we had under ConRail. That is four (4) lost jobs-and they said there would be none! (Article III, Section 1 & 2, page 7)

We have always been a seven-day operation under ConRail. Until the last contract in 1997, we were able to mark off whenever and still work Saturdays for time and a half $(1 \frac{1}{2} X)$ AND Sundays for double (2X) time pay. In 1997, we agreed to the change where you had to have thirty-two (32) hours worked or a personal day etc. to qualify for premium pay for Saturday and Sunday. Even though they were not suppose to have anything to due with our contract negotiations, we know Norfolk Southern was involved. Now, we have to work forty (40) hours to qualify for premium pay. The day we signed this agreement in Ashtabula, Ohio, Norfolk Southern Labor Relations was at our meeting to go over it with our members. We were told (union body) that there was no major problem with mark offs. If you marked off, it would cost the person in their wallet, due to the forty-hour rule. We have already had a couple of men mark off some during the week, and now they have sent them letters of warnings and told them they would be more or less monitoring them on marking off. They said this is their policy. We were never given or even told anything about Norfolk Southern policies. If they are wanting their new employees to follow their policies, they should make their policies known to all individuals. Until that time, when everyone is informed, they should not be able to reprimand or take any other actions against someone who is unaware of it. (Article VI, Section 1,2,3,4 says nothing of their policy.)

These are a few of the problems we are having with the Norfolk Southern takeover. I know we are just a small group of employees, but we are still taxpaying citizens and former ConRail employees with over fifty of us with over 20 years of service, and roughly 75% of the fifty men have over 25 years of service. We feel that we tried to bargain with Norfolk Southern in good faith, and are trying to work with them in good faith. However, we feel this is all one-sided, and Norfolk Southern is doing anything they want and interpreting everything their way to benefit themselves! We have filed **over 50 grievances** already, and many are in the second stage. As we have expected, they have turned them all down stating we cannot change wording according to the Railway Labor Act. Apparently, Mr. A.J. Licate knew this from his past employment with Conrail, and he never informed the rank and file on grievance changes. They know it could take years to settle this before a neutral. They know we are a small organization with not a lot of money to fight them, so we either give in to them or go bankrupt fighting them. This is The United States of America and this type of dictatorship by a large corporation should not be permitted!

We now find out two months into the takeover, that we are not entitled to the New York Dock. We are told that due to some of the employees being Red Circled at their rate of pay (if your rate of pay was higher that \$17.30, you would receive that rate of pay for 6 years) satisfies the New York Dock. By doing this, we were not put in any adverse or worst conditions without any loss. They said we had to be displaced or dismissed employees to be eligible for protective benefits and conditions under some other job security etc. under the first Article V Sections (a) on page five (5) of the Implementing Agreement. Further, in section (a), they stressed while in negotiations with us the fact that this election shall not serve to alter or affect any application of the substantive provisions of Article I, Section 3 of the New York Dock. Norfolk Southern told us that the second Article V of the Implementing Agreement where it states that this agreement shall fulfill the requirements of Article I, Section 4 of the New York Dock condition or any other conditions which have been imposed in the Order of the STB in Finance Docket Number 33388 was the basic guidelines to satisfy the basics for the STB and New York Dock, and that we were still eligible to apply for the New York Dock. They had this all set up prior to the takeover, that we could apply-but we would be denied.

We should be entitled to the <u>New York Dock</u> for the following reasons:

- They said we were not "displaced employees or a dismission employee.
 - As of 6/1/99 all ConRail jobs were abolished and readvertised with new Job Titles and descriptions. This is being displaced.
- 2. They said by being Red Circled we did not lose any income.
 - a. We lost a guaranteed Saturday on First Shift
 - b. We lost the ability to double. Norfolk Southern blanks any vacancy.
 - c. Under ConRail, we only had to work 32 hours to qualify for Premium Pay. Now, we have to work 40 hours to qualify.
 - d. Employees working at a lower rate of pay are not able to take hold-downs on vacations or upgrade on daily vacancies to higher rate of pay.
 - e. We lost shift differential. The Red Circle rate of pay is the lower rate of first trick pay.
 - f. Under ConRail we were entitled to 70 hours a week for vacation. They are allowing us that for the years 1999 and 2000 since we earned that under ConRail. Starting in the year 2001, they will only pay us for 40 hours per week. That is a loss of thirty hours of pay per week.
 - g. By not allowing us our Vacation Days and Personal days t o count towards our 40 hours for premium pay, it will cost an employee a double time day!

The above, a through f, are issues that constitutes loss of income to each person at the Coal Dock. These losses amount to **thousands** of dollars in loss income. How can it be said that we are not in worse financial conditions?

We the International Longshoremen Association Local 1913 appreciate your time in reading this letter. We know you and your department are very busy with this takeover. We are a small group compared to the other big unions that are having problems. The problems stated in this letter are not conclusive. However, we feel that we have the right to be heard, and it is very obvious to us that Norfolk Southern is not employee friendly. Thank you again for your time.

Sincerely,

Clarence Junguist

Clarence Turnquist, President ILA LOCAL 1913 ASHTABULA COAL DQCK

Home Address: 2125 Tryon Road Ashtabula, Ohio 44004



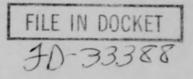
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Surface Transportation Board

Bashington, D.C. 20423-0001



September 27, 1999

Mr. William C. Fahey Chair The Association of the Bar of the City of New York 34 South Broadway, Suite 407 White Plains, NY 10601

> Re: Canadian Pacific Access to New York City via East of Hudson Line, Finance Docket No. 33388

Dear Mr. Fahey:

Thank you for your letter addressing certain issues related to the trackage rights that the Board provided to Canadian Pacific Railway Company (CP) in its decisions in the above proceeding. In your letter, you express your concern that the access afforded to CP has not been adequate, and you ask the Board to investigate the matter.

As you may know, the issue of CP's access to New York City is pending before the Board in formal proceedings, and I am therefore not permitted to comment on the question in a substantive way. I can say, however, that an order was issued last week, at the parties' request, that temporarily deferred a ruling in the case so that the parties could complete private-sector discussions aimed at resolving the matter.

I am placing a copy of your letter and this response in the public docket in the proceeding. For your information, I have enclosed a copy of the Board's order. If I can be of assistance to you in the future, please do not hesitate to let me know.

Sincerely,

Linda J. Morgan

Enclosure

8-15-1999 8:52PM

THE ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK 42 WEST 44TH STREET NEW YORK, NY 10036-6689

COMMITTEE ON TRANSPORTATION

WILLIAM C. FAHEY CHAIR 34 SOUTH BROADWAY, STE. 407 WHITE PLAINS, NY 10601 (914) 684-2755 FAX @ (914) 684-2754 KICHARD MULLER SECRETARY 303 EAST FIJTH STREET, BC-2 NRV YORK, NY 10003-3811 (212) 254-1338 EAX 0212) 696-0025

DOCKE

IN

August 16, 1999

Via Facsimile (202) 565-9004 and First Class Mail The Honorable Linda J. Morgan Chairman, Surface Transportation Board 1925 K Street, NW Washington, DC 20423-0001

Re: Canadian Pacific Access to New York City via East of Hudson Line

Dear Chairman Morgan:

My name is William C. Fahey. I am the Chairman of the Transportation Committee of the Association of the Bar of the City of New York.

The Transportation Committee membership includes some of the most prominent attorneys who practice in the field of transportation law in the New York Metropolitan area.

• On December 10, 1998, I sent you a letter on behalf of the Transportation Committee, indicating the members' strong interest in competitive freight rail service for New York City and the Region. We specifically supported Canadian Pacific's proposal to provide direct service to the New York area via the East of Hudson Line.

We were gratified by your prompt response to our letter and by the STB's role in bringing the Canadian Pacific's proposal to fruition.

Allegations have been made to the Committee recently that CSX is not cooperating with Canadian Pacific and is not adhering to the rules which the STB's helped to develop, particularly in the area of yard access, car availability and switching services and charges. These principles must be followed if there is any hope for genuine rail freight competition in the East of Hudson Market.

Lower freight rates through rail competition would greatly benefit New York City and the region economically and environmentally. The Committee would appreciate an investigation by the STB into these charges to insure that the procedures for access you established are being followed.

Thank you for your continued interest in this matter

Very truly yours William C. Fahey

WCF/edw

8-15-1999 8:52PM

INDELICATO & FAHEY LLP

34 SOUTH BROADWAY, SUITE 407, WHITE PLAINS, NY 10601 (914) 684-2755 FAX (914) 684-2754 P. 1

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AUG 16 1990

MANAGEMENT

STB

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| | FACSIMILE TRANSMITTAL SHE T |
|-----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| The Honorab | le Linda J. Morgan |
| FAX NUMBER: 202 - 565 - FROM: | PHONE NO." 9004 |
| William C. H | august 16, 1999 |
| Canadian Pa | cific Accen to NYC via E. of Itudson Line |
| URGENT AS PER YOUR REQUEST VIA FAX ONLY | Delease comment Delease Reply Das Discussed For your information D for your approval Original Mailed D for Review |
| NOTES/COMMENTS: | |
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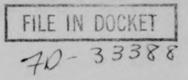
CONFIDENTIALITY NOTICE: This transmission is intended only for the use of the individual or entity to which it is addressed, and may contain confidential information which is protected by the attorney-client privilege or the attorney work product rule. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this information is strictly prohibited. If you have received this transmission in error, please notify us immediately by telephone to arrange for its return.

9-22-99 388 PUBLTC STB

Title This bet STB FD-33388 9-22-99 ID-PUBLIC



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



September 22, 1999

Mr. Jack D. Carter 4751 State Route 151 Mingo Junction, OH 43938

Dear Mr. Carter:

Thank you for your letter regarding the acquisition and division of Conrail by CSX and Norfolk Southern (NS). Specifically, you believe that you qualify as a displaced employee under the <u>New York Dock</u> labor protective conditions imposed by the Surface Transportation Board (Board) in approving the Conrail acquisition transaction, but that NS has denied your claim for relief under those conditions.

Article I, section II of the <u>New York Dock</u> conditions requires that disputes with respect to the interpretation, application, or enforcement regarding any provisions of those conditions, which cannot be resolved voluntarily, be submitted to arbitration. For your benefit, I am enclosing a copy of the <u>New York Dock</u> conditions. You may pursue the matter yourself or, if you are a member of a union, you may seek assistance from your union representative.

After such a matter has proceeded through arbitration, the Board will, of course, be available to accept an appeal from the decision of the arbitrator if it satisfies the requirements of 49 C.F.R. 1115.8 and the Lace Curtain standards the Board applies to determine which decisions of arbitrators it will review. See Chicago and North Western Tptn Co.-Abandonment, 3 I.C.C.2d 729 (1987)(Lace Curtain), aff'd sub nomo. International Bhd. Of Elec. Workers v. I.C.C., 862 F.2d 330 (D.C. Cir. 1988). Because your dispute could come before me on appeal, it would be inappropriate for me to address the merits of your claim at this time.

I appreciate your concerns and assure you that the Board remains committed to fair implementation of the Conrail transaction under the procedures in place. I am having your letter and my response made a part of the public docket for the Conrail acquisition proceeding.

Sincerely,

Lenda J. Morgan

Linda J. Morgan

Enclosure

August 26, 1999

FILE IN DOCKET

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The Honorable Linda J. Morgan Chairman Surface Transportation Board 1925 K Street, NW Washington, DC. 20412-0001

Dear Madam Chairman:

I am writing in regard to the recent transaction in conection with the NS/CSX and Conrail.

In my first month of employment with the NS Railroad I earned approximately \$3,300.00 less than my average monthly compensation (AMC) as stated in the agreement of the New York Dock protective conditions as imposed by the Surface Transportation Board (formerly The Interstate Commerce Commission).

Upon filing my request for entitlement to benefits with the NS, I was declined benefits by NS without even a reason other than I was not placed in a worse position with respect to my compensation.

I have worked nearly 42 years with PRR, PC and Conrail railroads. I am due to retire in less than two years, so not only is this monitary loss to my family and me very devistating but it also deprives me of the opportunity to build upon my railroad pension in my last few months of employment.

Under the New York Dock a displaced employee is an employee who as a result of a transaction is placed in a worse position with respect to his compensation and rules governing his working conditions. With a loss of over \$3,300.00 a month I surely think this should qualify me. Honorable Linda J. Morgan Chairman August 26, 1999 Page 2

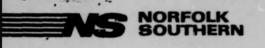
Since the New York Dock is a labor protective arrangement that offers benefits to employees who are adversely affected by a transaction approved by the Surface Transportation Board, I would greatly appreciate anything that you could do to right this gross injustice.

My request for entitlement along with the Company's denial is attached.

Madam Chairman, thank you for your time and consideration of this very important matter.

Sincerely, Jack N. Carter

Jack D. Carter



Norfolk Southern Corporation 223 East City Hall Avenue Norfolk, Virginia 23510-1728

G. C. Edwards Assistant Director Labor Relations (757) 629-2436

August 9, 1999

PB-CLK-NYD-Carter, J. D. SSN: 284-36-7588

Mr. J. D. Carter 4751 State Route 151 Mingo Junction, OH 43938

Dear Mr. Carter:

This is in reply to your request for protective benefits under the provisions of <u>New York Dock</u> conditions as the result of Norfolk Southern Railway's acquisition of a portion of the assets of Consolidated Rail Corporation.

You have not been placed in a worse position with respect to your compensation nor been deprived of employment as a result of a transaction as defined in <u>New York Dock</u>, and you therefore do not meet the definition of a "displaced" or a "dismissed" employee in order to qualify for <u>New York Dock</u> benefits. Your request is accordingly declined.

Very truly yours,

pc Elward

TO 84334111

P.01/02

Request for Entitlement to Benefits

NORFOLK SOUTHERN CORPORATION NORFOLK SOUTHERN RAILWAY COMPANY NORFOLK AND WESTERN RAILWAY COMPANY

Instructions

JUN 20 '33 14'10 FK

This Entitlement to Benefice Form is to assist the Employee and the Company in determining whether the Employee has been advarably affected by a coordination, concalidation or shundonment. We wish to do this as promptly as possible in order to expedite valid claims for displacement or dismissel allowances. You may halp by completing the form with as many helpful facts as will assist the Company in its initial determination as to whether you have been advarably affected.

Completed forms should be forwarded to:

Hr. G. C. Edwards Assistant Director Protective Benefits Norfolk Southern Corporation 223 East City Hall Avenue Norfolk, VA 23510-1728

Notice of:

[x] Placement in a worse position with respect to my compensation and rules governing my working conditions.

or

[] Deprivation of Employment.

| Name: Jack D. Carter | SSN 284-36-7588 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|
| Address: 4751 State Route 151 Mingo Jct., CH. | 43938 |
| Seniority Roster No .: 15 | Seniority Date: 9/10/57 |
| Seniority District: 48 | • Hire Date: 9/10/57 |
| Immediate Supervisor B. L. Swingle Senior | r Trainmaster |
| Identify agreement under which you New York Dock Protective Conditions impose pursuant of Financial Docket No. 33388 On what date were you first placed | ed by the Surface Transportation Board |
| of employment? | |
| How: [x] Position Abolished [] Displaced by [] Other. Explain | |
| 3(a) What position did you hold immedia Item 2? NCSC Waybilling Trick 1 | |
| Position 09-007-7510-0011-4 | Location NCSC Pittsburgh, Pa. |
| Rate of pay: \$139.55 /day | Wage Grade 10 |

| b) | What 1 | position | do | you | current | ly | hold? |
|----|--------|----------|----|-----|---------|----|-------|
|----|--------|----------|----|-----|---------|----|-------|

JUN 20 . 33 14:10 LK

Position _ Chief Clerk _____ Location Mingo Jct. CH.

10 84334111

7.02/02

Rate of pay \$141.86 /day Wage Grade 10

- (d) At the time of your displacement, did you exercise your seniority to obtain the highest paying position available to you? yes
- 4. Identify the transaction involved in your being placed in a worse position or deprived of employment:

Due to the acquisition of Con Rail by NS my position of 09-007-7510-0011-4

5. Explain in detail how the transaction changed your work situation and caused you to be adversely affected.

My monthly, income fell below my average of compensation earned in the previous

twelve (12) month period, thus causing me to become adversely affected.

6. Compensation Data:

.

List the amount of compensation you received in the last twelve months in which you performed service immediately prior to the month, in which you were affected. Certain earnings, such as lump sum payments, stock purchase, and employee protective payments, should be excluded.

| Month | Year | Compensation | | Month | Year | Compensation |
|-------|--------|--------------|---|-------|------|--------------|
| June | 1998 | 7,413.69 | | Dec. | 1998 | 6,140.27 |
| July | 1998 | 6,140.27 | ۱ | Jan. | 1999 | 5,651.84 |
| Aug | ,1998_ | .6,237.98 | | Feb. | 1999 | 7,186.93 |
| Sept. | 1998 | 6,698,49 | | Mar. | 1999 | 7,787.01 |
| Oct. | 1998 | 5,582.06 | | April | 1999 | 8,294.90 |
| Nov. | 1998 | 5,623.94 | | May | 1999 | 9,316.93 |

I HEREBY CERTIFY THAT THIS INFORMATION IS TRUE AND CORRECT:

(Signa sure)

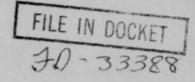
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Surface Transportation Board Washington, D.C. 20423-0001



September 17, 1999

Mr. Michael J. Ruehling Vice President State Relations CSX Corporation One James Center Richmond, VA 23219

Dear Mr. Ruehling:

Thank you for sending me a copy of your letter to Mr. and Mrs. Peter Kasturas, who sent you a petition regarding train activity in Bogota, New Jersey. The Surface Transportation Board also received a copy of the petition, to which I am responding directly to Mr. and Mrs. Kasturas.

I appreciate your keeping me informed about issues raised in connection with the Conrail transaction. As with all such material that we receive, I will have your letter, along with the letter and petition from Mr. and Mrs. Kasturas, made a part of the public docket for that proceeding.

Sincerely.

Linda J. Morgan Linda J. Morgan



UNE TATION

One James Center Richmond, Virginia 23219 (804) 782-1444

Michael J. Ruehling Vice President State Relations

September 9, 1999

FILE IN DOCKET

Mr. and Mrs. Peter Kasturas 139 West Shore Avenue Bogota, New Jersey 07603

Dear Mr. and Mrs. Kasturas,

This will acknowledge receipt of your recent letter and petition related to the concerns of a number of residents of Bogota about the recent increase in train activity in your community. We at CSX are acutely aware of these issues and are working with your elected officials and representatives of the CSX Transportation operating department to address them.

As our representatives have explained during the various meetings and phone calls that have taken place with officials over the past two months, the introduction of competitive rail service to northern New Jersey resulted in a number of changes in rail operations in the region. Many shippers have chosen this River Line route to move their commodities, which include everything from finished automobiles to breakfast cereals and household paper goods.

In the weeks following June 1 when we began operating the line, there was quite a bit of congestion. That situation has improved significantly. However, while our goal is to move our customers' commodities quickly and efficiently, occasionally we have had to temporarily hold trains. In those instances, we have agreed to hold the engines of these temporarily parked trains at a location removed from the pedestrian crossing, the senior citizen housing, and the school. Furthermore, when we know in advance that the train will need to be held for significantly more than an hour, we endeavor to shut the engines down -- even though this requires an additional idling time to check the brakes in each car of a mile long train as it is stopped and re-started.

Second, after carefully reviewing the new rail freight business we acquired, we have concluded that we can increase future train handling efficiency by increasing the capacity of existing passing sidings along the entire line between northern New Jersey and our next major yard just south of Albany. This will enable trains to flow more smoothly through the area, and should reduce holding times at each of these locations from what they have been during the past few months.

While this additional capacity is being built (which in Bogota-Teaneck means restoring a third track where there once had been four), there will be an additional, but unavoidable, inconvenience -- in the form of construction activity and the need to blow warning whistles when crews are working along the track. We hope you will bear with us during the next few months until this work is complete.

We are very concerned about the safety not only of our crews and contractors, but also the residents of the communities through which our trains pass. For this reason, we are undertaking a special education program known as "Operation Lifesaver" in conjunction with your local schools this fall. The purpose of the program is to help young people better understand the risks associated with walking or playing near active rail lines.

Train whistles, likewise, are another critical safety component and serve as an essential warping device for trains approaching road or pedestrian crossings. Due to the fact that there are several crossings between Ridgefield Park and Bergenfield along with the number of trains that use this corridor, there is no question that your community experiences whistle noise on a regular basis. As you have been told, we are reminding our train crews of the need to follow appropriate procedures regarding the nature and duration of the use of train horns.

Finally, with respect to the issue of railroad property maintenance, we understand the obligations that come with being a corporate neighbor in your community. As our construction is completed, we will clean up our own private right of way, including the removal of debris created by our contractors.

In summary, let me thank you again for writing. Our representatives will continue to be available to work with you to address these and other concerns associated with operations in your area.

Sincerely,

Mila 7. nucling

Michael J. Ruehling

cc:

Governor Christine Todd Whitman Mr. Robert C. Shinn, Jr. Commissioner - NJ State DEP Chairman Linda J. Morgan - Surface Transportation Board Sen. Frank Lautenberg Sen. Robert Torricelli Rep. Byron M. Baer Assemblywcman Loretta Weinberg Assemblyman Charles Zisa Mayor Steve Lonegan - Borough of Bogota Jody Calendar - Managing Editor -- The Record



Title This Jacket STB FD-33388 9-17-99 ID-BUSINESS



Surface Transportation Board Washington, B.C. 20423-0001

FILE IN DOCKET

September 17, 1999

Mr. Ronald J. Conway President **CSX** Transportation 500 Water Street J120 Jacksonville, FL 32202

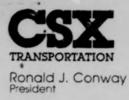
Dear Mr. Conway:

Thank you for sending me a copy of your letter to Mr. Raymond J. Staub, Vice President & National Sales Manager, Glen-Gery Corporation. I appreciate your continued efforts to work with the Board and others on rail service issues.

As I have done with other letters, I will have this correspondence made a part of the public docket in the Conrail proceeding. I appreciate your ongoing commitment to an effective implementation of the Conrail acquisition.

Sincerely,

Linda J. Morgan



FILE IN DOCKET

500 Water Street, J120 Jacksonville, FL 32202 (904) 359-7695 Fax: (904) 366-5023

September 1, 1999

Mr. Raymond J. Staub Vice President & National Sales Manager Glen-Gery Corporation 1166 Spring Street Wyomissing, PA 19610-6001

Dear Mr. Staub:

Thank you for sharing with me a copy of your letter of August 6th to Chairman Morgan. I regret that Glen-Gery has had difficulties with empty car supply to, and loaded transit times from, your CSXT served facilities. I want you to know we are working to make improvements in the service you receive.

I am told that Glen-Gery requests cushioned boxcars for loading at your Caledonia, OH, facility. We do not have very many cushioned cars in brick service since most of our other brick shippers can and do use standard cars. As a result, we have had some delays in filling your orders. We are also making arrangements for one of our damage prevention specialists to visit your Caledonia facility to see if we can recommend an effective way for you to load standard boxcars without product damage. If you can change to standard cars it will increase our ability to serve you. I also understand that CSXT's process for ordering cars was not clear to Glen-Gery, but that since your letter we have developed a good understanding with the Glen-Gery people at the Caledonia plant.

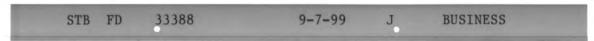
As for the loaded transit times, we did have some computer problems following our acquisition of Conrail. Unfortunately, it appears that a couple of your shipments were erroneously changed from "loaded" status to "empty" status and were delayed as a result. While we continue to work on our loaded car transit times across the railroad, I hope that you have noticed improvements on more recent shipments and that you will soon see service that is representative of CSXT's capabilities.

If I can be of further assistance, please let me know.

Sincerely, ton

Copy: Ms. Linda J. Morgan, Chairman Surface Transportation Board 1925 K Street, NW Washington, DC 20423-0001

> Mr. John P. Sammon, CSXT Mr. Derrick Smith, CSXT



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

FILE IN DOCKET

September 7, 1999

Mr. G. Ray Medlin, Jr. Chairman Mr. James H. Hartung President Toledo-Lucas County Port Authority One Maritime Plaza Toledo, OH 43604-1866

Dear Messrs. Medlin and Hartung:

Thank you for sending me a copy of your further correspondence with Mr. John Snow, Chairman, President, and Chief Executive Officer of CSX, Inc., regarding rail crossing delays in Toledo. In this letter, you thank Mr. Snow for his personal assistance in addressing these delays, particularly with regard to trains blocking the crossing to the Port's general cargo facility. You also seek his assistance with regard to the Tiffin Avenue Overpass Project.

I appreciate the cooperation of all involved in addressing these important issues, and I know that you will continue to work together to arrive at munally beneficial solutions. Also, as before, I have had your letter and my response placed in the public docket for the Conrail transaction.

Sincerely,

Linda J. Morgan



July 16, 1999

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

Dear Mr. Snow:

Thank you for your response to the Port Authority's June 17 correspondence regarding the rail crossing delays in Toledo, Ohio. As a result of your involvement, significant attention has been devoted to this problem by CSX personnel in the area and, in fact, trains blocking the crossing to the Port's general cargo facility have been broken in order to allow traffic to pass. This is the first time in the history of the Port Authority that such action has been taken and we would like to express our appreciation for your attention and efforts.

As mentioned in the June 17 letter, the long-term solution to this problem is the construction of the Tiffin Avenue Overpass Project. It is our understanding that the Ohio Department of Transportation has initiated correspondence with Mr.Randy Frederick, Principal Engineer in your Public improvements Office, regarding Tiffin Avenue. Mr. Frederick's staff has begun a review of the information provided to his office and has promised a prompt response. As CSX approval of the Port Authority's plan is crucial to the completion of the project. CSX's expeditious consideration and response will allow us to move this project forward.

Your attention and involvement in this issue is greatly appreciated. We look forward to working together closely with you to resolve any potential business disruptions to either of our organizations.

S. Ray Medlin 9

G. Ray Medlin, Jr., Chairman

Sincerely, H. Hartung, President

FILE IN DOCKE

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PORTATION

 cc The Honorable Michael DeWine, U.S. Senate The Honorable George Voinovich, U.S. Senate The Honorable Marcy Kaptur, U.S. House of Rep. Jolene M. Molitoris, Adm., Fed. Railroad Admin.
 Linda J. Morgan, Chrmn, Surface Transportation Board Toledo-Lucas County Port Authority Board of Directors Southwood J. Morcott, Dana Phil Winteringham, Toledo World Industries

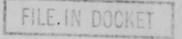
TOLEDO-LUCAS COUNTY PORT AUTHORITY One Maritime Plaza • Toledo, Ohio 43604-1866 U.S.A. • (419) 243-8251 • FAX (419) 243-1835



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

John W. Snow Chairman, President Chief Executive Officer

June 28, 1999



G. Ray Medlin, Jr., Chairman James H. Hartung, President Toledo-Lucas County Port Authority One Maritime Plaza Toledo, Ohio 43604-1866

Gentlemen:

Thank you for your letter of June 17th. I agree that CSX and the Toledo-Lucas County Port Authority have had a long-standing and mutually beneficial relationship and I certainly hope we can continue along this path. This is particularly true since, as you know, Toledo is my hometown.

As I am sure you are aware, the purchase and division up of Conrail by CSX and Norfolk Southern is the largest railroad acquisition ever in U. S. history and one that I am confident will be beneficial to everyone. Obviously, and in spite of the massive pre-planning done prior to the June 1 start date, implementation has been extremely complex and one that unfortunately has not gone without problems. I can assure you that CSX's policy is and will continue to be to promptly address situations that may occur.

To this end, CSX has established a full-time position in Ohio to help make the transition run as smoothly as possible. Former State Senator Neal Zimmers has been appointed as Vice President for Ohio State Relations and I am sure he will be helpful to you. I have forwarded a copy of your letter to him and asked that he coordinate a meeting between Port representatives, and CSX officials to try and resolve this issue to the satisfaction of all concerned.

Thank you for your patience as we work through this transitional period.

Sincerely.

Ju Smore

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Title This Jacket STB FD-33388 9-7-99 ID-UNION all These Can Go in the Same Jacket



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

FILE IN DOCKET

September 7, 1999

Mr. W. Dan Pickett President Brotherhood of Railroad Signalmen 601 W. Golf Road Box U Mount Prospect, IL 60056

Dear Mr. Pickett:

I have received copies of your letters, with attachments, to Mr. Mark MacMahon, Assistant Vice President for Labor Relations at Norfolk Southern Corporation (NS). In these materials, you set forth the dispute between the Brotherhood of Railway Signalmen (BRS) and NS over the use by NS of outside contractors to perform work on a number of projects related to the Conrail acquisition proceeding.

The dispute appears to involve whether NS has complied with the December 14, 1998 Agreement between BRS and NS concerning the use of outside contractors. You indicate that the dispute is going to be resolved by arbitration pursuant to the Railway Labor Act.

I appreciate your keeping me informed on this matter, and I have had your correspondence and my response made a part of the public docket for the Conrail acquisition proceeding.

Sincerely,

Linka J. Morgan

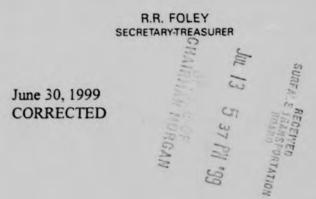


Brotherhood of Railroad Signalmen

601 W. GOLF ROAD BOX U MOUNT PROSPECT, ILLINOIS 60056 PHONE: 847-439-3732 FAX: 847-439-3743

FILE IN L

W. DAN PICKETT



Mr. Mark R. MacMahon, AVP Norfolk Southern Railway Co. Three Commercial Place Norfolk, VA 23510-2101

Dear Mr. MacMahon:

This responds to your letter dated June 18, 1999, which was received in this office via regular mail June 23, 1999 and responds to my June 9 letter.

The parties should proceed to arbitration without further delay. At this point, the parties disagree whether to arbitrate the question last proposed by NSR (as presented in your letter dated June 8) or the question last proposed by BRS (as presented in my letter dated June 9). BRS believes that both questions should be presented to a Public Law Board, under RLA Section 3, which would answer the question or questions the Board deems appropriate. While we disagree with your position about Section 7 of the RLA, we are willing to proceed to arbitration under Section 3 without prejudice to your position or ours.

If my June 9 letter was not clear to you, I reiterate that BRS has concurred to NSR's use of outside contractors to perform all work for which NSR has notified us that it needs to contract with outside vendors. That work is identified in the February 24, 1999 list. In other words, Mr. Barrows's withdrawal has been withdrawn. Resolution of our dispute should proceed forthwith to arbitration. If BRS is found correct in its contention that NSR failed to be "fully utilizing available BRS forces" before its use of contracted forces, then appropriate damages should be awarded to the permanent employees for their loss of work opportunity.

My June 9 letter neither stated nor implied that NSR had agreed to withdraw its lawsuit against BRS. We did, however, think that the parties' resources would be better utilized in expeditiously resolving our dispute in arbitration. Once arbitration is accepted by NSR, we fail to see any need for litigation over an issue being resolved through arbitration. BRS has not proceeded with any initiative to strike NSR, however we remain committed to ensuring that NSR meets its obligations before, during and

0 212

Mr. Mark R. MacMahon June 30, 1999 Page 2

after the use of outside contractors pursuant to our agreement. BRS will not, however, strike NSR over this issue while arbitration is pending.

Our reluctance to concur to additional projects rests solely, as you have been advised, on what is in our view NSR's failure to meet the condition to fully utilize BRS-represented NSR forces. This should not be interpreted as waiver of any other condition contained in our agreement, nor are we agreeable to any forum other than collective bargaining to expand NSR's rights restricted by our December 14, 1999 Agreement.

When you are prepared to resolve this dispute through arbitration, please contact the undersigned at the 847-439-3732 or F.E. Mason at 704-483-1655.

Sincerely,

W. Dan fickett

W.D. Pickett International President

cc: Linda Morgan, Chairperson STB w/attachments
 F.E. Mason
 W.A. Barrows
 W.L. Phillips



Brotherhood of Railroad Signalmen

601 W. GOLF ROAD BOX U MOUNT PROSPECT, ILLINOIS 60056 PHONE: 847-439-3732 FAX: 847-439-3743

W. DAN PICKETT PRESIDENT

R.R. FOLEY SECRETARY-TREASURER

June 9, 1999

Mr. M.R. MacMahon, AVP Norfolk Southern Railway Co. Three Commercial Place Norfolk, VA. 23510-2101

Dear Mr. MacMahon:

This has reference to discussions between the BRS and NS concerning a dispute involving the use of BRS forces or outside contractors to perform work unique to the operation of certain Conrail lines by Norfolk Southern Railway Co. and the pressing need to complete numerous projects.

We have agreed to arbitrate the meaning of the condition expressed as "fully utilizing available BRS forces" in the December 14, 1998 Agreement. And we have also agreed that the Carrier may go ahead and contract those projects contained in the February 24, 1999 letter subject to the awarding of damages should we prevail in such arbitration. The complaint filed against BRS in U.S. District Court will be dismissed without prejudice upon our establishment of this agreement. The agreement is made without prejudice to the position of either party with respect to any issue not specifically addressed in the attached.

Please sign the arbitration agreement and return, by fax, one fully signed copy to me. Please also call so that we may conclude our discussion about the selection of an arbitrator or should it prove necessary to move forward with the selection of an arbitrator with the assistance of the National Mediation Board.

212

Sincerely,

W. Dan Pickett

W.Dan Pickett, International President

Attachment

cc: Robert Spenski, VP Labor Relations F.E. Mason, VP BRS W.A. Barrows, GC BRS W.L. Phillips, Gen. Counsel BRS

Agreement

between

Norfolk Southern Railway Company

and

Brotherhood of Railroad Signalmen

For the purpose of resolving a dispute concerning the agreement of December 14, 1998 and the subsequent commitment made February 24, 1999 (Attached as No. 1), IT IS AGREED:

(A) The controversy between the parties hereto, as hereinafter specifically stated, is hereby submitted to arbitration to a panel described in Section B below, hereinafter referred to as the "Board", and such arbitration is under provisions of Section 7 of the Railway Labor Act, as amended.

(B) The Board shall consist of three members. One member shall be selected by the Organization and shall be known as the Employee member. One member shall be selected by the Carrier and shall be known as the Carrier Member. The third member shall be the Chairman of the Board and shall be a neutral party, unbiased as between the parties, and selected in accordance with the provisions of Section C herein. In the case of a temporary or permanent Board vacancy, with respect to any Board Member, the vacancy shall be filled in the same manner as the original selection. Mark R. MacMahon is designated by the Carrier as the carrier Member of the Board. W. Dan Pickett is designated by the Organization as the Employee Member of the Board.

(C) The Carrier and Employee Members shall conference within two days after the date of this agreement for the purpose of selecting the Neutral Member of the Board. If such partisan members agree upon the Neutral Member and the person so agreed upon is available to serve and accepts the appointment, then such person shall serve as Chairman, subject to certification by the National Mediation Board. If within one day after such first conference, the party members fail to agree upon the Neutral Member, either party may request the National Mediation Board (NMB) to appoint a seven-person strike list from which the parties will alternately strike until an arbitrator is selected, and the NMB shall provide such list within five days. The individual selected shall serve as Chairman if he is available and accepts the appointment. Should the individual selected not be able to serve, either party may request the NMB to appoint a Neutral Member.

(D) The compensation and the expense of the Employee Member shall be borne by the Organization. The compensation and expense of the Carrier Member shall be borne by the Carrier. The compensation and expense of the Neutral Member shall be paid one-half by the Organization and one-half by the Carrier. All other expenses shall be borne equally by the Organization and the Carrier.

(E) The Board shall meet at a mutually agreeable location, but not at the location of the Organization or Carrier Offices, at a time and schedule agreeable to all three Board Members.

(F) The Board shall have jurisdiction over the following dispute in the application of the December 14, 1998 Agreement and the subsequent correspondence of February 24, 1999, concerning the utilization of current BRS represented N&W employees and the use of outside contractors:

"Is the requirement that the Carrier be 'fully utilizing available BRS forces' before the use of outside contractors, a requirement to use BRS forces outside of regularly assigned hours on projects as referenced in the agreement? If the answer to this question is yes, what compensation shall the carrier pay to the BRS forces that should have been utilized." 2

(G) The Board shall hold a hearing limited to the question submitted to it. At such hearing, the parties may be heard in person, by counsel, or by other authorized representatives as they may elect. The parties may present, either orally or in writing, statement of facts, supporting evidence and data, and argument as to their position to the question being considered.

(H) The parties shall exchange Submissions five (5) days prior to the stated hearing date by overnight courier service. The parties shall at the same time and in the same manner furnish copies of the submission to the Neutral Member. There shall be no rebuttal submissions.

(I) The Board shall decide the issue within fifteen (15) days after the close of the hearing.

The findings of fact and the award shall be in writing and copies furnished to the partisan members of the Board and shall be final and binding, subject to the Railway Labor Act, as amended. Each Board member shall have one vote and any two members shall be competent to render an award.

(J) In the event a dispute arises involving the interpretation of the Award, either party may request the Board to render an interpretation within 120 days from the date of the award.

(K) The Board hereby established shall continue in existence only until it has disposed of the question submitted to it under this agreement, after which it will cease to exist except for the interpretation of its Award as provided in Section J.

(L) The time limits in this agreement may be varied by mutual consent of the parties.

(M) The Carrier agrees to dismiss within five (5) business days of the date hereof, without prejudice, the current complaint it has filed in U.S. District Court in Roanoke, VA.

This Agreement is made and executed this day of June, 1999.

For the Employees

For the Carrier

W. Dan Pickett W. Dan Pickett, President BRS

M.R. MacMahon AVP NSR

Attachment No. 1

December 14, 1998

Mr. W. A. Barrows General Chairman, BRS P. O. Box 266 Dover, OH 44622-0266

Dear Mr. Barrows:

It is recognized that the organization has in the past offered to make special accommodation to allow contracting when needed for a limited specified purpose when BRS forces are fully staffed. Given the unique circumstances of the operation of certain Conrail lines by Norfolk Southern Railway and the pressing need to complete numerous projects, it is recognized that there will not be sufficient forces at all the required locations during the subsequent eighteen (18) months beginning on March 1, 1999. In these situations the Carrier will notify the General Chairman of the need to contract with outside vendors to timely complete the specified project(s). The General Chairman will review all the facts and when Carrier is fully utilizing available BRS forces and where there is a demonstrated need to contract the performance of the work, the General Chairman's concurrence will not be unreasonably withheld.

It is further understood that gangs from other divisions or regions will be utilized under these circumstances if available to supplement construction gangs before the use of contractors' forces. While the contractors are being utilized, the Carrier will not abolish any current positions and will also make a good faith effort (i.e., recruit, process to hire, train and assign qualified candidates) to fill all vacant BRS positions, and while contractors' forces are used on a division, all BRS forces on that division will be working on that division. The Carrier will hire 15 new employees by March 1, 1999, and an additional 15 by June 1, 1999; these counts will include those individuals that are currently in the hiring process.

It is further understood that the contractors' forces (outside vendors) will at no time exceed 60 employees.

To the extent they are available and meet the conditions detailed in item 2 below, non-NSR/BRS represented signal forces will be used as vendors, provided:

 BRS and NSR will cooperate to identify the non-NSR signal forces; (2) Any company or entity providing such ERS-represented forces to NSR or to a vendor of NSR will be required to be competitive in the industry with respect to productivity, labor rates and related charges, as well as quality of workmanship performed by its forces, in order that NSR or its vendors do not suffer unreasonable economic hardship.

It is understood that the provisions of this letter will be terminated at the expiration of the eighteen month period referenced above or when the necessary projects are completed, which ever occurs first.

Very truly yours,

R. S. Spenski

Vice President Labor Relations Norfolk Southern Railway Company

Agreed:

General Chairman, BRS

Approved:

J.E. Muan

Vice President, BRS

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February 24, 1999

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Mr W.L. Allman, Jr. Director Labor Relations Norfolk Southern Corporation 223 East City Hall Avenue Norfolk, VA 23510-1728

Dear Mr. Aliman:

This refers to the Camer's request to contract with an outside vendor to timely complete the attached list of specific projects titled "NS Contracting Projects February 24, 1999."

Per the attached December 14, 1998 Agreement, the organization has reviewed all the facts presented. I am satisfied that in the case of the listed projects, the Carrier has demonstrated the need to contract the performance of the work beginning in March 1999, and I'm relying on the Carrier's assurance that it is currently fully utilizing all its BRS forces and meeting the conditions contained in the Agreement.

The Agreement provides that the contractor's forces will at no time exceed 60 employees, and BRS forces assigned to a division will be working on the division when the contractor's forces are working on the division. In order to monitor compliance, when the NS signal construction gangs assigned to a division contained in the attached list are required to work off their division, the Carrier will advise the General Chairman.

When the Carrier is prepared to proceed with other specific project(s) and demonstrates need, i will work with the Carrier to expedite an approval per our Agreement.

With your concurrence to the above, I concur to the attached list of projects.

Nalt Barrows

I concur,

I concur.

Attachments cpy: Mr. W.D. Pickett Local Chairmen N&W

NS Contracting Projects February 24, 1999

Eastern Region (East)

Jun-09-99 02:44P Floyd E. Mason 06/09/1999 03:46 3303644723

.

Ada, VA

AEI installation

1---

MP N 257.8

104-483-1153

-++ V. V.

Eastern Region (West)

| AEI Installation | |
|------------------|------------|
| Big Rock, VA | MP H1 |
| Cleveland, VA | MP CV431.5 |
| Coeburn, VA | MP CV454.8 |
| Falls Mills, VA | MP N369.4 |
| leager, WV | MP 422.1 |
| Kenova, WV | MP NA57 |
| Landgraff, WV | MP N389.8 |
| Panther, WV | MP N429.3 |
| Richlands, VA | MP V4.7 |
| South Point, OH | MP N589.8 |
| Sprigg, WV | MP N464.5 |
| Webb, VA | MP D43.2 |
| Welch, WV | MP T0.3 |
| | |

Indian Yard, VA

Extend Siding

MP 142 - 145

Western Region East (East)

Lake Division

AEI Installations

| Ripley, NY | MP 8 66.9 |
|---------------------|-----------------------|
| Ene, PA | MP 8 87.99 to 8 89.23 |
| Erie, PA | MP B 107.4 |
| Kimball, OH | MP 8240.2 |
| Avon, OH | MP 8200.6 |
| Ballevue, OH | MP 8248.1 |
| Buffalo Junction NY | MP DH400.1 |
| FW TOWER, NY | MP 81.4 |
| Loraine West, OH | MP SL2.9 |
| Loraine East, OH | MP SL 2.1 |
| Kingsville, OH | MP B 123.7 |
| Cloggsville, OH | MP CB8.3 |

Western Region East (West)

Lake Divison

AEI Installations

Page 1

NS Contracting Projects February 24, 1999

| Sand Creek, MI | MP D66.8 |
|--------------------|------------|
| Roanoke, IN | MP D155.3 |
| Royerton, IN | MP CF128.6 |
| Four Mile, IN | MP 8387.7 |
| Ft Wayne Union, IN | MP D143.4 |
| Muncie, IN | MP SP173 |
| Gouid, OH | MP IW110.8 |
| Milan, MI | MP D37.3 |
| Tippecanoe, IN | MP 8423.6 |
| Argos West, IN | MP 8431.5 |

104-483-1153

P.06

Western Region East (West)

JUN-09-99 UN:44P FIOYO E. Mason

Lake Division

AEI installations (cont.)

MP 1110.8 Argos North, IN Cakwood Jct, MI MP 07.0 Detroit, MI Manifest Rip Truck River Rouge, MI MP D5.2 New Haven, IN MP 8364.4 MP CS2.5 Drawbridge, OH Iromville, OH MP T5.4 MP B353.6 Edgerton, IN

Western Region West (East)

| Lake Division | AEI Installations | |
|-------------------|----------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|
| | Chicago West End Chicago High Main Lander East 95/Be Lander East 96 Lea | IL MP 8512.1 |
| Illinois Division | AEI Installations | |
| | Deer Creek, IL Saybrook, IL Curran, IL Roxana, IL | MP SP397.2 MP SP349.5 MP DH420.4 MP A7.2 |
| Illinois Division | AEI Installations Boody, IL Decatur, IL-Jasper Decatur, IL Milmine, IL Grante City, IL Decatur, IL | MP D383.9 St MP D375 MP D373 MP D359.5 MP AE9.8 MP D372.5 |

Page 2

Jun-09-99 02:44P Floyd E. Mason

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NS Contracting Projects February 24, 1999

Western Region West (West)

| Missouri Corridor | State Crossing Upgrade Projects |
|-------------------|---------------------------------|
| | Renick, MO - Robinson Rd. |
| | Monerty, MO - Pea Ridge Rd. |
| | Warrenton, MO - Sunnyside Rd. |
| | Wright City. MO - Route "H" |
| | Truesdale, MO - Laura St. |
| Alton, IL | MP AE1.4 |
| Galesville, IL | Argo Road |

Illinois Division

AEI Installations

MP H1.8 Hannibal, MO Kansas City E., MO MP S269.4 Kansas City, W., MO MP S274.4 Kansas City BN, MO MP S289.4 St Louis May St. MO MP SL3.3

Page 3

Current in the



TU: DAN PICKETT ((FAX)

HERE IS CORPECTED PLB AGINT. (OURRECTED CHARRIER MEMBER)

man Glo

NORFOLK SOUTHERN CORPORATION

cc: F E Mason W A Barrows W L Phillips

AGREEMEN'I'

between

Norfolk Southern Railway Company

and

Brotherhood of Railroad Signalmen

For the purpose of establishing a Special Adjustment Board under Section 3, Second, of the Railway Labor Act, as amended by Public Law 89-456, IT IS AGREED:

(A) There shall be established a Special Board of Adjustment which shall be known as Public Law Board No. ____, hereinafter referred to as the "Board."

(B) The Board shall consist of three members. One member shall be selected by the Organization and shall be known as the Employee Member. Another member shall be selected by the Carrier and shall be known as the Carrier Member. The third member shall be the Chairman of the Board and shall be a neutral party, unbiased as between the parties, and selected in accordance with the provisions of Section C herein. Partisan members may be changed from time to time, or at any time, by the parties designating them. In the case of temporary or permanent Board vacancy, with respect to any Board Member, the vacancy shall be filled in the same manner as the original selection. Mark R. MacMahon is designated by the Carrier as the Carrier Member of the Board. iB designated by the Organization as the Employee Member of the Board.

(C) The Carrier and Employee Members shall conference within two days after the date of this agreement for the purpose of selecting the Neutral Member of the Board. If such partisan members agree upon the Neutral Member and the person so agreed upon is available to render a decision within 30 days of the date of being asked to serve and accepts the appointment, then such person shall serve on the Board, subject to certification by the National Mediation Board. If within one day after such first conference, the party members fail to agree upon the Neutral Member, either party member may request the National Mediation Board to appoint a seven-person strike list, and the NMR shall provide such list within five days. If the individual so selected is not available to ronder a decision within 30 days of being asked to serve. either party may request the NMB to appoint an individual who is available to render a decision within 30 days.

(D) The compensation and expense of the Employee Member shall be borne by the Organization. The compensation and expense of the Carrier Member shall be borne by the Carrier. The compensation and expense of the Neutral Member shall be paid one-half by the

BRS-GRAND LODGE

Organization and one-half by the Carrier. All other expenses shall be borne equally by the Carrier and the Organization. The Board shall have the authority to employ a secretary and to incur such other expenses as are necessary for the proper conduct of its business.

(E) The Board shall meet at any mutually agreeable location at regularly stated intervals until it has disposed of all matters submitted to it under this Agreement.

(F) Such Board shall have jurisdiction over the following questions arising out of the interpretation of the December 14, 1998 Agreement governing the use of contractors and only those disputes as defined in Section 3, Second, of the Railway Labor Act, as amended by Public Law 89-456.

"Is the Carrier complying with the December 14, 1998 agreement applicable to the former NW property by utilizing available RRS forces as contemplated by that agreement? If the answer to this question is "No", what utilization of available BRS forces is required by that agreement?

The Board shall not have jurisdiction of disputes growing out of requests for changes in rates of pay, rules or working conditions, nor have the authority to change existing agreements or establish new rules.

(G) The Board shall hold hearing on the questions presented submitted to it. At such hearing, the parties may be heard in person, by counsel, or by other authorized representatives as they may elect. The parties may present, either orally or in writing, statements of facto, supporting evidence and data, and argument as to their position with regard to each question being considered.

(H) The parties shall exchange any Submissions five (5) days prior to the stated hearing date. The parties shall at the same time furnish copies of their Submissions to the Neutral Member.

(I) The Board shall make findings of fact and render an award on each case submitted to It within 15 days after the close of the hearing.

The findings of fact and the award shall be in writing and copies furnished to the partisan members of the Board and shall be final and binding, subject to Section 3 of the Railway Labor Act. Each Board member shall have one vote and any two members shall be competent to render an award.

(J) In the event a dispute arises involving the interpretation of a Board award, either party may request the Board to render an interpretation within 120 days from the date of the award.

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(K) The Board hereby established shall continue in existence until it has disposed of the question submitted to it under this agreement, after which it will cease to exist except for the requested interpretation of its awards as provided for in Section J.

(L) The time limits provided for in this agreement may be varied by mutual consent of the parties.

This agreement is made and executed the ____ day of June, 1999.

FOR THE CARRIER

FOR THE IMPLOYEES

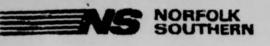
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man

M. R. MacMahon Assistant Vice President Norfolk Southern Railway Company

W. D. PicketL General Chairman Brotherhood Railway Signalmen

K: \COMMON \AVPADMEN \WP \PLBEXPDT.WPD



Norfolk Southern Corporation Three Commercial Place Norfolk, Virginia 23510 2101 Mark R. MacMalion Assistant Vice President Labor Relations (757) 629-2615

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June 8, 1999

CRA-BRS

Via facsimile transmission Mr. W. D. Pickett, Fresident Brotherhood of Railway Signalmen 601 West Golf Road, Box U Mt. Prospect, IL 60056

Dear Mr. Pickett:

In accordance with our discussion yesterday, I enclose an arbitration acreement relative to contracting out on the former NW property under the December 14, 1998 agreement.

You indicated that the only dispute BRS has with the Carrier concerned whether NSR was utilizing available BRS forces as contemplated by the December 14, 1998 agreement and that BRS does not dispute the Carrier's compliance with other elements of that agreement. [I had remarked that, if BRS did dispute NSR's compliance with other elements of the agreement, that we would include those elements in the planned arbitration. Because BRS does not dispute NSR's compliance with the other elements of the agreement, however, this was not necessary.] You also indicated that NSR may go ahead and contract those projects which the General Chairman previously concurred with (i.e. those projects identified in the february 24, 1999 latter from General Chairman Barrows to W. L. Aliman, Jr.)

Please sign the arbitration agreement and return, by facsimile transmission, one fully signed copy to me. Please also call me so that we can conclude our discussion about the selection of an arbitrator or, should it prove necessary to do so, request the National Mediation Board to furnish a list of arbitrators as contemplated by the arbitration agreement.

Very truly yours,

mRh

Attachment

cc: F E Mason W A Barrows W L Phillips

AGREEMENT

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between

Norfolk Southern Railway Company

and

Brotherhood of Railroad Signalmen

For the purpose of establishing a Special Adjustment Board under Section 3, Second, of the Railway Labor Act, as amended by Public Law 89-456, IT IS AGREED:

(A) There shall be established a Special Board of Adjustment which shall be known as Public Law Board No. ____, hereinafter referred to as the "Board."

(B) The Board shall consist of three members. One member shall be selected by the Organization and shall be known as the Employee Member. Another member shall be selected by the Carrier and shall be known as the Carrier Member. The third member snall be the Chairman of the Board and shall be a neutral party, unbiased as between the parties, and selected in accordance with the provisions of Section C herein. Partisan members may be changed from time to time, of at any time, by the parties designating them. In the case of temporary or permanent Board vacancy, with respect to any Board Member, the vacancy shall be filled in the same manner as the original selection. is designated by the Carrier as the Carrier Member of the Board. Mark R. MacMahor is designated by the Organization as the Employee Member of the Board.

(C) The Carrier and Employee Members shall conference within two days after the date of this agreement for the purpose of selecting the Neutral Member of the Board. If such partisan members agree upon the Neutral Member and the person so agreed upon is available to render a decision within 30 days of the date of being asked to serve and accepts the appointment, then such person shall serve on the Board, subject to certification by the National Mediation Board. If within one day after such first conference, the party members fail to agree upon the Neutral Member, either party member may request the National Mediation Board to appoint a seven-person strike list, and the NMB shall provide such list within five days. If the individual so selected is not available to render a decision within 30 days of being asked to serve, either party may request the NMB to appoint an individual who is available to render a decision within 30 days.

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.....

(E) The Board shall meet at any mutually agreeable location at regularly stated intervals until it has disposed of all matters submitted to it under this Agreement.

(F) Such Board shall have jurisdiction over the following questions arising out of the interpretation of the December 14, 1998 Agreement governing the use of contractors and only those disputes as defined in Section 3. Second, of the Railway Labor Act, as amended by Public Law 89-456.

> "Is the Carrier complying with the December 14, 1999 agreement applicable to the former NW property by utilizing available BRS forces as contemplated by that agreement? If the answer to this question is "No", what utilization of available BRS forces is required by that agreement?

The Board shall not have jurisdiction of disputes growing out of requests for changes in rates of pay, rules or working conditions, nor have the authority to change existing agreements or establish new rules.

(G) The Board shall hold hearing on the questions presented submitted to it. At such hearing, the parties may be heard in person, by counsel, or by other authorized representatives as they may elect. The parties may present, either orally or in writing, statements of facts, supporting evidence and data, and argument as to their position with regard to each question being considered.

(H) The parties shall exchange any Submissions five (5) days prior to the stated hearing date. The parties shall at the same time furnish copies of their Submissions to the Neutral Member.

(I) The Board shall make findings of fact and render an award on cach case submitted to it within 15 days after the close of the hearing.

The findings of fact and the award chall be in writing and copies rurnished to the partisan members of the Board and shall be final and binding, subject to Section 3 of the Railway Labor Act. Each Board member shall have one vote and any two members shall be competent to render an award.

(J) In the event a dispute arises involving the interpretation of a Board award, either party may request the Board to render an interpretation within 120 days from the date of the award.

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(K) The Board hereby established shall continue in existence until it has disposed of the question submitted to it under this agreement, after which it will cease to exist except for the requested interpretation of its awards as provided for in Section J.

(1) The time limits provided for in this agreement may be varied by mutual consent of the parties.

This agreement is made and executed the ____ day of June, 1999.

FOR THE EMPLOYEES

FOR THE CARRIER

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W. D. Pickett General Chairman Brotherhood Railway Signalmen

K: \COMMON\AVCADMIN\WP\PLSEXPDT.WPD

M. R. MacMahon Assistant Vice President Norfolk Southern Railway Company

BKS-OKHNU LUUGE DRAFT Mark R. MacMahon Assistant Vice President Labor Relations (757) 629-2615 FAX TO DAN PICKET June 3, 1999 PLS CALL TO CRA-BRS DISCUSS. Via facsimile transmission Mr. W. D. Pickett, President MARK MACMAho, Brotherhood of Railway Signalmen 601 Wast Golf Road, Box U 6 Mt. Prospect, IL 60056 Dear Mr. Pickett:

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10.041-409-0140

This confirms our June 1 and 2, 1999 discussions relative to contracting out on the NW property under the December 14, 1998 agreement.

The parties will arbitrate NSR's right to contract work on the former NW property under the December 14, 1998 agreement. [Issues associated with the portion of conrail operated by NSR will be handled separately.] You indicated BRS believes the dispute is over whether the Carrier is utilizing available BRS forces as required by the December 14, 1998 agreement. The arbitrator will also consider whether the Carrier may contract projects for which the General Chairman's concurrence has not yet been given. Because time is of the essence, the arbitration will be expeditiously conducted. We will jointly endeavor to obtain a decision within 30 days. An arbitration agreement is attached.

Notwithstanding the above arbitration, NSR may go ahead and contract those projects which the Concral Chairman previously concurred with (i.e. those projects identified in the February 24, 1999 letter from General Chairman Barrows to W. L. Allman, Jr.) NER is also prepared to utlize ABC (the BRS represented outside contractor) for up to 37 crossings in the State of Ohio. Pursuant to our previous discussions, we have gone to some effort --including special handling with the State of Ohio -- to be able to award some work to ABC so as to satisfy our obligation under the December 14, 1998 agreement to use BRS represented vendors under certain conditions. Thus, we also want to go ahead with the use of ABC for these crossings in the State of Ohio.

Very truly yours,

/s/M. R. MacMahon

I Agree:

W. D. Pickett, President BRS



AGREEMENT

between

Norfolk Southern Railway Company

and

Brotherhood of Railroad Signalmen

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BRS-GRAND LODGE

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expense of the Neutral Member shall be paid one-half by the Organization and one-half by the Carrier. All other expenses shall be borne equally by the Carrier and the Organization. The Board shall have the authority to employ a secretary and to incur such other expenses as are necessary for the proper conduct of its business.

(E) The Board shall meet in Norfolk, Virginia or at any other mutually agreeable location at regularly stated intervals until it has disposed of all matters submitted to it under this Agreement.

(F) Such Board shall have jurisdiction over the following questions arising out of the interpretation of the December 14, 1998 Agreement governing the use of contractors and only those disputes as defined in Section 3, Second, of the Railway Labor Act, as amended by Public Law 89-456.

> "Is the Carrier complying with the December 14, 1998 agreement by utilizing available BRS forces as contemplated by that agreement such that the General Chairman's concurrence is deemed to be granted thereby permitting the Carrier to contract the projects identified in Attachment 1? If the answer to this question is "No", what utilization of available BRS forces is required such that the General Chairman's concurrence would be decord to be granted thereby permitting the Carrier to contract the identified projects?"

The Board shall not have jurisdiction of disputes growing out of requests for changes in rates of pay, rules or working conditions, nor have the authority to change existing agreements or establish new rules.

(G) The Board shall hold hearing on the questions presented submitted to it. At such hearing, the parties may be heard in person, by counsel, or by other authorized representatives as they may elect. The parties may present, either orally or in writing, statements of facts, supporting evidence and data, and argument as to their position with regard to each question being considered.

(H) The parties shall exchange any Submissions five (5) days prior to the stated hearing date. The parties shall at the same time furnish copies of their Submissions to the Neutral Member.

(I) The Board shall make findings of fact and render an award on each case submitted to it within 15 days after the close of the hearing.

The findings of fact and the award shall be in writing and copies furnished to the partisan members of the Board and shall be final and binding, subject to Section 3 of the Railway Labor Act. Each Board member shall have one vote and any two members shall be competent to render an award.

2

DRAF

(J) In the event a dispute arises involving the interpretation of a Board award, either party may request the Board to render an interpretation within 120 days from the date of the award.

(K) The Board hereby established shall continue in existence until it has disposed of the question submitted to it under this agreement, after which it will cease to exist except for the requested interpretation of its awards as provided for in Section J.

(L) The time limits provided for in this agreement may be varied by mutual consent of the parties.

This agreement is made and executed the _____ day of June, 1999.

FOR THE EMPLOYEES

FOR THE CARRIER

W. D. Ficket General Chairman

M. R. MacMahon Assistant vice President Brotherhood Railway Signalmen Norfolk Scuthern Railway Company

K:\COMMON\AVPADMIN\WP\PLBEXPDT.WPD

Attachment #1 **NS Contracting Projects**

Eastern Region (West) Bucyrus, OH Sanduaky, OH Lake DMalon

Cinch Valley, VA

Western Region East (East)

Conneaut, OH Saybrook, OH Perry, OH Painesvile, OH Bellevus, OH Cleveland, OH Cloggsville, OH Erio, PA Ashtabula, OH Rinley, NY . B&C District

Westen: Region East (West) Bellevio. OH Fremont, OH Oak Harbor, OH Michigan Corridor

STB Crossing Project STB Crossing Projects STB Crossing Projects Lowis Conler - Peachblow Rd Deleware-Penry Rd. Waldo-Prospect Rd. Waldo-Klingle Rd Waldo-Newman Crongton Marion-Scott Township Rd Marion-Morral Kirkptrk Marion-County Line Rd. Pole Line Limination and resociated work

STR Crossing Projects STB Crossing Projects STB Crossing Projects STB Crossing Projects STB Crossing Project STB Crossing Projects (3) STB Traffic Densky Project OTB Track Relocation STB Connecting Track Project STB Crossing Project STB Crossing Projects Ashtabula, OH (4) * Geneva, OH Monitor, OH Willoughby, OH Wickliffe, OH Fole Line Elimination and associated work *

CTB Crossing Projects (5) STB Crossing Projecte (8) STR Ginesing Projects (8) State Crossing Upgrade Projects - MP D 11.19 to D 80.10 Taylor-Monroe Blvd Taylor-Pardee Rd. Taylor-Beech Daly Rd Taylor-Holland Rd.

Teylor-Inkater Rd.

Runulus-Shook Rd Romulus Romaine Ave Romulue-Orga Rd.

Balleville Hannon Rd

Belleville-Savage Rd

Belleville-Sumpter Rd

Delloville-Elwell Rd Belloville-Hull Rd

Belleville-Martz Rd.

Balleville-Bemis Rd.

Wille-Rewsonville Rd. Wille-Wills Rd.

Romulus-Heggarty Rd. Romulus-Huron River Dr

Belleville Marinsville Rd.

MP 6 62.4 MP \$ 104.02 & 104.3 MP \$ 6.5 to \$ 92.85 BUCYTUS-Andrews St. Buyus Bundynin Rd Chatfield-Grawford-Senece Rd Attice TR88 Bellevue-TR104 Balevus-SR4/CR38 Belevue TR178

Bluefleid WV. MP CV 366.0 to Norton, VA, MP CV 485.4,

MP 8 114.25 & 8 115.00 MP B 134.05 & B 134.65 MP 8 148.60 & B 148.85 MP 8 162.3 & B 153.95 MP T 52.95 MP 8 188 85 10 B 189.1 Install CTC on dark track MP 887(+/-) MP B129.2 Loomie Rd.

MP B 128,1 to B 131,25 MP B 138.55 MP B 160.4 MP 8 165.05 MP B 169.7 Buffelu, NY, MP B 3,4 to Cleveland OH, MP B 172.0

MP T 49.07 10 T 03.24 MP T 32.35 to T 43.00 MP T 24.18 to T 31.55

> Mlian-Main St Milan-Alien Rd Milan-Walbash St Milan-Platt Rd Milen-Cone Rd Britton-Milwaukee Rd Britton-Chicago Blvd Britton Main Bt Holloway-Ridge Hwy Helloway-Holloway Rd Holloway-Rogers Hwy Hollowny-Laberdee Rd Adrian Rasin Ctr Hwy Adrian-Wilmouth Rd Adrian-Acedemy Rd Adrian-Maumee St Adrian Boochor St Adrian-Treat St Adrian-Carleton Rd Adrian-S. Adrian Hwy

Willie-Bunton Rd

Milan-Dexter St

STB Crossing Project

STB Crossing Project

Pole Line Elmination and

associated work *

Whiteker-Willow Rd . 12 hulant at

Attachment #1 **NS Contracting Projects**

Western Region East (West) (cont.) Michigan Corridor

141 1 Michaeh INI * Ft Wayne, IN * Ft Wayne, IN * Chicago Disutci .

Western Region West (East) STB Cristaling Projects

Peru, IN Logansport, IN Burrows, IN New Waverly, IN Colburn, IN West Point, IN Alcanakia IN *

Western Region West (West) Missoul Cuintor

State Urossing Upgrade Projects St. Louis, MO - Park Lane St. Louis, MO - Goodfellow St. Berkeley, MO - McDonnel Blvd. O'Fallon, MO - Genteman Rd. Wentzville, MO - Wilmer Rd. Foristell, MO - Seeger Lane Truesdale, MO - Franklin Rd. Truesdale, MO - Walker Rd. Warrenton, MO - Troy Rd. Warrenton, MO - E Market St. Jonesburg, MO - Soudder Rench Jonesburg, MO - Scofield Rd. Jonesburg, MO - High Point Rd. Jonesburg, MO - Route Y

Sand Croak-Lyons Hwy

State Creation Degrade Degrade Chapters - MP D 11.10 to D 00.10 (well) Whiteker-Whiteker St Sand Creak-Sa Sand Creek-Sand Creek Hwy Sand Creek-W. Gorman Lingen Munaan Huy

> -----.......... Notestine St Anthony St Engle Rd Knox, IN, MP B 451.5 to New Haven, IN, MP B 385,4

MP D205.61 MP D209.38 & D217.69 MP D227.81 MP D229.02 MP 0241.77 & D243.8 MP D263.4 & D266.18 ---------

> Montgomery City, MO - Robinson Montgomery City, MO - Angue Rd. Wellsville, MO - Second St. Wellsville, MO - Madison St. Martinsburg, MO - Ledar St. Martineburg, MO - Walnut St. Mertineburg, MO - Fourth St. Montgomery City, MO - Spinsby R Montgomery City, MD - Seventh St Montgomery City, MO - Wilson St. High Hill, MO - 1-70 Outer Svc High Hill, MO - Hickory Wood Rd High Hil, MO . Route F High Hill, MO - Elle Rd. Pendleton, MO - Route B



P.O. Box 266 . Dover, Ohio 44622-0266 . Telephone: 330-364-4003 . Fax: 330-364-4723

Walt A. Barrows General Chairman

May 28, 1999

Certified Mail P 542 384 406

Mr. W.L. Allman, Jr. Director Labor Relations Norfolk Southern Corporation 223 East City Hail Avenue Norfolk, VA 23510-1728

OFFICE OF RESIDENT JUN - 4 1999 G. CF 2 5.

Dear Mr. Allman:

This refers to your letter dated May 24, 1999, concerning the use of outside contractors and the requirement to meet certain conditions before the use of outside or sub-contracted forces. These conditions are stated in our December 14, 1998 Agreement and confirmed in our February 24, 1999, written commitment.

In the negotiations that led to our December 14, 1998 agreement you and Mark MacMahon expressed the Carrier's interest to subcontract merger related work. You had indicated that NS was behind on projects and needed relief form our rules prohibiting subcontracting. We expressed our concern that existing employees not lose their work opportunity.

The language adopted in the December 14, 1998 Agreement had been used in the period preceding the Conrail merger on Conrail. Both sides were aware that fully utilized in this context meant using employees outside of assigned hours and on rest days and in any other manner that would give the opportunity first to the existing employees, and that subcontracting would occur only if fully utilized forces could not accomplish the work. This same language when applied to this same circumstances on Conrail resulted in employees working outside of regularly assigned hours and did not result in the use of any sub-contracted forces. These discussions were held openly with the participation of members from the Conrail Committee, the NS Committee, the BRS International, as well as representatives from Norfolk Southern. These discussions were later confirmed in telephone conversations that involved you, Mark MacMahon for NS, myself, Floyd Mason and President Pickett for the BRS.

You were not lead to believe that the language meant anything other than what the plain language clearly stated. Webster's Unabridged Dictionary defines **fully** as "to the utmost capacity."

The agreement reached addressed our concerns that the work force would be fully staffed and fully utilized, and meeting your concern to accomplish the work if existing forces could not. The commitment made was based on another railroad's experience covering the same issue and the terms were expressed in clear unambiguous terms.



Mr. W.L. Allman, Jr. Director Labor Relations May 28, 1999 Page 2 of 2

The conditions that NS must meet before subcontracted forces are used are "...when BRS forces are fully staffed. ...and when Carrier is fully utilizing available BRS forces...the General Chairman's concurrence will not be unreasonably withheld."

We have made every reasonable effort to make and implement agreements to address your merger related concerns. My concurrence on the February 24, 1999 agreement was based on your written commitment that the BRS forces would be fully utilized. Because the Carrier is not using BRS forces to their utmost capacity concurrence is withdrawn.

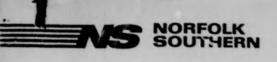
Our relationship and agreements have long since fixed the standard that the use of contractors without agreement with the BRS constitutes a change in working conditions. When the Carrier is fully utilizing available BRS forces we would be willing to review all the facts to determine if there is a demonstrated need to contract the performance of the work. Presently, there is no demonstrated need as available forces could, with only a modest increase in utilization accomplish the work being performed.

The use of contractors should cease and desist immediately. The BRS has demonstrated its desire and willingness to address this issue peacefully, however, the BRS will take any action is deemed legal and necessary should the Carrier continue contracting out BRS covered work.

Sincerely yours,

Walt Barrows

cpy: W. D. Pickett, President BRS F. E. Mason, Vice President BRS W. L. Phillips Esq, General Council BRS Local Chairmen NS



Norfolk Southern Corporation 223 East City Hall Avenue Norfolk, Virginia 23510-1728



W.A. BARROWS NS GENERAL COMMITTEE W. L. Allman Director Labor Relations (757) 629-2406

May 24, 1999

COW-SG-99-2

Mr. W. A. Barrows General Chairman, BRS P O Box 266 Dover, OH 44622-0266

Dear Mr. Barrows:

This responds to your May 4, 1999 letter, which questions whether the Carrier complied with a precondition to the use of outside contractors specified in the December 14, 1998 agreement, when the Carrier used outside contractors to perform projects identified in the February 24, 1999 letter of concurrence.

Preliminarily, I note that your letter refers to contractor gangs working 84 hours a week. As information, please be advised that all contractor gangs are currently working a schedule of eight 10hour days, followed by six days off -- the equivalent of a 40-hour work week per gang.

In your letter, you contend that Carrier forces are not being "fully utilized" as required by the December 14, 1998 agreement, and therefore that this precondition to the use of outside contractors for the projects listed in the attachment to the February 24, 1999 letter has not been satisfied. Your position is incorrect.

Rule 305 of our basic schedule agreement has long fixed the standard work week for signal forces at 40 hours. Nothing in the December 14, 1998 agreement (or the February 24, 1999 letter) effects any departure from this established benchmark. To the contrary, the parties plainly contemplated that when Carrier forces are working a standard 40-hour week as defined in the schedule agreement, these forces are being "fully utilized" for purposes of the December 14, 1998 agreement. Certainly, BRS never took the position during the negotiations leading to the December 14, 1998 agreement (and the February 24, 1999 letter) that the Carrier could Mr. W. A. Barrows May 24, 1999 COW-SG-99-2 Page 2

1.

Section and

not use outside contractors unless Carrier forces were working more than the standard 40-hour week.

Carrier forces have at all times been "fully utilized" while contractors have been used to perform the projects identified in the February 24, 1999 letter. The Carrier's use of contractors is in compliance with the December 14, 1998 agreement.

Very truly yours,

W. L. Allman, Jr.

By:

Assistant Director Labor Relations

Norfolk Southern C. neral Committee Brotherhood of Railroad Signalmen

P.O. Box 266 · Dover, Ohio 44622-0266 · Telephone: 330-364-4003 · Fax: 330-364-4723



Walt A. Barrows General Chairman

April 21, 1999

Mr. W.L. Allman, Jr. Director Labor Relations Norfolk Southern Corporation 223 East City Hall Avenue Norfolk, VA 23510-1728

Dear Mr. Allman:

This refers to the attached February 24, 1999 Agreement and our concern about monitoring the Carrier's compliance. It was my understanding that the Carrier would notify me when employees are off the divisions listed in the attachment.

The employees are telling me, sometimes after the fact, that they are being used off their division. The last two weeks Eastern Region-West Division have been on Eastern Region-East Division. I also have been told the Western Region East-West Division are going to Western Region East -East Division. I have not received any notice of this from your office. Is the Carrier going to notify me in the future? Furthermore, are contractors on the property and if yes where?

This entire issue is disturbing to me. In an effort to get through this, I thought we were going to communicate, but I feel your office and/or the Signal Department is failing to uphold the NS' part of the Agreement.

I hope this is not a sign of how the NS is going to continue to handle this issue.

Sincerely yours,

Walt Barrows

Attachment

cpy: W.D. Pickett, President BRS F.E. Mason, Vice President BRS NS Local Chairmen 990421.Contracting wod



February 24, 1999

Mr. W.L. Allman, Jr. Director Labor Relations Norfolk Southern Corporation 223 East City Hall Avenue Norfolk, VA 23510-1728

Dear Mr. Aliman:

This refers to the Carrier's request to contract with an outside vendor to timely complete the attached list of specific projects titled "NS Contracting Projects February 24, 1999."

Per the attached December 14, 1998 Agreement, the organization has reviewed all the facts presented. I am satisfied that in the case of the listed projects, the Carrier has demonstrated the need to contract the performance of the work beginning in March 1999, and I'm relying on the Carrier's assurance that it is currently fully utilizing all its BRS forces and meeting the conditions contained in the Agreement.

The Agreement provides that the contractor's forces will at no time exceed 60 employees, and BRS forces assigned to a division will be working on the division when the contractor's forces are working on the division. In order to monitor compliance, when the NS signal construction gangs assigned to a division contained in the attached list are required to work off their division, the Carrier will advise the General Chairman.

When the Carrier is prepared to proceed with other specific project(s) and demonstrates need, I will work with the Carrier to expedite an approval per our Agreement.

With your concurrence to the above, I concur to the attached list of projects.

ely yours

Walt Barrows

I concur,

I concur,

WL Allman, Jr.

Attachments cpy: Mr. W.D. Pickett Local Chairmen N&W

3303644723 06/09/1999 03:46

February 24, 1999

Mr. W.L. Allman, Jr. Director Labor Relations Norfolk Southern Corporation 223 East City Hall Avenue Nr. folk, VA 23510-1728

Dear Mr. Aliman:

This refers to the Carrier's request to contract with an outside vendor to timely complete the attached list of specific projects titled "NS Contracting Projects February 24, 1999."

Per the attached December 14, 1998 Agreement, the organization has reviewed all the facts presented. I am satisfied that in the case of the listed projects, the Carrier has demonstrated the need to contract the performance of the work beginning in March 1999, and I'm relying on the Carrier's assurance that it is currently fully utilizing all its BRS forces and meeting the conditions contained in the Agreement.

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When the Carrier is prepared to proceed with other specific project(s) and demonstrates need, I will work with the Carrier to expedite an approval per our Agreement.

With your concurrence to the above, I concur to the attached list of projects.

Sincerely yours

Walt Barrows

I concur,

F. E. Mason

I concur,

WLAllow

Attachments Mr. W.D. Pickett CPY: Local Chairmen N&W

06/09/1999 03:46 3303644723

. .

NS Contracting Projects February 24, 1999

Eastern Region (East)

| Ada, VA | AEI Installation | MP N 257.8 |
|---------|------------------|------------|
| | | |

Eastern Region (West)

| AEI Installation | |
|------------------|------------|
| Big Rock, VA | MP H1 |
| Cleveland, VA | MP CV431.5 |
| Coeburn, VA | MP CV454.8 |
| Falls Mills, VA | MP N369.4 |
| leager, WV | MP 422.1 |
| Kenova, WV | MP NA57 |
| Landgraff, WV | MP N389.8 |
| Panther, WV | MP N429.3 |
| Richlands, VA | MP V4.7 |
| South Point, OH | MP N569.8 |
| Sprigg, WV | MP N464.5 |
| Webb, VA | MF D43.2 |
| Welch, WV | MP T0.3 |
| | |

Indian Yard, VA

Extend Siding

MP 142 - 145

Western Region East (East)

Lake Division

AEI Installations

| Ripley, NY | MP B 66.9 |
|---------------------|-----------------------|
| Erie, PA | MP B 87.99 to B 89.23 |
| Erie, PA | MP B 107.4 |
| Kimball, OH | MP B240.2 |
| Avon, OH | MP B200.6 |
| Bellevue, OH | MP B248.1 |
| Buffalo Junction NY | MP DH400.1 |
| FW Tower, NY | MP 81.4 |
| Loraine West, OH | MP SL2.9 |
| Loraine East, OH | MP SL 2.1 |
| Kingsville, OH | MP B 123.7 |
| Cloggsville, OH | MP CB8.3 |

Western Region East (West)

Lake Divison

AEI Installations

Page 1

PAGE 03

| Sand Creek, MI | MP D66.8 |
|---------------------|------------|
| Roanoke, IN | MP D155.3 |
| Royerton, IN | MP CF128.6 |
| Four Mile, IN | MP B367.7 |
| Ft. Wayne Union, IN | MP D143.4 |
| Muncie, IN | MP SP173 |
| Gould, OH | MP IW110.8 |
| Milan, MI | MP 037.3 |
| Tippecanoe, IN | MP B423.6 |
| Argos West, IN | MP 8431.5 |

Western Region East (West)

Lake Division

AEI Installations (cont.)

Detroit, MI

Ironville, OH

Edgerton, IN

MP 1110.8 Argos North, IN Oakwood Jct, MI MP D7.0 Manifest Rip Track MP D5.2 River Rouge, MI MP B364.4 New Haven, IN Drawbridge, OH MP CS2.5 MP T5.4 MP B353.6

Western Region West (East)

Lake Division

AEI Installations

MP 8512.4 Chicago West End, IL MP B512.1 Chicago High Main, IL Lander East 95/Belt Lead Lander East 96 Lead

Illinois Division

AEI Installations

Illinois Division

| | Deer Creek, IL | MP SP397.2 |
|-----|--------------------|------------|
| | Saybmok, IL | MP SP349.5 |
| | Curren, IL | MP DH420.4 |
| | Roxana, IL | MP A7.2 |
| AEI | Installations | |
| | Boody, IL | MP D383.9 |
| | Decatur, IL-Jasper | St MP D375 |
| | Decatur, IL | MP D373 |
| | Milmine, IL | MP D359.5 |
| | Granite City, IL | MP AE9.8 |
| | Decatur, IL | MP D372.5 |
| | | |

Page 2

NS Contracting Projects February 24, 1999

Western Region West (West)

Missouri Corridor Stat

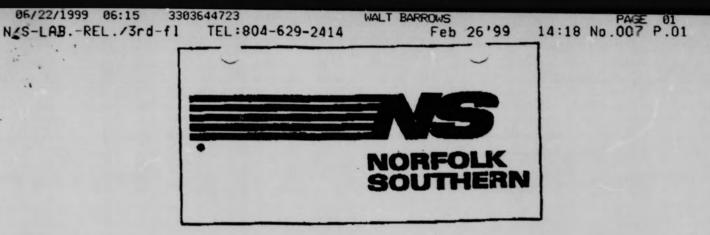
State Crossing Upgrade Projects Renick, MO - Robinson Rd. Moberly, MO - Pea Ridge Rd. Warrenton, MO - Sunnyside Rd. Wright City, MO - Route "H" Truesdale, MO - Laura St. MP AE1.4 Argo Road

Alton, IL Galesville, IL

Illinois Division

AEI Installations

Hannibal, MO MP H1.8 Kansas City E., MO MP S269.4 Kansas City, W., MO MP S274.4 Kansas City BN, MO MP S269.4 St Louis May St, MO MP SL3.3



LABOR RELATIONS DEPARTMENT 223 East City Hall Ave. Norfolk, VA 23510

TELECOPIER COVER SHEET

DATE:

Feb. 26, 1999

| | - lef. our conversation, attached is the rensed |
|-----------------------|--------------------------------------------------|
| @ = added | list of contracted projects anticipated for 1999 |
| propects = project | 220 - 364 17 23 |
| anticipates | L. F. Miller |

FAX No. (757) 629-2414

No. of Pages (including cover sheet) 5

In case of trouble with transmission, contact:

Phone No.

| 06/22/1999 | 06:15 330364 | 4723 WALT | BARROWS | PAG | E 02 |
|------------|-------------------------------|---------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| N/S-LABRI | | TEL:804-629-2414 | Feb 26 | '99 14:18 No.00 | 7 P.02 |
| | | | | | |
| | | Norfolk Southern i | | | |
| | | (former N&W | and the second sec | | |
| | | Anticipated 1999 Contrac | ted Projects | | |
| • | | (As of 2-26-99 - Subject) | To Change) | | |
| | | | | | |
| Eastern | Region (East) | | | | |
| | Walkertown, NC | Highway Underpass Project | MP RW 118 | | |
| | Durham District | Pole Line Elimination | Vabrook (Br | nookneal), VA - MP L33.5 to | |
| * | Ade, VA | AEI Installation | MP N 357.8 | NC - MP L74 & all opur track | • |
| ~ | | | MP N 357.0 | | |
| Eastern | Region (West) | | | | |
| | Bucyrus, OH | STB Crossing Project | MP 6 62.4 | | |
| | Sanduaky, OH | STB Crossing Projects | MP S 104.0 | 2 & 104.3 | |
| | Lake Division | STB Crossing Projects | MP 8 6.5 to | | |
| | | Lewis Center - Pe | | Bucyrue-Andrews St. | |
| | | Dolaware-Penry R | | Bucyrus Brandywine Rd | |
| | | Weldo-Prospect F Waldo-Klingle Rd. | | Chatfield-Crawford-Seneca R Attice-TR88 | D |
| | | Waldo-Newman C | | Bellevue-TR104 | |
| | | Marion-Scott Town | | Bellevue-SR4/CR36 | |
| | | Marion-Morrel Kirt | | Bellswo-TR178 | |
| | | Marion-County Lin | | | |
| × | Various | AEI Installations | | | |
| | | Big Rock, VA | MP H1 | | |
| | | Cleveland, VA | MP CV431.5 | | |
| | | Coeburn, VA | MP CV 454. | | |
| | | Falls Mills, VA Isager, WV | MP N369.4 MP 422.1 | | |
| | | Kenova, WV | MP NAST | | |
| | | Landgraff, WV | MP N389.8 | | |
| | | Penther, WV | MP N429.3 | | |
| | | Richlands, VA | MP V4.7 | | |
| | | South Point, OH | MP N589.8 | | |
| | | Sprigg, WV | MP N464.5 | | |
| | | Webb, VA | MP D43.2 | | |
| | Clinch Valley, VA | Weich, WV Pole Line Elimination | MP TO.3 | , MP CV 366.0 to | |
| | Charlest Valuey, VA | Fore Live Carningson | | AP CV 485.4. | |
| × | Indian Yard, VA | Extend Siding | MP 142-145 | | |
| ~ | | | | | |
| Western | Region East (East) | | | | |
| | Conneaut, OH | STB Crossing Project | | 5 & B 115.02 | |
| | Saybrook, OH | STE Crossing Projects | | 5 & B 134.65 | |
| | Perry, OH | STB Crossing Projects | | 0 & B 148.85 | |
| | Painceville, OH | STB Crossing Projects | MP B 152.3 | & B 153.95 | |
| | Bellevue, OH Cleveland, OH | STB Crossing Project STB Crossing Projects (5) | MP T 52.95 | 5 to B 189.05 | |
| | Lakewood, OH | STB Crossing Projects (18) | B 189.38 to | | |
| | Cloggeville, OH | STB Traffic Density Project | | on dark track. | |
| | Ente, PA | STB Treck Relocation | MP 887(+/-) | | |
| | Ashtabula, OH | STB Connecting Track Project | | | |
| | B&C District | STB Crossing Prejects | | | |
| | | Ashtabula, OH (5) | | | |
| | | Geneve, OH | MP B 138.5 | The local sector was a sector of the sector | |
| | | Mentor, OH Willoughby, OH | MP B 160.4 MP B 165.05 | | |
| | | Windshife OH | MP 8 160.03 | · · · · · · · · · · · · · · · · · · · | |

Page 1 of 4

Norfolk Southern Railway (former N&W) Anticipated 1999 Contracted Projects (As of 2-26-99 - Subject To Change)

| | | (As of 2-28-99 - Subject To | Change) | |
|---------|------------------------|---------------------------------|--------------|--------------------------|
| Vestern | Kegion East (East) (co | ent.) | | |
| * | Lake Division | AEI Installations | | |
| | | Ripley, NY | MP 8 66.9 | |
| | | Erle, PA (3) | MP B 87.99 | R 89 23 |
| | | Erle, PA | MP B 107.4 | 0000.23 |
| | | Kimbell, OH | MP 8240.2 | |
| | | Avon, OH | MP 8200.6 | |
| | • | Belevue, OH | MP 8248.1 | |
| | | Buffalo Junction, NY | MP DH400.1 | |
| | | FW Tower, NY | MPB1.4 | |
| | | Lonaine West, OH | MP SL2.9 | |
| | | Loraine East, OH | MP 8L 2.1 | |
| | | Kingeville, OH | MP B 123.7 | |
| | | Cloggeville, OH | MP CB8.3 | |
| Nester | Region East (West) | Cioggeries, Ori | MP CD0.3 | |
| | Clyde, OH | STE Crossing Projects (8) | MP T 48.35 t | T 43 76 |
| | Bellevue, OH | STB Crossing Projects (5) | MP T 49.87 t | |
| | Fremont OH | STB Crossing Projects (8) | MP T 32.35 t | |
| | Oak Harbor, OH | STB Crossing Projects (6) | | |
| | Michigan Corridor | State Crossing Upgrade Projects | MP T 25.55 t | |
| | | | | |
| | | Taylor-Monroe Blvd | | lian-Main St |
| | | Taylor-Perdee Rd. | | lian-Alien Rd |
| | | Taylor-Brech Daly Ro | | lian-vNalbash St |
| | | Taylor-Holland Rd. | | Nen-Platt Rd |
| | | Taylor-Inkster Rd. | | lan-Cone Rd |
| | | Romulus-Shook Rd | | itton-Milwaukee Rd |
| | | Romulus-Romaine Av | | ritton-Chicago Blvd |
| | | Romulue-Ozga Rd. | | itton-Main St |
| | | Belleville-Hannon Rd | | olloway-Ridge Hwy |
| | | Romulus-Haggarty R | | olloway-Holloway Rd |
| | | Romulus-Huron River | | olloway-Rogers Hwy |
| | | Belleville-Martinsville I | Rd. H | olloway-Laberdee Rd |
| | | Belevile-Savage Rd | | drian-Rasin Ctr Hwy |
| | | Belleville-Sumpter Rd | | drian-Wilmouth Rd |
| | | Believile-Elwell Rd | | drien Acedemy Rd |
| | | Gelleville-Hull Rd | | drian-Maumee St |
| | | Belevile-Martz Rd. | A | drian-Beecher St |
| | | Belleville-Bernis Rd. | A | drien-Treat St |
| | | Willis-Rewsonville Rd | . A | Irlan-Carleton Rd |
| | | Wills-Wills Rd. | A | drian-S. Adrian Hwy |
| | | Willie-Bunton Rd | - | and Creek-Lyons Hwy |
| | | Whiteker-Whiteker St | | and Creek-Sand Creek Hwy |
| | | Whiteker-Willow Rd | | and Creek-W, Gorman |
| | | Milan-Sanford St | | unson-Munson Hwy |
| | | Milan-County St | | unson-Morenal Hwy |
| | | Milan-Dexter St | | |
| ~ | Lake DMk 'on | AEI Installations | | |
| x | | Sand Creek, MI | MP Dee.8 | |
| | | Rosnoke, IN | MP D155.3 | |
| | | Royerton, IN | MP CF128.6 | |
| | | Four Mile, IN | MP 8367.7 | |
| | | Pt. Wayne Union, IN | MP D143.4 | |
| | | Muncie, IN | MP SP173 | |
| | | total source, 114 | | |

Page 2 of 4

| 06/22/1999 06 | | 644723 WALT BA | RROWS | PAGE | 05 |
|---------------|----------------|-----------------------------------------|--------------------|----------------------------------------------------------------------------------------------------------------|------|
| N/S-LABREL | ./3rd-fl | TEL:804-629-2414 | Feb 26'99 | 14:20 No.007 M | P.04 |
| • • | | ~ N==================================== | | | |
| | | Norfolk Southern Ra | liway | | |
| | | (former N&W) | | | |
| | | Anticipated 1999 Contracted | d Projects | | |
| | | (As of 2-26-99 - Subject To | Change) | | |
| Western Re | gion East (Wes | (cont.) | | | |
| -* 4 | ake Division | AEI installations (cont.) | | | |
| ~ | | Gould, OH | MP W110.8 | | |
| | | Milan, Mi | MP D37.3 | | |
| | | Tippecanoe, IN | MP 8423.6 | | |
| | | Argos West, IN | MP 8431.5 | | |
| | | Argos North, IN | MP 1110.8 | | |
| | | Oakwood Jct, MI | MP 07.0 | | |
| | | Detroit, MI | Manifest Rip Track | | |
| | | River Rouge, Mi | MP D5.2 | | |
| | | New Haven, IN | MP B364.4 | | |
| | | Drawbridge, OH | MP C62.5 | | |
| | | Ironville, OH | MP T5.4 | | |
| | | Edgerton, IN | MP 8353.6 | | |
| Western Re | gion West (Eas | | | | |
| | | Peru, IN | MP D205.51 | | |
| | | Loganeport, IN | MP D209.36 & D21 | 7.69 | |
| | | BLLTOWS, IN | MP D227.81 | | |
| | | New Vlaverty, IN | MP D229.02 | | |
| | | Colbiam, in | MP D241.77 & D24 | | |
| | | West Point, IN | MP D263.4 & D260 | 5.18 | |
| | | Iveedale, IL | MP D350.83 | | |
| * 4 | ake Division | Mansfield, IL. AEI Installations | MP C132.06 & C13 | 2.35 | |
| | | Chicago West End, II | MP 851 | 24 | |
| | | Chicago High Main, I | | And a second | |
| | | Lander East 95/Belt I | | 6 .1 | |
| | | Lander East 96 Lead | | | |
| * " | inois Division | AEI installatione | | | |
| | | Dear Creek, IL | MP SPS | 97.2 | |
| | | Saybrook, IL | MP SP | | |
| | | Curren, IL | MP DH | | |
| | | Roxens, IL | MP AT. | | |
| | | Boody, IL | MP D38 | | |
| | | Decatur, IL-Jasper Si | | | |
| | | Decetur, IL | MP D37 | 3 | |
| | | Milmine, IL | MP D35 | | |
| | | Granite City, IL | MP AE | | |
| | | Decatur, IL | MP D37 | 2.5 | |

Western Region West (West) Missouri Corridor

State Crossing Upgrade Projects

St. Louis, MO - Park Lane St. Louis, MO - Goodfellow St. Berkeley, MO - McDonnel Blvd. O'Fallon, MO - Genteman Rd. Wentzville, MO - Wilmer Rd. Foristell, MO - Seeger Lane Wright City. MO - Route H Truesdale, MO - Franklin Rd. Truesdale, MO - Walker Rd. Warrenton, MO - Troy Rd.

Montgomery, MO - Robinson Rd Montgomery, MO - Angue Rd. Wellsville, MO - Second St. Wellsville, MO - Medison St. Martineburg, MO - Coder St. Martineburg, MO . Walnut Et. Martineburg, MO - Fourth St. Montgomery, MO - Spineby Rd. Montgomery, MO - Sevenih St. Montgomery, MO - Wilson St.

Page 3 of 4

TEL:804-629-2414 Feb 26'99 Norfolk Southern Reilway (former N&W)

Anticipated 1999 Contracted Projects

WALT BARROWS

(As of 2-26-99 - Subject To Change)

Western Region West (West) (cont.) Missouri Corridor

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06/22/1999 06:15

N/S-LAB.-REL./3rd-fl

* Alton, IL * @ Galesville, IL # Illinois Division State Crossing Upgrade Projects (cont.) Warrenton, MO - E Market St. R Pendieton, MO - Route B M Jonesburg, MO - Scotleid Rd. M Jonesburg, MO - Scotleid Rd. M Jonesburg, MO - Nigh Peint Rd. T Jonesburg, MO - Nigh Peint Rd. T Jonesburg, MO - Nigh Peint Rd. T High Hill, MO - Hickory Wood Rd State Crossing Upgrade Project A AEI Installation Hannibal, MO M Kansas City E., MO M

Kanses City W., MO

Kanasa City BN, MO

St. Louis May St. MO

Renick, MO - Robinson Rd Moberty, MO - Rea Ridge Rd Warrenton, MO - Sunnyside Rd Wright City, MO - Route "H" Truesdale, MO - Laure St. High Hill, MO - Route F High Hill, MO - Ellie Rd.

PAGE 04

14:20 No.007 P.05

MP AE1.4 Argo Road MP H1.8 MP 8259.4 MP 8274.4

MP 3269.4

MP SL3.3

Page 4 of 4

Norfolk Southern General Committee Brotherhood of Railroad Signalmen

P.O. Box 266 · Dover, Ohio 44622-0266 · Telephone: 330-364-4003 · Fax: 330-364-4723



Walt A. Barrows General Chairman

SENT VIA FAX

February 23, 1999

Mr. W.L. Allman, Jr. Director Labor Relations Norfolk Southern Corporation 223 East City Hall Avenue Norfolk, VA 23510-1728

Dear Mr. Allman:

This refers to correspondence titled Norfolk Southern Railway (former N&W) Anticipated 1999 Contracting Projects as of 2-21-99 Subject to Change.

Thank for suppling the more detailed list. This list is helpful in further identify some projects you may want to use an outside vendor for, and it identified a limited number of projects the Carrier plans to carry out with its own forces. The list however does not fulfill the spirit or intent of the December 14, 1998 Agreement.

While the organization is ready to come to agreement to allow specified project(s) where Carrier forces are being fully utilized, a Carrier list of <u>potential</u> projects insufficient. Conversations with Carrier officers indicate these potential projects are not ready to be bid to an outside vendor.

When the Carrier is prepared to proceed with specific project(s) and demonstrates need, I will work with you to expedite an approval per our agreement.

Sincerely yours Nalt Barrows

cpy: F. E. Mason, Vice President Local Chairmen, N&W





Norfolk Southern Railway (former N&W) Anticipated 1999 Contracted Projects (As of 2-21-99 - Subject To Change)

Eastern Region (East) Walkertown, NC Durham District

Ada, VA

Eastern Region (West) Bucyrus, OH Sandusky, OH Lake Division

Various

Clinch Valley, VA

Indian Yard, VA

Western Region East (East)

Conneaut, OH Saybrook, OH Perry, OH Painesville, OH Bellevue, OH Cleveland, OH Lakewood, OH Cloggsville, OH Erie, PA Ashtabula, OH **B&C District**

Highway Underpass Project Pole Line Elimination

AEI Installation

..

STB Crossing Project STB Crossing Projects STB Crossing Projects Delaware-Penry Rd. Waldo-Prospect Rd. Waido-Klingle Rd. Waldo-Newman Crdngton Marion-Scott Township Rd Marion-Morral Kirkptrk Marion-County Line Rd.

AEI Installations Big Rock, VA Cleveland, VA Coeburn, VA Falls Mills, VA leager, WV Kenova, WV Landgraff, WV Panther, WV Richlands, VA South Point, OH Sprigg, WV Webb, VA Welch, WV Pole Line Elimination

Extend Siding

STB Crossing Project STB Crossing Projects STB Crossing Projects STB Crossing Projects STB Crossing Project STB Crossing Projects (3) STB Crossing Projects (18) STB Traffic Density Project STB Track Relocation STB Connecting Track Project STB Crossing Projects Ashtabula, OH (5) Geneva, OH Mentor, OH Willoughby, OH

MP RW 118.3 Vabrook (Brookneal), VA - MP L33.5 to Hyco/Mayo, NC - MP L74 & all spur tracks MP N 357.8

MP S 62.4 MP S 104.02 & 104.3 MP S 6.5 to S 92.85 Lewis Center - Peachblow Road Bucyrus-Andrews St. Bucyrus-Brandywine Rd Chatfield-Crawford-Seneca Rd Attica-TR88 Bellevue-TR104 Bellevue-SR4/CR36 Bellevue-TR178

> MP H1 MP CV431.5 MP CV 454.8 MP N369.4 MP 422.1 MP NA57 MP N389.8 MP N429.3 MP V4.7 MP N569.8 MP N464.5 MP D43.2 MP T0.3 Bluefield,WV, MP CV 366.0 to Norton, VA MP CV 465.4. MP 142-145

MP B 114.25 & B 115.02 MP B 134.65 & B 134.65 MP B 148.60 & B 148.85 MP B 152.3 & B 153.95 MP T 52.95 MP B 188.85 to B 189.05 B 189.38 to B 191.80 Install CTC on dark track. MP B87(+/-) MP B129.2

MP B 128.3-131.25 MP B 138.55 MP B 160.4 MP B 165.05 MP B 169.7

Page 1 of 4

Wickliffe, OH

AEI Installations

Norfolk Southern Railway (former N&W) Anticipated 1999 Contracted Projects (As of 2-21-99 - Subject To Change)

Western Region East (East) (cont.) Lake Division

Ripley, NY Erie, PA (3) Erie, PA Kimball, OH Avon, OH Bellevue, OH **Buffalo Junction, NY** FW Tower, NY Loraine West, OH Loraine East, OH Kingsville, OH Cloggsville, OH

MP B 68.9 PB 87.99 to B 89.23 MP B 107.4 MP B240.2 MP B200.6 MP B248.1 MP DH400.1 MP B1.4 MP SI.2.9 MP SL 2.1 MP B 123.7 **MP CB8.3**

160 44 22

Western Region East (West)

Clyde, OH Bellevue, OH Fremont, OH Oak Harbor, OH Mict'nan Corridor STB Crossing Projects (8) STB Crossing Projects (5) STB Crossing Projects (8) STB Crossing Projects (8) State Crossing Upgrade Projects - MP D 11.19 to D 80.10 Taylor-Monroe Blvd Taylor-Pardee Rd. Taylor-Beech Daly Rd Taylor-Holland Rd. Taylor-Inkster Rd. Romulus-Shook Rd **Romulus-Romaine Ave** Romulus-Ozga Rd. Belleville-Hannon Rd Romulus-Haggarty Rd. Romulus-Huron Rive, Dr Belleville-Martinsville Rd. Belleville-Savage Rd Bellaville-Sumpter Rd Belleville-Elwell Rd Belleville-Hull Rd Belleville-Martz Rd. Belleville-Bemis Rd. Willis-Rawsonville Rd. Willis-Willis Rd. Willis-Bunton Rd Whitaker-Whitaker st Whitaker-Willow Rd Milan-Sanford St Milan-County St Milan-Dexter St AEI Installations Sand Creek, MI

MP T 48.35 to T 43.75 MP T 49.87 to T 53.24 MP T 32.35 to T 43.00 MP T 25.55 to T 28.20

> Milan-Main St Milan-Allen Rd Milan-Walbash St Milan-Platt Rd Milan-Cone Rd Britton-Milwaukee Rd Britton-Chicago Blvd Britton-Main St Holloway-Ridge Hwy Holloway-Holloway Rd Holloway-Rogers Hwy Holloway-Laberdee Rd Adrian-Rasin Ctr Hwy Adrian-Wilmouth Rd Adrian-Academy Rd Adrian-Maumee St Adrian-Beecher St Adrian-Treat St Adrian-Carleton Rd Adrian-S. Adrian Hwy Sand Creek-Lyons Hwy Sand Creek-Sand Creek Hwy Send Creek-W. Gorman Munson-Munson Hwy Munson-Morenci Hwy

Lake Division

Roanoke, IN Roverton, IN Four Mile, IN

MP D66.8 MP D155.3 MP CF128.6 MP 8367.7 MP D143.4 **MP SP173**

Page 2 of 4

Muncie, IN

Ft. Wayne Union, IN

Norfolk Southern Railway (former N&W) Anticipated 1999 Contracted Projects (As of 2-21-99 - Subject To Change)

IEL . 004 045 4414

Western Region East (West) (cont.)

| Lake Division | AEI Installations (cont.) | | |
|------------------------------|------------------------------|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| | Gould, OH | MP IW11 | 0.8 |
| | Milan, MI | MP D37.3 | 3 |
| | Tippecanoe, IN | MP B423 | .6 |
| | Argos West, IN | MP 8431 | .5 |
| | Argos North, IN | MP (110. | |
| | Oakwood Jct, MI | MP D7.0 | |
| | Detroit, MI | | Rip Track |
| | River Rouge, MI | MP D5.2 | |
| | New Haven, IN | MP 8364 | |
| | Drawbridge, OH | MP CS2. | |
| | Ironvile, OH | MP T5.4 | |
| | Edgerton, IN | MP B353 | .6 |
| Western Region West (East) | | | |
| Treatern region treat (cardy | Peru, IN | MP D205 | The second se |
| | Logansport, IN | MP D209 | 3.36 & D217.69 |
| | Burrows, IN | MP D227 | |
| | New Waverty, IN | MP D229.00 MP D241.77 & D243.8 MP D263.4 & D266.18 | |
| | Colburn, In | | |
| | West Point, IN | | |
| | Ivesdale, IL | MP D35 | 0.83 |
| | Mansfield, IL | N > C13 | 2.06 & C132.35 |
| Lake Division | AEI Installations | | |
| Lake Siteson | Chicago West End | . IL | MP B512.4 |
| | Chicago High Main | | MP B512.1 |
| | Lander East 95/Be | | |
| | Lander East 96 Les | ad | |
| Illinois Division | AEI Installations | | |
| | Deer Creek, IL | | MP SP397.2 |
| | Saybrook, IL | | MP SP349.5 |
| | Curran, IL | | MP DH420.4 |
| | Roxana, IL | | MP A7.2 |
| | Boody, IL | | MP D383.9 |
| | Decatur, IL-Jasper | St | MP D375 |
| | Decatur, IL | | MP D373 |
| | Milmine, IL | | MP D359.5 |
| | Granite City, IL | | MP AE9.8 |
| | Decatur, IL | | MP D372.5 |
| Western Region West (West) | | | |
| Missouri Corridor | State Crossing Upgrade Proje | cts | |
| (Missouri Corridor | St. Louis MO - Pa | | |
| | St. Louis, MO - Go | | |
| | Berkeley, MO - Mo | | |

St. Louis, MO - Goodfellow St. Berkeley, MO - McDonnel Blvd O'Fallon, MO - Genteman Rd. Werdzvillo, MO - Wilmer Rd. Foristell, MO - Seeger Lane Wright City, MO - Route H Truesdail, MO - Franklin Rd. Truesdale, MO - Walker Rd. Warrenton, MO - Troy Rd. 12L:004-029-2414

Norfolk Southern Railway (former N&W) Anticipated 1999 Contracted Projects (As of 2-21-99 - Subject To Change)

FCU 44 33

Western Region West (West) (cont.) Missouri Corridor

State Crossing Upgrade Projects (cont.) Warrenton, MO - E Market St. Pendleton, MO - Route B Jonesburg, MO - Scudder Ranch Jonesburg, MO - Scoffeld Rd. Jonesburg, MO - High Point Rd. Jonesburg, MO - Route Y High Hill, MO - 1-70 Outer Svc High Hill, MO - Hickory Wood Rd High Hill, MO - Route F High Hill, MO - Ellis Rd. Montgomery, MO - Robinson Rd Montgomery, MO - Angus Rd. Wellsville, MO - Second St. Wellsville, MO - Madison St. Martinsburg, MO - Cedar St. Martinsburg, MO - Walnut St. Martinsburg, MO - Fourth St. Montgomery, MO - Spinsby Rd. Montgomery, MO - Seventh St. Montgomery, MO - Wilson St. MP AE1.4 State Crossing Upgrade Project AEI Installation MP H1.8 Hannibal, MO Kansas City E., MO MP S269.4 Kansas City W., MO MP S274.4 MP S269.4 Kansas City BN, MO MP SL3.3 St. Louis May St, MO

Alton, IL Illinois Division

Norfolk Southern Railway (former N&W) Anticipated 1999 Company Projects (As of 2-21-99 - Subject To Change)

Eastern Region (East)

Church Road, VA Winston-Salem, NC Norfolk, VA Roxboro, NC Burkeville, Va Norfolk, VA Burke-Suffolk, VA Roanoke, VA Glenvar, VA Norfolk, VA Durham District Abington, VA Buones Mill, VA Seacoast, VA

Eastern Region (West)

Naugatuck, WV Webb, WV Ceredo, WV Ceredo, WV Page, WV Wayne, WV Norton, WV Matewan, WV Williamson, WV Gilbert Branch, WV Alpoca, WV Eckman, WV Clinch Valley, VA Indian Yard, VA Delorme, WV Lindsey, WV Rail Program Bucyrus, OH Columbus, OH

State Crossing Projects Bridge 7 Poleline Elimination EB Main Bypass Koppers Switch Poleline Elimination Poleline Elimination Switch Installation Relocate Signal Remove Poleline Electric Lock Ir/stallstion 110.004 1.00

14.41

FEU 44 33

State Crossing Projects Held-out Signal Installation Pole Line Elimination Install Hand-Throw Switch Relocate Power X-over & Signal Pole Line Elimination Extend Siding & Track Changes Pole Line Elimination Install Advance Approach Aspect Crossing Installation Connecting Track Connecting Track

ICL . 004-029-2414

Western Region East (East)

Springfield, PA Grand, PA B&C District Fostoria, OH Erie, PA Astabula, OH Cloggsville, OH B&C District Lakewood, OH Ripley, NY Erie, PA Bellevue, OH State Crossing Projects State Crossing Projects Poleline Elimination Interlocking Changes Track Relocation Project Connecting Track Traffic Relocation Projects State Crossing Projects

1 60 44 22

Western Region East (West)

Seneca, MI Plymouth, IN New Castle, IN Hagerstown, IN New Haven, IN Oakwood, OH Fostoria, OH New Castle, IN Wabash, IN New Haven, IN Ft. Wayne, IN Hadley, IN Cass, IN Toledo District Alexandria, IN Graybill, IN Ft. Wayne, IN Wabash, IN

State Crossing Projects Light Out Upgrades Connection Track State Crossing Projects Interlocking Changes Connecting Track State Crossing Projects State Crossing Projects

Norfolk Southern Railway (former N&W) Anticipated 1999 Company Projects (As of 2-21-99 - Subject To Change)

Western Region West (East)

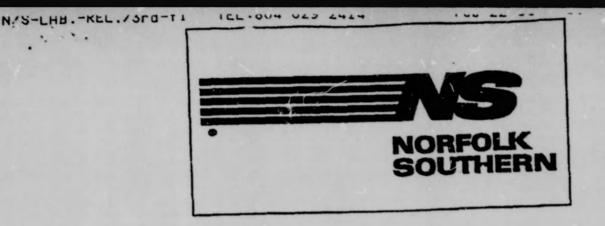
Gary, IN Hammond, IN Buck Creek, IN Orleans, IL Alexander, IL New Berlin, IL Morton, IL Lafayette, IN Chicago, IL Chicago, IL Logansport, IN Lafayette, IN Tolono, IL Galesville, IL Attica, IN Marshfield, IN Catlin, IL Sidney, IL Stoan, IL Pontoon Beach, IL

Western Region West (West)

Wright City, MO Truesdale, MO Highhill, MO Warrenton, MO Pendleton, MO Wentzville, MO Foristell, MO O'Fallon, MO Foristell, MO Wright City, MO Warrenton, MO Norborne, MO Hannibal, MO Moberly, MO Kansas City, MO Brunswick, MO Chicago, IL Chicago, IL Hazelwood, MO

State Crossing Projects 110 Street Burnham **Bridge Project** Line Relocation Connecting Track to IC Industrial Track & Signal Extend Siding Upgrade & Extend Siding Install Double Track Connecting Track Extend Siding Industrial Track

Missouri Corridor Crossings Missouri Corridor Crossings Missouri Corridor Crossings Missouri Comdor Crossings State Crossing Projects State Crossing Projects State Crossing Projects State Crossing Projects Stare Crossing Projects State Crossing Projects Signal Changes Install Double Track Track Changes Power X-over & Signals Industrial Track



LABOR RELATIONS DEPARTMENT 223 East City Hail Ave. Norfolk, VA 23510

TELECOPIER COVER SHEET

DATE:

Feb 22, 1999

TO:

W. A. Barrows - Attached are the detailed fists of projects currently anticipated for 1999. FAX No. _ 330-364-4723

FROM:

FAX No. (757) 629-2414

L.F. Miller

No. of Pages (including cover sheet)

In case of trouble with transmission, contact:

Phone No.

8

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Feb 22'99

Norfolk Southern Railway (former N&W) Anticipated 1999 Contracted Projects (As of 2-21-99 - Subject To Change)

Eastern Region (East) Walkertown, NC Durham District

Ada, VA

Eastern Region (West) Bucyrus, OH Sandusky, OH Lake Division

Various

Clinch Valley, VA

Indian Yard, VA

Western Region East (East)

Conneaut, OH Saybrook, OH Perry, OH Painesville, OH Bellevue, OH Cleveland, OH Lakewood, OH Cloggsville, OH Erie, PA Ashtabula, OH B&C District

Highway Underpass Project Pole Line Elimination

AEI Installation

MP RW 118.3 Vabrook (Brookneal), JA - MP L33.5 to Hyco/Mayo, NC - MP L74 & all spur tracks MP N 357.8

STB Crossing Project MP S 62.4 STB Crossing Projects MP S 104.02 & 104.3 STB Crossing Projects Lewis Center - Peachblow Road Bucyrus-Andrews St. Delaware-Penry Rd. Waldo-Prospect Rd. Waldo-Klingie Rd. Waldo-Newman Crdngton Marion-Scott Township Rd Marion-Morral Kirkotrk Marion-County Line Rd. **AEI Installations**

leager, WV

Spring, WV

Webb, VA

Pole Line Elimination

STB Crossing Project

STB Crossing Projects

STB Crossing Projects

STB Crossing Projects

STE Crossing Project

STB Track Relocation

STB Crossing Projects

STB Crossing Projects (3)

STB Crossing Projects (18)

STB Traffic Density Project

STB Connecting Track Project

Extend Siding

Welch, WV

MP S 6.5 to S 92.85 Bucyrus-Brandywine Rd Chatfield-Crawford-Seneca Rd Attica-TR88 Ballevue-TR104 Bellevue-SR4/CR36 Bellevue-TR178

MP H1 Big Rock. VA MP CV431.5 Cleveland, VA MP CV 454.8 Coeburn, VA Falls Mills, VA MP N369.4 MP 422.1 Kenova, WV MP NA57 Landgraff, WV MP N389.8 Panther, WV MP N429.3 Richlands, VA MP V4.7 South Point, OH MP N569.8 MP N464.5 MP D43.2 MP TO.3

Bluefield,WV, MP CV 366.0 to Norton, VA MP CV 465.4. MP 142-145

MP B 114.25 & B 115.02 MP B 134.65 & B 134.65 MP B 148.60 & B 148.85 MP B 152.3 & B 153.95 MP T 52.95 MP B 188.85 to B 189.05 B 189.38 to B 191.80 Install CTC on dark track. MP B87(+/-) MP B129.2

MP B 128.3-131.25 MP B 138.55 MP B 160.4 MP 8 165.05 MP B 169.7

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Ashtabula, OH (5)

Genova, OH

Montor, OH

Wickliffe, OH

Willoughby, OH

Norfolk Southern Railway (former N&W) **Anticipated 1999 Contracted Projects** (As of 2-21-99 - Subject To Change)

Western Region East (East) (cont.)

Lake Division

AEI Installations Ripley, NY Erie, PA (3) Erie, PA

Kimbal, OH Avon, OH Bellevue, OH Buffalo Junction, NY **FVV Tower, NY** Loraine West, OH Loraine East, CH Kingsville, OH Cloggsville, CH

MP B 66.9 MP B 87.99 to B 89.23 MP B 107.4 MP B240.2 MP B200.6 MP B248.1 MP DH400.1 MP B1.4 MP SL2.9 MP SL 2.1 MP B 123.7 MP CB8.3

Western Region East (West)

Clyde, OH Bellevue, OH Fremont, OH Oak Harbor, OH Michigan Corridor

MP T 48.35 to T 43.75 STB Crossing Projects (8) MP T 49.87 to T 53.24 STB Crossing Projects (5) STB Crossing Projects (8) MP T 32.35 to T 43.00 MP T 25.55 to T 28.20 STB Crossing Projects (8) State Crossing Upgrade Projects - MP D 11.19 to D 80.10 Milan-Main St Taylor-Monroe Blvd Milan-Allen Rd Taylor-Pardee Rd. Taylor-Beech Daly Rd Milan-Walbash St Milan-Platt Rd Taylor-Holland Rd. Taylor-Inkster Rd. Romulus-Shook Rd **Romulus-Romaine Ave** Romulus-Ozga Rd. Belleville-Hannon Rd Romulus-Haggarty Rd. Romulus-Huron River Dr Belleville-Martinsville Rd. Belleville-Savage Rd **Belleville-Sumpter Rd** Belleville-Ewell Rd Belleville-Hull Rd Balleville-Martz Rd. Belleville-Bemis Rd. Willis-Rawsonville Rd. Willis-Willis Rd. Willis-Bunton Rd Whiteker-Whiteker St Whitaker-Willow Rd Milan-Sanford St Milan-County St Milan-Dexter St 6.8

Milan-Cone Rd Britton-Milwaukee Rd Britton-Chicago Blvd Britton-Main St Holloway-Ridge Hwy Holloway-Holloway Rd Holloway-Rogers Hwy Holloway-Laberdee Rd Adrian-Rasin Ctr Hwy Adrian-Wilmouth Rd Adrian-Academy Rd Adrian-Maumee St Adrian-Beecher St Adrian-Treat St Adrian-Carleton Rd Adrian-S. Adrian Hwy Sand Creek-Lyons Hwy Sand Creek-Sand Creek Hwy Sand Creek-W. Gorman Munson-Munson Hwy Munson-Morenci Hwy

Lake Division

AEI Installations

| Cand Creek, MI | MP D66.8 |
|--------------------|------------|
| Roanute, IN | MP D155.3 |
| Royertos , IN | MP CF128.0 |
| Four Mile, IN | MP B367.7 |
| FL Wayne Union, IN | MP D143.4 |
| Muncle, IN | MP SP173 |

128.6

Page 2 of 4

Peru, IN

Logansport, IN

New Waverty, IN

West Point, IN

AE: Installations

AEI Installations

Burrows, IN

Colburn, In

Ivesdale, IL Mansfield, IL MP D205.51

MP D227.81

MP D229.02

MP D350.83

MP D209.36 & D217.69

MP D241.77 & D243.8

MP D263.4 & D266.18

MP C132.06 & C132.35

MP B512.4

MP B512.1

MP SP397.2

MP SP349.5

MP DH420.4

MP D383.9

MP D375

MP A7.2

Norfolk Southern Railway (former N&W) Anticipated 1999 Contracted Projects (As of 2-21-99 - Subject To Change)

Western Region East (West) (cont.)

Lake DMsion

AEI Installations (cont.) MP M/110.8 Gould, OH MP D37.3 Milan, MI MP B423.6 Tippecanoe, IN MP B431.5 Argos West, IN MP 1110.8 Arges North, IN Oakwood Jct, MI MP D7.0 Manifest Rip Track Detroit, MI MP D5.2 River Rouge, MI MP B364.4 New Haven, IN Drawbridge, OH MP CS2.5 MP T5.4 Ironville, OH MP B353.6 Edgerton, IN

Chicago West End, IL

Chicago High Main, IL Lander East 95/Belt Lead Lander East 96 Lead

Decatur, IL 'asper St

Deer Creek, IL

Saybrook, IL

Curran, IL

Roxana, IL

Boody, IL.

Western Region West (East)

| | 20 | \mathbf{n} | vie i | 00 |
|-------|----|--------------|-------|----|
| L G I | 10 | U | 4121 | on |

Illinois Division

Western Region West (West) Missouri Corridor

MP D373 Decatur, IL MP D359.5 Milmine, IL MP AE9.8 Granite City, IL MP D372.5 Decatur, IL State Crossing Upgrade Projects St. Louis, MO - Park Lane St. Louis, MO - Goodfellow St. Berkeley, MO - McDonnel Blvd. O'Fallon, MO - Genteman Rd. Wentzville, MO - Wilmer Rd. Foristell, MO - Seeger Lane Wright City, MO - Route H Truesdall, MO - Franklin Rd. Truesdale, MO - Walker Rd.

Warrenton, MO - Troy Rd.

Page 3 of 4

Western Region West (West) (cont.)

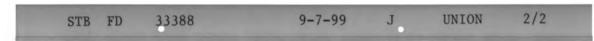
Missouri Corridor

State Crossing Upgrade Projects (cont.) Warrenton, MO - E Market St. Pendleton, MO - Route B Jonesburg, MO - Scudder Ranch Jonesburg, MO - Scofield Rd. Jonesburg, MO - High Point Rd. Jonesburg, MO - Route Y High Hill, MO - 1-70 Outer Svc High Hill, MO - Hickory Wood Rd High Hill, MO - Route F High Hill, MO - Ellis Rd. Montgomery, MO - Robinson Rd Montgomery, MO - Angus Rd. Wellsville, MO - Second St. Wellsville, MO - Madison St. Martinsburg, MO - Cedar St. Martinsburg, MO - Walnut St. Martinsburg, MO - Fourth St. Montgomery, MO - Spinsby Rd. Montgomery, MO - Seventh St. Montgomery, MO - Wilson St. MP AE1.4 State Crossing Upgrade Project AEI Installa

| MP H1.8 |
|-----------|
| MP S269.4 |
| MP S274.4 |
| MP S269.4 |
| MP SL3.3 |
| |

Alton, IL Illinois Division

Page 4 of 4



Eastern Region (East)

Church Road, VA Winston-Salem, NC Norfolk, VA Roxboro, NC Burkeville, Va Norfolk, VA Burke-Suffolk, VA Roanoke, VA Glenvar, VA Ourham District Abington, VA Abington, VA Boones Mill, VA Seacoast, VA

Eastern Region (West)

Naugatuck, WV Webb, WV Ceredo, WV Ceredo, WV Page, WV Wayne, WV Norton, WV Matewan, WV Williamson, WV Gilbert Branch, WV Alpoca, WV Eckman, WV **Clinch Valley, VA** Indian Yard, VA Delorme, WV Lindsey, WV Rail Program Bucyrus, OH Columbus, OH

State Crossing Projects Bridge 7 Poleline Elimination EB Main Bypass Koppers Switch Poleline Elimination Poleline Elimination Switch Installation Relocate Signal Remove Poleline Electric Lock Installation

State Crossing Projects Hold-out Signal Installation Pole Line Elimination Install Hand-Throw Switch Relocate Power X-over & Signal Pole Line Elimination Extend Siding & Track Changes Pole Line Elimination Install Advance Approach Aspect Crossing Installation **Connecting Track Connecting Track**

Western Region East (East)

Springfield, PA Grand, PA B&C District Fostoria, OH Erle, PA Astabula, OH Cloggsvilla, OH B&C District Lakewood, OH Fipley, NY Erle, PA Bellevue, OH State Crossing Projects State Crossing Projects Poleline Elimination Interlocking Changes Track Relocation Project Connecting Track Traffic Relocation Project State Crossing Projects State Crossing Projects

Western Region East (West)

Seneca, MI Plymouth, IN New Castle, IN Hagerstown, IN New Haven, IN Oakwood, OH Fostoria, OH New Castle, IN Wabash, IN New Haven, IN Ft. Wayne, IN Hadley, IN Cass, IN **Toledo District** Alexandria, IN Graybill, IN Ft. Wayne, IN Wabash, IN

State Crossing Projects Light Out Upgrades Connection Track State Crossing Projects Interlocking Changes Connecting Track State Crossing Projects State Crossing Projects

Page 2 of 3

Western Region West (East)

Gary, IN Hammond, IN **Buck Creek, IN** Orleans, IL Alexander, IL New Berlin, IL Morton, IL Lafayette :N Chicago, IL Chicago, IL Logansport, IN Lafayette, IN Tolono, IL Galesville, IL Attica, IN Marshfield, IN Catlin, IL Sidney, IL Sloan, IL Pontoon Beach, IL

Western Region West (West)

Wright City, MO Truesdale, MO Highhill, MO Warrenton, MO Pendleton, MO Wentzville, MO Foristell, MO O'Fallon, MO Foristell, MO Wright City, MO Warrenton, MO Norborne, MO Hannibal, MO Moberly, MO Kansas City, MO Brunswick, MO Chicago, IL Chicago, IL Hazelwood, MO

State Crossing Projects 110 Street Burnham Bridge Project Line Relocation Connecting Track to IC Industrial Track & Signal Extend Siding Upgrade & Extend Siding Install Double Track **Connecting Track** Extend Siding Industrial Track

Missouri Corridor Crossings Missouri Corridor Crossings Missouri Corridor Crossings Missouri Corridor Crossings State Crossing P jects State Crossing Projects Signal Changes Install Double Track Track Changes Power X-over & Signals Industrial Track

Eastern Region (East)

Church Road, VA Winston-Salem, NC Norfolk, VA Roxboro, NC Burkeville, Va Norfolk, VA Burke-Suffolk, VA Roanoke, VA Glenvar, VA Norfolk, VA Durham District Abington, VA Boones Mill, VA Seacoast, VA

Eastern Region (West)

Naugatuck, WV Webb, WV Ceredo, WV Ceredo, WV Page, WV Wayne, WV Norton, WV Matewan, WV Williamson, WV Gilbert Branch, WV Alpoca, WV Eckman, WV Clinch Valley, VA Indian Yard, VA Delorme, WV Lindsey, WV Rail Program Bucyrus, OH Columbus, OH

State Crossing Projects Bridge 7 Poleline Elimination EB Main Bypass Koppers Switch Poleline Elimination Poleline Elimination Switch Installation Relocate Signal Remove Poleline Electric Lock Installation

State Crossing Projects Hold-out Signal Installation Pole Line Elimination Install Hand-Throw Switch Relocate Power X-over & Signal Pole Line Elimination Extend Siding & Track Changes Pole Line Elimination Install Advance Approach Aspect Crossing Installation **Connecting Track Connecting Track**

Western Region East (East)

Springfield, PA Grand, PA B&C District Fostoria, OH Erie, PA Astabula, OH Cloggsville, OH B&C District Lakewood, OH Ripley, NY Erie, PA Bellevue, OH State Crossing Projects State Crossing Projects Poleline Elimination Interlocking Changes Track Relocation Project Connecting Track Traffic Relocation Project State Crossing Projects State Crossing Projects

Western Region East (West)

Seneca, MI Plymouth, IN New Castle, IN Hagerstown, IN New Haven, IN Oakwood, OH Fostoria, OH New Castle, IN Wabash, IN New Haven, IN Ft. Wayne, IN Hadley, IN Cass, IN **Toledo District** Alexandria, IN Graybill, IN Ft. Wayne, IN Wabash, IN

State Crossing Projects Light Out Upgrades **Connection Track** State Crossing Projects Interlocking Changes Connecting Track State Crossing Projects State Crossing Projects

Western Region West (East)

Gary, IN Hammond, IN Buck Creek, IN Orleans, IL Alexander, IL New Berlin, IL Morton, IL Lafayette, IN Chicago, IL Chicago, IL Logansport, IN Lafayette, IN Telono, IL Galesville, IL Attica, IN Marshfield, IN Catlin, IL Sidney, IL Sloan, IL Pontoon Beach, IL

Western Region West (West)

Wright City, MO Truesdale, MO Highhill, MO Warrenton, MO Pendleton, MO Wentzville, MO Foristell, MO O'Failon, MO Foristell, MO Wright City, MO Warrenton, MO Norborne, MO Hannibal, MO Moberly, MO Kansas City, MO Brunswick, MO Chicago, IL Chicago, IL Hazelwood, MO

State Crossing Projects 110 Street Burnham Bridge Project Line Relocation Connecting Track to IC. Industrial Track & Signal Extend Siding Upgrade & Extend Siding Install Double Track Connecting Track Extend Siding Industrial Track

Missouri Corridor Crossings Missouri Corridor Crossings Missouri Corridor Crossings Missouri Comidor Crossings State Crossing Projects Signal Changes Install Double Track Track Changes Power X-over & Signals Industrial Track

Norfolk Southern Railway (former N&W) Anticipated 1999 Contracted Projects (As of 2-8-99)

Eastern Region (East)

Srd-fl

"H/S-

Walkertown, NC Durham District Ada, VA

Eastern Region (West)

Bucyrus, OH Sandusky, OH Lake Division Various Clinch Valley, VA Indian Yard, VA

Western Region East (East)

Conneaut, OH Saybrook, OH Perry, OH Painesville, OH Bellevue, OH Cleveland, OH Lakewood, OH Cloggsville, OH Erle, PA Astabula, OH B&C District

Western Region East (West)

Clyde, OH Bellevue, OH Fremont, OH Oak Harbor, OH Michigan Corricor Lake Division

Western Region West (East)

Peru, IN Logansport, IN Burrows, IN New Waverly, IN Colburn, In West Point, IN Ivesdale, IL Illinois Division Chicago, IL Mansfield, IL

Western Region West (West)

Missouri Corridor Alton, IL Illinois Division Highway Underpass Project Pole Line Elimination AEI Installation

STB Crossing Project STB Crossing Projects STB Crossing Projects AEI Installations Pole Line Elimination Extend Siding

STB Crossing Project STB Crossing Projects STB Crossing Projects STB Crossing Projects STB Crossing Project STB Crossing Projects STB Crossing Projects STB Traffic Density Project STB Track Relocation STB Connecting Track Project STB Crossing Project

STB Crossing Projects STB Crossing Projects STB Crossing Projects STB Crossing Projects State Crossing Upgrade Projects AEI Installations

STB Crossing Project STB Crossing Projects STB Crossing Project STB Crossing Project STB Crossing Projects STB Crossing Projects STB Crossing Project AEI Installation AEI Installation State Crossing Upgrade Project

State Crossing Upgrade Projects State Crossing Upgrade Project AEI Installation

FAX to Walt Barrows 330-364-4723 Per our conversation.

Norfolk Southern Railway (former N&W) Anticipated 1999 Contracted Projects (As of 2-8-99)

Eastern Region (East)

Walkertown, NC Durham District Ada, VA

Eastern Region (West)

Bucyrus, OH Sandusky, OH Lake Division Various Clinch Valley, VA Indian Yard, VA

Western Region East (East)

Conneaut, OH Saybrook, OH Perry, OH Painesville, OH Bellevue, OH Cleveland, OH Lakewood, OH Cloggsville, OH Erie, PA Astabula, OH B&C District

Western Region East (West)

Clyde, OH Bellevue, OH Fremont, OH Oak Harbor, OH Michigan Comdor Lake Division

Western Region West (East)

Peru, IN Logansport, IN Burrows, IN New Waverly, IN Colburn, In West Point, IN Ivesdale, IL Illinois Division Chicago, IL Mansfield, IL

Western Region West (West) Missouri Corridor Alton, IL Illinois Division

Highway Underpass Project Pole Line Elimination AEI Installation

STB Crossing Projects STB Crossing Projects STB Crossing Projects AEI Installations Pole Line Elimination Extend Siding

STB Crossing Project STB Crossing Projects STB Crossing Projects STB Crossing Projects STB Crossing Project STB Crossing Projects STB Traffic Density Project STB Track Relocation STB Connecting Track Project STB Crossing Project

STB Crossing Projects STB Crossing Projects STB Crossing Projects STB Crossing Projects State Crossing Upgrade Projects AEI Installations

STB Crossing Project STB Crossing Projects STB Crossing Project STB Crossing Project STB Crossing Projects STB Crossing Projects STB Crossing Project AEI installation AEI installation State Crossing Upgrade Project

State Crossing Upgrade Projects State Crossing Upgrade Project AEI Installation

Fax to Walt Barrows 330-364-4723 Per our conversion. December 14, 1998

ORIGINAL

Mr. W. A. Barrows General Chairman, BRS P. O. Box 266 Dover, OH 44622-0266

Dear Mr. Barrows:

It is recognized that the organization has in the past offered to make special accommodation to allow contracting when needed for a limited specified purpose when BRS forces are fully staffed. Given the unique circumstances of the operation of certain Conrail lines by Norfolk Southern Railway and the pressing need to complete numerous projects, it is recognized that there will not be sufficient forces at all the required locations during the subsequent eighteen (18) months beginning on March 1, 1999. In these situations the Carrier will notify the General Chairman of the need to contract with outside vendors to timely complete the specified project(s). The General Chairman will review all the facts and when Carrier is fully utilizing available BRS forces and where there is a demonstrated need to contract the performance of the work, the General Chairman's concurrence will not be unreasonably withheld.

It is further understood that gangs from other divisions or regions will be utilized under these circumstances if available to supplement construction gangs before the use of contractors' forces. While the contractors are being utilized, the Carrier will not abolish any current positions and will also make a good faith effort (i.e., recruit, process to hire, train and assign qualified candidates) to fill all vacant BRS positions, and while contractors' forces are used on a division, all BRS forces on that division will be working on that division. The Carrier will hire 15 new employees by March 1, 1999, and an additional 15 by June 1, 1999; these counts will include those individuals that are currently in the hiring process.

It is further understood that the contractors' forces (outside vendors) will at no time exceed 60 employees.

To the extent they are available and meet the conditions detailed in item 2 below, non-NSR/BRS represented signal forces will be used as vendors, provided:

 BRS and NSR will cooperate to identify the non-NSR signal forces; (2) Any company or entity providing such BRS-represented forces to NSR or to a vendor of NSR will be required to be competitive in the industry with respect to productivity, labor rates and related charges, as well as quality of workmanship performed by its forces, in order that NSR or its vendors do not suffer unreasonable economic hardship.

It is understood that the provisions of this letter will be terminated at the expiration of the eighteen month period referenced above or when the necessary projects are completed, which ever occurs first.

Very truly yours,

R. S. Spenski

Vice President Labor Relations Norfolk Southern Railway Company

Agreed:

General Chairman, BRS

Approved:

Vice President, BRS



Brotherhood of Railroad Signalmen

601 W. GOLF ROAD BOX U MOUNT PROSPECT, ILLINOIS 60056 PHONE: 847-439-3732 FAX: 847-439-3743

FILE IN DOCKET

W. DAN PICKETT PRESIDENT R.R. FOLEY SECRETARY-TREASURER

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12 PI

July 8, 1999

Mr. Mark R. MacMahon, AVP Norfolk Southern Railway Co. Three Commercial Place Norfolk, VA 23510-2101

Dear Mr. MacMahon:

This has reference to your letters dated July 1 and July 6, 1999, received in this office via fax July 2nd and 6th respectively. We are providing a proposed arbitration agreement to resolve a single issue about the administration of our December 14, 1998 Agreement and the subsequent commitment made February 24, 1999, quoted in part below:

"Given the unique circumstances of the operation of certain Conrail lines by Norfolk Southern and the pressing need to complete numerous projects...The General Chairman will review all the facts and when Carrier is fully utilizing available BRS forces and where there is a demonstrated need to contract the performance of the work, the General Chairman's concurrence will not be unreasonably withheld."

We have proposed to arbitrate the one dispute that has actually arisen under the agreement: whether NSR is fully utilizing available BRS forces. BRS is currently aware of only the one actual compliance issue under the December 14, 1998 Agreement but BRS will not concede that NSR is now and will in the future be in compliance with all other aspects of the Agreement. BRS will not agree that NSR is currently, and will in the future be compliant with all elements of the December 14, 1998 Agreement particularly since many of the proposed contract projects have not yet begun. BRS will represent that, as of the present time, the only compliance issue we are aware of concerns the requirement for full utilization of available BRS forces.

You will note that we propose the establishment of a Special Board of Adjustment (SBA) under the provisions of Section 3 of the Railway Labor Act (RLA). Because our dispute involves a single issue and we have agreed to share the funding obligation, an SBA is more appropriate than a standing Public Law Board (PLB). Additionally, there is no need for a PL Board number or language that provides "Partisan members may be changed from time to time, or at any time."

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Mr. Mark R. MacMahon, AVP July 8, 1999 Page 2

We have proposed that a referee be selected from a list provided by the National Mediation Board (NMB) who are available to hear the case thirty (30) days, but not more than forty-five (45) days from the effective date of our agreement to arbitrate.

We continue to propose that NSR withdraw its lawsuit against the BRS without prejudice to first of all save unnecessary litigation expense and to allow both parties an opportunity to adequately allocate time and other resources to the resolution of our difference. Secondly, the commitment by both parties to dispose of our difference through a single process (arbitration) will help to avoid unnecessary delay, as the Court may not order resolution as expeditiously as we can agree on our own.

Finally, we want to avoid any appearance that NSR is unwilling to work with its employees to resolve merger related problems. We presumed NSR would withdraw its lawsuit once a procedure to resolve our difference was agreed upon. We were surprised by NSR's Motion for Summary Judgement, and question why NSR would continue with litigation to force an expedited peaceful resolution when the employees were being cooperative.

We are prepared to resolve our difference in arbitration and work through differences cooperatively or in the Court as adversaries, but we will not agree to expedited arbitration while litigation remains a distraction.

If a constructive resolution to our difference and a good faith cooperative effort to resolve future differences is appealing to you we will work with you. If a cooperative effort is outside the capability of NSR, we will proceed to Court.

Sincerely, W. D. Pickett

W.D. Pickett International President

cc: Linda Morgan, Chairperson STB w/attachments F.E. Mason W.A. Barrows W.L. Phillips

Agreement

between

Norfolk Southern Railway Company

and

Brotherhood of Railroad Signalmen

For the purpose of resolving a dispute concerning the agreement of December 14, 1998 and the subsequent commitment made February 24, 1999 (Attached as No. 1), through a Special Board of Adjustment (SBA) under Section 3, second of the Railway Labor Act (RLA), IT IS AGREED:

(A) The controversy between the parties hereto, as hereinafter specifically stated, is hereby submitted to arbitration to a panel described in Section B below, hereinafter referred to as the "Board", and such arbitration is had under provisions of Section 3 of the Railway Labor Act, without prejudice to the either party's position about the appropriateness of arbitration under Section 7 as amended.

(B) The Board shall consist of three members. One member shall be selected by the Organization and shall be known as the Employee member. Another member shall be selected by the Carrier and shall be known as the Carrier Member. The third member shall be the Chairman of the Board and shall be a neutral party, unbiased as between the parties, and selected in accordance with the provisions of Section C herein. In the case of a temporary or permanent Board vacancy, with respect to any Board Member, the vacancy shall be filled in the same manner as the original selection. <u>W.L. Allman Jr.</u> is designated by the Carrier as the carrier Member of the Board. <u>W. Dan Pickett</u> is designated by the Organization as the Employee Member of the Board.

(C) The Carrier and Employee Members shall conference within two days after the date of this agreement for the purpose of selecting the Neutral Member of the Board. If such partisan members agree upon the Neutral Member and the person so agreed upon is available to serve and accepts the appointment, then such person shall serve as Chairman, subject to certification by the National Mediation Board. If within one day after such first conference, the party members fail to agree upon the Neutral Member, either party may request the National Mediation Board (NMB) to provide a seven-person strike list of arbitrators who are available to hear the case after 30 days and not later than 45 days from the effective date of this agreement from which the parties will alternately strike until an arbitrator is selected, and the NMB shall provide such list within five days. The individual selected shall serve as Chairman if he is available and accepts the appointment. Should the individual selected not be able to serve, either party may request the NMB to appoint a Neutral Member.

(D) The compensation and the expense of the Employee Member shall be borne by the Organization. The compensation and expense of the Carrier Member shall be borne by the Carrier. The compensation and expense of the Neutral Member shall be paid one-half by the Organization and one-half by the Carrier. All other expenses shall be borne equally by the Organization and the Carrier.

(E) The Board shall meet at a location agreeable to all three Board Members.

(F) The Board shall have jurisdiction over the following dispute in the application of the December 14, 1998 Agreement and the subsequent correspondence of February 24, 1999, concerning the utilization of current BRS represented N&W employees and the use of outside contractors:

Question submitted by the carrier (from Carrier's June 8, 1999 proposal): "Is the Carrier complying with the December 14, 1998, agreement applicable to the former N&W property by utilizing available BRS forces as contemplated by that agreement? If the answer to this question in no, what utilization of available BRS forces is required by that agreement?"

Question submitted by the Organization (from Organization's June 9, 1999 proposal): "Is the requirement that the Carrier be 'fully utilizing available BRS forces' before the use of outside contractors, a requirement to use BRS forces outside of regularly assigned hours on projects as referenced in the agreement? If the answer to this question is yes, what compensation shall the carrier pay to the BRS forces that should have been utilized."

The Board shall not have jurisdiction of disputes growing out of requests for changes in rates of pay, rules or working conditions, nor have the authority to change existing agreements or establish new rules. Both parties state affirmatively that they will in the future work to cooperatively resolve any differences that arise and that currently the dispute is limited to the issue described by the questions above.

(G) The Board shall hold a hearing limited to the questions submitted to it. At such hearing, the parties may be heard in person, by counsel, or by other authorized representatives as they may elect. The parties may present, either orally or in writing, statement of facts, supporting evidence and data and argument as to their position to the question being considered.

(H) The parties shall exchange Submissions five (5) days prior to the stated hearing date by overnight courier service. The parties shall at the same time and in the same manner furnish copies of the submission to the Neutral Member. There shall be no rebuttal submissions.

(I) The Board shall decide the issue within fifteen (15) days after the close of the hearing.

The findings of fact and the award shall be in writing and copies furnished to the partisan members of the Board and shall be final and binding, subject to the RLA, as amended. Each Board member shall have one vote and any two members shall be competent to render an award.

(J) In the event a dispute arises involving the interpretation of the Award, either party may request the Board to render an interpretation within 120 days from the date of the award.

(K) The Board hereby established shall continue in existence only until it has disposed of the question submitted to it under this agreement, after which it will cease to exist except for the interpretation of its Award as provided in Section J.

(L) The time limits in this agreement may be varied by mutual consent of the parties.

This Agreement is made and executed this ____ day of July, 1995.

For the Employees

For the Carrier

W.D. Pic

W. Dan Pickett, President BRS

M.R. MacMahon AVP NSR

Attachments: December 14, 1998 Agreement, February 24, 1999 letter and attached list

Attachment No. 1

December 14, 1998

Mr. W. A. Barrows General Chairman, BRS P. O. Box 266 Dover, OH 44622-0266

Dear Mr. Barrows:

It is recognized that the organization has in the past offered to make special accommodation to allow contracting when needed for a limited specified purpose when BRS forces are fully staffed. Given the unique circumstances of the operation of certain Conrail lines by Norfolk Southern Railway and the pressing need to complete numerous projects, it is recognized that there will not be sufficient forces at all the required locations during the subsequent eighteen (18) months beginning or March 1, 1999. In these situations the Carrier will notify the General Chairman of the need to contract with outside vendors to timely complete the specified project(s). The General Chairman will review all the facts and when Carrier is fully utilizing available BRS forces and where there is a demonstrated need to contract the performance of the work, the General Chairman's concurrence will not be unreasonably withheld.

It is further understood that gangs from other divisions or regions will be utilized under these circumstances if available to supplement construction gangs before the use of contractors' forces. While the contractors are being utilized, the Carrier will not abolish any current positions and will also make a good faith effort (i.e., recruit, process to hire, train and assign qualified candidates) to fill all vacant BRS positions, and while contractors' forces are used on a division, all BRS forces on that division will be working on that division. The Carrier will hire 15 new employees by March 1, 1999, and an additional 15 by June 1, 1999; these counts will include those individuals that are currently in the hiring process.

It is further understood that the contractors' forces (outside vendors) will at no time exceed 60 employees.

To the extent they are available and meet the conditions detailed in item 2 below, non-NSR/BRS represented signal forces will be used as vendors, provided:

 BRS and NSR will cooperate to identify the non-NSR signal forces;

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(2) Any company or entity providing such EPS-represented forces to NSR or to a vendor of NSR will be required to be competitive in the industry with respect to productivity, labor rates and related charges, as well as quality of workmanship performed by its forces, in order that NSR or its vendors do not suffer unreasonable economic hardship.

It is understood that the provisions of this letter will be terminated at the expiration of the eighteen month period referenced above or when the necessary projects are completed, which ever occurs first.

Very truly yours,

R. S. Spenski

Vice President Labor Relations Norfolk Southern Railway Company

Agreed:

General Chairman, BRS

Approved:

J.E. Muen

Vice President, BRS

February 24, 1999

Mr. W.L. Aliman, Jr. Director Labor Relations Norfolk Southern Corporation 223 East City Hall Avenue Norfolk, VA 23510-1728

JUN-US-SS U2:45 F 1090 E. Mason

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Dear Mr. Aliman:

This refers to the Camer's request to contract with an outside vendor to timely complete the attached list of specific projects titled "NS Contracting Projects February 24, 1999."

Per the attached December 14, 1998 Agreement, the organization has reviewed all the facts presented. I am satisfied that in the case of the listed projects, the Carrier has demonstrated the need to contract the performance of the work beginning in March 1999, and I'm relying on the Carrier's assurance that it is currently fully utilizing all its BRS forces and meeting the conditions contained in the Agreement.

The Agreement provides that the contractor's forces will at no time exceed 60 employees, and BRS forces assigned to a division will be working on the division when the contractor's forces are working on the division. In order to monitor compliance, when the NS signal construction gangs assigned to a division contained in the attached list are required to work off their division, the Carrier will advise the General Chairman.

When the Carrier is prepared to proceed with other specific project(s) and demonstrates need, i will work with the Carrier to expedite an approval per our Agreement.

With your concurrence to the above, I concur to the attached list of projects.

y yours. Nalt Barrows

I concur.

F F Maso

I concur,

Attachments cpy: Mr. W.D. Pickett Local Chairmen N&W NS Contracting Projects February 24, 1999

Eastern Region (East)

Jun-09-99 02:44P Floyd E. Mason

Ada, VA

AEI Installation

MP N 257.8

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Eastern Region (West)

| AEI Installation | |
|------------------|------------|
| Big Rock, VA | MP H1 |
| Cleveland, VA | MP CV431.5 |
| Coeburn, VA | MP CV454.8 |
| Falls Mills, VA | MP N369.4 |
| leager, WV | MP 422.1 |
| Kenova, WV | MP NA57 |
| Landgraff, WV | MP N389.8 |
| Panther, WV | MP N429.3 |
| Richlands, VA | MP V4.7 |
| South Point, OH | MP N569.8 |
| Sprigg, WV | MP N484.5 |
| Webb, VA | MP D43.2 |
| Welch, WV | MP T0.3 |
| | |

Indian Yard, VA

Extend Siding

MP 142 - 145

Western Region East (East)

Lake Division

AEI Installations

MP 8 66.9 Ripley. NY MP 8 87.99 to 8 89.23 Ene. PA MP 8 107.4 Erie, PA MP 8240.2 Kimball, OH MP 8200.6 AVON, OH MP 8248.1 Believue, OH Buffalo Junction NY MP DH400.1 FW Tower, NY MP 81.4 MP SL2.9 Loraine West OH MP SL 2.1 Loraine East, OH MP B 123.7 Kingsville, OH MP CB8.3 Cloggsville, OH

Western Region East (West)

Lake Divison

AEI Installations

NS Contracting Projects February 24, 1999

| Sand Creek, MI | MP D68.8 |
|--------------------|------------|
| Roanoke, IN | MP D155.3 |
| Royerton, IN | MP CF128.6 |
| Four Mile, IN | MP 8367.7 |
| Ft Wayne Union, IN | MP D143.4 |
| Muncie, IN | MP SP173 |
| Gould. OH | MP IW110.8 |
| Milan, MI | MP 037.3 |
| Tippecanoe, IN | MP 8423.8 |
| Argos West, IN | MP 8431.5 |

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P.06

Western Region East (West)

JUN-09-99 02:444 F 1090 E. Mason

Lake Division

AEI Installations (cont.)

MP 1110.8 Argos North, IN Calcwood Jct, MI MP 07.0 Detroit, MI Manifest Rip Track River Rouge, MI MP D5.2 MP 8364.4 New Haven, IN Drewbridge, OH MP CS2.5 Iromville, OH MP 15.4 MP 8353.6 Edgerton, IN

Western Region West (East)

| Lake Division | AEI Installations | |
|-------------------|----------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|
| | Chicago West End. Chicago High Main. Lander East 95/Bel Lander East 96 Lea | IL MP 8512.1 |
| Illinois Division | AEI Installations | |
| | Deer Creek, IL Saybrook, IL Curran, IL Roxana, IL | MP SP397.2 MP SP349.5 MP DH420.4 MP A7.2 |
| Illinois Division | AEI Installations Boody, IL Decatur, IL-Jasper Decatur, IL Milmine, IL Grante City, IL Decatur, IL | MP 0383.9 St MP 0375 MP 0373 MP 0359.5 MP AE9.6 MP 0372.5 |
| | | |

Jun-09-99 02:44P Floyd E. Mason

104-483-1153

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NS Contracting Projects February 24, 1999

Western Region West (West)

Missouri Comidor State Crossing Upgrade Projects Renick, MO - Robinson Rd. Moberty, MO - Pea Ridge Rd. Warrenton, MO - Sunnyside Rd. Wright City, MO - Sunnyside Rd. Wright City, MO - Route "H" Truesdale, MO - Laura St. Alton, IL MP AE1.4 Galesville, IL Argo Road

Illinois Division

AEI Installations

Hannibal, MO MP H1.8 Kansas City E., MO MP S269.4 Kansas City, W., MO MP S274.4 Kansas City BN, MO MP S289.4 St Louis May St, MO MP SL3.3



Brotherhood of Railroad Signalmen

601 W. GOLF ROAD BOX U MOUNT PROSPECT, ILLINOIS 60056 PHONE: 847-439-3732 FAX: 847-439-3743

FILE IN DOCKET

07 PK

W. DAN PICKETT

WALT A. BARROWS INTERNATIONAL SECRETARY-TREASURER

July 21, 1999

Mr. Mark R. MacMahon, AVP Norfolk Southern Railway Co. Three Commercial Place Norfolk, VA 23510-2101

Dear Mr. MacMahon:

This will respond to your letter dated July 16, 1999. Our understanding is that nearly all terms of a proposed SBA Agreement have been reached. It is further our understanding that before you will voluntarily agree to resolve our dispute in arbitration that there are additional conditions that the BRS must meet, over and above the actual compliance issue that we are currently aware of under the December 14, 1998 Agreement. Those additional conditions have to do with NSR's desire to either negate the terms requiring the concurrence of the General Chairman, for BRS to agree in advance that NSR is and will be in compliance with all other conditions, or to agree to an expanded list of projects.

The BRS has stated repeatedly that we are agreeable to NSR's going forward with the use of outside contractors to perform the February 24, 1999 list of projects, subject of course to damages should we prevail in our position that NSR fails to comply with the provisions requiring full utilization of current N&W forces when those forces are utilized the minimum required by agreement.

The parties met the first week of March 1999 and agreed to all projects which NSR was prepared to go forward with at that time. There was no mention of a February 26, 1999 list at that meeting. It was not until March 29, 1999 that a list of 5 additional jobs was presented. When detail was requested as to what "Clinch Valley, VA - Pole Line Elimination" entailed, and why it was included, a fax dated April 6, 1999 specified that pole line elimination meant the installation of fourteen separate instances of cases, cables, signals, and the building of a wall and the installation of switch heaters at, at least twenty-four separate locations.

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Mr. Mark R. MacMahon July 21, 1999 Page 2

By the middle of April 1999 NSR had started only three of the more than 70 projects for which BRS had already concurred. As the situation developed, NSR awarded these three projects to non-BRS represented contractors and a concern was raised by BRS over the condition contained in our December 14, 1998 agreement which provided:

"To the extent they are available and meet the conditions in item 2 below, non-NSR/BRS represented signal forces will be used as vendors, provided:

(2) Any company or entity providing such BRS represented forces to NSR . . . will be required to be competitive in the industry with respect to productivity, labor rates and related charges, as well as quality of workmanship performed by its forces, in order that <u>NSR or its vendors do</u> not suffer unreasonable economic hardship." (Emphasis added)

This concern led to a conference April 16, 1999 involving you, BRS Vice President Floyd Mason, Director Employee Relations Bill Allmar, and I. We advised that BRS represented nearly all of the personnel performing signal work in the industry and indicated that our represented contractor had advised that it was willing to install the various projects for less than your current cost. It was our position that costs less than those incurred by NSR and throughout the industry would surely not cause NSR to suffer economic hardship. Your response was that the BRS represented contractor was not the lowest bid and would therefore not be awarded any of the over 70 projects. Your response referred to a document prepared April 13, 1999 by NS Labor Relations. NSR, however, offered to consider awarding future projects to a BRS-represented contractor.

We made the point in this conference that BRS had agreed to all suggested projects, in our March meeting, without regard to whether these jobs were or were not merger related asking only that NSR comply with the other conditions contained in the December Agreement. There was no mention of additional jobs for which NSR sought concurrence, except those jobs you would consider offering to the BRS-represented contractor. Those jobs were offered as an option through your communication to the conference to satisfy what you indicated was our desire to seek contracts awarded to a represented contractor.

The BRS went over the list of areas where we were concerned that NSR was failing to comply, including the filling of vacancies and hiring of new employees. The BRS stressed that your merger partner CSXT had hired over 450 new employees beginning well in advance of the merger and completed merger related work prior to the end of 1998. We indicated that we were suspicious that NSR could not have the agreed to people on the property when NSR had committed to hire only 15 employees and an additional 15 by June 1, 1999. You responded that the employees were in school and that you were doing all you could to hire additional employees. On the question of vacancies, NSR explained that although there were 27 permanent vacancies and 6 temporary vacancies that NSR was making a good faith effort to fill vacancies as

Mr. Mark R. MacMahon July 21, 1999 Page 3

required by the December agreement and that an administrative snafu had caused confusion.

It was at this conference that the BRS notified NSR that NSR was not fully utilizing its employees, in that before contractors (represented by BRS or not) were used, existing employees should be used off district and outside assigned hours, even if such use was at a premium. Your response was to follow in a letter dated May 24, 1999 that the use of employees the minimum number of hours required by the N&W Agreement constituted fully utilizing available BRS forces.

You have since attempted to expand the list of projects even further by attaching a list to your June 3, 1999 arbitration proposal and to your July 1, 1999 arbitration proposal. The proper manner to seek concurrence or to expand the list of over 70 projects is through conference with the General Chairman.

Aside from the apparent attempt to unilaterally change certain parts of the agreement, NSR appears to have a great deal of difficulty making a good faith effort to comply with other parts of the Agreement. A good faith effort to meet the conditions in the December Agreement would go a long way toward a reasonable application of the agreement. In my view explaining vacancies as administrative snafus, failure to have additional employees on the property by the agreed upon dates as NSR's best good faith effort excuses like "they're in the pipeline" and the assertion that a BRS represented contractor would cause NSR to suffer unreasonable economic hardship all fall short of a good faith effort. All this is in contrast to agreements in ade with your merger partner well in advance of the merger, resulting in CSXT hiring over ten times the new employees hired by NSR and resulting in merger related work completed before the long anticipated merger split date. CSXT and BRS were also able to complete the projects using BRS-represented forces under the same economic conditions and thresholds as contained in the NSR agreement. BRS and CSXT most importantly were able to communicate and resolve differences without federal court or arbitration.

When the February 24, 1999 list was agreed to by the parties in March 1999 it was agreed that when the carrier is prepared to proceed with other specific projects and demonstrates need, the BRS General Chairman would work with NSR to expedite approval per our agreement.

NSR has not demonstrated need nor even began its first 'ist of projects. CSXT completed its work with BRS-represented contractors in December 1998, resolving differences as they arose. NSR, however, can't seem to work with its employees long enough to start. The BRS has accepted NSR's excuses on filling vacancies and hiring new employees. BRS has even agreed to allow the 70 projects on the February 24, 1999 list to continue even though the conditional use of BRS represented forces was reportedly impossible for NSR to accomplish due to a variety of internal issues.

Mr. Mark R. MacMahon July 21, 1999 Page 4

The BRS remains agreeable to the completion of the multitude of projects listed on the February 24, 1999 list subject to a fair hearing in arbitration as to whether NSR is meeting its condition to fully utilize available BRS forces. If we prevail, our members are to be compensated for their lost opportunity resulting from NSR's failure to utilize their talents over the minimum requirement of the agreement. If NSR prevails, we will abide by the decision rendered. We do not think it appropriate to agree that NSR will in the future meet agreement conditions. NSR will either meet its conditions or not. We also do not think it appropriate to expand the list of projects as a condition to resolving our difference over full utilization.

NSR's lawsuit against the BRS, diverts attention and resources from the underlying dispute, with the objective of obtaining a judicial declaration to the effect that NSR should be able to proceed with projects without the General Chairman's concurrence. NSR's attempt to expand the list of projects as a condition to resolution of our current dispute is also inappropriate.

We should resolve our difference about full utilization in arbitration, without conditions that BRS agree in advance that you will live up to your obligations or that BRS concur to additional projects. We should do so without further delay.

If there are additional projects that must be completed (in addition to the 67 plus projects already agreed to), please direct a request for conference to General Chairman Scott Clark at 330-364-4003 (fax 330-364-4723) with a copy to this office. Your list should include at least as much information as you would provide a contractor bidding the job [specifically identify the work], and you should be able to demonstrate in conference a need to perform this work. The address for the NS General Committee remains the same.

We have signed your SBA proposal which you transmitted under cover letter dated July 16, 1999, deleting the language about the expanded project lists for the reasons described above. We have initialed the "strike out" passages. If you are agreeable to these changes, please initial and we will proceed immediately to the selection of a Neutral Member to resolve our dispute over the compliance of NSR to fully utilize BRS forces.

Sincerely,

W. D. Pickett

W. D. Pickett International President

cc: Linda Morgan, Chairperson STB F. E. Mason S. E. Clark W. L. Phillips

Agreement

between

Norfolk Southern Railway Company

and

Brotherhood of Railroad Signalmen

For the purpose of resolving a dispute concerning the agreement of December 14, 1998 (Attachment Nc. 1), the subsequent commitment made February 24, 1999 (Attachment No. 2), and the lists (w & P) of construction projects dated February 26, 1939 (Attachmont No. 3) and June 3, 1999 (Attachment No. 4), through a Special Board of Adjustment (SBA) under Section 3, second of the Railway Labor Act (RLA), IT IS AGREED:

The controversy between the parties hereto, as (A) hereinafter specifically stated, is hereby submitted to arbitration to a panel described in Section 3 below, hereinafter referred to as the "Board," and such arbitration is had under provisions of Section 3 of the Railway Labor Act, without prejudice to either party's (WAP) position.

(B) The Board shall consist of three members. One member shall be selected by the Organization and shall be known as the Imployee member. Another member shall be selected by the Carrier and shall be known as the Carrier Member. The third member shall be the Chairman of the Board and shall be a neutral party, unbiased as between the parties, and selected in accordance with the provisions of Section C herein. In the case of a temporary or permanent Board vacancy, with respect to any Board Mombor, the vacancy shall be filled in the same manner as the original selection. N. L. Allman, Jr. is designated by the Carrier as the Carrier Member of the Board. W. Dan Pickett is designated by the Organization as the Employee Member of the Board.

(C) The Carrier and Employee Members shall conference within two days after the date of this agreement for the purpose of selecting the Neutral Member of the Board. If such partisan members agree upon the Neutral Member and the person so agreed upon is available to serve and accepts the appointment, then such person shall serve as Chairman, subject to certification by the National Mediation Board. If within one day after such first conference, the party members fall to agree upon the Neutral Member, either party may request the National Mediation Board (NMB) to provide a seven-person strike list of arbitrators who are available to hear the case not later than 45 days from the effective date of this -----

after 30 days (WAP)

arbitrator is selected, and the NMB shall be asked to provide such list within five days. The individual selected shall serve as Chairman if he is available and accepts the appointment. Should the individual selected not be able to serve, either party may request the NMB to appoint a Neutral Member.

(D) The compensation and the expense of the Employee Member shall be borne by the (rganization. The compensation and expense of the Carrier Member shall be borne by the Carrier. The compensation and expense of the Neutral Member shall be paid onehalf by the Organization and one-half by the Carrier. All other expenses shall be borne equally by the Organization and the Carrier.

(E) The Board shall meet at a location agreeable to all three Board Members.

(F) The Board shall have jurisdiction over the following dispute in the application of the December 14, 1998 Agreement and the subsequent correspondence of February 24, 1999, and lists of $(w \, \partial P)$ February 36, 1999 and June 3, 1999, concerning the utilization of current BRS represented NSR employees and the use of cutside contractors:

Question submitted by the Carrier (from Carrier's June 8, 1999 proposal): "Is the Carrier complying with the December 14, 1998, agreement applicable to the former N&W property by utilizing available BRS forces as contemplated by that agreement? If the answer to this question is no, what utilization of available BRS forces is required by that agreement?"

Question submitted by the Organization from Organization's June 9, 1999 proposal): "Is the requirement that the Carrier be 'fully utilizing available BRS forces' before the use of outside contractors, a requirement to use BRS forces outside of regularly assigned hours on projects as referenced in the agreement? If the answer to this question is yes, what compensation shall the carrier pay to the BRS forces that should have been utilized."

The Board shall not have jurisdiction of disputes growing out of requests for changes in rates of pay, rules or working conditions, nor have the authority to change existing agreements or establish new miles.

(G) The Board shall hold a hearing limited to the questions submitted to it. At such hearing, the parties may be heard in

- 2 -

person, by counsel, or by other authorized representatives as they may elect. The parties may present, either orally or in writing, statement of facts, supporting evidence and data and argument as 10 their position to the questions being considered.

(H) The parties shall exchange Submissions five (5) days prior to the stated hearing date by overnight courier service. The parties shall at the same time and in the same manner furnish copies of the submission to the Neutral Member. There shall be to rebuttal submissions.

(I) The Ecard shall decide the issue within fifteen (15) days after the close of the hearing.

The findings of fact and the award shall be rendered by the Chairman alone, shall be in writing with copies furnished to the partisan members of the Board, and shall be final and binding, subject to the RLA, as amended.

In the event a dispute arises involving the (J) interpretation of the Award, either party may request the Board to render an interpretation within 120 days from the date of the Award.

(K) The Ebard hereby established shall continue in existence only until it has disposed of the questions submitted to it under this agreement, after which it will cease to exist except for the interpretation of its Award as provided in Section J.

(L) The time limits in this agreement may be varied by mutual consent of the parties.

This Agreement is made and executed this 21st day of July, 1393.

For the Employees

For the Carrier

W. D. Pickett

M. R. MacMahon, AVP MSR

W. Dan Pickett, President BRS

Attachments: December 14, 1998 Agreement, February 24, 1999 letter and attached list, (WAP) June 3, 1999 List

- 3 -

Attachment 1

10

December 14, 1996

Mr. W. A. Barrows General Chairman, BRS P. O. Box 266 Dover, OH 44622-0266

Dear Mr. Barrows:

It is recognized that the organization has in the past offered to make special accommodation to allow contracting when needed for a limited specified purpose when BRS forces are fully staffed. Given the unique circumstances of the operation of certain Conrail lines by Norfolk Southern Railway and the pressing need to complete numerous projects, it is recognized that there will not be sufficient forces at all the required locations during the subsequent eighteen (18) months beginning on March 1, 1999. In these situations the Carrier will notify the General Chairman of the need to contract with outside vendors to timely complete the specified project(s). The General Chairman will review all the facts and when Carrier is fully utilizing available BRS forces and where there is a demonstrated need to contract the performance of the work, the General Chairman's concurrence will not be unreasonably withheld.

It is further understood that gangs from other divisions or regions will be utilized under these circumstances if available to supplement construction gangs before the use of contractors' forces. While the contractors are being utilized, the Carrier will not abolish any current positions and will also make a good faith effort (i.e., recruit, process to hire, train and assign qualified candidates) to fill all vacant BRS positions, and while contractors' forces are used on a division, all BRS forces on that division will be working on that division. The Carrier will hire 15 new employees by March 1, 1999, and an additional 15 by June 1, 1999; these counts will include those individuals that are currently in the hiring process.

It is further understood that the contractors' forces (outside vendors) will at no time exceed 60 employees.

To the extent they are available and meet the conditions detailed in item 2 below, non-NSR/BRS represented signal forces will be used as vendors, provided:

(1) BRS and NSR will cooperate to identify the non-NSR signal forces;

(2) Any company or entity providing such BRS-represented forces to NSR or to a vendor of NSR will be required to be competitive in the industry with respect to productivity, labor rates and related charges, as well as quality of workmanship performed by its forces, in order that NSR or its vendors do not suffer unreasonable economic hardship.

It is understood that the provisions of this letter will be terminated at the expiration of the eighteen month period referenced above or when the necessary projects are completed, which ever occurs first.

Very truly yours,

10

R. S. Spenski

Vice President Labor Relations Norfolk Southern Railway Company

Agreed:

General Chairman, BRS

Approved:

5 m.

Vice President, 3RS

NS:Labor Relations

Attachment 2

February 24, 1999

Mr. W.L. Aliman, Jr. Director Labor Relations Norfolk Southern Corporation 223 East City Hall Avenue Norfolk, VA 23510-1728

Dear Mr. Allman:

This refers to the Carrier's request to contract with an outside vendor to timely complete the attached list of specific projects titled "NS Contracting Projects February 24, 1999."

Per the attached December 14, 1998 Agreement, the organization has reviewed all the facts presented. I am satisfied that in the case of the listed projects, the Carrier has demonstrated the need to contract the performance of the work beginning in March 1999, and I'm relying on the Carrier's assurance that it is currently fully utilizing all its BRS forces and meeting the conditions contained in the Agreement.

The Agreement provides that the contractor's forces will at no time exceed 60 employees, and BRS forces assigned to a division will be working on the division when the contractor's forces are working on the division. In order to monitor compliance, when the NS signal construction gangs assigned to a division contained in the attached list are required to work off their division, the Carrier will advise the General Chairman.

When the Carrier is prepared to proceed with other specific project(s) and demonstrates need, i will work with the Carrier to expedite an approval per our Agreement.

With your concurrence to the above, I concur to the attached list of projects.

Sincerely yours

Walt Barrows

I concur.

F. E. Mason

I concur.

Attachments Py Mr. W.D. Pickett Local Chairmen N&W

NS Contracting Projects February 24, 1999

Eastern Region (East)

Ada, VA

AEI Installation

MP N 257.8

Eastern Region (West)

| MP H1 MP CV431.5 |
|---------------------|
| |
| |
| MP CV454.8 |
| MP N369.4 |
| MP 422.1 |
| MP NA57 |
| MP N389.8 |
| MP N429.3 |
| MP V4.7 |
| MP N569.8 |
| MP N464.5 |
| MP D43.2 |
| MP TO.3 |
| |

Indian Yard, VA

Extend Siding

MP 142 - 145

Western Region East (East)

Lake Division

AEI Installations

| MP B 66.9 |
|-----------------------|
| MP 8 87.99 to 8 89.23 |
| MP 8 107.4 |
| MP 8240.2 |
| MP 8200.6 |
| MP 8248.1 |
| MP DH400.1 |
| MP 81.4 |
| MP SL2.9 |
| MP SL 2.1 |
| MP B 123.7 |
| MP CB8.3 |
| |

Western Region East (West)

Lake Divison

AEI Installations

NS:Labor Relations

Fax:757-629-2777

NS Contracting Projects February 24, 1999

Sand Creek, MI MP D66.8 Roanoke, IN MP D155.3 MP CF128.6 Roverton, IN Four Mile. IN MP B367.7 Ft. Wayne Union, IN MP D143.4 Muncie. IN **MP SP173** MP IW110.8 Gouid, OH Milan MI MP D37.3 MP B423.6 Tippecanoe, IN Argos West, IN MP B431.5

Western Region East (West)

Lake Division

AEI Installations (cont.)

MP (110.8 Argos North, IN MP D7.0 Oakwood Jct, MI Manifest Rip Track Detroit, MI River Rouge, MI MP D5.2 MP B364.4 New Haven, IN MPCS2.5 Drawbridge, OH Iromville, OH MP T5.4 Edgerton, IN MP B353.6

Western Region West (East)

Lake Division

AEI Installations

Chicago West End, ILMP B512.4Chicago High Main, ILMP B512.1Lander East 95/Belt LeadLander East 96 Lead

MP SP397.2

Illinois Division

AEI Installations

Deer Creek, IL

Illinois Division

MP SP349.5 Savbrook, IL MP DH420.4 Curran, IL MP A7.2 Roxana. IL AEI Installations MP D383.9 Boocy, IL Decatur, IL-Jasper St MP D375 Decatur, IL MP D373 MP D359.5 Milmine, IL Granite City, IL MP AE9.8 MP D372.5 Decatur, IL

NS:Labor Relations

NS Contracting Projects February 24, 1999

Western Region West (West)

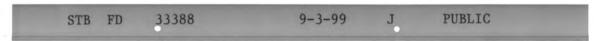
Missouri Corridor

State Crossing Upgrade Projects Renick, MO - Robinson Rd. Moberty, MO - Pea Ridge Rd. Warrenton, MO - Sunnyside Rd. Wright City, MO - Route "H" Truesdale, MO - Laura St. MP AE1.4 Argo Road

Alton, IL Galesville, IL

Illinois Division

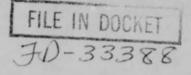
AEI Installations Hannibal, MO MP H1.8 Kansas City E, MO MP S269.4 Kansas City, W., MO MP S274.4 Kansas City BN, MO MP S269.4 St Louis May St, MO MP SL3.3



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



September 3, 1999

Mr. W. E. Smith 86 Parkview Road Carmel, IN 46032

Dear Mr. Smith:

Thank you for your letter regarding safety concerns following the acquisition of Conrail by CSXT and Norfolk Southern. This proceeding is docketed at the Surface Transportation Board (Board) as Finance Docket No. 33388.

I have instructed Mr. Melvin Clemens, Director of the Board's Office of Compliance and Enforcement, to work with you to ensure that your concerns are heard by the proper authorities, and I understand that you have been contacted by Mr. Clemens. Please keep the Board informed of any further problems that you encounter.

I will have your letter and my response made a part of the public docket in the Conrail proceeding. I appreciate your interest in a safe and fair implementation of the Board-approved Conrail acquisition.

Sincerely,

Linda J. Morgan

8-3-99

SURFACE TRANSPORTATION BOARD 1925 K ST. N. W. WASHINGTON, D.C. 20423-0001 202-565-1624

TO WHO IT MAY CONCERN:

DO YOU KNOW HOW MANY FAMILIES LIVES YOU HAVE MESSED UP BY THIS CONRAIL-CSXT-N/S TAKEOVER?? THIS HAS BECOME A NIGHTMARE FOR A LOT OF RAILROAD EMPLOYEES. I REALLY DON'T EXPECT TO GET A RESPONSE OR ANSWER TO THIS LETTER BECAUSE WE FEEL YOUR BOARD DOSEN'T REALLY CARE.

SAFETY HAS BECOME A REAL CONCERN.

THE VERBAL AND PHYSICAL ABUSE WE ARE TAKING FROM UPPER MANAGEMANT.

HOURS WE ARE WORKING HAS BECOME MORE THEN WE CARE TO HAVE OR CAN HANDLE. WHICH COMES RIGHT BACK TO SAFETY.

TRAIN DELAYS.

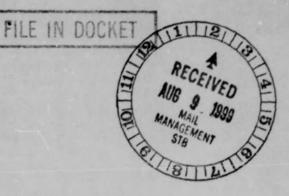
INSPECTIONS ARE NOT BEING PREFORMED AS REQUIRED BY LAW.

I COULD GO ON, BUT WILL I GET AN ANSWER???

W.E. SMITH CSXT ASST. ROADMASTER

W.E. Smith

86 PARKVIEW ROAD CARMEL, IN. 46032 PH. #(317)844-0807 FAX #(317)844-5447



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Office of the Chairman

Surface Transportation Board Mashington, D.C. 20423-0001

FILE IN DOCKET

September 3, 1999

Mr. David Post Member Transportation Communication Union 177 New Hampshire Drive Lower Burrell, PA 15068

Dear Mr. Post:

This is in response to a letter you directed to Mr. Raymond C. Fisher at the Office of Dispute Resolution, a copy of which you sent to me. I understand that after you received my answer to your letter in June, you spoke to a staff attorney in our Office of Congressional and Public Services. In addition to explaining the rules and procedures of the Surface Transportation Board (Board), I understand that she suggested that the law in this area is complex and that you might be more comfortable pursuing your claims with the assistance of an attorney. Let me assure you, however, that an individual appearing before the Board is not required to be represented by an attorney.

As you know, the Board carcfully examined the proposed Conrail acquisition transaction, found it to be in the public interest, and imposed the labor protective conditions set forth in <u>New York Dock Ry.--Control--Brooklyn Eastern Dist.</u>, 360 I.C.C. 60 (1979)(<u>New York Dock</u>). The <u>New York Dock</u> conditions were imposed to protect employees who may be adversely affected by the acquisition and division of Conrail. These conditions provide lost-income protection for up to 6 years, fringe benefit protection, moving expenses, and protection from losses from home sale, and for arbitration of disputes. These conditions are the most far reaching labor protective conditions that the Federal government imposes on private transactions such as the Conrail acquisition.

Under the labor protective conditions imposed in *New York Dock*, you must first submit your claim to arbitration. I enclose a copy of that decision so that you can refer to Article I, Section 11, which requires that disputes with respect to the interpretation, application, or enforcement of an implementing agreement, which cannot be resolved voluntarily, be submitted to arbitration. You can appeal an arbitrator's decision that is adverse to you to this Board. In your case you would file the appeal by following the Board's rules set out in 49 CFR 1115.8 and 1115.2(d). Your appeal should also conform to the rules for pleadings generally that are set out in 49 CFR 1104. 1 have enclosed copies of all of those rules and a copy of *Chicago and North Western Transp. Co. - Abandonment*, 3 I.C.C.2d 729 (1987), *aff'd sub nom. International Brotherhood of Electrical Workers* v. STB, No. 87-1629 (D.C. Cir. November 25, 1988), more commonly known as the *Lace Curtain* case, which sets out the standards for review of an arbitrator's decision by the Board. Because this matter could go to arbitration and then come before the Board on appeal, it would be inappropriate for me to comment of the merits of the matter.

I hope that this gives you and your colleagues a better understanding of how to proceed in this matter. I certainly understand your concerns over the proposed transfers, and I am having your letter, my response, and any other responses that I receive made a part of the public docket in the Conrail acquisition.

Sincerely,

Linda J. Morgan Linda J. Morgan

Enclosures

cc: Raymond C. Fisher, Office of Dispute Resolution

FILE IN DOCKET

August 4, 1999 Raymond C. Fisher Associate Attorney General Office of Dispute Resolution United States Department of Justice 950 Pennsylvania Avenue, NW Washington, DC 20530

us 13 2 zo PN *90

Mr. Fisher:

This has reference to the recent takeover of Consolidated Rail Corporation (CR) by the Norfolk Southern Corporation (NS) and CSX Corporation (CSXT) and approved by the Surface Transportation Board, over a year ago on July 23, 1998. In approving the transaction, the Board required the carriers to follow the well established procedure mandated in Section 5(2) f of the Interstate Commerce Act prior to 1976 and to a court ruling that is commonly referred to as the doctrine of New York Dock. These two conditional requirements of approving the transaction can be found in Finance Docket #33388 decision No. 89 and is intended to protect the rights of all employees "adversely affected" by the transaction. Throughout the years, these two provisions have historically been invoked in other railroad mergers and takeovers, and normally resulted in enhanced protection for "adversely affected" employees.

The Conrail transaction has very much become the exception. Through a Machiavellian style of negotiation, the two carriers and our own union, carefully crafted an implementing "agreement" which effectively killed the spirit embodied in the doctrine of New York Dock.

George Donahue and I, both clerical employees at the former National Customer Service Center in Pittsburgh, PA have, on behalf of the majority of our colleagues, disputed from its inception the implementing agreement our union, the Transportation Communication Union, signed with the two carriers. Our argument has been presented to the Surface Transportation Board but the Board has steadfastly shrouded itself in the legalism of the provisions of outdated precedents set *prior to* the dawn of the Information Age. The Supreme Court, on the other hand, has granted the carriers full and unconditional immunity from all federal, state, and municipal laws *necessary* to carry out this and other rail takeovers. The bias here is self-evident and has resulted in the robber barons of a bygone era to once again rear their ugly heads, ironically, under the guise of a more competitive rail model.

The precise details of our dispute are far too lengthy to present to you at this time. Briefly stated, though, we (and at least 250 colleagues) take great exception to the implementing agreement because our input was not only not sought but also was specifically denied. Furthermore, we were not afforded the opportunity to vote on this most important "agreement", as other rank and file has been in recent rail acquisitions. In addition, we have provided the Surface Transportation Board and others with arguments that this agreement is in violation of the New York Dock provisions and Section 5(2) f of the Interstate Commerce Act and therefore is <u>unenforceable</u>.

The Board has all the necessary details to make a ruling but, as I said, has refused to date to do so. Instead, through their office of Office of Congressional and Public Services, Chairman Morgan has insisted that we present our case through legal counsel.

Mr. Fisher, we know all too well that it would take an army of legal counselors headed by the likes of a Daniel Petrocelli to challenge not only two, multi-billion dollar corporations, but also our own union. We are not that naïve.

We are appealing to your office to meet with the STB.

Our hope, for now, rests in the belief that your office's considerable influence along with it's inventive methods of problem solving can provide the catalyst necessary to expedite this dispute to a fair and equitable conclusion.

Time, always being of the essence, the clerical force in Pittsburgh would appreciate a prompt reply, as the carriers are, at this writing, transferring many of our brother and sisters to Jacksonville, Atlanta and Mt. Laurel, NJ.

Thank you in advance for your assistance in this matter.

Yours truly, David Post

Member-Transportation Communication Union 177 New Hampshire Drive Lower Burrell, PA 15068

Cc: Attorney General Janet Reno

Eric H. Holder, Jr. - Deputy Attorney General

Secretary of Transportation Rodney Slater

Linda J. Morgan, Chairman - Surface Transportation Board

George Donahue



Title The facket. TB FD-33388 8-23-99 ID-BUSINESS



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

FILE IN DOCKET

August 23, 1999

Mr. William Fertenbaugh **Financial Manager** Lipton 523 South 17th Street Harrisburg, PA 17104

Dear Mr. Fertenbaugh:

This responds to your recent letters to me and to Chairman Goode of Norfolk Southern Railroad (NS) regarding service to the Lipton facility in Harrisburg. Specifically, your letters indicate that service deficiencies caused plant shutdowns in June and again in August, and you seek assistance in resolving service problems.

I have asked Director Clemens of the Board's Office of Compliance and Enforcement (OCE) to follow up with NS on your service problems, and to advise me further. With respect to the implementation of the Conrail transaction, OCE has maintained an open line of communication with officials at NS and CSX and has been helpful in resolving various service issues. In this regard, your letter to Mr. Goode indicates that Mr. Seale of NS has propared a plan for improved service to your facility, which we hope will be sufficient to address your service concerns.

I will place your letter and my response in the docket for the Conrail transaction. I appreciate the opportunity to be of assistance, and hope that you will not hesitate to contact me if we can be of assistance in the future.

Sincerely,

Linda J. Morgan

Linda J. Morgan



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MORCAN

SURFACE TRANSPORTATION

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July 9, 1999

Ms. Linda J. Morgan Surface Transportation Board 1925 K Street, N.W. Washington, District of Columbia 20423-001

Dear Ms. Morgan:

I am writing this letter regarding the problems that Lipton in Harrisburg has encounter with the new Norfolk Southern railroad. The problems range from lack of local service to misrouting of rail cars.

The local service issues caused this plant to shutdown and lose production for 3 days during the week of June 6. The shutdown during the week of June 6 required the plant to return egg yolk to the supplier who will bill the plant for reprocessing that product and the lost production will be made up on an overtime basis. During the week of June 21 the plant needed to receive flour via truck, which cost 5 cents per pound over the normal rail delivered price and as late as July 9 we continue to have local service issues.

In addition to the lack of service we have had rail cars sent to incorrect destinations from our supplier's mill. The Norfolk Southern has route cars from our supplier in Ohio to various locations. One (1) example a car was routed from Ohio to Virginia to Allentown to Harrisburg. We have recently seen our cars delivered to Harrisburg and on to Allentown and back to Harrisburg. We rely on the railcars making the trip from the mill in a prescribed amount of time, when they are routed out of the normal loop flour shortages occur and with the local service problems production shortages continue to be a problem.

We have been in contact with the Norfolk Southern and have not been able to receive satisfactory answers to our questions regarding how they will improve local service and what claims remedy we have for the costs associate with our lost production.

We would appreciate you help in resolving the local service issues and with a financial remedy for our losses.

Sincerely, alliam. William Fertenbaugh

Financial Manager

CC: The Honorable George W. Gekas

Lipton • 523 South 17th Street • Harrisburg, PA • 17104 Telephone (717) 234-6215



August 9, 1999

Mr. David R. Goode Norfolk Southern Corporation Three Commercial Place Norfolk, Virginia 23510

Dear Mr. Goode:

This letter is a follow up to my letter of July 9, 1999, where I asked assistance in correcting several problems that exist with the current rail service to the Lipton Plant. The problems outlined in that letter were on time railcar arrivals and timely placement of the railcars on the Plant's siding. These problems still exists one month later.

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These created a Plant shutdown during the week of August 2, 1999, because several cars were routed past Harrisburg to Allentown. Those cars were shipped on July 23 or 24 and finally arrived in Harrisburg on August 8, 1999. Several other cars from the supplier were shipped during the week of July 26, 1999 and began arriving over the weekend of August 7. The late arrivals have created a shutdown during the current week of August 9, 1999, because the railcars could not be shifted to our siding until 5 PM, which will cause the Plant to miss the required production for the week. Both the shutdown and late start will require additional weekend work.

I did receive a letter from Don Seale laying out the plan for improving the service, I would like to know when I could expect to see this improved service? I would also like to know how Norfolk Southern plans to meet this Plant's shift requirements with the increase freight traffic that is expected over this line? (It is necessary for the local crew to cross the mainline to reach the Plant's siding)

Sincerely,

William Ferturbaugh

William Fertenbaugh Financial Manager

CC: Ms. Linda J. Morgan, Surface Transportation Board The Honorable George W. Gekas



August 20, 1999

Mr. David R. Goode Norfolk Southern Corporation Three Commercial Place Norfolk, Virginia 23510

Dear Mr. Goode:

This letter is again to request some help in having the current rail service, for the Lipton Plant, return to what it was just $2\frac{1}{2}$ months ago. The Plant again faces a shutdown due to improper routing of rail cars.

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This weekend has been schedule for making up lost production due to an early shutdown cause by Norfolk Southern's inability to delivery rail cars in timely manner. This weekend's work is now threatened by misrouting of 3 rail cars schedule to be in Harrisburg on August 19 and to be delivered to the Plant on August 20. Those cars were delivered to the yard in Allentown on August 19. This will cause another Plant shutdown. It is bad enough that those cars did not arrive when scheduled the have been traveling since August 5.

In order for this Plant to produce to the efficiency that is necessary to keep it viable, flour shipments must arrive in a timely manner. I am asking your guidance to determine when our supplier must ship their rail cars, so they will be available to this Plant on a schedulable basis. I am also interested in knowing how the addition of the new track, that I read about in the Business Journal, will impact the freight going through Harrisburg; since, the existing mainline freight causes trouble shifting to this Plant.

Sincerely,

William Terter

William Fertenbaugh Financial Manager

PS. As I am writing I received a call about the cars in Allentown and was told that it would take 3 to 4 hours before I would know when they would return to Harrisburg.

CC: Ms. Linda J. Morgan, Surface Transportation Board The Honorable George W. Gekas Mark Thompson, Cenex Harvest States



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Surface Transportation Board

Washington, D.C. 20423-0001

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August 23, 1999

Mr. James Johnson, Traffic Manager Empire Wholesale Lumber Co. P.O. Box 249 Akron, Ohio 44309-0249 Dear Mr. Johnson:

This responds to your recent letter regarding the implementation of the Conrail Transaction and the operational problems that both CSX and NS have had, particularly in the initial phases of the transition.

As I am sure you know, the Board's decision required certain aspects of the transaction to be in place prior to "Day 1" (June 1st), e.g., infrastructure improvements, labor implementing agreements, crew management and customer service staffing and training, and equipment allocation. The decision also required the Board's Office of Compliance and Enforcement (OCE) to establish standards for monitoring the operational implementation of the transaction for the Board. OCE continues to monitor the implementation of the transaction, and, in fact, has intensified its monitoring by requiring additional reporting having to do with blocked sidings and mainlines, interchange, trains held for cause, e.g., power, crews, or congestion, and, in response to a request by the Federal Railroad Administration, information on the out-of-service ratio for locomotives.

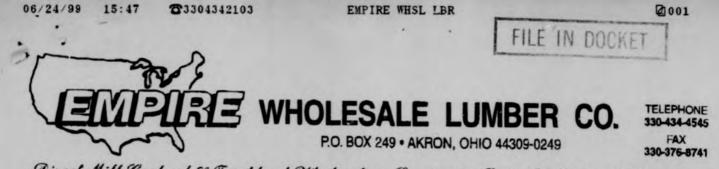
Generally, the monitoring reports indicate that improvements have been realized by CSX and NS. Cars on line are reduced, terminal and line-of-road operations are more fluid, system train speeds have increased, average dwell time is decreasing noticeably, and the reliability of information for both the railroads and their customers is reportedly improved.

As we see it, the objective now is for the railroads to continue improvements in an effort to bring an acceptable level of service to all customers. In its continued monitoring, the Board will pay special attention to the Shared Assets Areas (SAA), because, as NS and CSX flush their systems of congesting cars, surges may occur in the numbers of shipments destined for the SAAs. The near term success of the transaction will now be judged by how well CSX and NS are able to handle the substantial increases in traffic during the peak Fall shipping season beginning in mid-August and lasting at least through October and possibly into November. Mr. James Johnson, Page 2.

As you would expect, the Board will continue its operational monitoring of the transition as long as we believe it is necessary, and our overall oversight of the transaction will continue for another four years. I appreciate your concerns and the interest that you have shown in this matter. Please continue to feel free to contact me if we can be of assistance.

Sincerely,

Linda J. Morgan



Direct-Mill Carload & Truckload Wholesalers, Serving 34 States With Forest Products

J-MES JOHNSON TRAFFIC MANAGER email: juinesjohnson@worldnet.stt.nct

> BY FAX TO 202-565-9015 Honorable Linda J. Morgan Chairman Surface Transportation Board 1925 K Street NW Washington DC 20423

June 24, 1999

Dear Linda.

I have repeatedly told you that the railroad that I trust the most is Norfolk Southern. I have made comments in your presence that if all railroads were run like NS we would not have most of the rail problems that plague the non-rail sector of the economy. With that said, I feel compelled to urge you to respond very aggressively to the current problems with NS's implementation of the Conrail acquisition. Both NS and CSX are struggling with congestion and information problems, but both appear to be worse on NS. I have provided Paul Graham with specific antecedental evidence, which I am sure he has used in assessing the current situation. I will not go into those specifics in this letter.

Mixed with the current Congressional reluctance about re-authorizing the Board or proceeding with your re-appointment, the political situation in the CSX and NS operations area is potentially more volatile than what existed in the UP operating area. I believe that the survival of the Board in it's present autonomous state, and your continued Chairmanship, will depend upon how aggressively you respond to the current NS and CSX situation. I do not think that Congress, or the economy, will tolerate anything resembling the UP meltdown.

It would be prudent to approach other federal agencies, in writing, particularly the Federal Highway Administration, for the purpose of "borrowing" competent investigators and computer specialists for on-site monitoring of the NS and CSX implementation. The former ICC personnel who were transferred to FHWA could form a nucleus of a task force. However, it would be helpful to also "borrow" computer specialists to monitor and report on the IT department situations in Atlanta and Jacksonville. I believe you have a need for independent analysis from the site of the problem, and I do not believe that the data posted on NS and CSX's websites constitutes much more than corporate damage control.



BRANCH OFFICES RELOAD DISTRIBUTION

ORD. NEW HA

CORPORATE HEADQUARTERS AKRON. OHIO

TAYLORS (GREENVILLE), SOUTH CAROLINA

TAMPA, FLORIDA

KNOKVILLE, TENNI INDIANAPOLIB, IND ATLANTA, GEORGIJ JACKSONVILLE, FL



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Additionally, the railroad union memberships should be solicited for informal input on performance as well as recommendations to overcome specific problems. The union members are closer to the problem, and will be more a part of the solution, than the public relations personnel. Inclusion of the union input could speed up restoration of normal operations, and it would demonstrate - again - your concerned consideration of their point of view.

I will see you next week, hopefully. In the meantime, if I can be of any assistance please feel free to call me. For your convenience, my home phone number is 440-845-1573 and I usually carry a cell phone with the number 216-272-3149.

Sincerely,

James Johnson

Traffic Manager



Surface Transportation Board

Washington, D.C. 20423-0001

FILE IN DOCKET

Office of the Chairman

August 23, 1999

Mr. Raymond J. Staub Vice President and National Sales Manager Glen-Gery Corporation 1166 Spring Street P.O. Box 7001 Wyomissing, Pennsylvania 19610-6001

Dear Mr. Staub:

This responds to your letter to me of August 6, 1999, regarding service to your Bigler, Pennsylvania facility by Norfolk Southern Corporation (NS) and your Caledonia, Ohio facility by CSX Transportation (CSXT).

Specifically, your letter indicates that, while you were not always happy with the service provided by Conrail, the local service provided thus far by NS and CSXT has fallen short of your needs and expectations. In addition, you have noted car ordering and car supply problems that detract from your ability to make reliable commitments to your customers.

I can assure you that the Board is focused on the service levels of CSXT and NS on the newly acquired Conrail territories. In addition to monitoring these operations, our Office of Compliance and Enforcement (OCE) has been in contact with both railroads regarding your concerns. I note that you copied your letter to Ron Conway, President of CSXT, and David Goode, Chairman, President, and Chief Executive Officer of NS, and we have confirmed that these letters have been received. I have asked OCE Director Clemens to continue his follow-up with NS and CSXT on these service issues. If you need to do so, you may contact Director Clemens at 202-565-1575. In addition, I will place your letter and my response in the Conrail transaction docket.

I appreciate the opportunity to be of assistance, and hope that you will not hesitate to contact me if we can be of assistance in the future.

Sincerely,

Linda J. Morgan

| V | Glen-Gery Corporation Corporate Offices |
|---|---------------------------------------------------|
| | Corporate Offices |

Raymond J. Staub Vice President & National Sales Manager

August 6, 1999

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Ms. Linda J. Morgan, Chairman Surface Transportation Board 1925 K Street, NW Washington, DC 20423-0001

Dear Chairman Morgan:

Please consider this letter as a notification to the Surface Transportation Board of the very unsatisfactory rail service that Glen-Gery Brick has received from Norfolk Southern Railroad and CSXT Railroad since June 1, 1959, when they assumed responsibility for territories previously operated by Conrail.

Glen-Gery Brick is a major manufacturer of brick products with a corporate office in Reading, PA. The company has manufacturing plants in the northeast and midwest. Four of our plants are served by Norfolk Southem, and three are served by CSXT. We ship around 200 boxcars each year, so we are not a large shipper by rail in terms of total number of cars shipped. But for our customers that are dependent on rail service, and those construction projects where rail is the selected mode of transportation, the ability of the supplying railroad to provide empty boxcars for loading, and the ability of the railroad to provide reasonable transit times is very critical to our success.

Over the years we have not always been happy with the services provided by Conrail; however, since the acquisition, the services provided by both Norfolk Southern and CSXT have fallen to such low levels that we are trying to divert all shipments to truck for on-going projects and new business.

Conrail normally was able to provide empty boxcars for loading with 8-10 workdays from date of request. Currently, both Norfolk Southern and CSXT are averaging 4-5 weeks to deliver an empty boxcar.

At our Caledonia, Ohio plant we have empty boxcars on order from CXST since June 1999. Car control representatives at CSXT are unable to give any information as to when cars will be available. In fact, their computer system drops all car orders more than 7 days old, so we have to resubmit the same car orders again and again. If this order and reorder procedure is being used system wide, by now CSXT probably has no clue how many empty boxcars are needed by any customer.

At this same plant, a loaded boxcar, number SRN 5583, despite numerous phone calls, was not removed from our siding for 15 days after it was released for shipment.

Ms. Linda J. Morgan, Chairman August 6, 1999 Page 2

At our Bigler, PA plant, the Norfolk Southern did not provide an empty boxcar, which was ordered on 6/8/99 until 7/19/99.

Since the acquisition on June 1, the intransit times of shipped boxcars and percentage of boxcars that are misrouted by both railroads have become intolerable. We have traced boxcars that have been misrouted or delayed at intermediate stations for up to seven weeks. A number of examples are shown on Attachment A.

The inability of both these railroads to provide empty boxcars for loading, and the frequent delays and misrouting of shipments once they are in transit, has caused Glen-Gery Brick and its brick distributors to suffer financial penalties, and loss of goodwill with our customers. We are presently recommending to our brick distributors and sales personnel that they do not quote any new business which will be based on shipment by either Norfolk Southern or CSXT railroads. Wherever possible, we are also diverting shipments for on-going orders to truck delivery.

Sincerely yours,

Raymond Staub

Raymone J. Staub Vice President & National Sales Manager

RJS/dr

cc: Mr. Ronald J. Conway, President CSXT 500 Water Street – J120 Jacksonville, FL 32202

> Mr. David R. Goode, President, & CEO Norfolk Southern Railroad Three Commercial Place Norfolk, VA 23510-9227

Enclosure

Examples of recent shipments which were misrouted or otherwise delayed in transit since June 1, 1999:

Carrier: Norfolk Southern

Shipment Origin: Bigler, PA

| Boxcar # | Destination S | Shipment Date | Arrival Date |
|-----------|----------------|---------------|--------------|
| TASD78234 | Bordentown, NJ | 6/1/99 | 6/24/99 |
| TASD78238 | а а | 6/8/99 | 7/8/99 |
| TASD77253 | | 6/10/99 | 7/15/99 |
| MSD825 | Sayreville, NJ | 6/4/99 | 7/28/99 |
| WLO5018 | Tampa, FL | 7/1/99 | 7/29/99 |

Carrier: CSXT

Shipment Origin: Caledonia, OH

| ATW8053 | Enfield, CT | 6/23/99 | 7/16/99 |
|------------|-------------|---------|---------|
| CSXT138314 | "" | 6/23/99 | 7/22/99 |

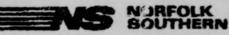


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Norfolk Southern Corporation Three Commercial Place Norfolk, Virginia 23510-2191

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JUN 2 3 1999

June 18, 1999

CRA-BRS

F. E. MASON, V.P. B. OF R.B.

Mr. W. D. Pickett, President Brotherhood of Railroad Signalmen 601 West Golf Road, Box U Mt. Prospect, IL 60056

Dear Mr. Pickett:

This is in reference to your June 9, 1999 letter and proposal concerning our dispute over the use of contractors under the December 14, 1998 agreement. I am disappointed that, with your June 9, 1999 proposal, you have rejected my June 8, 1999 proposal to arbitrate, under Section 3 of the Railway Labor Act, the dispute over the interpretation of the December 14, 1998 agreement.

Your June 9, 1999 proposal does not reflect our recent discussions. It contains significant terms that were not discussed and that were not part of our understanding about how we might proceed to resolve our dispute. Although you said several times that the dispute between the parties over the contracting agreement was limited to the meaning of "fully utilizing", your June 9, 1999 letter indicates that the arbitration is without prejudice to positions BRS might take with respect to other issues involving that agreement. In addition, we did not agree that NSR would withdraw its lawsuit; nor, did we ever discuss arbitrating the dispute under Section 7 of the Railway Labor Act, as your proposed arbitration agreement would require. Our dispute over the December 14, 1998 contracting agreement is subject to mandatory arbitration under Section 3 of the RLA; it is not referable to Section 7 arbitration.

Very truly yours,

man

cc: W L Phillips F E Mason W A Barrows

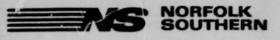
Operating Subsidiary: Nortolk Southern Railway Company.

Mark R. MacMahon Assistant Vice President Labor Relations (767) 629-2615

OFFICE OF PRESIDE JUN 28 1999 B. OF R. J.



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Norfolk Southern Corporation 223 East City Hall Avenue Norfolk, Virginia 23510-1728

W. L. Allman Directo

JUN 8 1999

June 1, 1999

COW-SG-99-2

E. MASON, V.P. B. OF R.C.

Mr. W. A. Barrows General Chairman, BofRS P. O. Box 266 Dover, OH 44622-0266

Dear Mr. Barrows:

This confirms receipt of your letter dated May 28, 1999 concerning our December 14, 1998 agreement on contracting.

We will not, in this response, attempt to answer all of the points asserted by you in your May 28 letter. Clearly we have a disagreement over the meaning and interpretation of our December 14, 1998 agreement. It is in our mutual interest to resolve the questions surrounding the Carrier's use of contractors under the December 14, 1998 agreement in connection with the projects identified in the February 26, 1999 list.

The appropriate way to resolve this dispute is through arbitration. Given the importance to each party of the issues in contention, I propose we agree to expedited arbitration of the dispute. I propose we enter into a separate Public Law Board Agreement and have the matter heard on an expedited basis, or in the alternative, to have this matter heard by our existing PLB 5622 if the Neutral is available to hear the dispute on a special expedited basis.

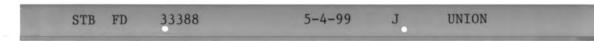
Please advise if you are agreeable to such handling.

Very truly yours,

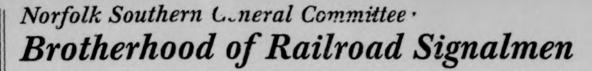
W. L. Allman, Jr.

Assistant Direct

cc: W. D. Pickett F. E. Mason



Title This achit STB FD-33388 5-4-99 ID-UNION



P.O. Box 266 · Dover, Ohio 44622-0266 · Telephone: 330-364-4003 · Fax: 330-364-4723

Walt A. Barrows General Chairman

Certified Mail - P 542 384 405

May 4, 1999

Mr. W.L. Allman, Jr. Director Labor Relations Norfolk Southern Corporation 223 East City Hall Avenue Norfolk, VA 23510-1728

Dear Mr. Allman:

This refers to the attached Agreement dated February 24, 1999 concerning the Carrier's use of outside forces, contractors, to perform projects listed in the February 24th attachment.

As a condition of the Agreements dated December 14, 1998 and February 24, 1999, the Carrier agreed it will fully utilize all its BRS forces before and while it is contracting specific projects. On the Indian Yard project, the Carriers has hired an outside contractor and the contractor's forces are working twelve (12) hours a day, seven (7) days a week a total of 84 hours each week. The BRS forces on the Eastern Region and surrounding regions are working 40 hour work weeks. If the Carrier fully utilized the BRS forces, the BRS forces could accomplish more then twice the work currently performed by the outside forces. NS has failed to meet the conditions required by our Agreement before outside forces may be used.

Moreover, as I stated to Carrier yesterday, the Signal Department Supervisors are telling the BRS members that budget cuts have limited overtime, and materials and have eliminated some planned signal projects, and they don't know how long there will be enough to keep all BRS forces working. A high ranking signal department official told me; "I hope budget doesn't cause us to have to cut our people, but it does not look good."

The Carrier's offer to modify the Agreement to limit the contractor's forces to fewer numbers is appreciated, but the root issue is not the number of contractor forces. The issue is that the BRS forces, if fully utilized, would perform all the work with no need to have any contractor forces.

It is clear the Carrier is in violation of the Agreements dated February 24, 1999 and December 14, 1998, that require full utilization of our forces before the use of outside contractors. Therefore, the contractor's forces should be removed from the property until such time as the Carrier meets the agreed upon conditions.

Sincerely yours,

Walt Barrows

CDV:



W.D. Pickett, President BRS F.E. Mason, Vice President BRS NS Local Chairmen

