



Labor Relations Department
6735 South Point Drive – J455
Jacksonville, FL. 32216

R. Miller, Director
E. Caruth, Manager
(904) 279-3611

SENT VIA EMAIL TRANSMISSION AND U. S. MAIL

December 18, 2015

File: 6018-13 CSXT

Mr. D. R. Albers, General Chairman
Allied Eastern Federation
4 Pine Tree Drive
Hendersonville, Tennessee 37075

Mr. E. W. Long, General Chairman
Consolidated Rail System Federation
3493 Webster Road
Fredonia, NY 14063

Mr. Jed Dodd, General Chairman
Pennsylvania Federation
421 N. 7th Street, Suite 299
Philadelphia, Pennsylvania 19107

Gentlemen:

In accordance with the requirements of Section 11, of Appendix S, as amended August 22, 2005, quoted below, the travel allowance applied to employees assigned to System Production Gangs is to be recalculated annually.

Section 11 - Travel Allowance

CSXT Labor Agreement No. 12-81-97, Section 4 (Appendix H) is amended to be a flat weekly allowance set at \$155.00 per week beginning January 1, 2006. As of January 1, 2007, and each January 1st thereafter, the weekly rate will be adjusted by the percent in change in the IRS allowable mileage rate published in January of that year compared to the rate published in January of the preceding year, which will be applied to the rate. At no time will the weekly rate fall below \$155.00.

Based on IRS data, effective January 1, 2015 reimbursement for business miles driven was set at \$.575 per mile. On December 17, 2015 the IRS posted a news release indicating the reimbursement rate for 2016 will be \$.54 per mile for business miles driven.

In connection with the above, calculations shown below indicate that the SPG Travel Allowance will decrease by \$12.19 per week.

IRS rate 1-Jan-16	\$.54
IRS rate 1-Jan-15	\$.575
% Change	(6.087)
2015 allowance	\$200.26
2016 allowance	\$188.07
Decrease	\$12.19

Accordingly, I will be sending instructions to Payroll authorizing that “TRV TRAVEL TIME SPG GANGS” be decreased from the current rate of \$200.26 to the new rate of **\$188.07 effective January 1, 2016.**

As further information, and in accordance with the requirements in Section 9 of the Memorandum of Agreement, identified as CSXT Labor Agreement No. 12-043-07, the below table identifies adjustments that are to be made effective January 1, 2016, for the weekend travel allowances (FTV - TRAVEL TIME FLOATING GANGS) for District Gangs and SLWT Gangs.

	District	SLWT
2015 Travel allowance	\$77.06	\$106.70
% Change	6.087 %	6.087 %
Decrease	\$4.69	\$6.49
2016 Travel Allowance	\$72.37	\$100.21

If you have any questions in connection with this matter you may contact Mr. Caruth (904-279-3611) of my office for assistance.

Sincerely,



Robert Miller, Director Labor Relations

cc: Mr. R. Sanchez, Vice President – BMW
Mr. J. West, Vice President-Engineering-J350
Mr. J. T. Echler, Asst. Vice President-Engineering-J350
Mr. G. Mellish, Chief Engineer MofW-J350
Mr. R. E. Johnson, Chief Engineer MofW-J350
Mr. B. Moore, Chief Engineer System Production-J350
Mr. J. Potter, Director, Payroll Non Op-J698
LR Managers (Engineering)
Payroll Non-Operating Craft

Division Engineers
Staff Engineers