



Norfolk Southern Corporation  
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Norfolk, Virginia 23510-1728

D. L. Kerby  
Assistant Vice President  
Labor Relations  
(757) 629-2405

July 24, 2015

COW-Various-2014-4  
AG-MW-2

Mr. J. Dodd  
General Chairman, BMWED  
421 North 7<sup>th</sup> Street, Suite 299  
Philadelphia, Pennsylvania 19123

Mr. E. W. Long III  
General Chairman, BMWED  
58 Grande Lake Drive, Suite #2  
Port Clinton, Ohio 43452

Gentlemen:

Without prejudice to either party's position on the need to augment existing welding forces with contractors, and in resolution of the September 23, 2014, notice to contract out thermite welding work (joint elimination), the parties agree to the following interim arrangement to reduce the volume of rail joints in certain specified track on the Northern Region:

- I. Immediately following the date of this agreement, the Carrier will bulletin one work crew with present location to be on the Pittsburgh Division, and may simultaneously or subsequently bulletin one work crew with present location to be on the Dearborn Division (copy of this agreement will accompany the bulletins). The consist to be bulletined for each of these two crews will be four Thermite Welders and four Thermite Welder Helpers, who will not be required to have a CDL, and who will have a regular work schedule that is governed by the following special conditions:
  - A. Regular 40-hour straight time work week will consist of a Saturday – Tuesday (four 10-hour day) schedule.
  - B. The starting time for the shifts, which will be evening or night time service on Monday and Tuesday but may be day service on Saturday and Sunday when traffic density permits, is to be announced on a weekly basis with the affected employees being provided at least 36 hours advance notice.
- II. Additional compensation for the performance of this thermite welding work will be provided as follows:
  - A. Assigned employees will receive a combined differential equal to \$2.00 per hour for all time actually worked for their assigned 40-hour, straight time, Saturday – Tuesday work schedule. \$1.00 per hour of this differential is in consideration that employees who are awarded the Saturday – Tuesday positions described in Part I will be prohibited from voluntarily exercising seniority to vacate the positions for six months from when they commence working on the assigned schedule. Similarly, they will be protected from displacement during this same six month period. Employees who exercise seniority to one of these positions subsequent to the commencement date will also be subject to the six month prohibition on voluntarily exercising seniority to

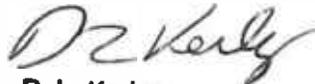
vacate the positions. The remainder of the differential is in consideration of working the special Saturday – Tuesday flexible shift schedule necessary to provide reasonable opportunity to effectively thermite weld in interlockings.

- B. In addition to the differential, the crew as a whole may earn a productivity bonus on a weekly basis if the crew as a whole meets or exceeds a prescribed rate of welds (calculated per hour of track time per two-man gang) for the respective Saturday – Tuesday work week. The productivity bonus payments corresponding to rate of welds will be as follows: a production rate of 0.75 to 0.90 = \$20 per person; 0.91 to 1.00 = \$35 per person; above 1.0 = \$50 per person.
- III. After the initial bulletining of these Saturday – Tuesday assignments, it will be the Carrier's prerogative to determine whether or not to re-bulletin any positions that previously received no bids or any position that was filled but subsequently vacated, including due to failure to qualify.
- IV. The use of the contractor crew to perform thermite welding pursuant to the September 23, 2014, notice will terminate within 80 days of the posting of the bulletins advertising the four Thermite Welder and four Thermite Welder Helper positions for these two Saturday – Tuesday crews. All claims based on the use of this contractor crew are to be disposed of as follows:
- A. Pay straight time rate for 50% of the contractor's man hours on track, and distribute equal proportionate amount among the Claimants identified by BMWED, regardless of the status of the respective identified claimants, commencing from March 7, 2015, through up to 50 days following the date of the posting of the bulletins advertising the four Thermite Welder and four Thermite Welder Helper positions for these Saturday – Tuesday crews (or the date the contractor is removed, whichever is sooner).
- B. If the contractor crew is still working after the 50 days described in Paragraph A above, the claim payment rate will be raised to 75% for the next 30 days or until the contractor crew is removed. The contractor crew cannot be used pursuant to the September 23, 2015, notice any longer than the 80 day period following the posting of the bulletins as described in this Section IV.
- C. The respective identified claimants are determined as follows:
- The claimants are as listed in the claims filed by the BMWED for the period from March 7, 2015 until the Saturday – Tuesday Gang is awarded;
  - Employees who are awarded positions on a Saturday – Tuesday Gang on the Pittsburgh Division will be the claimants for work performed by the contractor on the Pittsburgh Division subsequent to such awards;
  - Employees who are awarded positions on a Saturday – Tuesday Gang on the Dearborn Division will be the claimants for any work performed by the contractor on the Dearborn Division subsequent to such awards.

- V. This arrangement for use of a BMWED-represented crew working Saturday – Tuesday schedule as defined above will terminate on December 31, 2016, unless the parties agree to an extension. However, NS may abolish one or both of these BMWED-represented crews, in whole or in part, at its own discretion prior to December 31, 2016. Current active Thermite Welder and Thermite Welder Helper positions may not be reduced while the contractor remains in use.

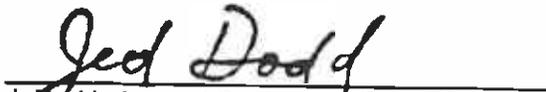
Please indicate your concurrence by signing below.

Very truly yours,

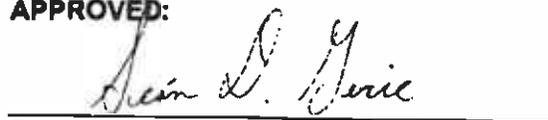


D. L. Kerby  
Assistant Vice President  
Labor Relations

AGREED:

  
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J. Dodd, General Chairman - BMWED  
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E. W. Long III, General Chairman - BMWED

APPROVED:

  
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S. D. Gerie, Vice President - BMWED