PUBLIC LAW BOARD No. 7708 CASE No. 7

BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES	)	
	)	PARTIES
vs.	)	TO
	)	DISPUTE
UNION PACIFIC RAILROAD COMPANY	)	

STATEMENT OF CLAIM:

"Claim of the System Committee of the Brotherhood that:

(1) The Agreement was violated when the Carrier assigned outside forces (Mobile Express) to perform Maintenance of Way Water Service Subdivision repair work at the service track fueling station at Mile Post 1297 on the Lordsburg Subdivision on April 12, 2012 (System File RC-1259S-456/1570475 SPW).
(2) The Agreement was further violated when the Carrier failed to furnish the General Chairman with a proper advance notice of its intent to contract out said work and when it failed to make a good-faith effort to reduce the incidence of contracting out scope covered work and increase the use of Maintenance of Way forces as required by Rule 59 and the December 11, 1981 National Letter of Agreement.
(3) As a consequence of the violations referred to in Parts (1) and/or (2) above, Claimant F. Edgar shall now be compensated some eight (8) hours at his respective straight time rate of pay."

By letter dated March 6, 2012, the Carrier notified the Organization of its intent to contract. In pertinent part, the letter stated, as follows:

SUBJECT: 15-day notice of our intent to contract the following work:

> SPECIFIC WORK: Provide all labor, supervision, materials and equipment necessary for plumbing, pipe work, and other work as it relates to water service work. The notice will last for two years from the date the service order is conference.
>
> LOCATION: L.A. Service Unit, Sunset Unit, Roseville Service Unit

The Organization was further informed that while the Carrier was available to conference the matter, it asserted that the work to be performed by the contractor was not necessarily scope cover work. At the Organization's request, a conference was held on March 23, 2012 to discuss the notice.

On April 26, 2012, by letter, the Organization submitted a claim on behalf of Water Service Foreman, Fernando Edgar because of the Carrier's violations of various provisions of the current Agreement, including but not restricted to Rules 1, 2, 3, 5, 6, 12, 15, 26, 28, 59, and the December 11, 1989 Letter of Understanding when the Carrier hired Mobile Express to perform duties normally performed by the Water Service Maintenance of Way employees.

The Organization claims that on April 12, 2012 the Carrier assigned employees of Mobile Express to make repairs to the service track fueling stations at Mile Post 1297 of the Lordsburg Subdivision, near El Paso, Texas. The contractor employees each worked a total of eight (8) hours while performing this work. The 2012 Seniority Roster according to the Organization, will show that the Claimant is fully qualified with the skills necessary to perform the work in question, and would have performed the work had the Carrier assigned him to do so.

The Carrier has complied with the various terms of Rule 59 which governs subcontracting. Advance written notice of intent to contract out was given by the Carrier not less than 15 days prior to the contracting transaction as required by Rule 59. Thus, on March 6, 2012, the Carrier provided notice and on April 12, 2012, the

Organization claims that the Carrier utilized Mobile Express to perform the work in dispute. The parties conferenced the claim on February 5, 2013.

In support of its claim, the Organization submitted a signed statement from the Claimant. In his April 18, 2011 statement, the Claimant stated that his "duties" consist by serving as a "water service personal (sic) to do plumbing work for the Railroad in Tx, NM, Az". He goes on to state:

> "This type of work has been the past practice of the Water Service personal (sic) to maintain these facilities and perform all repairs. Be advised that the W/S personal (sic) always maintains all plumbing work on the property."

No documentation was provided including invoices or eye-witness statements. The Claimant's statement is vague, general in nature and self-serving. In and of itself, the statement does not establish that the alleged work is scope-covered work.

The Organization claims that the work in question historically and exclusively belongs to Water Service employees. However, no provision of the Agreement has been directed to the attention of the Board that the work alleged by the Organization is exclusively restricted to Water Service employees.

The Carrier has established a historical, past mixed practice of contracting out such work. The Carrier has provided a listing of service orders from 1996 with respect to contracting out of "plumbing type work" over the Carrier's entire system. Referring to the El Paso area, the listing includes service orders covering gas work in 2002 and 2003, plumbing in 2007, 2009, 2011 and 2012. Accordingly, the Carrier has a past mixed practice of either using outside contractors or the Carrier's forces to perform the work in question.

The Organization also relies on the Berge-Hopkins Letters of December, 1981. Clearly, it has no force and effect. The LOU created reciprocal obligations which were not carried out.

Accordingly, by the 1984 negotiations, the LOU lacked mutuality and no longer had any validity. It is of great weight that the LOU was not raised by the Organization when Chairman Ash received the May 14, 1999 letter of mixed practice by the Carrier.

The Organization claims that the contracting out by the Carrier violates Rules 1, 2, 3, 5, 26, 28, 59 and the December 11 LOU, which has previously been considered. Based upon the record, the Organization has failed to prove by the required preponderance of evidence that the Carrier violated any of the Rules claimed by the Organization

AWARD

Claim denied.

HYMAN COHEN
Neutral Member

KATHERINE H. NOVAK
Carrier Member

Dated:10/30/2018

ANDREW MULFORD
Organization Member

Dated: 10/30/18

****DISSENT TO FOLLOW****

LABOR MEMBER'S DISSENT
TO
AWARDS 1 through 14, 18 AND 24 OF PUBLIC LAW BOARD NO. 7708
(Referee Hyman Cohen)

The Majority erred on multiple accounts in these awards. That being said, one (1) error warrants further comment and review as it unquestionably confirms that the decisions are outliers, go against the expectations of the parties and qualify as being palpably erroneous. In this manner, the Majority's decisions hold that the December 11, 1981 National Letter of Agreement, also referred to as the Berge-Hopkins letter, is null, void and has no longer has any force in contracting disputes. Such a finding has no valid basis and goes against the clear terms of the Agreement, past practice on this property and numerous prior arbitral awards.

To be clear, the Majority's decisions do not align with more than thirty-five (35) years of Section 3 arbitration decisions, including numerous on-property decisions, that have applied the December 11, 1981 National Letter of Agreement. The following is a small sampling of the applicable awards on this Carrier which have recognized the validity and controlling nature of the December 11, 1981 National Letter of Agreement:

Third Division Award 26212	Initial Claim Filed in 1983
Third Division Award 26770	Initial Claim Filed in 1984
Third Division Award 29121	Initial Claim Filed Approx. 1989
Third Division Award 29158	Initial Claim Filed in 1986
Third Division Award 29912	Initial Claim Filed in 1989
Third Division Award 30944	Initial Claim Filed in 1986
Third Division Award 30976	Initial Claim Filed in 1990
Third Division Award 31015	Initial Claim Filed in 1990
Awards 9, 11, 20 and 23 of PLB No. 6249	Initial Claims Filed Approx. 1996
Third Division Award 32865	Initial Claim Filed in 1993
Third Division Award 36292	Initial Claim Filed in 1998
Third Division Award 36517	Initial Claim Filed in 1998
Third Division Award 36964	Initial Claim Filed in 1998
Third Division Award 37720	Initial Claim filed in 2000
Third Division Award 37852	Initial Claim Filed in 2000
Third Division Award 38349	Initial Claim Filed in 2001
Award 6 of PLB No. 7099	Initial Claim Filed in 2004
Award 13 of PLB No. 7100	Initial Claim Filed in 2005
Third Division Award 40922	Initial Claim Filed in 2007
Third Division Award 40923	Initial Claim Filed in 2007
Third Division Award 40929	Initial Claim Filed in 2008
Third Division Award 40930	Initial Claim Filed in 2008
Third Division Award 40932	Initial Claim Filed in 2008
Third Division Award 41048	Initial Claim Filed in 2008
Third Division Award 42225	Initial Claim Filed in 2011
Third Division Award 42231	Initial Claim Filed in 2011

The aforementioned awards confirm that in the more than thirty-five (35) years since the parties executed the December 11, 1981 National Letter of Agreement, Section 3 arbitration panels have consistently and uniformly enforced the December 11, 1981 National Letter of Agreement. These arbitration panels have actually sustained claims based solely on the Carrier's failure to comply with the December 11, 1981 National Letter of Agreement. Obviously, awards spanning some thirty-five (35) years which apply the December 11, 1981 National Letter of Agreement as having full force (while rejecting the Carrier's position) stand as irrebuttable confirmation that the instant awards are palpably erroneous.

Before this Board the Carrier attempted to side step its contractual obligations by arguing that the December 11, 1981 National Letter of Agreement is a dead agreement due to some alleged unfulfilled reciprocal obligations. The Carrier's position is simply wrong. To be clear, Section 3 arbitral boards have consistently and repeatedly rejected this same argument by the Carrier over the past thirty-five (35) years. On this point, we invite attention to Third Division Award 40923, where veteran arbitrator W. Miller rejected the same arguments presented by the Carrier:

> "The first question at issue is whether or not the vitality of the December 11, 1981 Letter of Understanding (Berge/Hopkins Letter) has expired because expectations by one party or the other may or may not have been realized. There was lengthy dissertation on the subject by the parties which set forth their respective positions. That record indicates that this argument has arisen on several occasions over the life of that Agreement sometimes boiling over into contentious debate. As that debate was waged, Neutrals continued to accept the fact that the Agreement was viable. As an example, Award 13 of Public Law Board No. 7100, involving the same parties to this dispute, issued a decision on March 4, 2009, without dissent by the Carrier, that the December 11, 1981 Letter of Understanding had been violated by the Carrier. Other Awards such as Third Division Awards 29121, 30066, 31015, 36292, 38349 and Award 6 of Public Law Board No. 7099 have also determined that the Agreement applies to this Carrier and on that basis the Board is not persuaded that the December 11, 1981 Letter of Understanding has lost its applicability."

Importantly, just a few years later, Union Pacific attempted the same misdirection regarding the December 11, 1981 National Letter of Agreement, but that time on property governed by the Southern Pacific Western Lines (SPW) Agreement (i.e., the property involved in the instant decisions). In Award 40932 (SPW), the Carrier's misdirection and attempts to side step its contractual obligations were properly rejected and it made clear that the December 11, 1981 National Letter of Agreement remained in full force and effect:

> "A review of the record evidence indicates that the parties made the same respective arguments that they made in several other cases regarding the applicability of the December 11, 1981 Letter of Understanding and whether or not the Organization was required to prove exclusive reservation of scope-covered work when the dispute involves the assignment of work to outside contractors. For the sake of brevity, the Board will not discuss those issues, but instead refers the parties to Third Division Awards 40922, 40923, 40929 and 40930 wherein the Board ruled on behalf of the Organization."

To be clear, the Carrier presented this Board with nothing but conjecture to support its position that the December 11, 1981 National Letter of Agreement was no longer applicable. The Carrier's on-property correspondence in each case, as well as its the submissions to this Board lacked any evidence that the parties had mutually abandoned the agreement or other evidence which allows a reasonable mind to overcome the agreement language and the thirty-five (35) years' worth of past arbitral awards. Perhaps most importantly, the Carrier provided no comparable arbitral precedent to support its arguments.

The Majority's willingness to cast aside the December 11, 1981 National Letter of Agreement as being (miraculously and suddenly) inapplicable constitutes an absurd outcome which serves to invalidate these decisions. Indeed, these decisions are extreme outliers which are not based in fact or logic, go against the longstanding status quo of the parties and also against the consistent arbitral authority which has consistently affirmed the validity and application of the December 11, 1981 National Letter of Agreement since the agreement was executed.

For all the above-mentioned reasons, it is clear that the Majority erred in rendering its decision and that these awards are palpably erroneous. Therefore, I respectfully dissent.

Respectfully submitted,

Andrew Mulford
Labor Member