

N. V. Nihoul, Director P. J. Gee, Manager

May 21, 2010

Labor Relations Department 500 Water Street, J-455 Jacksonville, FL 32202

File # 3041: Subcontracting

Mr. Dennis R. Albers, General Chairman Brotherhood of Maintenance of Way Employes Allied Federation 315 West Main Street, Suite 20 Hendersonville, TN 37075

J. Dodd, General Chairman Brotherhood of Maintenance of Way Employes Pennsylvania Federation 421 7th Street Suite 299 Philadelphia, PA 19123

Dear Sirs:

Based on our recent conversations on the issue, it was agreed between the Carrier and the Organization that the Carrier may contract out for one (1) Vacuum Truck (vac truck) operator and one (1) supervisor to work with three Carrier employees on the Central East Service Lane. The supervisor will work exclusively to protect the truck from damage. This work will begin on or about May 24, 2010 and will be completed by August 31, 2010.

The work involved is a new method of performing undercutting. The vac truck will suck the mud from in and around the track, also drawing in fouled ballast which will be replaced with new ballast. The three (3) Carrier employees will consist of a foreman and two (2) machine operators. These employees will receive service lane benefits including per diem and travel allowance.

This agreement is without prejudice or precedent, and will not be referred to by the Carrier for similar work in the future. If this accurately reflects our understanding, please sign and date as indicated below.

Very truly yours, *N. V. Nihoul* N. V. Nihoul, Director Labor Relations

-27-10

Date

5-27-10 Date

Dennis R. Albers)

Dennis R. Albers, General Chairman

Led Dodd, General Chairman