

From: [Tim Donnigan](#)

Sent: Wednesday, September 21, 2005 7:54 AM

Subject: RE: RE61 Trip Rates

Brothers – my notes from our trip rate meeting in PDX 071405 regarding OP500 RE61 include the following:

1. Threshold/cut off miles = 258
2. COLA increase not yet figured in the trip rate
3. Flip rate – will handle later (MD Stom to furnish flip rate and ITD/FTD offset to OT)
4. Names of RE61 engineers to receive trip rate data = JK Freadman and KE Galyan
5. The adjusted trip rate = \$195.40 (\$1.50 meal) and COLA to be figured in with the final amount later.

The final adjusted trip rate amount according to Taggart's 091205 letter for the OP500 RE61 = \$196.60. This amount includes the COLA increase. Reviewing the trip rate data the parties went over during the PDX meeting, I see the following with respect to ITD and FTD:

Code TF3 Final Terminal Delay = per trip average of: \$6.19

Code TI2 Initial Terminal Delay = per trip average of : \$6.15

Total \$12.34

My notes also reflect that the parties went over the formula used to determine the OT offset:

$BD \times 1.5 / 8 / 60$ to equal the per minute rate. Combined terminal \$ / per minute rate to equal # of minutes.

Office records indicate the current basic day is \$179.66 (which includes the 070105 COLA increase of \$1.20) applicable to 1.2M lbs. weight-on-driver guarantee (3-unit rate) for through freight engineers.

$\$179.66 \times 1.5 = \$269.49 / 8 = \$33.686 / 60 = 0.5614$ (per minute rate). $0.5614 / \$12.34 = 21.98$ minutes of imbedded terminal time.

Using the formula provided for in the ITD/FTD/OT settlement (which the parties ultimately agreed to), $22 \times .50 = 11$ minutes. Item 2 of the settlement states as follows:

"2. The amount used as the imbedded terminal time offset against overtime for a given run will be determined as follows:

1. Convert the monetary value of the imbedded terminal time (appropriate amounts for terminal time included in the trip rate) to a time (minute) basis by dividing the amount(s) of terminal time included in the trip rate by the applicable per minute overtime rate.
2. Round the quotient from Paragraph a, above, to the nearest whole minute. (Remainders of 0.5" or less will be rounded down to the nearest whole minute and remainders of 0.6" or more will be rounded up to the nearest whole minute.)
3. Multiply the result from Paragraph b, above, by 50% and round the result down to the nearest whole minute.
4. i. If the result from Paragraph c, above, is 6 minutes or greater, the offset against overtime earned on a trip over the involved run will be the result from Paragraph c, above.

1. If the result from Paragraph c, above, is 5 minutes or less, the offset against overtime earned on a trip over the involved run will be zero – i.e., there will be no offset against the earned overtime for this run."

Using the formula described reduced the 21.98 minutes (22.0 minutes) to 11.0 minutes, but the final amount was 6 minutes or greater, thus 11.0 minutes ends up being the embedded ITD/FTD offset toward overtime. No doubt you'll recall our private discussion during the PDX trip rate meeting where I indicated the settlement offer gave us more than what the Idaho Schedule permitted in terms of the payment of terminal time in addition to overtime. The agreement provides one or the other, but not both.

I hope this answers your question and you're certainly invited to give me a buzz if there are any other questions or concerns.

Tim Donnigan