

**AGREEMENT  
BETWEEN**

**MV TRANSPORTATION, INC.  
Tulare, CA**

**AND**

**AMALGAMATED TRANSIT UNION  
LOCAL 1027**

**Effective:  
September 10, 2006-June 30, 2009**

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## **AGREEMENT**

This Agreement is entered into between MV Transportation Inc. (hereafter “Company”) and the Amalgamated Transit Union, Local 1027 (hereinafter “ATU”), has as its purpose: The establishment of wages, hours of work, and other terms and conditions of employment. In the event ATU or the Company becomes aware of a practice, procedure, or activity which is not in compliance with this Agreement, then notwithstanding such practice, procedure, or activity, the parties shall immediately comply with the applicable provision of the agreement, rule, regulation, or statute.

### **ARTICLE 1 RECOGNITION**

#### **Section 1.1 – Recognition of the ATU:**

The Company recognizes ATU as the exclusive representative of “employees” as defined in Section 1.2 of this Article for purposes of collective bargaining with respect to rates of pay, hours of work and other conditions of employment for all such employees.

#### **Section 1.2 – Definition of Employees:**

Whenever used in this Agreement, the term “employee(s)” shall mean all regular, full-time and regular part-time non-probationary, Dispatchers, Drivers, and, Service Workers employed by the Company and based in the City of Tulare County of Tulare, California and who perform work for the City of Tulare, under contract to the City of Tulare, but excluding temporary clerical personnel, professional employees, confidential employees, Road Supervisors, Dispatch Supervisors, Driver Development and Safety Supervisors (DDS), Maintenance Supervisors, Administrative Assistants and any other supervisors as defined in the National Labor Relations Act.

#### **Section 1.3 – Definition of Probationary Employee:**

An employee who has never accrued seniority under this Agreement or predecessor agreements between the Company and ATU, or an employee rehired after termination of seniority shall be on “probationary” status for ninety (90) calendar days. The discipline or discharge of an employee who is in a probationary status shall not be in violation of this Agreement.

#### **Section 1.4 – Job Classes:**

The classification of jobs as described in Section 1.2 of this Agreement is defined as follows:

- a) A regular full-time employee is defined as an employee regularly scheduled to work thirty-five (35) hours or more in a workweek.
- b) A regular part-time employee is defined an employee regularly scheduled to work at least sixteen (16) hours but less than thirty-five (35) hours in a work week, however, the Company may schedule a part-time employee less than sixteen (16) hours in a work week upon the request of the employee. From time to time, part-time employees may be required to work more than thirty-five (35) hours in a workweek to meet unusually high

service demands or other unusual situations. If a part-time employee works thirty-five (35) or more hours in a workweek, each week for four consecutive weeks, the Company agrees to add an additional full-time shift, which shall be assigned by the Company in accordance with Article 15 (BIDDING).

- c) When a full-time vacancy occurs, as determined by the Company, it shall first be offered to a part-time employee in seniority order before non-employee applicants are considered. Employees may elect to remain part-time, if they so desire.
- d) A temporary employee is defined as an employee assigned to work for a period of less than thirty (30) days and who has not worked at the facility at any time during the previous twelve (12) months.

## **ARTICLE 2 SCOPE OF AGREEMENT**

### **Section 2.1 – Duration:**

This Agreement shall become effective immediately after midnight on September 1, 2006 and shall continue in full force and effect through midnight June 30, 2009. Thereafter, it shall automatically renew itself and continue in full force and effect from year to year unless written notice of election to terminate or modify any provisions of this Agreement is given by either party and received by the other by registered mail, return receipt requested, no later than sixty (60) days prior to a expiration date.

### **Section 2.2 – Separability:**

Should any Article, Section or portion of this Agreement be determined to be in conflict with established law and unenforceable by a court of competent jurisdiction, such decision shall apply only to the specific Article, Section or portion thereof directly specified in the decision. Upon issuance of the decision, the parties agree to immediately negotiate a substitute for the invalid Articles, Sections or portions of this Agreement, which are not affected by such decision.

### **Section 2.3 – Waiver of Bargaining Rights and Amendments to Agreement.**

During the negotiations resulting in this Agreement, the Company and ATU each had the unlimited right and opportunity to make demands and proposals with respect to any matter as to which the National Labor Relations Act imposes an obligation to bargain. Except as specifically set forth elsewhere in this Agreement, the Company expressly waives its right to require the ATU to bargain collectively, and ATU expressly waives its right to require the Company to bargain collectively, over all matters as to which the National Labor Relations Act imposes an obligation to bargain, whether or not: (a) such matters are specially referred to in this Agreement; (b) such matters were discussed between the Company and ATU during negotiations which resulted in this Agreement; or (c) such matters were within the contemplation or knowledge of the Company or ATU at the time this Agreement was negotiated and executed. This Agreement contains the entire understanding, undertaking and agreement of the Company and ATU, after exercise of the right and opportunity referred to in first sentence of this Section 2.3, and finally determines all matters of collective bargaining for its term. Changes in this Agreement, whether by addition,

waiver, deletion, amendment, or modification, must be reduced to writing and executed by both the Company and ATU.

No employee shall be permitted to waive any of the benefits of this collective bargaining agreement. No waiver or consent to employment under conditions other than as specified in this agreement may be asserted by any party, unless there is a signed written supplement to this agreement, executed by a duly authorized official of ATU and the Company in advance of any deviation from the terms contained herein

No Company representative or official of ATU has authority to orally modify any of the terms contained in this agreement. Stewards and Executive Board members are not vested with authority to consent to or approve of any deviation from the terms of this agreement.

### **ARTICLE 3 SENIORITY**

#### **Section 3.1 – Seniority Defined:**

An employee's seniority shall be from the last date of hire in the employee's job classification. Seniority shall mean the length of time an employee has been employed as a driver, dispatcher, and Service Worker by the Company or date of hire from the City of Tulare, measured in calendar days from the first day of the employee's most recent date of hire, for the purpose of selecting work, but not limited to, the determination of order in any layoff or recall from layoff or other reduction in work force, bidding runs, assignments, or time off as provided for in this Agreement. If application of the preceding sentences results in two or more employees having the same seniority, the employee's seniority position will be determined by lot. Seniority shall not accrue to a probationary employee until completion of the probationary period set forth in Article 1 (RECOGNITION) of this Agreement, at which time the employee shall possess seniority as defined in this Section 3.1. Seniority shall be applicable only as expressly provided in this Agreement.

#### **Section 3.2 – Layoff:**

- a. Determination of Layoffs. The Company will determine the timing of layoffs and the number of employees to be laid off.
- b. Layoffs. When a reduction in the work force becomes necessary, as determined by the Company, such layoffs shall be made in reverse order of seniority in each job classification.

#### **Section 3.3 – Recall:**

- a. Order of Recall. The employee with the most seniority in each job classification will be the first one called from layoff.
- b. Notice of Recall. The Company will forward notice of recall by registered mail, return Receipt requested, to the last known address of the employee as reflected on Company records. The employee must, within five (5) days (excluding weekend days) of delivery or

attempted delivery of the notice on the date specified for recall, and thereafter, returns to work on such date.

**Section 3.4 – Termination of Seniority:**

An employee's seniority shall be terminated and his rights under this Agreement forfeited for the following reasons:

- a. Resignation by the employee or termination by the Company, unless reinstated pursuant to the grievance procedure.
- b. Failure to give notice of intent to return to work after recall within the time period specific in Section 3.3 (b) of this Agreement, or failure to return to work on the date specified for recall, as set forth in the written notice of recall.
- c. Except for layoff, time lapse of twelve (12) months, since the last day of actual work for the Company, regardless of reason.
- d. Failure to return to work upon expiration of an approved leave of absence.
- e. Layoff for a period of twelve (12) months or for a period equal to the employee's seniority, whichever is less.
- f. Absence for three (3) consecutive days without notifying the Company.
- g. Misuse of leave as subterfuge, to accept employment elsewhere, or for a purpose other than stated upon request for leave.

**Section 3.5 – Seniority List:**

The Company shall provide ATU with a current Seniority List every month consisting of the employee's name, date of hire, and social security number. The seniority list must be delivered to ATU no later than the 10<sup>th</sup> day of each month. Such a list shall be deemed accurate unless challenged by ATU or the employee within ten (10) days upon receipt. The Company shall also provide notification in writing to ATU within five (5) days after an employee completes probation.

**Section 3.6 – Return of Personnel to the Bargaining Unit:**

A person, who transfers out of the bargaining unit for a period of six (6) months or less and remains in the continuous employment of the Company, may transfer back to his designated job classification in the bargaining unit, which he vacated. If the person has withdrawn from the bargaining unit or paid no union dues during his original transfer, then the employee shall be subject to paying all past union dues.

If the return of the employee to the bargaining unit requires the layoff of an employee, the employee with the least seniority will be laid off.

**Section 3.7 – Transfer or Promotions:**

If an employee transfers or is promoted out of the bargaining unit for more than six (6) months and chooses to return to a position in the bargaining unit, the employee will lose all seniority rights in the bargaining unit.

**Section 3.8 Job Classification Transfers:**

Employees transferring to a different job classification in the bargaining unit, shall be compensated at the appropriate hourly rate determined by total seniority time in the bargaining unit, but for purposes of bidding shall be considered a new hire.

**ARTICLE 4  
ATU REPRESENTATION**

**Section 4.1 – ATU Shop Steward:**

- a. Recognition of Shop Stewards: From among the employees employed in the Bargaining Unit, ATU may designate and the Company will recognize not more than (2) shop stewards to serve as ATU's agent in the representation of employees of the Bargaining Unit.
- b. Compensation of Shop Steward While Engaged in ATU Activity: Except as specially provided in this Section 4.1 (b), the shop steward shall not be compensated by the Company for his/her duties as the shop steward and shall perform such duties during times when he/she is not scheduled to work for the Company. Where the company has requested or the company has initiated an action, requiring the services of a shop steward, the steward shall be compensated for such time.
- c. Access to Personnel Files: The Company will allow the ATU officials to review the Employee's personnel file, excluding medical records, if done so in the facility office, with the employee's approval and with the employee present.

**Section 4.2 – Distribution of Union Literature.**

**Bulletin Boards:** The Company will provide ATU with a bulletin board. Said bulletin board will be located in such a manner that all employees can easily see its contents. This shall be used by ATU for posting of official notices, meetings, and all other matters pertinent to ATU. All notices and communications will be on ATU letterhead. ATU agrees that the bulletin board will only be used for official business and will not be used for personal notices or any other material not pertinent to official ATU business. ATU also agrees that no inflammatory or derogatory materials regarding the Company will be posted on the bulletin board. The ATU business agent shall have reasonable access, during regular Company office hours, to maintain the bulletin board.

**Section 4.3 – ATU Business Leave:**

An employee designated by ATU to serve as an officer or employee of ATU shall be granted leave without pay for the duration of such office. During the period of such leave, the employee shall continue to accrue seniority as defined in Article 3 (SENIORITY) of this Agreement.

**Section 4.4-Union Release Time:**

The Company shall release from duty without pay any ATU representative to conduct Union business. With these requests, ATU recognizes the needs of the operation.

**Section 4.5– ATU Visitation:**

Upon reasonable prior notice and consent by the Company, which consent shall not be unreasonably withheld, a representative of ATU will be allowed access to Company premises for the purpose of investigating or adjusting an actual grievance. The ATU agent will confine any conversations with employees to non-work time and his activities will not, in any manner, interfere with the performance of work by the employees. Except as provided in this Section 4.4, non-employee representatives or agents of ATU may not enter upon the Company’s premises.

**ARTICLE 5  
CUSTOMER RIGHTS AND CONTINGENCIES**

**Section 5.1 – Termination of Transportation Service Contract:**

If the transportation services contract between the Company and its service customers, City of Tulare, terminates for any reason, the rights and obligations of this Agreement shall also terminate at that time, provided that the parties to this Agreement may continue to resolve disputes pending at the time of termination up to and including arbitration. If the transportation service contract to one customer is terminated, then rights and obligations of this Agreement associated with work done for that customer is terminated, except for the pending dispute resolution as described in the previous sentence. If the service customer awards the services now provided by the Company to another transportation provided, the Company will notify ATU of the time, address and representation of such other transportation provider, if known.

**Section 5.2 – Rights of Customers:**

Nothing in this Agreement is intended or shall be construed to change, limit, modify, restrict or in any way alter the duties or obligations owed by the Company to its services customer nor the rights and privileges of such customer under the transportation services contract referenced in Section 5.1 of this Article.

## **ARTICLE 6 MANAGEMENT RIGHTS**

### **Section 6.1 – Retention of Managerial Prerogatives :**

Consistent with its obligation under the National Labor Relations Act, the Company retains the sole and exclusive right to exercise all the authority, rights and/or functions of management and expressly retains the complete and exclusive authority, right and power to manage its operations and to direct its employee except as the terms of this Agreement specifically limit said authority, right and powers. Consistent with the same obligations of the National Labor Relations Act, the Company also reserves the right to revise, withdraw, supplement, promulgate, and implement policies during the term of the agreement as it deems appropriate, provided that such actions do not conflict with the express provisions of the agreement. Except as expressly modified or restricted by a specific provision of this Agreement, all statutory and inherent managerial rights, prerogatives, and functions are retained and vested exclusively in the Company, in accordance with its sole and exclusive judgment and discretion, including, but not limited to the following:

- a. To reprimand, suspend, discharge, or otherwise discipline employees for cause and to Determine the number of employees to be employed.
- b. To hire employees, determine their qualifications and assign and direct their work; to Promote, demote, and transfer, layoff, recall to work and retire employees.
- c. To set the standards of productivity, the services to be rendered; to maintain the efficiency of operations; to determine the personnel, methods, means, and facilities by which operations are conducted; and set the starting and quitting time and number of hours and shifts to be worked.
- d. To close down or relocate the Company's operations or any part thereof; to expand, Reduce, alter, combine, transfer, assign, or cease any job, department, operation, or service; to control and regulate the use of vehicles, facilities, equipment, and other property of the Company or the Customer.
- e. To introduce new and improve technology, research, service, and maintenance Methods, materials, equipment; to determine the price at which the Company contracts its services; to determine the methods of financing its operations and services; and to determine the number, location and operation of departments, divisions, and all other units of the Company.
- f. To issue, amend, and revise policies, rules, regulations, and practices including rules of conduct or standards of performance; to take whatever action is either necessary or advisable to determine, manage and fulfill the mission of the Company and to direct the Company's employees; to determine the existence or non-existence of facts which are basis of management decision; and to carry out the lawful directives of the customers to whom the Company contracts its services. The Company will provide written notification to ATU of any changes.

The Company's failure to exercise any right, prerogative, or function hereby reserved to it, or the Company's exercise of any such right, prerogative, or function in a particular way, shall not be considered a waiver of the Company's right to exercise the same other way not in conflict with the express provisions of this Agreement.

**Section 6.2 – Contractual Duties:**

Nothing in this Agreement shall be construed to prohibit the Company from fulfilling its contractual responsibility to the City of Tulare, which includes, but is not limited to the assignment, dispatching and management of trips, passengers and service to other contractors who are under contract directly to the City of Tulare.

**ARTICLE 7  
NON-DISCRIMINATION**

**Section 7.1 – Equal Opportunity:**

The Company and ATU each agree that it will not unlawfully discriminate against any individual with respect to hiring, promotion, discharge, compensation and other terms, conditions and privileges of employment nor will it limit, separate or classify employees so as to unlawfully deprive any individual of employment opportunities because of such individuals race, color, religion, sex, national origin, age or disability. The parties agree that disputes under this Article shall be resolved through the grievance and/or arbitration procedures.

**Section 7.2 – Affirmative Action and Job Accommodation:**

Nothing in this Agreement is intended nor shall be construed to prohibit or discourage compliance by any part with Federal, State or local laws pertaining to discrimination, affirmative action, or job accommodation nor to prohibit the Company from complying with the lawful mandates or directions of its customers with respect to discrimination, affirmative action or job accommodation. The Company may take any action required or proper under such laws, mandates, or directions, with or without notice to ATU, and neither such action nor its effect may be deemed a violation of this Agreement.

**Section 7.3 – Concerted Activities:**

The Company and ATU each agree that it will not discriminate against any employee or applicant because of such individual's lawful activity for or support of ATU or because of the individual's other lawful concerted activity for the purpose of collective bargaining or other mutual aid and protection or because of the individual's decision to refrain from such activity.

**Section 7.4 – Gender Terms**

Throughout this Agreement, the use of the gender pronouns and terms shall be construed to include both male and female.

## **ARTICLE 8 NO STRIKES OR LOCKOUTS**

### **Section 8.1 – No Strikes or Lockouts :**

During the term of this Agreement, or any extension thereof, (a) neither ATU nor its members will directly or indirectly cause, encourage, sanction, or participate in any strike, work stoppage, slowdown, or boycott against the Employer, and (b) there will be no lockouts by the Employer.

### **Section 8.2 – Discipline for Violations of Section 8.1:**

The failure or refusal on the part of any employee to comply with the provisions of Section 8.1 of this Article shall be cause for immediate discipline, including discharge. The failure or refusal by an ATU officer, agent representative or steward to comply with the provisions of Section 8.1 of this Agreement constitutes leading and instigating a violation of said Section 8.1. It is specially agreed that the ATU officers, agents, representatives and stewards, by accepting such positions, have assumed the responsibly of affirmatively preventing violations of Section 8.1 of this Agreement by reporting to work and performing work as scheduled and/or required by the Company.

## **ARTICLE 9 DRUG AND ALCOHOL TESTING**

In acknowledgement of the nature of the Company's operations and the very special and overriding safety considerations, the Company has adopted formal provisions for fitness for duty Drug and Alcohol screening. ATU acknowledges that certain Federal drug and alcohol testing requirements bind the Company. The parties agree that any disputes regarding particular provisions of the drug and alcohol policy will be subject to the procedures in Article 10.

## **ARTICLE 10 GRIEVANCE PROCEEDURE**

### **Section 10.1 - Grievance Procedure**

A grievance is a claim that a specific provision of this agreement has been violated. All parties will make a sincere endeavor before a written grievance is filed to resolve differences between ATU or Employee and the Company in an informal meeting. If any disagreement between the parties arises over the application or interpretation of this agreement, the employees, the Union and the Company agree that the procedure outlined below shall be the exclusive remedy for such disputes.

**Step 1 ( Union Grievance)** The aggrieved employee party or his/her Union Representative shall file a written statement of the grievance with the General Manager within fifteen (15) working days of the conclusion of the informal meeting. Such statement shall be in sufficient detail to identify the nature of the grievance, the name of the aggrieved employee, the specific section of the agreement allegedly violated and the date and place where the grievance occurred. The aggrieved employee or his/her Union Representative must sign this statement. Within ten (10) working days after the written statement has been filed, the aggrieved employee and/or his/her

Union Representative shall be accorded a hearing with the General Manager or designee. The General Manager or designee conducting the hearing shall render a written decision within ten (10) working days from the conclusion of the hearing. A copy of the decision will be given to the aggrieved employee/ATU, signed and dated by said employee. A copy shall be given to ATU Representative, mailed and/or faxed to the ATU office.

**Step 2 (Union Grievance)** If the matter is not resolved at Step 1, the Union representative shall within ten (10) working days of receipt of the Company's response, from Step 1, request a hearing with the Company's Labor Relations Director in writing. The hearing shall be held at the project site within twenty (20) working days of said request. The Company's Labor Relations Director or designee conducting the hearing shall render a decision within ten (10) working days from the conclusion of the hearing. A copy of the decision will be given to the aggrieved employee, signed and dated by said employee, a copy given to Union Representative, mailed and faxed to the Union office.

**Step 3 (Union Grievance)** If the matter is not resolved at Step 3, 2 the Union may request Arbitration within forty (40) calendar days from receipt of the Company's Labor Relations Director's written decision.

#### **Section 10.1 (a) Record Documents**

The Union and the Employee will be allowed to review and if requested given copies of all relevant papers and documents pertaining to charges against the Employee.

#### **Section 10.1(b) Witnesses**

At any grievance hearing regarding suspensions or termination the Employee and the Union Representative will have the opportunity to question all witnesses that are employed by the Company and others that may be relevant to the discipline, that are willing to attend the hearing.

#### **Section 10.2 - Arbitration**

If the matter is referred to arbitration, the following procedures shall apply:

- a. A list of seven (7) arbitrators shall be requested from the State Mediation and Conciliation Service. If a panelist obtained from the State Mediation and Conciliation Service, selection shall be made within fifteen (15) working days of receipt of said list. The Parties shall flip a coin to determine who will strike first and will then alternately strike names from the list until one (1) person is left who will become the arbitrator. If the arbitrator so selected is not available within ninety (90) calendar days, a second arbitrator shall be selected using the same method of selection, unless the Company and Union mutually agree to waive the ninety (90) day requirement.
- b. The arbitrator will not have the authority to amend, alter or change any provision in the agreement. The arbitrator shall not hear or decide more than one (1) grievance without the mutual consent of the Company and the Union. The written award of the arbitrator on the merits of any grievance adjudicated within his jurisdiction and authority shall be final and binding on the aggrieved employee, ATU and the Company.

- c. The arbitration expenses (i.e. Arbitrator, Hearing Room, and transcripts) shall be shared equally between both parties.
- d. All decisions and awards of the arbitrator will be considered final and binding.

**Section 10.3 - Time Limits:**

Failure of either party to comply with the time limits, as set forth above will serve to declare the grievance settled in favor of the other party and no further grievance action can be taken.

**Section 10.4- Extension of Times:**

Time limits in this article may be extended by mutual agreement in writing

**ARTICLE 11  
HOURS OF WORK**

**Section 11.1 – Purpose of Article:**

The sole purpose of this Article is to provide a basis for the computation of straight time, overtime, and other premium wages. Laws of State and Federal government or terms agreed to shall govern the payment of wages.

**Section 11.2 – Workweek:**

The workweek shall consist of seven (7) days beginning at 12:01 a.m. on Saturday and ending at mid-night the following Friday.

**Section 11.3 – Overtime Work:**

The Company shall determine when and by whom overtime will be worked. The Company will make every reasonable effort to offer unscheduled overtime to employees according to seniority.

**ARTICLE 12  
LEAVES OF ABSENCE**

**Section 12.1 – Personal Leave:**

Leaves of absence up to thirty (30) days may be granted at the Company's discretion, upon receipt of written request from the employee stating the reason for the requested leave. The Company may, at its sole discretion, extend the time limit if the employee requests such an extension in writing stating the reason why the extension is necessary.

**Section 12.2 – Disability Leave:**

In general, leaves of absence because of health, medical condition, may be granted for periods up to thirty (30) days, with thirty (30) day extensions, up to a maximum of six (6) months. To obtain such disability leave of absence, an employee shall present: (1) a written request for such leave; and (2) a written statement from the employee's doctor indicating the need for such leave; and doctor's recommendation as to when the employee may be able to return to work. The employee's actual return to work, however, will be contingent upon an assessment by the

Company (in conjunction with the employee's medical doctor and/or the Company's medical doctor, any consulting or treating specialists, or therapists, ATU and the employee) that, after considering the nature and scope of the employee's duties, the employee is able to return to work and perform the essential functions of his job, with or without reasonable accommodation and in a manner which will not directly threaten the health, safety or welfare of the employee, passengers or the public. In the event the Company's Medical Doctor determines that the employee is not able to return to work, the reasons for such determination shall be provided by the Company's Doctor, in writing to the employee. Any employee protesting removal from service because of an order from the Company's physician may have his/her case reviewed by a physician jointly selected by the Company and ATU and that physician's decision will be final. The cost of the third opinion would be split between the employee and Company. If an employee is found fit for duty, there will in no way be any back pay awarded.

**Section 12.3 – Military Leave:**

The Company will comply with the provision of the Veterans Re-Employment Rights Act.

**Section 12.4 – Civic Leave:**

A employee who is required to report for jury duty or who is subpoenaed to testify at a hearing in which the employee is not a party shall be granted leaves for such service. If the employee reports for service and is excused there from, he shall immediately contact the Project Manager and stand ready to report to work, if requested.

**Section 12.5 – Requests for Leave:**

Request for leave of absence shall be made as far in advance as possible. Seniority shall accumulate during leave of absence; however, unless otherwise stated in this Agreement, time spent on leave of absence shall be without pay and shall not be credited toward tenure of employment or toward working time for benefit purposes.

**Section 12.6 – Family Leave:**

The Company shall comply with State and Federal Leave Laws.

**ARTICLE 13  
DISCIPLINE**

**Section 13.1 – Company Rights:**

The Company shall have the right to change any policies, rules and regulations governing employees without renegotiation of this Agreement should such changes in policies, rules and regulations be required in order to comply with any governmental law or regulation or to comply with any provision of the Agreement between the Company and its customers. The Company shall further have the absolute right to carry out all directions of its customers notwithstanding any provision of this Agreement to the contrary. The Company will provide 3 day written notification to the ATU prior to any changes.

**Section 13.2 – Disciplinary Procedures:**

A General Manager, Operations Manager or Regional Vice-President, or his designee will perform all disciplinary processes.

The Manager to whom the individual is requested to report, shall meet with the employee and, if requested by the employee, the employee's union representative prior to reaching a decision to impose disciplinary action.

If the Company proceeds with the disciplinary process, the Company shall provide written notice to the employee. Such notice shall state the nature of the offence with which the employee is being charged. Upon the employees' receipt of such notice, the employee may request a review of the charges with the General Manager to be held within a 3 day period of receipt of such notice.

The charged employee shall attend all meetings, which may result in disciplinary action. An ATU Representative may also attend the meetings, if so requested by the employee.

Nothing in this Article 13 shall prevent ATU from appealing a decision of the respective General Manager to the Labor Relations Director prior to a possible grievance being filed.

**Section 13.3 – Progressive Discipline:**

Any violation of posted and/or written company rules, policies, and/or procedures may result in disciplinary action. With the exception of a violation of serious infraction, as listed in Section 13.5, attendance policy as listed in Section 13.6, or unsafe policy act as listed in Section 13.7, each infraction of any rule, policy or procedure may result in the following disciplinary action taken by the company against the employee who violates any rule, policy or procedure.

- First Violation: Verbal warning with counseling by Project Manager.
- Second Violation: Written warning notice.
- Third Violation: Suspension up to, but not exceeding, three (3) days. Lesser discipline may be imposed at the sole discretion of the Company.
- Fourth Violation: Dismissal from employment with Company may be lesser discipline at the sole discretion of the Company.

The definition of "first," "second," "third" and "fourth" violation above shall mean the violation of any rule or combination of rules and shall not be construed to mean the first, second, third, and fourth violation of each individual rule exclusive of the violation of any other rules. Violations will be removed after twelve (12) months from time of occurrence.

**Section 13.4 – Work Rules:**

The Company, after conferring with ATU, may issue information which sets forth rules, regulations and policies that do not conflict with the provisions of this Agreement. At least ten

(10) days prior to the implementation of any new revised rule, regulation or policy, the Company will provide ATU a copy of such revision. This section shall not be construed as a waiver of ATU's statutory rights regarding said revisions except that the union acknowledges the Company's right to establish reasonable safety rules as it deems necessary. Should the union raise an objection, it must do so in writing within the ten (10) days specified herein or else the union's objection is not valid.

**Section 13.5 – Serious Infraction:**

The following violations of Company policies and rules are considered serious infractions and may be just cause for the immediate discharge of an employee, although the Company may impose, at its sole discretion, a lesser penalty:

1. Falsifying company records or making false statements on application for employment or other Company forms.
2. Reporting for work while under the influence of alcohol or drugs.
3. Use or possession of any alcoholic beverage or drugs on Company premises or vehicles.
4. Refusal to take an alcohol or drug test when requested by the Company.
5. Theft of Company property or customer property or property of another employee.
6. Physical violence, or fighting, on Company premises or vehicles.
7. Possession of firearms, weapons, explosives, and similar devices on Company premises or vehicles.
8. Unwanted touching, physical contact, or indecent/sexual conduct, resulting in a conviction, or a substantiated written complaint with Company employees, passengers or members of the public. This includes sexual or other forms of harassment directed at the passengers, fellow employees, the client or any third party.
9. Insubordination, including refusal or failure to perform assigned work.
10. Threatening, intimidating, coercing, or abusing fellow employees or passengers.
11. Punching the time card of another employee, having someone else punch another employee's time card, or alteration of a time card.
12. Gross negligence, deliberate destruction, defacing, damage, or loss of any Company property or property of another employee.
13. Operating a Company vehicle without a valid driver's license and all other certificates required by Federal, State or Local law or regulation to operate the vehicle, provided

that in the event of temporary loss of the required license or certification, the employee shall be first entitled to thirty (30) days or less unpaid leave of absence to correct said loss of a valid driver's license or other certificates required to operate the vehicles. An additional fifteen (15) days of unpaid leave will be granted if requested by the employee in writing. Failure to have the license or certificates after the thirty (30) or forty-five (45) day leave, which ever is applicable, shall be cause for termination.

14. Dishonesty

15. Negligence resulting in a serious accident, incident or failure to follow established safety guidelines related to passenger safety.

16. Any time the terms of this agreement that specify discharge have been met

17. Operating a company or customer vehicle that rear-ends another motor vehicle, whether moving or not. The immediate discharge shall not apply if such rear-end accident was caused by another party striking the employee's vehicle, provided the employee did not violate any traffic law as documented by the police or other accident report taken at the scene of the accident. If there is less than \$700.00 total damage and no injuries, then the accident will be treated as an Unsafe Act under Article 14.7.

18. Conviction of Local, State or Federal Laws, regulations that would disqualify anyone from employment under MV Transportation's hiring criteria. Moving violations, which are governed by the MV Safety Point System, are exempted. Employees are required to report said conviction within twenty four (24) hours.

**Section 13.6 – Attendance Policy:**

- a. An unexcused absence is defined as anytime an employee misses work for one or more consecutive days without prior written approval or utilizing approved earned time off. Excused absences do not count against the employee's attendance record. Approved jury duty, military leave, union leave, and any Leaves of Absences mandated by Law are considered excused absences. Any employee who has received written approval in advance from the Company for time off will be considered excused from work.
- b. An unexcused absence is defined as anytime an employee misses work for one or more consecutive days without prior written approval or utilizing approved earned time off.
- c. Excused absences do not count against the employee's attendance record. Approved jury duty, military leave, union leave, and any Leaves of Absences mandated by Law are considered excused absences. Any employee who has received written approval in advance from the Company for time off will be considered excused from work.

- d. Failure to complete an entire shift, once the employee starts it and the employee returns to work the following day, shall be counted as one/half (1/2) occurrence, unless excused by a physician or employee provides verification of an emergency. If the employee misses less than half the shift, he/she will be assessed one half (1/2) point, missing more than half the shift will be one (1) point.
- e. Missing a required paid meeting shall count as one (1) occurrence, unless employee is on approved leave.
- f. An emergency shall be defined as follows: Any unforeseeable situation or circumstance where an employee could not reasonably be expected to communicate with the Company concerning absence or tardy notification in a timely manner. Examples of said situations would include being medically incapacitated, being involved in traffic or other type of accident or having a family member involved in one of the prior situations. By definition, an "Emergency" under the contract would be verifiable, with the understanding that the Company and the employees will exercise a standard of reasonableness when applying this standard to a given situation.
- g. There will be no pyramiding of discipline.

The following classifications are defined for the purpose of this Section 13.6:

**Excused Absence**

Any employee who has properly filled out and received written approval in advance from a Company manager for time off will be considered an excused absence. Excused absences do not count against the employee's attendance record. Bonafided jury duty, military leaves, union leaves and family leaves are also considered excused absences.

**Absence**

Employees who will be absent are required to notify their supervisor or dispatch at least one (1) hour prior to the starting time of their work shift. Employees giving this proper notice will receive one (1) occurrence point. Employees will be provided with an updated phone list to make this contact. An (unexcused) absence that has not been properly notified shall result in one and one-half (1 ½) occurrence points. Failure to report or notify in any manner the company shall result in 2 occurrence points.

Unexcused absences are counted using a rolling twelve (12) month period. The rolling twelve (12) month is counted back from the most recent incident of absence. Absences more than twelve (12) months old are not counted.

- At eight (8) incidences of absences, a written warning shall occur.
- At ten (10) incidences of absences in a floating 1 year period shall bring automatic termination

**Section 13.7-ATTENDANCE/MISS OUTS:**

A miss out is when an employee fails to report in person with less than half (½) of their shift remaining.

- a. A half miss-out is an occurrence whereby an employee reports to work late less than fifteen (15) minutes after their scheduled starting time.
- b. An employee, who shows up fifteen (15) minutes or more late for an assigned work shift and/or fails to notify the project manager or designated person at least sixty (60) minutes before scheduled reporting time, shall be counted as one (1) miss out.
- c. Operators who fail to show up or call the General Manager or his representative after one (1) hour from the time they are scheduled to report shall be assessed two miss outs. Three (3) miss outs in a rolling one hundred and eighty (180) day period counting back from the most recent miss-out will result in discipline up to or including a three (3) day suspension.
- d. Six (6) miss outs in a rolling one hundred and eighty (180) day period counting back from the most recent miss-out will result in discipline up to or including termination.
- e. When an employee works ninety (90) days without receiving any miss-outs all miss- outs will be removed from his/her record.
- f. Miss-outs shall not be counted if there is a verifiable emergency as defined in Section 13.6 e.
- g. At the discretion of Management, an Operator who has a miss out may be assigned stand-by report (two hours minimum), or be put on their route or be sent home (No Pay).
- h. There will be no pyramiding of discipline.

**Section 13.8 - Job Abandonment:**

An employee who fails to report or call in for three (3) consecutive scheduled working days will be considered as abandoned and voluntarily quit his/her job and will be discharged unless the employee can show justifiable excuse.

**Section 13.9 – Unsafe Act Policy\Safety Discipline:**

- a. A Minor Unsafe Act is defined as a safety violation that results in no injury or damage, but may pose a threat to a passenger, the public, or a fellow employee while in service to the Company. An example of an unsafe act would be: Not wearing a seat belt, failure to properly secure a wheelchair, utilizing a cell phone for personal business while driving, etc.
- b. An Unsafe Act is defined as a preventable act by an employee that results in an injury, causes an accident or damage.
- c. A Serious Unsafe Act is defined as a preventable act by an employee, which results in injury to another person requiring medical attention or hospitalization, fatality, causes a vehicle rollover, fire or an act which results in property damage in excess of \$7,000.00.
- d. Any employee who commits a serious unsafe act may, at the sole discretion of the Company, be subject to immediate dismissal from employment.
- e. Any employee who commits a Minor Unsafe Act shall be subject to the following disciplinary action.
  - First Offence: Oral consultation
  - Second Offence: Letter of Understanding
  - Third Offence: Letter of Reprimand
  - Fourth Offence: One (1) day suspension
  - Fifth Offence: Three (3) day suspension
  - Sixth Offence: Ten (10) day suspension
  - Seventh Offence: Possible termination.
- f. Any employee who commits an unsafe act may, at the sole discretion of the Company, receive the following disciplinary action:
  - **First Offense:** Written warning and retraining.
  - **Second Offense:** - Three (3) day suspension with retraining. If 2 unsafe acts occur within Six (6) months, this may result in termination.
  - **Third Offense:** - Five (5) day suspension and final warning that any subsequent offense will result in termination.
  - **Fourth Offense:** Dismissal from employment.
- g. All operators are required to report accidents, incidents or unusual occurrences immediately or as soon as reasonably possible to dispatch or a supervisor. They are to

complete all required paperwork regarding the accident prior to clocking off for the day, unless Management extends the time. Employees shall be compensated at their applicable rate of pay for actual time spent completing the report. Failure to comply with this section may lead to termination.

- h. Offenses for which disciplinary actions were administered will be removed from employee's record according to the following timetable.
- Minor Unsafe Act: After twelve (12) months
  - Unsafe Act: After eighteen (18) months
  - Serious Unsafe Act: After twenty-four (24) months.

## **ARTICLE 14 SHIFT BIDDING**

### **Section 14.1 – Initial Bid:**

- a. The Company shall develop the number of full-time and part-time shifts. The number of fulltime shifts shall not be less than the number of full-time shifts in place on March 1, 2006 unless there are circumstances beyond the control of the Company that would require a reduction of service. The Company shall then allow each employee, in seniority order, to select the full time/part-time shifts. Employees not bidding on a Full-time shift also will be considered part-time employees. The intent is to protect the security of full time positions for those who have already established full time status. If and when part-time work is established or necessary, it will be placed up for bid as provided in Article 14, section 14.2.
- b. The company shall post notification of the bid in the facility ten (10) working days prior to the date of the bid. In addition, the Company shall notify all employees who are not scheduled to work ten (10) day prior the commencement of the bid. The posting will identify the runs available, the start and ending times, work to be performed and the days off. Those employees who cannot attend the bid may designate their choice of shift by proxy. The proxy must be submitted to the Project Manager no later than 5:00 p.m. on the day prior to the scheduled bid. The proxy shall indicate choices in order of preference which shall equal the employee's standing on the seniority bid list. Those employees who fail to bid and who fail to submit a proxy shall be assigned at the discretion of the Company following the completion of the bid process by all other employees scheduled to bid.

### **Section 14.2 – Vacancies in Shifts:**

Vacancies in Full-Time/Part-Time Shifts: When a shift becomes available between regular bid periods, the Company will, within three (3) weekdays, post the vacancy for four (4) days. The most senior regular employee, who has less seniority than the employee who held the vacated shift, and who bids for the vacancy, shall be awarded that shift.

When the Company creates an additional shift between bid periods, the above procedures apply except that the new position will be posted for ten (10) calendar days and the bid is available to all regular employees.

In both instances the award will be implemented at the start of the next pay period but not less than seven (7) calendar days.

**Section 14.3 – Periodic Shift Bidding:**

On the effective date of this Agreement, an initial shift bid will be held as described in Section 14.1, and thereafter the Company shall, at least every six (6) months or when an aggregate of five (5) or more employees have completed training and join the workforce, re-bid the regular full-time/part-time shifts within fourteen (14) days. The Company shall determine the exact date of each re-bid date. The Company shall post the bids for the shifts and provide a copy to ATU at least five (5) week days prior to the starting of the bid and each full-time/part-time regular employee shall bid in seniority order. Those employees who cannot attend the bid may designate their choices of shift by proxy. The proxy, which must be at the Project Manager no later than 5:00 p.m. on the day prior to the scheduled bid, shall indicate choices in order of performance which shall equal the employee's standing on the seniority bid list. Those employees who do not bid and fail to submit a proxy shall be assigned at the discretion of the Company following the completion of the bid.

**Section 14.4 – Changes in Shifts:**

The Company shall have the right to adjust shifts up to one (1) hour a day without re-bidding and without reducing the total bid time (or pay) of the shift. The intent of this Section 14.4 is to accommodate passengers and their needs.

**Section 14.6- A TEMPORARY VACANCY:**

- a. Is defined as any full-time shift that becomes vacant for at least eight (8) days and will possibly be vacant for less than six (6) months within be the next scheduled re-bidding of all full-time shifts, (excludes scheduled vacation).
- b. Will be bid to all part-time employees who are currently filling a temporary vacancy, within three (3) days from the time it was determined to be a temporary vacancy was defined in a. above.
- c. Will be filled daily until bid as a temporary vacancy.
- d. Will be filled by the driver who bids for it until the end of the vacancy, making the driver ineligible for bidding on any other temporary vacancies which may occur during his current assignment.
- e. Obligates the driver to work the entire shift originally bid, including the same scheduled days off.

- f. Will only last until the original driver returns either as scheduled or as soon as medical leave ends. When a temporary vacancy ends, the driver who filled the temporary vacancy returns to part-time status and becomes eligible to bid on any new vacancies.

**Article 14.7- VACANCIES IN FULL-TIME SHIFTS:**

In the event a regular full-time employee elects to vacate his full-time position or the position becomes available through the termination of seniority, or in the event an additional full-time shift is created by the Company, the Company shall do one of the following:

If there is less than six (6) weeks left before the next scheduled re-bidding of all shifts, the vacancy shall be treated as a temporary vacancy.

If there is six (6) weeks or more left before the next scheduled re-bidding of all shifts, the Company shall fill the vacancy by scheduling a "Mark Down." A "Mark Down" shall be defined as a process in which the General Manager makes a correction or modification of a past sign up by allowing only those operators with a lower seniority than the operator whose shift is to filled, to bid according to their seniority on the open shift, or any open shift that becomes available as a result of this "Mark Down" process.

**ARTICLE 15  
GENERAL CONDITIONS**

**Section 15.1 – Payday:**

All paychecks will be distributed by 12:00 p.m. or earlier if possible, every other Friday and will cover all monies due through the Friday of the prior pay period.

Employee timesheets are available for review for accuracy on the Friday prior to payday. Any errors should be brought to the Company's attention to get corrected before payroll is distributed. All efforts should be made to submit corrections prior to the next payday. The Company shall provide employees an accounting of accrued sick days, floating holidays and vacation on a monthly basis if requested by the employee.

In the event an employee receives a check for less than what they believe to be the proper amount, they must bring it to the company's attention immediately.

The following shall occur:

- 1) If the error is an employee error then the adjustment will be on the next scheduled payroll run.
- 2) If the error is caused by the company and the error is twenty-five (\$25) dollars or more, the company will produce an adjustment check as soon as possible but no longer than within 72 hours, if requested by the employee. If less than twenty-five (\$25) dollars the adjustment check will be received within five working days, if requested by the employee.

**Section 15.2 – Company Meetings:**

The Company may require, with reasonable notice, safety meetings and other informational meetings from time to time. Employees shall attend such meetings as required by the Company.

**Section 15.3 – Citations:**

No employee shall be required to violate traffic laws. Employees are required to pay for the cost of citations received.

**Section 15.4 – Physicals and Drug Screens:**

In the event an employee is required to take a physical examination to re-new his/her medical certificate/drivers license, the Company will pay the cost of the procedure(s). In the event the Company requires an employee to take a physical examination or drug screen for reasons other than those described above, the Company will pay for the time spent by the employee obtaining such physical or drug screen as well as travel time to and from the applicable appointment.

**Section 15.5 – Extra Contract Agreements:**

The Company will not enter into any agreement or contract with the employees, individually or collectively, which in any way conflicts with the terms and conditions of this Agreement. Any such agreement shall be null and void.

**Section 15.6 - Accident Review Committee (ARC):**

The Committee is to meet monthly to review and make recommendations to the General Manager on the preventability or non-preventability of employee accidents and or incidents.

The Committee shall be composed of the following:

- ATU President or Designee
- Management Designee
- (1) Mutually agreed upon (Chairperson)

The Committee will meet once a month to review the accidents from the prior month.

- 1) Review and make a final recommendations to the General Manager
- 2) Review all documents regarding each accident/incident
- 3) Committee is to interview the employee charged with the accident/incident if requested by the employee.
- 4) The Committee will have no power to override the final decision of the General Manager.
- 5) Disagreements between the employee, Committee and the General Manager will be subject to Article 10 of this labor agreement.

**ARTICLE 16- WAGES**

**Only hourly wages will be retroactive to September 10, 2006.**

**Section 16.1 – Wage Rates:**

**Driver Wage Progression**  
**Year 1**

Effective: September 1, 2006 through June 30, 2007

| <b>Progression</b>     | <b>Current Wage Rate</b> | <b>\$ Increase per hour</b> | <b>Wage Rate as of Sept. 1, 2006</b> | <b>Percentage Increase</b> |
|------------------------|--------------------------|-----------------------------|--------------------------------------|----------------------------|
| Training               | \$6.75                   | \$ .19                      | \$6.94                               | 2.75%                      |
| 1 <sup>st</sup> 6 Mos. | \$8.50                   | \$ .23                      | \$8.73                               | 2.75%                      |
| After 6 Months         | \$8.75                   | \$.21                       | \$8.96                               | 2.75%                      |
| After 1 Year           | \$9.00                   | \$.25                       | \$9.25                               | 2.75%                      |
| After 2 Years          | \$9.25                   | \$.25                       | \$9.50                               | 2.75%                      |
| After 3 Years          | \$9.50                   | \$.26                       | \$9.76                               | 2.75%                      |
| After 4 Years          | \$9.75                   | \$.27                       | \$10.02                              | 2.75%                      |
| After 5 Years          | \$10.00                  | \$.28                       | \$10.28                              | 2.75%                      |
| After 6 Years          | \$13.27                  | \$.36                       | \$13.63                              | 2.75%                      |

**Driver Wage Progression**  
**Year 2**

Effective: July 1, 2007-June 30, 2008

| <b>Progression</b>     | <b>Wage Rate</b> | <b>\$ Increase per hour</b> | <b>Wage Rate as of July 1, 2007</b> | <b>Percentage Increase</b> |
|------------------------|------------------|-----------------------------|-------------------------------------|----------------------------|
| Training               | \$6.94           | \$.23                       | \$7.17                              | 3.25%                      |
| 1 <sup>st</sup> 6 Mos. | \$8.73           | \$.28                       | \$9.01                              | 3.25%                      |
| After 6 Months         | \$8.96           | \$.29                       | \$9.25                              | 3.25%                      |
| After 1 Year           | \$9.25           | \$.30                       | \$9.55                              | 3.25%                      |
| After 2 Years          | \$9.50           | \$.31                       | \$9.81                              | 3.25%                      |
| After 3 Years          | \$9.76           | \$.32                       | \$10.08                             | 3.25%                      |
| After 4 Years          | \$10.02          | \$.33                       | \$10.35                             | 3.25%                      |
| After 5 Years          | \$10.28          | \$.33                       | \$10.61                             | 3.25%                      |
| After 6 Years          | \$13.63          | \$.44                       | \$14.07                             | 3.25%                      |

**Driver Wage Progression**  
**Year 3**

Effective July 1, 2008-June 30, 2009

| <b>Progression</b>     | <b>Wage Rate</b> | <b>\$ Increase per hour</b> | <b>Wage Rate as of July 1, 2008</b> | <b>Percentage Increase</b> |
|------------------------|------------------|-----------------------------|-------------------------------------|----------------------------|
| Training               | \$7.17           | \$.23                       | \$7.40                              | 3.25%                      |
| 1 <sup>st</sup> 6 Mos. | \$9.01           | \$.29                       | \$9.30                              | 3.25%                      |
| After 6 Months         | \$9.25           | \$.30                       | \$9.55                              | 3.25%                      |
| After 1 Year           | \$9.55           | \$.31                       | \$9.86                              | 3.25%                      |
| After 2 Years          | \$9.81           | \$.32                       | \$10.13                             | 3.25%                      |
| After 3 Years          | \$10.08          | \$.33                       | \$10.41                             | 3.25%                      |
| After 4 Years          | \$10.35          | \$.34                       | \$10.69                             | 3.25%                      |
| After 5 Years          | \$10.61          | \$.34                       | \$10.95                             | 3.25%                      |
| After 6 Years          | \$14.07          | \$.46                       | \$14.53                             | 3.25%                      |

**Wage Progression**  
**Dispatchers**  
**Year 1**

Effective: September 1, 2006- June 30, 2007

| <b>Progression</b> | <b>Wage Rate as of September 1, 2006</b> |
|--------------------|--|
| 0-6 Mos.           | \$10.21                                  |
| After 6 Months     | \$11.05                                  |
| After 1 Year       | \$11.40                                  |
| After 2 Years      | \$11.75                                  |
| After 3 Years      | \$12.11                                  |
| After 4 Years      | \$12.48                                  |
| After 5 Years      | \$12.89                                  |
| After 6 Years      | \$13.40                                  |

**Wage Progression**  
**Dispatchers**  
**Year 2**

Effective: July 1, 2007-June 30, 2008

| <b>Progression</b> | <b>Current Wage Rate</b> | <b>\$ Increase per hour</b> | <b>Wage Rate as of July 1, 2007</b> | <b>Percentage Increase</b> |
|--------------------|--------------------------|-----------------------------|-------------------------------------|----------------------------|
| 0-6 Mos.           | \$10.21                  | .33                         | \$10.54                             | 3.25 %                     |
| After 6 Months     | \$11.05                  | .36                         | \$11.41                             | 3.25%                      |
| After 1 Year       | \$11.40                  | .37                         | \$11.77                             | 3.25%                      |
| After 2 Years      | \$11.75                  | .38                         | \$12.13                             | 3.25%                      |
| After 3 Years      | \$12.11                  | .39                         | \$12.50                             | 3.25%                      |
| After 4 Years      | \$12.48                  | .41                         | \$12.89                             | 3.25%                      |
| After 5 Years      | \$12.89                  | .42                         | \$13.31                             | 3.25%                      |
| After 6 Years      | \$13.40                  | .44                         | \$13.88                             | 3.25%                      |

**Wage Progression**  
**Dispatchers**  
**Year 3**

Effective: July 1, 2008-June 30, 2009

| <b>Progression</b> | <b>Current Wage Rate</b> | <b>\$ Increase per hour</b> | <b>Wage Rate as of July 1, 2008</b> | <b>Percentage Increase</b> |
|--------------------|--------------------------|-----------------------------|-------------------------------------|----------------------------|
| 0-6 Mos.           | \$10.54                  | .34                         | \$10.88                             | 3.25 %                     |
| After 6 Months     | \$11.41                  | .37                         | \$11.81                             | 3.25%                      |
| After 1 Year       | \$11.77                  | .38                         | \$12.15                             | 3.25%                      |
| After 2 Years      | \$12.13                  | .39                         | \$12.52                             | 3.25%                      |
| After 3 Years      | \$12.50                  | .41                         | \$12.91                             | 3.25%                      |
| After 4 Years      | \$12.89                  | .42                         | \$13.31                             | 3.25%                      |
| After 5 Years      | \$13.31                  | .43                         | \$13.74                             | 3.25%                      |
| After 6 Years      | \$13.88                  | .45                         | \$14.33                             | 3.25%                      |

**Wage Progression**  
**Fueler/Service Worker**  
**Year 1**

Effective: September 1, 2006 through June 30, 2007

| <b>Progression</b> | <b>Wage Rate as of September 1, 2006</b> |
|--------------------|--|
| 0-6 Mos.           | \$8.50                                   |
| After 6 Months     | \$8.91                                   |
| After 1 Year       | \$9.18                                   |
| After 2 Years      | \$9.46                                   |
| After 3 Years      | \$9.93                                   |

**Wage Progression**  
**Fueler/Service Worker**  
**Year 2**

Effective: July 1, 2007-June 30, 2008

| <b>Progression</b> | <b>Current Wage Rate</b> | <b>\$ Increase per hour</b> | <b>Wage Rate as of July 1, 2007</b> | <b>Percentage Increase</b> |
|--------------------|--------------------------|-----------------------------|-------------------------------------|----------------------------|
| 0-6 Mos.           | \$8.50                   | .28                         | \$8.78                              | 3.25 %                     |
| After 6 Months     | \$8.91                   | .29                         | \$9.20                              | 3.25%                      |
| After 1 Year       | \$9.18                   | .30                         | \$9.48                              | 3.25%                      |
| After 2 Years      | \$9.46                   | .31                         | \$9.77                              | 3.25%                      |
| After 3 Years      | \$9.93                   | .32                         | \$10.25                             | 3.25%                      |

**Wage Progression**  
**Fueler/Service Worker**  
**Year 3**

Effective: July 1, 2008-June 30, 2009

| <b>Progression</b> | <b>Current Wage Rate</b> | <b>\$ Increase per hour</b> | <b>Wage Rate as of July 1, 2008</b> | <b>Percentage Increase</b> |
|--------------------|--------------------------|-----------------------------|-------------------------------------|----------------------------|
| 0-6 Mos.           | \$8.78                   | .29                         | \$9.07                              | 3.25 %                     |
| After 6 Months     | \$9.20                   | .30                         | \$9.50                              | 3.25%                      |
| After 1 Year       | \$9.48                   | .31                         | \$9.79                              | 3.25%                      |
| After 2 Years      | \$9.77                   | .32                         | \$10.09                             | 3.25%                      |
| After 3 Years      | \$10.25                  | .33                         | \$10.58                             | 3.25%                      |

## **ARTICLE 17 PAID HOLIDAYS**

### **Section 17.1 – Holidays:**

All full-time, Non-probationary employees shall receive eight (8) hours pay for the following holidays:

1. New Year's Day
2. Martin Luther King Jr. Birthday
3. Memorial Day
4. Independence Day
5. Labor Day
6. Thanksgiving Day
7. Day After Thanksgiving
8. Christmas Eve
9. Christmas Day

### **Section 17.2 – Pay:**

Holiday pay shall be calculated at the employee's regular rate of pay and will be based upon the employee's regularly scheduled shift. If the holiday falls on the employee's normally scheduled day off, the employee will be paid eight (8) hours at the regular rate of pay. If an employee works on a paid holiday, the employee will be paid his/her regular scheduled pay plus eight (8) hours at the regular rate of pay for the holiday pay. Holiday pay shall not be counted as hours worked for the purpose of computing overtime.

### **Section 17.3 – Eligibility:**

In order to be eligible for holiday pay the employee must work his/her scheduled day before and scheduled day after the holiday, and must also work on the holiday, if so scheduled.

### **Section 17.4 – Pay on Holiday Worked:**

Pay for time worked on a holiday shall be at straight time hourly rate of pay for all hours worked.

## **ARTICLE 18 VACATIONS**

### **Section 18.1 – Eligibility:**

All full-time employees shall receive, after one (1) year continuous full-time employment, a paid vacation as further detailed in this Article.

### **Section 18.2 – Vacation Pay:**

|                                      |                         |
|--------------------------------------|-------------------------|
| Less than (1) one year of service:   | 1.5385 Hours/Pay Period |
| More than (1) one years of service:  | 3.0769 Hours/Pay Period |
| More than (4) four years of service: | 4.6154 Hours/Pay Period |
| More than (6) six years of service:  | 6.1538 Hours/Pay Period |

**Section 18.3 – Pro-ration:**

All employees with vacation accruals who are laid off or terminated shall have their vacation balance paid at the regular rate of pay for all hours accumulated at the time of layoff and/or termination.

**Section 18.4 – Vacation Schedule:**

Employees can request vacation leave in the following manner. For vacation leaves of 3 working days or less, a request shall be submitted not less than 72 hours prior to the start of the leave. For leaves in excess of 3 working days, the employee shall submit the leave request not less than 14 days prior to the start of the leave. Leave shall be granted to the first (2) employees to request leave. The company may, at its discretion, allow more than (2) employee to be off on leave at the same time.

**Section 18.5 – Vacation Pay:**

Vacation must be taken in full week increments unless allowed to schedule otherwise at the sole discretion of the Company. Vacation may not be taken prior to the anniversary date on which it is earned. Vacation pay shall be issued on the normal pay period and not taken in advance. The employee will not lose the value of any earned vacation.

**ARTICLE 19  
HEALTH/DENTAL INSURANCE**

**Section 19.1 – Provision:**

The Company agrees to contribute \$175.00 per employee per month upon ratification of this contract on all Health/Dental/Vision Insurance plans now in place until July 1, 2007. At which time the Company and ATU will agree on a new health care coverage plan. Effective on July 1, 2007, the Company agrees to increase its' contribution to the employees health care coverage plan from \$175.00 to \$350.00 per month per employee. Effective on July 1, 2008, the company agrees to increase its' contribution to the employees health care coverage plan from \$350.00 to \$375.00 per month per employee. Former City of Tulare employees will continue with their current level of coverage until July 1, 2007.

**Section 19.2 – Eligibility:**

All full-time employees and their families shall be eligible to participate in a benefit plan on the first day of the month following ninety (90) days of actual work.

**Section 19.3.1- Dental Insurance:**

The Company shall contribute \$15.00 per month towards the cost of the employee's dental insurance.

**Section 19.3.2- Vision Insurance:**

The Company shall contribute \$10.00 per month towards the cost of the employee's vision insurance.

## **ARTICLE 20 OTHER BENEFITS**

### **Section 20.1 – Physicals/Drug Screens:**

The Company will pay the cost of required physicals and/or drug screens at Company-approved facilities/doctors.

### **Section 20.2 - Uniforms.**

The Company shall supply uniforms when required by the customer as such:

**Drivers Uniforms:** The Company shall supply drivers with uniforms. The company will supply: 3 pants and 5 shirts. The employee shall be responsible for uniform cleaning and care. Lost or missing uniforms shall be replaced at the expense of the driver. Driver uniforms will be replaced due to normal wear and tear, it being understood the uniforms being replaced must be returned to the Company.

### **Section 20.3 – 401(k) Plan:**

Employees may contribute to a pre-tax retirement savings plan after 6 months of Company employment in the following manners.

#### **For all former City of Tulare employees:**

The company shall contribute seven (7) percent of the employee's hourly rate for all hours worked to a 401 (k) Plan.

#### **For all other employees:**

The company shall contribute 10% of the first 1% of the employee's hourly rate for all hours worked to a 401 (k) Plan.

### **Section 20.4 - Sick Pay:**

All employees shall receive 4 hours per month in paid sick leave. Effective July 1, 2007 all employees shall receive 6 hours per month in paid sick leave.

### **Section 20.5-Safety Bonus:**

All employees shall receive \$200.00 for each year with no unsafe acts or chargeable accidents. The safety bonus is payable on the next pay date after the employee's anniversary date of hire.

### **Section 20.6-Recruitment Bonus:**

Employees will receive \$100 for recruiting another employee, provided the new employee stays employed for ninety (90) days.

### **Section 20.7-Overtime:**

Overtime will be paid for all hours worked over 40 hours in a weekly period. Overtime pay shall be paid at 1½ the regular rate of pay.

**Section 20.8-Life Insurance:**

The Company will provide all employees \$5000 survivor death benefit at no cost to the employee. Beneficiary form must be on file with the Company.

All grandfathered City of Tulare employees shall have their wage and benefit package maintained at the agreed upon level with the City of Tulare through June 30, 2007.

**ARTICLE 21  
UNION SECURITY**

**Section 21.1 – Union Shop:**

It shall be a condition of employment that the employees of the Company covered by this Agreement who are members of the ATU in good standing on the effective date of this Agreement, shall remain members in good standing and those who are not members of a union the effective date of this Agreement shall, on the thirtieth (30<sup>th</sup>) day following the effective date of this Agreement become and remain members in good standing in ATU. It shall also be a condition of employment that all employees covered by this Agreement hired on or after its effective date shall, immediately upon the completion of the probationary period, become and remain members in good standing in ATU.

**Section 21.2 – Notification:**

The Company will notify ATU, in writing, of all new employees hired at least seven (7) calendar days after the employee starts to work and shall notify ATU immediately in writing when any employee completes the probationary period as established herein. No less than monthly, the Company will furnish the Secretary-Treasurer of ATU with a list of all bargaining unit employees, along with the seniority date of hire, mailing address and telephone number as is currently in the employee's employment record. The Company will notify ATU immediately in writing, of all employees leaving its employment. ATU agrees to furnish the Company with an up-to-date list of all its officers and stewards, and to immediately notify the Company of any and all changes thereto. The Company agrees to furnish ATU an up-to-date list of its local representatives and to immediately notify ATU of any and all changes thereto.

**Section 21.3 – New Hires:**

When new or additional employees are needed, the Company shall choose applicants on the basis of their respective qualifications for the job, and no applicants will be preferred or discriminated against because of membership or non-membership in any union.

**Section 21.4 – Enforcement:**

In the event an employee due to his own negligence, fails to apply for or maintain his membership in ATU, ATU must give the Company notice of this fact and within five (5) days after receipt of such notice, remove said employee from service and shall continue to withhold said employee from service until notified by ATU that the employee is a member in good standing with ATU.

**Section 21.5 – Representation:**

It is mutually agreed that all matters covered by this Agreement shall be transacted between the properly accredited officers, agents, or representatives of the Company and the duly elected or appointed officers of the ATU.

**ARTICLE 22  
DUES CHECKOFF**

**Section 22.1 – Checkoff:**

Upon receipt by the Company of a Checkoff authorization in the form set forth in Section 23.4 of this Article, dated and executed by an employee, the Company shall deduct, from the wages owed such employee for the first payroll period ending in each calendar month following receipt of such Checkoff authorization (until such Checkoff authorization is revoked by the employee in accordance with the terms thereof), ATU's membership dues deduct from an employee's wages only that amount of money which the Secretary-Treasurer of ATU has entitled to the Company, in writing, is the amount of dues properly established by ATU in accordance with applicable law and ATU's constitution and bylaws, and required of all employees as condition of acquiring or retaining membership in ATU.

**Section 22.2 – Procedure:**

ATU shall each month on or before the fifth (5<sup>th</sup>) day of the month, provide the Company a written statement containing the names and social security numbers of employees from whose pay such deductions shall be made and the specific amount of the deduction. The Company shall each month on or before the thirtieth (30<sup>th</sup>) day of the month, provide ATU a written statement containing the names of the employees from whose pay, and in what amount, such deductions have been made and shall simultaneously therewith rebate the total amount of such monthly deductions to ATU.

**Section 22.3 – Dues in Excess of Net Wages:**

If on any payroll period in which the Company is obligated to make such deductions pursuant to Section 21.1 of this Article, the wages owed an employee after deductions mandated by any governmental body or to reimburse the Company for advances against wages no less than the amount of money which the employee has authorized the Company to collect pursuant to Section 21.1 of this Article, the Company shall make no deductions on the wages owed the employee for that payroll period and shall make no deductions, which would have been made from wages owed the employee from that payroll period, from wages owed the employee for any future payroll period.

**Section 22.4 – Checkoff Authorization Form:**

The Company shall not deduct any money from an employee's wages pursuant to Section 23.1 of this Article, unless the Checkoff authorization executed by the employee conforms exactly to the form set forth below.

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**CHECKOFF AUTHORIZATION**

- a. **Authority to Deduct.** I hereby authorize MV Transportation, Inc. to deduct from wages owed to me for the first payroll period ending in each calendar month, and to forward to Amalgamated Transit Union Local 1027, the monthly membership dues uniformly required of all employees as a condition of acquiring or retaining membership in said Local 1027.
- b. **Revocability of Authorization.** This Checkoff Authorization shall be irrevocable for a period of one-year following my execution thereof, or until the expiration of any applicable collective bargaining agreement whichever occurs sooner. Thereafter, it shall be automatically renewed for successively one (1) year periods unless written notice of revocation of this Checkoff Authorization executed by me, is delivered to MV Transportation Inc.: (1) during the period commencing thirty (30) days prior to and ending five (5) days prior to (a) the annual anniversary of my execution hereof, or (b) the expiration date of any collective bargaining agreement obligating MV Transit Services, Inc. to honor the Checkoff Authorization, or (2) during any period when there is not a collective bargaining agreement in effect obligating MV Transportation, Inc. to honor the Checkoff Authorization. I voluntarily executed this Checkoff Authorization on \_\_\_\_\_, 20\_\_\_\_.

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**Section 22.5 – Indemnification of Company:**

The union shall defend, indemnify, and save the Company harmless against any and all claims, demands, suits, grievances, or other liability that arise out of or by reasons of activity taken by the Company pursuant to Article 12.

**ARTICLE 23  
TERM OF AGREEMENT**

**Section 23.1 - Effective Date:**

This Agreement shall be in full force and effect from September 10, 2006 through midnight June 30, 2009

**Section 23.2 – Renewal:**

It is the intent of the parties that a successor Agreement to this one shall be completed prior to the expiration date provided in Section 26. 1. The Company and the Union therefore agree to commence negotiations on a successor Agreement sufficiently in advance of the expiration date provided in Section 26.1 to allow for a settlement to be reached.

IN WITNESS THERE OF, the duly chosen representatives of the parties hereby affirm that they have authority to enter into this Agreement on behalf of themselves and their principals and hereto affix their hands.

Amalgamated Transit Union  
Local Union 1027

MV Transportation, Inc.

\_\_\_\_\_  
Rick Steitz – President

\_\_\_\_\_  
David Vinson-Labor Relations Manager

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

\_\_\_\_\_  
George Helton Jr.-Vice-President

\_\_\_\_\_

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

\_\_\_\_\_  
Adam Raimer-Secretary/Treasurer

\_\_\_\_\_

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_