

Appendix G IVT RIDE Incumbent Staff Salaries

LABOR AGREEMENT BETWEEN



FIRST TRANSIT, INC., EL CENTRO, CALIFORNIA

AND

TEAMSTERS UNION, LOCAL 542

ROAD SUPERVISOR UNIT

JANUARY 1, 2024 THROUGH DECEMBER 31, 2026

Table of Contents

AGREEMENT	3
ARTICLE 1 – RECOGNITION	3
ARTICLE 2 - COOPERATIVE EFFORTS.....	3
ARTICLE 3 - DEFINITION OF EMPLOYEES	3
ARTICLE 4 - MANAGEMENT RIGHTS	4
ARTICLE 5 – SEPARABILITY	6
ARTICLE 6 - FULL NEGOTIATIONS AND COMPLETE AGREEMENT.....	6
ARTICLE 7 – REPRESENTATION.....	6
ARTICLE 8 - NO STRIKES OR LOCKOUTS.....	7
ARTICLE 9 - NON-DISCRIMINATION	8
ARTICLE 10 - GRIEVANCE AND ARBITRATION.....	8
ARTICLE 11 - TERMINATION OF TRANSPORTATION SERVICES CONTRACT.....	10
ARTICLE 12 - UNION SECURITY AND CHECK-OFF	10
ARTICLE 13 – DISCIPLINE.....	11
ARTICLE 14 – SAFETY.....	13
ARTICLE 15 – OPERATIONAL REQUIREMENTS	14
ARTICLE 16 – HOURS OF WORK AND GENERAL CONDITIONS	15
ARTICLE 18 - LEAVES OF ABSENCE.....	16
ARTICLE 19 – SENIORITY.....	17
ARTICLE 20 – ATTENDANCE.....	18
ARTICLE 21 – HOLIDAY PAY.....	20
ARTICLE 22 – VACATION.....	20
ARTICLE 23 – BEREAVEMENT LEAVE.....	21
ARTICLE 24 – INSURANCE: HEALTH AND WELFARE	22
ARTICLE 25 – RETIREMENT PLAN	23
ARTICLE 26 – ADDITIONAL PAYMENTS	24
ARTICLE 27 – WAGES	24
ARTICLE 28 – SICK LEAVE.....	25
ARTICLE 29 – MEAL AND REST PERIODS	26
ARTICLE 30 - TERM OF AGREEMENT.....	26

AGREEMENT

This Agreement entered into by and between the First Transit, Inc. (aka Transdev) facility located at 792 B East Ross Road, and 1103 Industry Way, El Centro, California 92243, hereinafter referred to as "Company" and Teamster Local No. 542 of San Diego and Imperial Counties, hereinafter referred to as "Union."

ARTICLE 1 – RECOGNITION

The Company recognizes the Union as the collective bargaining representative with respect to mandatory subjects for bargaining which are wages, hours and other working conditions for all employees in the work classification s set forth in this Agreement as deemed appropriate July 17, 2018 by the National Labor Relations Board in Case No. 21-RC-222902.

Whenever used in this Agreement , the term "employees" shall mean all non-probationary regular full-time and regular part-time road supervisors employed by the Company at its facility located at 792 B East Ross Road and 1103 Industry Way, El Centro, California 92243; excluding all other employees, employees represented in other bargaining units, professional employees, office clerical employees, managerial employees, guards, dispatchers and supervisors as defined under the National Labor Relations Act, and any other employees not specifically set forth in the aforementioned National Labor Relations Board Certification.

For purposes of this Agreement, whenever the term he, his, him or any other male term appears, it is understood to include the female as well.

ARTICLE 2 – COOPERATIVE EFFORTS

The Company and Union agree to mutually cooperate in their efforts to promote harmony and efficiency among all the Company's employees.

It is recognized that the Company and its employees are obligated to perform essential public services and that these services must be continuously performed in a courteous, on-time, competent, efficient and safe manner.

This Agreement has as its purpose the establishment of an equitable and peaceful procedure for the resolution of differences, the promotion of economical transportation services, and the settlement of disputes.

ARTICLE 3 – DEFINITION OF EMPLOYEES

Section 1 – Probationary Employees: Effective with the ratification of the Agreement, an employee, who has never accrued seniority under this Agreement, or an employee rehired after termination, shall be in probationary status until he/she has completed ninety (90) calendar days.

Employees who are serving their probationary period shall not have access to the grievance procedure and may be disciplined or discharged at the sole discretion of the Company. When an employee who has successfully completed his initial introductory period with the Company and subsequently moves to a job classification outside of the bargaining unit, he shall serve a trial period of up to ninety (90) calendar days without losing his seniority.

Section 2 – Regular and Full-Time Employees: As of the date of ratification of this agreement, classification of employees is defined herein as follows:

- a. A regular full-time employee is defined as an employee regularly schedule to work thirty- five (35) hours or more in a workweek.
- b. A regular part-time employee is defined as an employee regularly schedule to work less than thirty-five (35) hours in a workweek. From time to time, regular part-time employees may be required to work more than thirty-five (35) hours to meet service demands or in unusual situations.
- c. For the purpose of medical insurance benefits only, a part-time employee is eligible to enroll in the insurance benefits offered to full-time employees if the employee regularly works an average of thirty (30) or more hours per week or an average of one-hundred-thirty (130) hours per month. Part-time employees who regularly work an average of more than thirty (30) hours per week or an average of one-hundred-thirty (130) hours per month shall be offered health insurance coverage that meets the requirements of the ACA. The Company shall conduct an audit of hours worked for part-time employees in order to establish eligibility in compliance and in accordance with ACA guidelines. No other fringe benefits will be extended to employees who do not meet the definition of Full-Time Employee stated above.
- d. In the event a part-time employee works more than thirty-five (35) hours in a work week (including Sundays) for six (6) consecutive week periods, the most senior part-time employee in the department will be offered a full-time position, and said full-time position shall continue to be offered by seniority until the full-time position has been filled.
- e. If a regular part-time employee filling in for a full-time employee due to vacation, sick leave, paid time off, FMLA, workman’s compensation, family leave, etc., this time shall not be counted toward the six (6) consecutive week work period referenced in (d) of this provision.

ARTICLE 4 – MANAGEMENT RIGHTS

Section 1: The Company retains, solely and exclusively, all the rights, powers and authority which is exercised or possessed prior to the execution of this Agreement, except as specifically amended by an express provision of this Agreement. Without limiting the generality of the foregoing, the rights, powers and authority retained solely and exclusively by the Company

and not amended by this Agreement include, but are not limited to the following: to manage, direct, and maintain the efficiency of its business and personnel ; to manage and control or eliminate jobs and operations in whole or in part; to discontinue and/or subcontract work for economic or other reasons; to direct the work force; to increase or decrease the work force and determine the number of employees needed; to hire, transfer, promote, demote, suspend, discharge and maintain the discipline and efficiency of its employees; to lay off employees; to establish operating standards, schedules of operation and work load; to specify or assign work requirements and require overtime; to assign work and decide which employees are qualified to perform work; to adopt reasonable work rules (the union will be given an opportunity to review new work rules prior to implementation) and rules of conduct, appearance and safety and penalties for violations thereof, and amend these rules from time to time; to determine the type and scope of work to be performed and the services to be provided; to determine the methods , processes and means and places of providing services; to adapt, install, or operate new equipment or technological innovations and/or operations; to determine the location and relocation of operations and to effect technological changes. Nothing contained in this Agreement is intended or shall be construed as a waiver of any of the usual inherent and fundamental rights of management whether the same has been exercised heretofore or not. It is further agreed that the above detailed enumeration of management's rights shall in no way be deemed to exclude any other management prerogatives that may not have been specifically enumerated herein.

Section 2 – Client Contract to Prevail: The relevant portions of the contract between the Company and its customer under which an employee of the Company performs work shall be incorporated by reference into this Agreement, to the extent only that such provisions impose terms, conditions or requirements upon the Company and/or its employees that are not required under the terms of this Agreement. In a situation in which a provision of this Agreement is in conflict with any of the provisions of said contract or the directives of the customer, the relevant portions of said contract or the customer directives shall prevail for all purposes. Nothing in this Section shall be construed as subjecting any of the terms of the Company's contract to the Grievance and Arbitration provisions of this Agreement, nor shall anything in this Section be construed as granting any rights or authority to the union to negotiate any of the terms of said contract, this being the sole and exclusive right of the Company.

Section 3: All employees of the Company are employed subject to the consent of the Company's Client. Should the client consent be denied or withdrawn, the employee must be discharged. Such discharge shall be subject to the grievance subject to the Company trying to find an alternative opening for which the employee may then be qualified if the circumstances giving rise to the possible discharge do not preclude such provision but excluding arbitration.

Section 4 – New Work Clause: The Company shall have the right to amend any of the provisions of this Agreement as it deems necessary to successfully bid for and obtain new work in addition to that work being performed by the bargaining unit employees on the effective date of this Agreement. The Company will meet with the Union to discuss such amendments. An employee becoming a member of the bargaining unit as the result of this new work shall be covered by all the terms and conditions of this Agreement except those which may have been amended as provided in this Article. The union agrees to cooperate in assisting the Company in obtaining such new work.

ARTICLE 5 – 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 Article, Section or portion thereof. Neither party shall be under any obligation to renegotiate any Articles, Sections or portions of this Agreement which are not affected by such decision. It is specifically understood that all unaffected contract language shall remain in effect.

ARTICLE 6 – FULL NEGOTIATIONS AND COMPLETE AGREEMENT

Section 1 – Full Negotiations: The Company and the Union acknowledge that during negotiations which resulted in this Agreement, each party had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed from law from the area of collective bargaining and that the understandings and agreements arrived at by the parties after the exercise of their respective rights and opportunities are fully set forth in this Agreement.

Section 2 – Past Practices: Any practices occurring subsequent to the effective date of this Agreement shall not be evidence or be used to establish a practice binding in any way upon the Company, unless expressly agreed to as such in a writing executed by the parties hereto.

Section 3 – Complete Agreement: Based upon Sections 1 and 2 of this Article, as well as the understandings and agreements expressly set forth in this Agreement, it is understood and agreed that this Agreement fully and completely sets forth all existing understandings and obligations between the parties, that it constitutes the sole and entire existing agreement between the parties, and that there are no understandings or agreements by the parties which are not expressly set forth in this Agreement.

Section 4 – Waiver of Bargaining During Term: The Company and the Union, for the term of this Agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated, to bargain collectively with respect to any subject, matter or practice not specifically referred to or covered by this Agreement, and the effects of any change made during the term of this Agreement, which is not prohibited by the Agreement. Both parties, on their own behalf and on behalf of their respective employees and members, waive any past and future claims or demands during the term of this Agreement.

ARTICLE 7 – REPRESENTATION

Section 1- Union Steward:

- a. Recognition of Union Steward: The union will designate and the Company will recognize one (1) Primary Union Steward and one (1) Alternate from the employee seniority list. The Company shall not be required to recognize any employee as a Union

Steward unless the Union has informed the Company, in writing, of the employee's name. The Union may remove a Steward at any time in keeping with its right of designating stewards.

- b. Union stewards shall not exceed the following duties and responsibilities: Investigating and processing grievances in accordance with the provisions of this Agreement; transmitting official union messages and information pertinent to this Agreement; representing employees in meetings called by the Company if the employee(s) so request. Stewards shall not make any decisions that conflict with the specific terms and provisions of this Agreement.
- c. Compensation of Union Steward While Engaged in Union Activity: The Union Stewards shall not be compensated by the Company for their duties as the Union Stewards and shall perform such duties during the times when they are not scheduled to work for the Company.

Section 2 – Distribution of Union Literature: The Company will provide space for the Union to place a locked bulletin board, which shall be used by the Union for posting of official notices, meetings and other matters pertinent to the Union. The Union 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 Union business. The Union also agrees that no inflammatory, offensive or derogatory notices or materials related to the Company or its Customers will be posted on the bulletin board.

Section 3 – Union Visitation: Upon reasonable prior notice to the Company's General Manager or Operations Manager, a representative of the Union will be allowed access to Company's premises for the purpose of investigating or adjusting an actual grievance and conducting other authorized union business. The Union representative 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.

Section 4 – Union Business Leave: Upon written request and approval by the Company, an employee designated by the Union to serve in a capacity on official union business shall be granted leave without pay for up to a maximum of thirty (30) consecutive days. During the period of such leave, the employee shall continue to accrue seniority as defined in Article 18 of this Agreement. This provision is limited to a maximum of two employees being on such union business leave at any given time.

ARTICLE 8 – NO STRIKES OR LOCKOUTS

Section 1 – No Strikes or Lockouts: During the term of this Agreement, or any extension thereof, (a) neither the Union nor its members will, directly or indirectly, cause, encourage, sanction, condone, assist in or participate in any strike, work stoppage, slowdown, picketing, any activity designed to inhibit the Company in the performance of its obligations to its Client or boycott against the Company and, (b) there will be no lockouts by the Company provided that the employees or the union do not engage in activity which requires the Company to take such action.

Section 2 – Discipline for Violation of Section: The failure or refusal on the part of any employee to comply with the provisions of Section 1 of this Article shall be cause for immediate discipline, including discharge. If any conduct prohibited by this Section occurs, the Union shall immediately do everything within its power to terminate such conduct. Grievances pertaining to the discipline under this Article shall not be subject to the arbitration procedure provided for in this Agreement. In the event disciplinary/discharge action is administered to an employee for refusal to cross a Teamsters Joint Council 42 sanctioned picket line, the matter will be reviewed prior to initiating such discipline/discharge due to possible mitigating circumstances being present.

Section 3 – Liability: The Company agrees that the Union shall not be financially liable to the Company as a result of any violation of this Article by an employee or group of employees if the Union has: (a) taken every reasonable means to terminate any such acts by the employees or any of them, (b) promptly and publicly declared that such conduct is unauthorized and directed such employees to return to work or to cease any other acts in violation of this Article, and (c) not directly or indirectly assisted, encouraged, or condoned such activity by such employees.

ARTICLE 9 – NON-DISCRIMINATION

The Company and the Union agree that there shall be no discrimination against any individual with respect to hiring, compensation, terms and conditions of employment because of the individual's race, color, religion, sex, age, disability, sexual preference, veteran status or national origin. The parties also agree there shall be no segregation or classification of employees in any manner that would deprive an individual employment opportunities in keeping with the foregoing.

The parties also agree that there will be no discrimination against any employee because of his membership in the Union or because of any lawful activity and/or support of the Union if such is consistent with the provisions of this Agreement.

ARTICLE 10 – GRIEVANCE AND ARBITRATION

Section 1 – Grievance Procedure: In the event of a dispute or grievance between the Union or an employee and the Company over the application or interpretation of this Agreement, the Union and the Company agree that the procedure outlined below shall be the exclusive remedy for such disputes:

Step One: Within five (5) working days (Monday through Friday) from the date a non-probationary employee knew, or by reasonable diligence could have known, of the alleged occurrence, the aggrieved employee through the union shall file a written statement of the grievance with his Department Manager. 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. This statement must be signed by the aggrieved employee and his representative. The Department

Manager or his designee shall render a written decision within ten (10) working days from the conclusion of the hearing.

Step Two: Within five (5) working days following Step One, the employee and union may request in writing a hearing with the General Manager or his designee.

The request must be in writing and presented to the Company. The hearing shall be held within a period of ten (10) working days from receipt of the request. The General Manager or his designee shall render a written decision within seven (7) working days from the conclusion of the hearing.

Step Three: Within five (5) working days following Step Two, the employee and union may request in writing a hearing with the Regional Vice President or his designee. The request must be in writing and presented to the Company. The hearing shall be held within a period of seven (7) working days from receipt of the request. The Regional Vice President or his designee shall render a written decision within seven (7) working days from the conclusion of the hearing.

Section 2 – Grievance Mediation: If the grievance is not resolved in the written response provided for in Step three, and if the parties have processed the grievance in strict adherence with the express time limits set forth in this Article, the Union may request the unresolved grievance be submitted to a mediation. The request for mediation must be in writing and sent to the Company via certified mail (return receipt requested). Such filing must take place within seven (7) working days from receipt of the final decision from the Company.

- a. The Mediator will be selected from the closest Federal Mediation and Conciliation Service office. The Mediator shall attempt to facilitate a settlement of the subject grievance.
- b. The Mediation process is intended to settle the grievance and is specifically designed to minimize the need to resort to arbitration. Therefore, the parties agree to promote a settlement of the grievance and in so doing will be constrained by the limits and terms of this Agreement. If a settlement is agreed upon by the parties, it shall be set forth in writing and will be duly signed by all the authorized representatives of the parties. Such settlement will fully and completely resolve the grievance and the grievance shall not proceed to arbitration.

Section 3 – Grievance Arbitration: In the event the Mediation is not successful and if the parties have processed the grievance in strict adherence with the express time limits set forth in this Article, the Union may file for arbitration. The request for arbitration must be in writing and sent to the Company via certified mail (return receipt requested). Such filing must take place within seven (7) working days from receipt of the final decision from the Company.

- A. The arbitrator shall be appointed by the Company and the Union by whatever means both agree to or from a panel of seven (7) arbitrators requested from the Federal Mediation and Conciliation Service or the American Arbitration Association who are members of

the National Academy of Arbitrators. If a panel is obtained from the Federal Mediation and Conciliation Service or the American Arbitration Association, selection shall be made within thirty (30) working days of receipt of said list, with the order of striking being determined by lot.

- B. The jurisdiction and authority of the arbitrator and his/her opinion and award shall be confined exclusively to the interpretation and/or application of the provision(s) of this Agreement at issue between the Union and the Company. He shall have no authority to add to, detract from, alter, amend, or modify any provision of this Agreement. The arbitrator shall have no authority to accept for submission or render an award in a grievance in which the specific procedures of this Article, including the express time limits at each step, have not been adhered to. The arbitrator shall not hear nor 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, the Union and the Company provided it complies with the provisions of this Article.
- C. The costs, fees and expenses of the arbitrator and hearing room will be equally shared between the Company and the Union, otherwise each party shall bear its own expenses.

Section 4 – Extension of Time: Any notice of grievance, request for hearing and/or notice of mediation or arbitration, which does not comply with the time and procedural requirements as stated above, shall be deemed waived and abandoned by the party failing to comply with such requirements, unless the parties mutually agree in writing to extend or waive any of the time limitations.

ARTICLE 11 – SUCCESSOR AGREEMENT

To the extent that the laws of the State of California provide, this Agreement shall be binding upon the Employer’s successors, assigns, purchaser, lessees or transferees, whether such succession, assignment or transfer be effected voluntarily or by operation of law, and in the event of the Employer’s merger or consolidation with another Employer, this Agreement shall be binding upon the merged or consolidated Employer.

ARTICLE 12 - UNION SECURITY AND CHECK-OFF

Section 1 – Union Membership: It shall be a condition of employment for all employees of the Company covered by this Agreement who are members of the union in good standing on the effective date of this Agreement, shall remain members in good standing and those who are not members on the effective date of this Agreement shall, by the thirty-first (31st) day following the effective date of this Agreement become and remain members in good standing in the union. It shall also be a condition of employment that all employees covered by this Agreement hired on or after its effective date shall, by the thirty-first (31st) day following his/her date of hire, become and remain members in good standing in the union.

Section 2 – Suspension: An employee in the bargaining unit who fails to maintain membership or payment of initiation fees, assessments or dues shall be suspended by the Company upon receipt of written notice and demand from the Union. Such suspension shall be affected within fourteen (14) working days of receipt of such notice.

Section 3 – Check-Off: Upon receipt of a written authorization, signed by an employee covered by this Agreement, or an appropriate legally acceptable form furnished by the Union, the Company agrees to deduct bi-monthly from the first and second check of such employee in each calendar month and pay to the Union his initiation fee, regular monthly dues and/or uniform assessments. Deduction of dues shall in all cases be made from the first day in each calendar month immediately following the date of receipt of such authorization by the Company. The Company further agrees that it will deduct the prescribed initiation fee in four equal bi-monthly payments from all new hires. Remittance of these check-off payments to the Union shall be made twice a month, within five (5) days following each deduction in a calendar month for which such deductions are made and a list of employees for whom payment is made, the amount paid and their Social Security numbers shall accompany such payment. The Union accepts full responsibility for obtaining check-off authorization from its members and delivering such authorizations to the Company.

The payment of such deducted dues by the Company to the Union shall relieve the Company of any and all responsibility and obligation to the Union and to the employees for the monies collected and paid. The Union will indemnify and save the Company harmless against any and all claims, demands, suits or other forms of liability that may arise out of or by reason of action taken or not taken by the Company for the purpose of complying with any of the provisions of this Article in reliance on any list, notice or authorization provided by the Union hereunder.

The Company shall notify the union of all new employees hired within the pay period in which the employee is hired. The notification of the Company to the union shall be in writing and will indicate the new employee's name, address, social security number, date of hire and classification. Representatives of the Union shall be permitted to make a presentation of up to thirty (30) minutes and present written material, during a portion of the training process. No representative of management shall be present.

The deductions and remittances to the Union herein provided shall be made by the Company only to the extent and as long as it shall be legal for the Company to make such deductions under any applicable Federal law or law of the State of California and while it has proper written notice from each such employee, and while this Agreement remains in effect.

ARTICLE 13 – DISCIPLINE

Section 1: The parties agree that just cause shall be the basis for corrective disciplinary action it being understood that certain offenses and/or violations of Company rules and operating procedures may warrant termination for first offenses.

Section 2: The Company will furnish the affected employee and the Union with written

notification of disciplinary action within ten (10) working days of the cause giving rise to the discipline, if possible. The affected employee is required to sign such notification as acknowledgement of receipt of the notice.

Section 3 – Disciplinary Procedures: All disciplinary processes will be performed by the General Manager and/or Operations manager or their designee. The respective Company representative to whom the individual is required to report shall give a fair and impartial hearing to all employees. This requirement shall also include corrective interviews through the disciplinary process. When the employee is called into his/her immediate supervisor and advised of the violation and the discipline and an investigatory meeting is held, the employee may request a union steward's presence. The meeting will not occur without the union steward present unless the employee elects not to have such person in attendance.

If an employee is called in by the Company for an investigatory meeting on a day that he or she is not normally scheduled to work, the employee receiving discipline will be compensated a minimum of two (2) hours or the length of time of the meeting, whichever is greater. If the employee requests the presence of a Union steward at his/her investigatory meeting, then this section also applies to the union steward, assuming the steward is called in for this purpose on a day he/she is not normally scheduled to work.

In the event the Company determines disciplinary action is required, the parties agree that discipline should be on a progressive basis, except in serious violations of conduct rules such as, but not limited to, fighting, theft, willful destruction of property, possession of weapons, alcohol, drugs or explosives during working hours or on Company premises etc. or other such immediate terminable offenses as outline in the Employee Handbook. With the exception of a violation which is a serious infraction of a rule, policy or procedure, each infraction of a rule, policy or procedure shall result in progressive discipline as outlined herein. Serious infractions shall be cause for suspension or discharge without use of progressive discipline. Progressive discipline shall be as follows:

- First Violation: Verbal Warning depending upon severity of the offense
- Second Violation: Written Warning
- Third violation: One day suspension without pay
- Fourth Violation: Termination

Disciplinary actions will be removed from an employee's disciplinary record on a rolling twelve (12) month period except for safety violations in accordance with Article 14.

Section 4: Onboard GPS/Video Camera Systems

The Union recognizes the legitimate business purpose of the GPS, video, and other technology equipment onboard Company vehicles. The Union and the Company understand that this equipment is not to be used for surveillance and will not be reviewed without legitimate business purpose.

GPS, video, and other technology equipment will be considered only as supporting evidence along with other relevant facts for an alleged violation of Company rules or policies, not the sole generating source to administer discipline to employees.

Section 5: Cell Phone Use

The Company agrees to provide a Company issued cell phone for business use for Road Supervisors. If no Company cell phone is provided, at no point will company require the employee to use their own personal cell phone and shall not be disciplined for failing to use personal cell phone during working hours.

ARTICLE 14 – SAFETY

Section 1 – Safety: The Company and the Union recognize that accident prevention work is essential to the operation of the Company's transportation system and that safety programs, safety meetings, and general incident/accident prevention work is mutually beneficial both to the Company and to its employees. The Union therefore agrees that it and the employees will not only cooperate with the Company in such safety work, but also will take an active part and interest in incident/accident prevention work. Accordingly, attendance at all safety meetings held and conducted by or for the Company will be mandatory for all employees.

All Company vehicles must be equipped with A/C and heating in passenger and driver areas. Employees shall not be required to operate vehicles that are in an unsafe condition or lacking in legally prescribed safety equipment. Accordingly, it shall not be a violation of this Agreement for employees to refuse to operate unsafe equipment, unless the refusal is unjustified. The General Manager shall make the determination of whether an employee is justified in refusing to operate a Company vehicle or piece of equipment.

Safety violations are considered a serious matter and fall below the Company's standard performance expectations. The Company and Union recognize that the Employee Handbook outlines some safety violations that are of such a serious nature that discharge is appropriate for the first offense. In the event a safety violation does not subject the employee to immediate termination, an employee will be terminated if he commits two (2) safety-related violations in twelve (12) months or three (3) in thirty-six months.

Section 2 – Accident Review Committee: As a supplement to the Accident Review Committee provisions outlined in the First Transit Employee Handbook:

The Company will make the initial determination of accident preventability. A Road Supervisor may choose to appeal the Company's determination that an accident was preventable to the Accident Review Committee (ARC).

The ARC shall decide preventability issues only and shall not determine discipline questions. Discipline rendered as a result of a decision that an accident was preventable is subject to the Grievance and Arbitration procedures of the labor agreement; however, the determination of the ARC may not be appealed.

The ARC will be made up of equal numbers of bargaining unit members and non-bargaining unit members, and one (1) neutral party, who will be selected by the Company and the Union. The ARC will consist of five (5) persons. The Union shall have the right to select the bargaining

unit members. An ARC member who has incurred a preventable accident within the prior twelve (12) months will not be eligible to serve on the ARC, and an alternate must be selected. ARC members will be compensated at their regular rate of pay for hearings and appeals. The Company and the Union may each elect to have an observer present.

ARTICLE 15 – OPERATIONAL REQUIREMENTS

In recognition and acceptance by the Union and the Company's employees, that the outstanding performance of employees covered under the Agreement is essential to ensure that all performance, quality, and safety standards are met on a consistent, ongoing and increasingly efficient basis, as determined by the Company, the following policies, principles and requirements shall be adhered to by all employees subject to the provisions of this Agreement:

1. The Company shall establish non-economic practices regarding hours and working conditions and, in doing so, may invoke those set forth in the Company's Handbook, which, if applied, shall be determinative as set forth therein, unless otherwise modified or amended by provisions of this Agreement. This Handbook, or any of its provisions, shall not be a subject for the collective bargaining process. As circumstances change, the Company may revise, supplement, or delete any policies or portions of this Handbook. This Handbook is not and should not be construed as a contract for employment.
2. Employees will be required to wear the Company issued identification card, IPP booklet, and high visibility vest. These are provided at Company cost. Employees may, at their own discretion, wear the approved union pin which shall not exceed two (2) inches in diameter.
3. The Company will continue to provide uniform items required by the Company for employees covered by this agreement in keeping with established procedures.
4. A part-time and full-time Road Supervisor seniority list will be maintained and updated and posted every 4 months. The Company will post the updated seniority lists the first of each month on its bulletin board and shall furnish copies to the Union's designee. Employees who may disagree with their seniority date shall have up to fifteen (15) days from said posting to challenge their posted date, otherwise the posed date shall be considered accurate.
5. Breakroom/Restrooms: A clean, separate area shall be provided for lunch and rest breaks with facilities to accommodate the number of employees using them. Whenever practical and available, the employee shall have access to the employee only restrooms.
6. The Company will provide one (1) additional temporary port-a-potty. The Company will provide additional port-a-potties, if one (1) fails to be sufficient to handle the demand.

ARTICLE 16 – HOURS OF WORK AND GENERAL CONDITIONS

Section 1 – Workweek: A workweek starts 0001 hours on Sunday and runs to 2400 hours on the following Saturday.

Section 2 – Overtime: Overtime shall be paid for all hours worked in excess of eight (8) hours in a single workday or forty (40) hours in one (1) workweek. If the Company were to utilize an alternative work schedule for this bargaining unit, then employees regularly working a four-day (approximately 10 hours per day) workweek schedule shall be paid overtime pay after working in excess of ten (10) hours per day or forty (40) hours per week. Vacation or other paid time off does not count as time worked for overtime purposes. Under no circumstances will time and-one-half (1 1/2) or premium time of any kind be paid more than once for the same hours, nor be cumulative.

Section 3 – Overtime Rotation: All overtime work for road supervisors shall be, as far as practicable, rotated among qualified and eligible employees according to classification seniority. Employees eligible for overtime shall not be passed for overtime until reasonable efforts to contact them have been made by the Company. Employees must be available to work during the times requested by the Company, or the employee shall be considered to have passed that opportunity to work overtime.

Section 4 – Application Procedures: All Road Supervisor vacancies covered by this Agreement will be posted on an appropriate bulletin board for five working (5) days. The Company will give preference to internal qualified applicants before considering outside applicants for Road Supervisor vacancies. Individual job changes ensuing from an application and offer shall be effective with seniority at the beginning of the next pay period, even though the employee involved may be required to perform work in a lower classification or on another shift until all job changes can be properly made. The Company will make a reasonable effort to make all job changes as quickly as possible.

Section 5 – Temporary Jobs: If an employee is off or will be off for at least thirty (30) days due to illness, accident, or leave, as provided elsewhere in this Agreement, his/her job may be posted as a temporary position. The individual awarded the temporary position will accrue seniority in that position only if the employee meets the job qualification requirements of that position or unless displaced, in which case no seniority loss shall occur in the previous classification. An employee may temporarily fill a position for another employee on extended leave.

Section 6 – Evaluation and Training: The Company will supply applicable training opportunities to road supervisors. This training program is designed to give employees an opportunity to become qualified for increased job responsibilities. The Company will pay employees for such training at their present rate of pay. The Company may adjust the employee's schedule to attend applicable off-site trainings; however, most training opportunities shall be completed during the employee's regular working hours.

Section 7 – General Bid: The General Bid will occur annually, in the first week of February each year. The Company will determine the schedule and shifts available for bid. The Company will make every effort to maintain the work schedules bid upon; however, such schedules may be changed by the Company throughout the year based on operational needs. In the event an

employee's bid schedule must be permanently changed or modified outside of the General Bid, the affected employee shall receive five (5) days' advance notice prior to effective date of the permanent change, if possible. This provision does not apply to daily shift changes or modifications due to call offs or temporary vacancies. If a permanent vacancy occurs between general bids, the vacated shift will be posted for road supervisors to bid upon, assuming the Company will continue such shift or a modified shift due to the vacancy. General bids will be based on seniority in the road supervisor classification. Before going on vacation, employees may leave with a Shop Steward conducting such bid a written authorization of their choice to bid on any job openings which may be posted during their absence.

With prior written approval from management and the written consent of both employees, two employees may swap individual work shifts. This provision does not apply when an employee is taking vacation days, sick days, or on leave. Employees must have such written documentation for each day a shift is swapped, unless otherwise approved by management.

Section 8 – Vacation Bid: A vacation bid will occur in November of each year for the following year. The Company will determine the vacation schedule. Employees will select vacation dates in order of classification seniority in the manner described in Article 22 - Vacations.

Section 9 – Certified Behind-The-Wheel Trainer (BTW) Premium: The Company will pay a seventy-five cents (\$0.75) premium to Road Supervisors while conducting behind-the-wheel training. For the hours the Road Supervisor is not actively performing behind-the-wheel training, the Road Supervisor will be paid at his or her regular rate. Training will be paid the applicable training rate and will not receive a premium.

ARTICLE 17 – DRUG AND ALCOHOL TESTING

In acknowledgement of the nature of the Company's operations and the very special and overriding safety consideration, the Company has adopted formal provisions for fitness for duty drug and alcohol screening. Such provisions are adhered to and expressly made a part of the understandings reached by the Company and the Union during the negotiation of this Agreement.

ARTICLE 18 - LEAVES OF ABSENCE

Section 1 – Personal Leave: Unpaid leaves of absence of up to thirty (30) days may be granted at the Company's discretion, upon receipt of a written request from the employee stating the reason for the requested leave. Such request for leave must be provided a minimum of fourteen (14) days in advance of the leave and if so, there will be no loss of seniority. During an approved leave, the employee shall be responsible for his share of insurance premiums. An employee who does not return to work at the conclusion of such approved leave or who engages in other employment while on such leave will be considered to have voluntarily resigned his employment with the Company.

Section 2 – Family and Medical Leave Act: The Company will comply with the provisions of the Family and Medical Leave Act of 1993. During an approved leave, the employee shall be responsible for his share of insurance premiums.

Section 3 – Military Leave: The Company will comply with the provisions of the Uniform Services Employment and Re-employment Act and other applicable Federal and State laws dealing with Veterans and Reservists re-employment rights.

Section 4 – Written Requests: A request for leave of absence or for an extension must be made in writing by the employee and approved in writing by the Company.

Section 5 – Requests for Leave: Requests for leaves of absences listed in this Article shall be made as far in advance as possible. Seniority shall accumulate during an approved leave of absence, however, time spent on leave of absence shall be without pay.

ARTICLE 19 – SENIORITY

Section 1: Seniority shall be established and based on the date the employee assumed his present classification. When more than one employee enters revenue service or classification on the same date, seniority order will be established by drawing numbers. The employee with the highest number shall be listed first.

Section 2: Seniority shall be broken and the employee will be considered terminated under the following conditions:

1. Discharge for just cause;
2. Resignation or other termination of service by voluntary act of the employee; or
3. No Call/no show for work for three consecutive days which shall be considered a voluntary resignation.
4. Failure to give notice of intent to return to work after recall within the time period specified in Section 6 of this Article, or failure to return to work on the date specified for recall, as set forth in the written notice of recall will be considered a voluntary resignation.
5. Except for layoff, time lapse of six (6) months since the last day of actual work for the Company, regardless of reason, unless such reason is protected by law.
6. Failure to return to work upon expiration of an approved leave of absence.
7. Layoff of a period of six (6) months.
8. Misuse of leave as a subterfuge, to accept employment elsewhere, or for a purpose other than stated upon request for leave.

Section 3: If it becomes necessary to reduce the workforce, the employee with the least part-time Company seniority will be laid off first, then other part-time employees by part-time seniority and then full-time employees by full-time seniority. When the work force is increased, employees are to be returned to work in the reverse order in which they were laid off if they are still then fully qualified.

Section 4: An employee who has been placed on layoff shall be given notice of recall via certified mail by the Company to the employee's last address on file with the Company. The employee must respond to such notice within three (3) days after receipt of notice, and return to work as directed in the notice. In the event an employee fails to comply within the preceding times, the

employee shall lose all seniority rights under this Agreement and be considered to have voluntarily quit.

Section 5 - Transfers Into Bargaining Unit: Employees who transfer to the First Transit El Centro location from another bargaining unit shall be end-tailed into the bottom of the applicable seniority list based on their classification. Employees will retain their First Transit seniority.

Section 6: Prior to assigning employees work opportunities at facilities outside of the First Transit El Centro Location service area, the Company must notify the Union as soon as possible to inform the Union of the terms of the assignment (for example: estimated duration of the assignment, location of the assignment, rate of pay, method of transportation to the assignment, mileage expenses, lodging accommodations, and per diem allotment, if such are applicable).

ARTICLE 20 – ATTENDANCE

Section 1 – Policy: Consistent and punctual attendance at work by employees is considered a condition of employment because it impacts the quality, employee morale and other areas of operating efficiency. If an employee is absent or late to work, others must become responsible to ensure that service to the community continues uninterrupted. The primary function of the Company is to provide safe, on-time and professional service to the community, and because small increments of time are so critical to the provision of service, it is imperative that employees are reliable and provide adequate advance notice when they are calling off. Employees are expected to report to work ready and on time in order to provide the highest quality transportation services possible. Therefore, the following attendance policy will be in effect, as per occurrence and applies to each employee:

ABSENCES WITHIN 90 DAY PERIOD

3rd	Written Warning
4th	Suspension
5th	Termination

NO CALL/NO SHOW

1 st	Written Warning
2 nd	Suspension
3 rd	Termination

TARDY

1st	Verbal Warning
2nd	Written Warning
3 rd	Suspension
4 th	Termination

Section 2 – Definitions: For the purpose of this Article, progressive discipline for attendance shall be considered separately from progressive discipline for other types of discipline; however, attendance discipline is considered as part of the employee's disciplinary record. Attendance

discipline shall not commence until all sick leave under Article 28 has been exhausted, as long as the required notice is provided to the Company.

ABSENCE: Failure to report for work with notice given at least 1 hour prior to scheduled start time or failure to complete shift after you have reported.

TARDY: Reporting to work after your scheduled start time. There is no grace period.

NO CALL/NO SHOW: Failure to report absence or tardiness at least 1 hour prior to scheduled start time. Failure to call or show for 3 consecutive days will be considered as job abandonment and will result in your immediate termination.

This attendance policy will also pertain to any mandatory meetings.

Combinations of any 3 of the above within a 90-day period may result in the employee being placed on probation for 90 days. An unexcused absence, tardy or a no call/no show within this 30-day period will subject an employee to further disciplinary action up to and including termination.

A Driver who reports late for his scheduled shift and who has been replaced by another Driver in order to perform the required service shall not be paid unless the Company then has other work available. If the Driver is assigned other work, he shall only be paid for actual hours worked.

Section 3: Employee Responsibilities:

- a. An employee who is ill for more than one day must notify his Project Manager or designee every day unless he is told otherwise. The Company reserves the right to require notification from a physician before returning the employee to duty.
- b. Unless otherwise instructed, employees are required to attend safety meetings as part of their job. Since safety meetings are considered a part of the job, the rules regarding attendance will apply to attendance at safety meetings.
- c. If employees' overall absenteeism is excessive or there is an established pattern of abuse, such employees will not be retained. Employees are expected to manage their time off and schedule dental, routine medical exams and other such personal business during their off time. Therefore, an employee who is absent repeatedly or whose absences follow a pattern of unacceptable absenteeism may be subject to disciplinary action.
- d. Employees are responsible for maintaining their current licensing and required certifications to operate Company vehicles on their own time.

ARTICLE 21 – HOLIDAY PAY

Section 1: All regular, full-time non-probationary employees shall receive pay for the following holidays: New Years' Day, Martin Luther King, Jr. Birthday, President's Day, Memorial Day, July 4th, Labor Day, Veteran's Day, Thanksgiving Day, and Christmas Day.

Section 2: Holiday pay shall be calculated at the employee's straight-time regular rate and will be based on the employee's regularly scheduled shift to a maximum of eight hours for full-time employees. Holiday pay shall not be counted as hours worked for the purpose of computing overtime. Employees who work on a holiday will receive their regular rate of pay for their time worked in addition to the holiday pay.

Section 3: In order to be eligible for holiday pay, an employee must work his/her last scheduled day before and the first scheduled day after the holiday. Employees on a leave of absence of any kind are not entitled to holiday pay.

Section 4: Eligible part-time employees will receive four (4) hours of pay for each holiday.

ARTICLE 22 – VACATION

Section 1 - Eligibility: All regular, full-time employees shall receive, after one (1) year of continuous full-time employment, paid vacation time off as further detailed in this Article.

Section 2 - Vacation Days: Employees who complete each (1) full year of continuous full-time employment shall receive the following vacation schedule: Forty (40) hours pay upon completing one (1) full year of continuous service, eighty (80) hours pay upon completing two (2) full years of continuous service, and one hundred twenty (120) hours pay upon completing five (5) full years of continuous service with the Company. One-hundred-sixty (160) hours pay upon completing ten (10) full years of continuous service with the Company. Vacation pay shall be calculated at the employee's straight-time regular hourly rate and will be based on the employee's regularly scheduled shift to a maximum of eight hours. Vacation pay will not be counted as hours worked for the purpose of computing overtime. If the Company were to utilize an alternative work schedule for this bargaining unit, then employees regularly working a four-day (approximately 10 hour per day) workweek would receive approximately ten (10) hours of pay.

<u>Completed Continuous Years of Service</u>	<u>Vacation Hours</u>
1	40
2	80
5	120
10	160

Section 3 – Vacation Use: For the purpose of this Article, full-time employees shall be mandated to schedule a minimum of one (1) week during Vacation Scheduling based on the employee's

allotment available for the upcoming year relative to his/her anniversary date. An employee may request the use of paid vacation time for other reasons such as sickness (if sick days have been exhausted) or other personal time off. If the days are used for sickness or personal time, all rules applying to adequate notice to the Company and attendance will apply, however, the employee will be paid for the day off out of his/her available unbid vacation allotment if the employee requests such payment on a Company provided form. If an employee is absent two days or more due to sickness, a doctor's note documenting the necessity of the days off may be required.

Employees will be required to take vacation in weekly increments unless approval of the Operations Manager is obtained in advance. If the employee requests to take vacation in less than one (1) week increments, available vacation may be taken in one (1) full working day at a time with the advance approval of the Operations Manager. No rollover of vacation days from one year to the next will be permitted. Employees are required to use all vacation during the appropriate vacation year. In the event an employee is denied a vacation request, any remaining vacation time shall be paid prior to their anniversary date.

Section 4 – Vacation Scheduling: Vacation scheduling shall be accomplished by posting a schedule each December for thirty (30) days for vacation time to be used in the following calendar year. Vacation bidding will be awarded by seniority; however, employees failing to bid will lose any seniority rights for subsequent vacation scheduling for that year. Any remaining vacation hours that are not bid by an employee during the vacation bid period will be granted by management on a first come first serve basis.

ARTICLE 23 – BEREAVEMENT LEAVE

Section 1 - Bereavement Pay Eligibility: A regular, full-time employee shall, upon written request, be granted up to five (5) days with pay and two (2) days without pay to attend the funeral of his/her current spouse, legal domestic partner, legal parent, legal child, sister, brother, grandmother or grandfather and grandchildren of the employee. Legal parents of the employee's current spouse shall also be covered as set forth above. The Company shall have the right to require proof of death of the relative and proof of attendance at the funeral or other documentation to substantiate the request for Bereavement Leave.

Section 2 - Bereavement Pay Calculation: Bereavement pay as provided in this Article shall be paid at the employee's straight-time hourly rate of pay and shall be paid for the number of hours comprising the employee's current schedule for each day up to a maximum of eight hours. If the Company were to utilize an alternative work schedule for this bargaining unit, then employees regularly working a four-day (approximately 10 hours per day) workweek would receive approximately ten (10) hours of pay.

Section 3 – Bereavement Extension: In the event an employee's vacation is interrupted by a funeral for a covered relative as set forth in Section 1 above, the employee's vacation may be extended up to an additional three (3) days due to the granting of the bereavement leave provided the Company's manager is notified prior to the start of the bereavement period.

Section 4 - Extended Unpaid Bereavement Leave: Employee may request additional days off, either unpaid bereavement leave, or pay leave from their vacation accrual or sick time, if available. Additional days will be with notification to immediate supervisor, during current paid bereavement leave status, and shall not count as unscheduled absence. Such request shall not be unreasonably denied.

ARTICLE 24 – INSURANCE: HEALTH AND WELFARE

Section 1 – Medical Insurance: All employees are required to complete the ninety (90) day probationary period per Article 3, Section 1: Probationary Employees prior to receiving any fringe benefits under this Agreement. For the purpose of medical insurance benefit eligibility only, full-time employees shall be eligible for medical insurance the first of the month following sixty (60) days of employment with the Company. To be considered full-time for the purpose of medical insurance eligibility only, employees must maintain the required number of hours worked under the ACA. Employees will receive payroll deductions for any premium contributions required under this Article, if applicable.

Full-time employees as defined in this Article are eligible to enroll in the following plans:

ProMed Access Plan

The Company will contribute to the medical coverage for eligible full-time employees enrolled in the ProMed Access plan design. The Company shall pay up to the following amounts for each respective coverage level, towards the premium for eligible, full-time employees who participating in the ProMed medical plan.

- ***Employee Only:*** ***\$175.00***
- ***Employee + Spouse:*** ***\$350.00***
- ***Employee + Child:*** ***\$275.00***
- ***Employee + Family:*** ***\$450.00***

This plan shall be administered in accordance with the respective ProMed Plan provisions, it being understood that the Company in no manner is associated with the administration or application of the plan and will incur no penalty as a result of the plan.

The Company will adhere to a maximum flat rate contribution of four hundred seventy-five dollars (\$475) for the life of the agreement. Any increases to the cost of the plan will be the responsibility of the employee if the amount exceeds four hundred seventy-five dollars (\$475). If the premium cost of the employee's elected coverage level is less than \$475, the Company will cover entire cost of medical premium, but no more than the amount designated for the employee's coverage level.

Company Medical Plans

The Company will provide a medical coverage option for eligible full-time employees enrolled in the general rule plans administered by the Company. The Company shall pay the following

amounts for each respective coverage level towards the premium for eligible, full-time employees who participating in these plans:

- ***Employee Only:*** ***80% Company/20% Employee***
- ***Employee + Spouse:*** ***60% Company/40% Employee***
- ***Employee + Child(ren):*** ***60% Company/40% Employee***
- ***Family:*** ***60% Company/40% Employee***

The Company will adhere to these contributions for the life of the agreement.

Section 2 – Dental and Vision Insurance: Full-time employees as defined in Article 24, Section 1 for the purpose of benefits only, shall be eligible for the Company's group dental and group vision insurance plans the first of the month following sixty (60) days of continuous, full-time employment. The monthly premiums shall be the responsibility of the participating employee.

Section 3 – Life and AD&D Insurance: Regular full-time employees with in the bargaining unit shall be eligible to participate in the Company's group life insurance and accidental death and dismemberment insurance plan consistent with all the Plan's provisions. The premium for this benefit will be paid by the Company. The amount of insurance in effect will be \$10,000.

Section 4 – Cost-Efficient Plans: During the term of this Agreement should either party become aware of a more cost efficient medical, dental or vision plan, the parties agree to discuss the possibility of making a conversion prior to the expiration of this Agreement.

Section 5 – Excise Tax: Should any insurance plan(s) required under this CBA subject the Employer to an excise tax or penalty under Federal or State law, the Employer shall have the right to terminate such plan(s), and the parties agree to re-open this CBA for the limited purpose of negotiating an alternative plan(s) that will not be subject to the excise tax or penalty.

ARTICLE 25 – RETIREMENT PLAN

The Employer hereby agrees to participate in the Teamsters National 401(k) Savings Plan (the "Plan") on behalf of all regular, full-time employees represented for purposes of collective bargaining under this agreement, and shall authorize the Plan to allow for participating employee, upon his/her request, to take loans on his/her contributions to the Plan.

The Employer will make or cause to be made payroll deductions from participating employee's wages in accordance with each employee's salary deferral election subject to compliance with ERISA and the relevant tax code provisions. The Employer will forward withheld sum to Prudential or its successor at such time, in such form and manner as required pursuant to the Plan and Declaration of the Trust (the "Trust").

The Employer will execute a Participation Agreement with the Trustees of the Plan evidencing Employer participation in the Plan effective prior to any employee deferral being received by the Plan.

ARTICLE 26 – ADDITIONAL PAYMENTS

Section 1 - Attendance at Safety Meetings: The Company will pay employees for attending the mandatory safety meetings during the course of their regularly scheduled shift. If the meeting exceeds the employee's regular shift time, he/she will be paid actual time for the remainder of the meeting. In the event an employee is required to attend a safety meeting on a day or time that the employee is not scheduled to work, said employee shall be paid a minimum of two (2) hours or the length of the meeting whichever is greater.

Section 2 – Overtime: Time and one half shall be paid for all hours actually worked in excess of eight (8) hours per day or forty (40) hours per week to the Road Supervisor classification, but there shall be no pyramiding of overtime payments. If the Company were to utilize an alternative work schedule for this bargaining unit, then employees regularly working a four-day (approximately 10 hours per day) workweek schedule shall be paid overtime pay after working in excess of ten (10) hours per day or forty (40) hours per week.

Section 3 – Call Back Pay: An employee who is called back to work following the completion of his regularly scheduled work and who has left the Company's property will be paid two hours regular pay or provided a minimum of two hours work at the Company's discretion.

ARTICLE 27 – WAGES

Section 1 – Road Supervisor Wage Scale: Effective upon ratification, all current Road Supervisors will be red-circled into the below listed wage scale (a), and be in effect beginning January 1, 2024 and will progress to the right as noted on scale.

Road Supervisors will step horizontally to the right on January 1, 2024, July 1, 2024, January 1, 2025, and January 1, 2026, on the scale as indicated by the arrows below:

a.

Road Supervisors (Red Circled)						
01/01/24		07/01/24		01/01/25		01/01/26
\$ 20.60	→	\$ 24.00	→	\$ 25.17	→	\$ 26.40

Effective upon ratification, all New Road Supervisors who are promoted from within the El Centro Location or transfer from another First Transit (Transdev) location or are hired from outside the company, beginning January 1, 2024, will be placed on the below listed wage scale (b), based on years of experience as a Road Supervisor:

b.

New Road Supervisors (Effective 01/01/2024)					
		01/01/24		01/01/25	01/01/26
0-1		\$ 20.60		\$ 21.63	\$ 22.71
2-3		\$ 21.32		\$ 22.39	\$ 23.51
4-6		\$ 22.07		\$ 23.17	\$ 24.33
7-9		\$ 22.84		\$ 23.98	\$ 25.18
10+		\$ 23.64		\$ 24.82	\$ 26.06

Effective January 1, 2024, New Road Supervisors obtaining a milestone in service years during the year, will receive their new wage increase on their company seniority date. For example, if a Road Supervisor with three (3) years of service as a Road Supervisor and an hourly rate of \$21.32 obtains four (4) years of service with the company on May 1, 2025, they will receive an increase to \$23.17 effective the first pay period following May 1, 2025.

Section 2 – Transfers to Bargaining Unit:

Road Supervisors who transfer from another First Transit (Transdev) location will retain their years of service for the purpose of establishing fringe benefits (i.e., Vacation, Insurance, etc.) and will be placed on the correct wage scale range, as noted in (b) above, based on years of experience as a Road Supervisor.

All transfers from other First Transit (Transdev) locations or between classifications (i.e., promote from driver to Road Supervisor) at the El Centro location will go to the bottom of the seniority list for location seniority and bidding purposes.

ARTICLE 28 – SICK LEAVE

All employees, full and part time, who have completed the ninety (90) day probationary period shall receive **40** hours (**five (5)** workdays at eight (8) hours per day) of paid sick leave. After completion of the probationary **period** employees will have the **40** hours available for their use, and these sick days will renew on the employee's anniversary date with the Company the following year. If an employee has not used his or her sick days before the employee's anniversary date, the employee may bank the remaining sick days up to six (6) days to use in the following anniversary year. Employees may not cash out sick days upon resignation or termination from the Company. Employees are required to give notice to the Company when taking a sick day.

The parties agree to follow the rules and regulations in accordance with the Healthy Workplace Healthy Families Act of 2014.

The parties acknowledge that if the California sick leave law is repealed or modified, the parties will reopen this Article.

ARTICLE 29 – MEAL AND REST PERIODS

Section 1 – Rest Periods: Every employee shall be entitled to take an uninterrupted ten (10) minute net rest period during each four (4) hour block of work or major fraction thereof during the course of the employee's shift, which shall be paid time. The rest period may include periods when the employee is on his/her route but the employee is not required to operate or remain in the vehicle. If the Company prohibits the employee from taking such rest period(s) during the course of the employee's shift, the employee shall be entitled to be paid for one (1) hour at that employee's regular hourly rate of pay, provided that any claim or the denied rest period must be made in writing to the appropriate supervisor within 24 hours of the end of the shift in which the rest period was denied.

Section 2 – Meal Periods: Every employee who is scheduled for and works a work period of more than six (6) hours shall be provided with an uninterrupted meal period for a minimum of thirty (30) minutes beginning before or at the commencement of the fifth (5th) straight hour of the work period. If the employee is scheduled for and works a work period in excess of twelve (12) hours, the employee shall be entitled to a second meal period for a minimum of thirty (30) minutes. The meal period(s) shall be unpaid.

If the Company does not provide an employee with the meal period specified herein, the employee shall be entitled to be paid for one (1) hour at that employee's regular hourly rate of pay, provided that any claim for the denied meal period must be made in writing to the appropriate supervisor within twenty-four (24) hours of the end of the shift in which the meal period was denied.

Section 3: Employees are required to document their compliance with taking their rest and meal period(s) daily using a Company provided form and verified by employee's signature at the end of their shift. Any dispute concerning the taking of rest periods and/or meal periods, or lack thereof, is subject to the grievance and arbitration procedure.

ARTICLE 30 - TERM OF AGREEMENT

Section 1: This Agreement shall be in effect from date of ratification and shall remain in effect until December 31, 2023, and shall continue in full force and effect from year to year thereafter unless either party hereto notifies the other party, in writing, on a date not less than sixty (60) nor more than seventy-five (75) days prior to the expiration date of the Agreement or the appropriate expiration date of any extension hereof, of its desire to amend or terminate this Agreement.

Section 2: If the parties have not reached an agreement by the end of the contract term or any extension thereof, all the provisions of the Agreement shall remain in full force and effect unless either party shall give a seventy-two (72) hour written notice of termination. All provisions of this Agreement shall remain in full force and effect until the specified time has elapsed. During this period, both parties shall continue in good faith in their efforts to reach an Agreement.

Section 3: Subject to all provisions of the immediately preceding paragraph 2 of this Article, should the Union Elect to take economic action against the Company, all the provisions of the Agreement shall remain in full force and effect unless the Union gives the Company an additional seventy (72) hour written notice of their intent to use economic action. Such action, if used must be lawful and must not impair the Company's obligation to provide transit services to the Client or any other areas in which service is provided. Such notice shall state the date and the hour such action will commence. All provisions of this Agreement shall remain in full force and effect until the specified time has elapsed. During this period, both parties shall continue in good faith in their efforts to reach an agreement.

Section 4: The parties hereby also agree that in the event of the re-negotiation of this Agreement as provided for above, a natural site will be selected for such negotiations and the costs, fees and expenses of the said facility and conference room will be equally shared between the Company and the Union, otherwise each party shall bear its own expenses.

IN WITNESS WHEREOF, the parties above-named have signed their names and affixed the signatures of their authorized representative on the ____ day of _____, _____.

FOR THE UNION:

Name

Title

Signature

Name

Title

Signature

FOR THE COMPANY:

Name

Title

Signature

Name

Title

Signature

LABOR AGREEMENT

BETWEEN



EL CENTRO, CALIFORNIA

and

TEAMSTERS UNION LOCAL 542



EFFECTIVE

January 1, 2023 through December 31, 2025

Table of Contents

AGREEMENT	3
ARTICLE 1 – RECOGNITION.....	3
ARTICLE 2 – COOPERATIVE EFFORTS	3
ARTICLE 3 – DEFINITION OF EMPLOYEES.....	4
ARTICLE 4 – MANAGEMENT RIGHTS.....	5
ARTICLE 5 – SEPARABILITY	6
ARTICLE 6 – FULL NEGOTIATIONS AND COMPLETE AGREEMENT	6
ARTICLE 7 – REPRESENTATION	6
ARTICLE 8 – NO STRIKES OR LOCKOUTS	7
ARTICLE 9 – NON-DISCRIMINATION.....	8
ARTICLE 10 – GRIEVANCE AND ARBITRATION	8
ARTICLE 11 – TERMINATION OF TRANSPORTATION SERVICES CONTRACT	10
ARTICLE 12 – UNION SECURITY AND CHECK-OFF	10
ARTICLE 13 – DISCIPLINE	11
ARTICLE 14 – SAFETY	12
ARTICLE 15 – OPERATIONAL REQUIREMENTS	13
ARTICLE 16 – MAINTENANCE EMPLOYEES	14
ARTICLE 17 – DRUG AND ALCOHOL TESTING	16
ARTICLE 18 – LEAVES OF ABSENCE	16
ARTICLE 19 – SENIORITY	17
ARTICLE 20 – ATTENDANCE	19
ARTICLE 21 – HOLIDAY PAY	20
ARTICLES 22 – VACATION PAY	21
ARTICLE 23 – BEREAVEMENT LEAVE	22
ARTICLE 24 – INSURANCE: HEALTH AND WELFARE.....	23
ARTICLE 25 – RETIREMENT PLAN	24
ARTICLE 26 – ADDITIONAL PAYMENTS.....	24
ARTICLE 27 – WAGES.....	25
ARTICLE 28 – SICK LEAVE.....	27
ARTICLE 29 – MEAL AND REST PERIODS.....	27
ARTICLE 30 – WORK WEEK/PAYROLL.....	28
ARTICLE 31 – CHOICE OF WORK ASSIGNMENTS	28
ARTICLE 32 – EXTRA WORK	30
ARTICLE 33 – TERM OF AGREEMENT	30

AGREEMENT

This Agreement entered into by and between Transdev/First Transit, Inc. facility located at 792 East Ross Road, Suite B, and 1103 Industry Way, El Centro, California 92243, hereinafter referred to as "Company" and Teamster Local No. 542 of San Diego and Imperial Counties, hereinafter referred to as "Union."

ARTICLE 1 - RECOGNITION

The Company recognizes the Union as the collective bargaining representative with respect to mandatory subjects for bargaining which are wages, hours and other working conditions for all employees in the work classification s set forth in this Agreement as deemed appropriate January 14, 2008 by the National Labor Relations Board in Case No. 21-RC-20998.

Whenever used in this Agreement , the term "employees" shall mean all non-probationary regular full-time and regular part-time drivers, technicians/mechanics and utility/washers employed by the Company at its facility located at 792 B East Ross Road and 1103 Industry Way, El Centro, California 92243; excluding all other employees, office clericals, guards, dispatchers and supervisors as defined under the National Labor Relations Act, and any other employees not specifically set forth in the aforementioned National Labor Relations Board Certification.

For purposes of this Agreement, whenever the term he, his, him or any other male term appears, it is understood to include the female as well.

ARTICLE 2 - COOPERATIVE EFFORTS

The Company and Union agree to mutually cooperate in their efforts to promote harmony and efficiency among all the Company's employees.

It is recognized that the Company and its employees are obligated to perform essential public services and that these services must be continuously performed in a courteous, on-time, competent, efficient and safe manner.

This Agreement has at its purpose the establishment of an equitable and peaceful procedure for the resolution of differences, the promotion of economical transportation services, and the settlement of disputes.

The Company agrees to treat each employee fairly and with dignity and respect at all times.

All current drivers must be equally and fully credentialed to operate all modes of transportation within three (3) months from the date of ratification. Time limits for obtaining these credentials may be extended by mutual agreement of the Company and the Union on a case-by-case basis.

Note: Drivers who fail to become fully credentialed as mentioned above may be subject to termination of employment.

At the conclusion of this 3-month period or when drivers are fully credentialed, there will be a special one-time bid for all drivers.

All new hires will be equally and fully credentialed to operate all modes of transportation.

ARTICLE 3 - DEFINITION OF EMPLOYEES

Section 1 - Probationary Employees: Effective with the ratification of the Agreement, an employee, who has never accrued seniority under this Agreement, or an employee rehired after termination, shall be in probationary status until he/she has completed ninety (90) calendar days. Employees who are serving their probationary period shall not have access to the grievance procedure and may be disciplined or discharged at the sole discretion of the Company. When an employee who has successfully completed his initial introductory period with the Company subsequently moves to a job classification outside of the bargaining unit, he shall serve a trial period of up to ninety (90) calendar days without losing his seniority.

Section 2 – Regular and Full-Time Employees: As of the date of ratification of this agreement, classification of employees is defined herein as follows:

A regular full-time employee is defined as an employee regularly schedule to work thirty-five (35) hours or more in a workweek.

A regular part-time employee is defined as an employee regularly schedule to work less than thirty-five (35) hours in a workweek. From time to time, regular part-time employees may be required to work more than thirty-five (35) hours to meet service demands or in unusual situations.

For the purpose of medical insurance benefits only, a part-time employee is eligible to enroll in the insurance benefits offered to full-time employees if the employee is regularly worked an average of thirty (30) or more hours per week or an average of one-hundred-thirty (130) hours per month. Part-time employees who regularly work an average of more than thirty (30) hours per week or an average of one-hundred-thirty (130) hours per month shall be offered health insurance coverage that meets the requirements of the ACA. The Company shall conduct an audit of hours worked for part-time employees in order to establish eligibility in compliance and in accordance with ACA guidelines. No other fringe benefits will be extended to employees who do not meet the definition of Full-Time Employee stated above.

In the event a part-time employee works more than thirty-five (35) hours in a work week (including Sundays) for four (4) consecutive week periods, the most senior part-time employee in the department will be offered a full-time position, and said full-time position shall continue to be offered by seniority until the full-time position has been filled.

If a regular part-time employee filling in for a full-time employee due to vacation, sick leave, paid time off, FMLA, workman's compensation, family leave, etc., this time shall not be counted toward the six (6) consecutive week work period referenced in (d) of this provision.

ARTICLE 4 - MANAGEMENT RIGHTS

Section 1: The Company retains, solely and exclusively, all the rights, powers and authority which is exercised or possessed prior to the execution of this Agreement, except as specifically amended by an express provision of this Agreement. Without limiting the generality of the foregoing, the rights, powers and authority retained solely and exclusively by the Company and not amended by this Agreement include, but are not limited to the following: to manage, direct, and maintain the efficiency of its business and personnel ; to manage and control or eliminate jobs and operations in whole or in part; to discontinue and/or subcontract work for economic or other reasons; to direct the work force; to increase or decrease the work force and determine the number of employees needed; to hire, transfer, promote, demote, suspend, discharge and maintain the discipline and efficiency of its employees; to lay off employees; to establish operating standards, schedules of operation and work load; to specify or assign work requirements and require overtime; to assign work and decide which employees are qualified to perform work; to adopt reasonable work rules (the union will be given an opportunity to review new work rules prior to implementation) and rules of conduct, appearance and safety and penalties for violations thereof, and amend these rules from time to time; to determine the type and scope of work to be performed and the services to be provided; to determine the methods , processes and means and places of providing services; to adapt, install, or operate new equipment or technological innovations and/or operations; to determine the location and relocation of operations and to effect technological changes. Nothing contained in this Agreement is intended or shall be construed as a waiver of any of the usual inherent and fundamental rights of management whether the same has been exercised heretofore or not. It is further agreed that the above detailed enumeration of management's rights shall in no way be deemed to exclude any other management prerogatives that may not have been specifically enumerated herein.

Section 2 - Client Contract to Prevail: The relevant portions of the contract between the Company and its customer under which an employee of the Company performs work shall be incorporated by reference into this Agreement, to the extent only that such provisions impose terms, conditions or requirements upon the Company and/or its employees that are not required under the terms of this Agreement. In a situation in which a provision of this Agreement is in conflict with any of the provisions of said contract or the directives of the customer, the relevant portions of said contract or the customer directives shall prevail for all purposes. Nothing in this Section shall be construed as subjecting any of the terms of the Company's contract to the Grievance and Arbitration provisions of this Agreement, nor shall anything in this Section be construed as granting any rights or authority to the union to negotiate any of the terms of said contract, this being the sole and exclusive right of the Company.

Section 3: All employees of the Company are employed subject to the consent of the Company's Client. Should the client consent be denied or withdrawn, the employee must be discharged Such discharge shall be subject to the grievance subject to the Company trying to find an alternative opening for which the employee may then be qualified if the circumstances giving rise to the possible discharge do not preclude such provision but excluding arbitration.

Section 4 - New Work Clause: The Company shall have the right to amend any of the provisions of this Agreement as it deems necessary to successfully bid for and obtain new work in addition to that work being performed by the bargaining unit employees on the effective date of this Agreement. The Company will meet with the Union to discuss such amendments. An employee

becoming a member of the bargaining unit as the result of this new work shall be covered by all the terms and conditions of this Agreement except those which may have been amended as provided in this Article. The union agrees to cooperate in assisting the Company in obtaining such new work.

ARTICLE 5 - 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 Article, Section or portion thereof. Neither party shall be under any obligation to renegotiate any Articles, Sections or portions of this Agreement which are not affected by such decision. It is specifically understood that all unaffected contract language shall remain in effect.

ARTICLE 6 - FULL NEGOTIATIONS AND COMPLETE AGREEMENT

Section 1 – Full Negotiations: The Company and the Union acknowledge that during negotiations which resulted in this Agreement, each party had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed from law from the area of collective bargaining and that the understandings and agreements arrived at by the parties after the exercise of their respective rights and opportunities are fully set forth in this Agreement.

Section 2 – Past Practices: Any practices occurring subsequent to the effective date of this Agreement shall not be evidence or be used to establish a practice binding in any way upon the Company, unless expressly agreed to as such in a writing executed by the parties hereto.

Section 3 – Complete Agreement: Based upon Sections 1 and 2 of this Article, as well as the understandings and agreements expressly set forth in this Agreement, it is understood and agreed that this Agreement fully and completely sets forth all existing understandings and obligations between the parties, that it constitutes the sole and entire existing agreement between the parties, and that there are no understandings or agreements by the parties which are not expressly set forth in this Agreement.

Section 4 – Waiver of Bargaining During Term: The Company and the Union, for the term of this Agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated, to bargain collectively with respect to any subject, matter or practice not specifically referred to or covered by this Agreement, and the effects of any change made during the term of this Agreement, which is not prohibited by the Agreement. Both parties, on their own behalf and on behalf of their respective employees and members, waive any past and future claims or demands during the term of this Agreement.

ARTICLE 7 - REPRESENTATION

Section 1 – Union Steward:

Recognition of Union Steward: The union will designate and the Company will recognize three (3) Union Stewards from the bargaining unit. The Company shall not be required to recognize any

employee as a Union Steward unless the Union has informed the Company, in writing, of the employee's name. The Union may remove a Steward at any time in keeping with its right of designating stewards.

Union stewards shall not exceed the following duties and responsibilities: Investigating and processing grievances in accordance with the provisions of this Agreement; transmitting official union messages and information pertinent to this Agreement; representing employees in meetings called by the Company if the employee(s) so request. Stewards shall not make any decisions that conflict with the specific terms and provisions of this Agreement.

Compensation of Union Steward While Engaged in Union Activity: The Union Stewards shall not be compensated by the Company for their duties as the Union Stewards and shall perform such duties during the times when they are not scheduled to work for the Company.

Section 2 – Distribution of Union Literature: The Company will provide space for the Union to place a locked bulletin board, which shall be used by the Union for posting of official notices, meetings and other matters pertinent to the Union. The Union 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 Union business. The Union also agrees that no inflammatory, offensive or derogatory notices or materials related to the Company or its Customers will be posted on the bulletin board.

Section 3 – Union Visitation: Upon reasonable prior notice to the Company's General Manager or Operations Manager, a representative of the Union will be allowed access to Company's premises for the purpose of investigating or adjusting an actual grievance and conducting other authorized union business. The Union representative 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.

Section 4 – Union Business Leave: Upon written request and approval by the Company, an employee designated by the Union to serve in a capacity on official union business shall be granted leave without pay for up to a maximum of ninety (90) consecutive days and can be extended by mutual agreement between the union and management. During the period of such leave, the employee shall continue to accrue seniority as defined in Article 18 of this Agreement. This provision is limited to a maximum of two employees being on such union business leave at any given time.

ARTICLE 8 - NO STRIKES OR LOCKOUTS

Section 1 – No Strikes or Lockouts: During the term of this Agreement, or any extension thereof, (a) neither the Union nor its members will, directly or indirectly, cause, encourage, sanction, condone, assist in or participate in any strike, work stoppage, slowdown, picketing, any activity designed to inhibit the Company in the performance of its obligations to its Client or boycott against the Company and, (b) there will be no lockouts by the Company provided that the employees or the union do not engage in activity which requires the Company to take such action.

Section 2 – Discipline for Violation of Section: The failure or refusal on the part of any employee to comply with the provisions of Section 1 of this Article shall be cause for immediate discipline, including discharge. If any conduct prohibited by this Section occurs, the Union shall immediately do everything within its power to terminate such conduct. Grievances pertaining to the discipline under this Article shall not be subject to the arbitration procedure provided for in this Agreement. In the event disciplinary/discharge action is administered to an employee for refusal to cross a Teamsters Joint Council 42 sanctioned picket line, the matter will be reviewed prior to initiating such discipline/discharge due to possible mitigating circumstances being present.

Section 3 – Liability: The Company agrees that the Union shall not be financially liable to the Company as a result of any violation of this Article by an employee or group of employees if the Union has: (a) taken every reasonable means to terminate any such acts by the employees or any of them, (b) promptly and publicly declared that such conduct is unauthorized and directed such employees to return to work or to cease any other acts in violation of this Article, and (c) not directly or indirectly assisted, encouraged, or condoned such activity by such employees.

ARTICLE 9 - NON-DISCRIMINATION

There shall be no discrimination by the Company or the Union of any kind against any employee on account of race, color, ancestry, political belief, sexual orientation or preference, religion, sex, marital status, national origin, age, physical or mental disability, medical condition, citizenship, military status, genetic information/characteristics, gender identity, pregnancy, membership in or activity on behalf of a labor organization as provided by law, or other protected characteristic pursuant to applicable law. Both parties are permitted to take all action necessary to comply with all applicable federal, state and local laws and regulations, including any new laws and regulations enacted during the term of this MOU.

ARTICLE 10 - GRIEVANCE AND ARBITRATION

Section 1 – Grievance Procedure: In the event of a dispute or grievance between the Union or an employee and the Company over the application or interpretation of this Agreement, the Union and the Company agree that the procedure outlined below shall be the exclusive remedy for such disputes:

- Step One: Within seven (7) working days (Monday through Friday) from the date a non-probationary employee knew, or by reasonable diligence could have known, of the alleged occurrence, the aggrieved employee through the union shall file a written statement of the grievance with his Department Manager. 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. This statement must be signed by the aggrieved employee and his representative. The Department Manager or his designee shall render a written decision within seven (7) working days from the conclusion of the hearing.
- Step Two: Within seven (7) working days following Step One, the employee and union may request in writing a hearing with the General Manager or his designee.

The request must be in writing and presented to the Company. The hearing shall be held within a period of ten (10) working days from receipt of the request. The General Manager or his designee shall render a written decision within seven (7) working days from the conclusion of the hearing.

- Step Three: Within seven (7) working days following Step Two, the employee and union may request in writing a hearing with the Regional Vice President or his designee. The request must be in writing and presented to the Company. The hearing shall be held within a period of seven (7) working days from receipt of the request. The Regional Vice President or his designee shall render a written decision within seven (7) working days from the conclusion of the hearing.

Section 2 – Grievance Mediation: If the grievance is not resolved in the written response provided for in Step three, and if the parties have processed the grievance in strict adherence with the express time limits set forth in this Article, the Union may request the unresolved grievance be submitted to a mediation. The request for mediation must be in writing and sent to the Company via certified mail (return receipt requested). Such filing must take place within seven (7) working days from receipt of the final decision from the Company.

The Mediator will be selected from the closest Federal Mediation and Conciliation Service office. The Mediator shall attempt to facilitate a settlement of the subject grievance.

The Mediation process is intended to settle the grievance and is specifically designed to minimize the need to resort to arbitration. Therefore, the parties agree to promote a settlement of the grievance and in so doing will be constrained by the limits and terms of this Agreement. If a settlement is agreed upon by the parties it shall be set forth in writing and will be duly signed by all the authorized representatives of the parties. Such settlement will fully and completely resolve the grievance and the grievance shall not proceed to arbitration.

Section 3 - Grievance Arbitration: In the event the Mediation is not successful and if the parties have processed the grievance in strict adherence with the express time limits set forth in this Article, the Union may file for arbitration. The request for arbitration must be in writing and sent to the Company via certified mail (return receipt requested). Such filing must take place within seven (7) working days from receipt of the final decision from the Company.

The arbitrator shall be appointed by the Company and the Union by whatever means both agree to or from a panel of seven (7) arbitrators requested from the Federal Mediation and Conciliation Service or the American Arbitration Association who are members of the National Academy of Arbitrators. If a panel is obtained from the Federal Mediation and Conciliation Service or the American Arbitration Association, selection shall be made within thirty (30) working days of receipt of said list, with the order of striking being determined by lot.

The jurisdiction and authority of the arbitrator and his/her opinion and award shall be confined exclusively to the interpretation and/or application of the provision(s) of this Agreement at issue between the Union and the Company. He shall have no authority to add to, detract from, alter, amend, or modify any provision of this Agreement. The arbitrator shall have no authority to accept for submission or render an award in a grievance in which the specific procedures of this Article,

including the express time limits at each step, have not been adhered to. The arbitrator shall not hear nor 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, the Union and the Company provided it complies with the provisions of this Article.

The costs, fees and expenses of the arbitrator and hearing room will be equally shared between the Company and the Union, otherwise each party shall bear its own expenses.

Section 4 - Extension of Time: Any notice of grievance, request for hearing and/or notice of mediation or arbitration, which does not comply with the time and procedural requirements as stated above, shall be deemed waived and abandoned by the party failing to comply with such requirements, unless the parties mutually agree in writing to extend or waive any of the time limitations.

ARTICLE 11 - TERMINATION OF TRANSPORTATION SERVICES CONTRACT

If the transportation services contract between the Company and its Client terminates for any reason, the rights and obligations of this Agreement shall also terminate at that time, provided that the parties to this Agreement shall continue to resolve disputes pending at the time of termination, up to and including arbitration.

If the Client awards the services now provided by the Company to another provider, the Company will notify the Union of the name and address of such other provider, if known.

Nothing in this Agreement is intended nor shall be construed to change, limit, modify, restrict or in any manner alter the duties or obligations owed by the Company to the Client nor the rights and privileges of the Client under the transportation services contract referenced herein.

ARTICLE 12 - UNION SECURITY AND CHECK-OFF

Section 1 – Union Membership: It shall be a condition of employment for all employees of the Company covered by this Agreement who are members of the union in good standing on the effective date of this Agreement, shall remain members in good standing and those who are not members on the effective date of this Agreement shall, by the thirty-first (31st) day following the effective date of this Agreement become and remain members in good standing in the union. It shall also be a condition of employment that all employees covered by this Agreement hired on or after its effective date shall, by the thirty-first (31st) day following his date of hire, become and remain members in good standing in the union.

Section 2 – Suspension: An employee in the bargaining unit who fails to maintain membership or payment of initiation fees, assessments or dues shall be suspended by the Company upon receipt of written notice and demand from the Union. Such suspension shall be affected within fourteen (14) working days of receipt of such notice.

Section 3 – Check-Off: Upon receipt of a written authorization, signed by an employee covered by this Agreement, or an appropriate legally acceptable form furnished by the Union, the Company agrees to deduct bi-monthly from the first and second check of such employee in each calendar month and pay to the Union his initiation fee, regular monthly dues and/or uniform assessments. Deduction of dues shall in all cases be made from the first day in each calendar month immediately following the date of receipt of such authorization by the Company. The Company further agrees that it will deduct the prescribed initiation fee in four equal bi-monthly payments from all new hires. Remittance of these check-off payments to the Union shall be made twice a month, within five days following each deduction in a calendar month for which such deductions are made and a list of employees for whom payment is made, the amount paid and their Social Security numbers shall accompany such payment. The Union accepts full responsibility for obtaining check-off authorization from its members and delivering such authorizations to the Company.

The payment of such deducted dues by the Company to the Union shall relieve the Company of any and all responsibility and obligation to the Union and to the employees for the monies collected and paid. The Union will indemnify and save the Company harmless against any and all claims, demands, suits or other forms of liability that may arise out of or by reason of action taken or not taken by the Company for the purpose of complying with any of the provisions of this Article in reliance on any list, notice or authorization provided by the Union hereunder.

The Company shall notify the union of all new employees hired within the pay period in which the employee is hired. The notification of the Company to the union shall be in writing and will indicate the new employee's name, address, social security number, date of hire and classification.

The deductions and remittances to the Union herein provided shall be made by the Company only to the extent and as long as it shall be legal for the Company to make such deductions under any applicable Federal law or law of the State of California and while it has proper written notice from each such employee, and while this Agreement remains in effect.

ARTICLE 13 – DISCIPLINE

Section 1: The parties agree that just cause shall be the basis for corrective disciplinary action it being understood that certain offenses and/or violations of Company rules and operating procedures may warrant termination for first offenses.

Section 2: The Company will furnish the affected employee and the Union with written notification of disciplinary action within ten (10) days of the cause giving rise to the discipline (however, an extension may be granted by mutual agreement between the company and the Union). The affected employee is required to sign such notification as acknowledgement of receipt of the notice.

Section 3 - Disciplinary Procedures: All disciplinary processes will be performed by the General Manager and/or Operations manager or their designee. The respective Company representative to whom the individual is required to report shall give a fair and impartial hearing to all employees. This requirement shall also include corrective interviews through the disciplinary process. When the employee is called into his/her immediate supervisor and advised of the violation and the discipline and an investigatory meeting is held, the employee may invoke their Weingarten Rights.

The meeting will not occur without the union representative present unless the employee elects not to have such person in attendance.

All investigatory meetings will be conducted on a day in which he/she is normally scheduled to work. If the employee is called in before their start time, the employee will be in paid status. If the employee requests the presence of a Union Representative, then this section also applies to the union representative.

In the event the Company determines disciplinary action is required, the parties agree that discipline should be on a progressive basis, except in serious violations of conduct rules such as, but not limited to, fighting, theft, willful destruction of property, possession of weapons, alcohol, drugs or explosives during working hours or on Company premises etc. or other such immediate terminable offenses as outline in the Employee Handbook. With the exception of a violation which is a serious infraction of a rule, policy or procedure, each infraction of a rule, policy or procedure shall result in progressive discipline as outlined herein. Serious infractions shall be cause for suspension or discharge without use of progressive discipline. Progressive discipline shall be as follows:

- First Violation: Verbal Warning depending upon severity of the offense
- Second Violation: Written Warning
- Third violation: One day suspension without pay
- Fourth Violation: Termination

Disciplinary actions will be removed from an employee's disciplinary record on a rolling twelve (12) month period except for safety violations in accordance with Article 14.

Section 4: Onboard GPS/Video Camera Systems: The Union recognizes the legitimate business purpose of the GPS, video, and other technology equipment onboard buses. The Union and the Company understand that this equipment is not to be used for surveillance and will not be reviewed without legitimate business purpose.

GPS, video, and other technology equipment will be considered only as supporting evidence along with other relevant facts for an alleged violation of Company rules or policies, not the sole generating source to administer discipline to employees.

ARTICLE 14 – SAFETY

Section 1 – Safety: The Company and the Union recognize that accident prevention work is essential to the operation of the Company's transportation system and that safety programs, safety meetings, and general incident/accident prevention work is mutually beneficial both to the Company and to its employees. The Union therefore agrees that it and the employees will not only cooperate with the Company in such safety work, but also will take an active part and interest in incident/accident prevention work. Accordingly, attendance at all safety meetings held and conducted by or for the Company will be mandatory for all employees.

All Company vehicles must be equipped with A/C and heating in passenger and driver areas. Employees shall not be required to operate vehicles that are in an unsafe condition or lacking in legally prescribed safety equipment. Accordingly, it shall not be a violation of this Agreement for employees to refuse to operate unsafe equipment, unless the refusal is unjustified. The General Manager shall make the determination of whether an employee is justified in refusing to operate a Company vehicle or piece of equipment.

Safety violations are considered a serious matter and fall below the Company's standard performance expectations. The Company and Union recognize that the Employee Handbook outlines some safety violations that are of such a serious nature that discharge is appropriate for the first offense. In the event a safety violation does not subject the employee to immediate termination, an employee will be terminated if he commits two (2) safety-related violations in twelve (12) months or three (3) in thirty-six months.

Section 1A – Cell Phone Use: At no time will the company require any employee to use their personal cell phone for business purpose/reason.

Section 2 – Accident Review Committee: As a supplement to the Accident Review Committee provisions outlined in the First Transit Employee Handbook:

- a. The Company will make the initial determination of accident preventability. A driver may choose to appeal the Company's determination that an accident was preventable to the Accident Review Committee (ARC).
- b. The ARC shall decide preventability issues only, and shall not determine discipline questions. Discipline rendered as a result of a decision that an accident was preventable is subject to the Grievance and Arbitration procedures of the labor agreement; however, the determination of the ARC may not be appealed.
- c. The ARC will be made up of equal numbers of bargaining unit members and non-bargaining unit members, and one (1) neutral party, who will be selected by the Company and the Union. The ARC will consist of five (5) persons. The Union shall have the right to select the bargaining unit members. An ARC member who has incurred a preventable accident within the prior twelve (12) months will not be eligible to serve on the ARC, and an alternate must be selected. ARC members will be compensated at their regular rate of pay for hearings and appeals. The Company and the Union may each elect to have an observer present.

ARTICLE 15 – OPERATIONAL REQUIREMENTS

In recognition and acceptance by the Union and the Company's employees, that the outstanding performance of employees covered under the Agreement is essential to ensure that all performance, quality, and safety standards are met on a consistent, ongoing and increasingly efficient basis, as determined by the Company, the following policies, principles and requirements shall be adhered to by all employees subject to the provisions of this Agreement:

The Company shall establish non-economic practices regarding hours and working conditions and, in doing so, may invoke those set forth in the Company's Handbook, which, if applied, shall be determinative as set forth therein, unless otherwise modified or amended by provisions of this Agreement. This Handbook, or any of its provisions, shall not be a subject for the collective bargaining process. As circumstances change, the Company may revise, supplement, or delete any policies or portions of this Handbook. This Handbook is not and should not be construed as a contract for employment.

- a. Employees will be required to wear the Company issued identification card, IPP booklet, and high visibility vest. These are provided at Company cost. Employees may, at their own discretion, wear the approved union pin which shall not exceed two (2) inches in diameter.
- b. The Company will continue to provide uniforms for employees covered by this agreement in keeping with established procedures.
- c. A part-time and full-time seniority list will be maintained and updated and posted every 4 months. The Company will post the updated seniority lists the first of each month on its bulletin board and shall furnish copies to the Union's designee. Employees who may disagree with their seniority date shall have up to fifteen (15) days from said posting to challenge their posted date, otherwise the posed date shall be considered accurate.
- d. Breakroom/Restrooms: A clean, separate area shall be provided for lunch and rest breaks, secluded from access by customers, with facilities to accommodate the number of employees using them. Whenever practical, the employee shall have access to the employee only restrooms.
- e. The Company will make available the training room at the Industry Way facility to employee as a break room. Employees will be allotted two (2) extra minutes to arrive at the Industry way facility and two (2) extra minutes to return to the Ross Avenue facilities. The use of the training room as a break room shall take precedence over any other Company use, with the exception of Safety Meetings.
- f. The Company will provide one (1) additional temporary port-a-potty. The Company will provide additional port-a-potties, if one (1) fails to be sufficient to handle the demand.

ARTICLE 16 – MAINTENANCE EMPLOYEES

The following provisions pertain to the Maintenance Department employees to the extent this Article modifies or amends provisions of this Agreement. All other provisions apply to maintenance employees unless indicated otherwise.

Section 1 – Technician Classifications:

Tech Level C: (Mechanic I – Low Level): Must obtain one (1) or two (2) certifications and one (1) must be either A5, H4, T4, S4 (Brakes).

Tech Level B: (Mechanic II – Mid-Level): Must obtain three (3) or four (4) certifications and two (2) must be A5, H4, T4, S4 (Brakes), plus, either H8, T8, (PM Inspection).

Tech Level A: (Mechanic III – High-Level): Must obtain a minimum of five (5) certifications and three (3) must be either A5, H4, T4, S4 (Brakes), plus, either H8, T8, (PM Inspection), plus A7, H7, T7, S7, (Heating and Air Conditioning).

If the company hires a Technician hereafter with no Automotive, Medium/Heavy Duty Truck, Transit Bus or School Bus ASE Certifications, that Technician must achieve at least one (1) Automotive, Medium/Heavy Duty Truck, Transit Bus or School Bus ASE not later than six (6) months from the date of hire. Time limits for obtaining ASE certifications provided for in this Article may be extended by mutual agreement of the Company and the Union on a case-by-case basis.

The technician level (A, B, C) qualifications defined above will be subject to and in accordance with to the ASE certification level descriptions established by the Company. All wage incentive/premium programs established by the Company that are associated with ASE accreditation will apply to the mechanics covered in this bargaining unit.

Section 2 – Workweek/Overtime:

- a. Overtime shall be paid for all hours worked in excess of eight (8) hours in a single workday or forty (40) hours in one (1) workweek. Vacation or other paid time off does not count as time worked for overtime purposes. Under no circumstances will time and-one-half (1 1/2) or premium time of any kind be paid more than once for the same hours, nor be cumulative.
- b. Overtime Rotation: All overtime work in the Maintenance Department shall be, as far as practicable, rotated among qualified and eligible employees according to classification seniority. Employees eligible for overtime shall not be passed for overtime until reasonable efforts to contact them have been made by the Company. Employees must be available to work during the times requested by the Company, or the employee shall be considered to have passed that opportunity to work overtime. A maintenance employee's consecutive hours shall not exceed twelve (12) hours except in emergencies.

Section 3 – Application Procedures: All maintenance vacancies covered by this Agreement will be posted on an appropriate bulletin board for five (5) days. The Company will give preference to internal qualified maintenance applicants before considering outside applicants for maintenance vacancies. Individual job changes ensuing from an application and offer shall be effective with seniority at the beginning of the next pay period, even though the employee involved may be required to perform work in a lower classification or on another shift until all job changes can be properly made. The Company will make a reasonable effort to make all job changes as quickly as possible.

Section 4 – Temporary Jobs: If an employee is off or will be off for at least thirty (30) days due to illness, accident, or leave, as provided elsewhere in this Agreement, his/her job may be posted as a temporary position. The individual awarded the temporary position will accrue seniority in that position only if the employee meets the job qualification requirements of that position or unless displaced, in which case no seniority loss shall occur in the previous classification. An employee may temporarily fill a position for another employee on extended leave.

Section 5 – Minimum Time in Position: Once bid and obtained, an employee must work in a specialized position for a minimum of one (1) year before they may bid for other positions.

Section 6 – Evaluation and Training: The Company will supply applicable training to Maintenance employees. This training program is designed to give employees an opportunity to become qualified for increased job responsibilities and higher classifications. The Company will pay employees for such training at their present rate of pay. The Company may adjust the employee's schedule so that he may attend such training.

Section 7 – General Bid: General shift bids will occur twice each year in the month of December to be effective the following January and in June to be effective in July. The bids will be governed by the provisions of this Article. If a vacancy in a job classification occurs between general bids, there will be a re-bid in that classification. General shift bids will be based on classification (level A, B, C) seniority. Before going on vacation, employees may leave with a Shop Steward conducting such bid a written authorization of their choice to bid on any job openings which may be posted during their absence.

ARTICLE 17 - 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. Such provisions are adhered to and expressly made part of the understandings reached by the Company and the Union during the negotiation of this Agreement.

ARTICLE 18 - LEAVES OF ABSENCE

Section 1 – Personal Leave: Unpaid leaves of absence of up to thirty (30) days may be granted at the Company's discretion, upon receipt of a written request from the employee stating the reason for the requested leave. Such request for leave must be provided a minimum of fourteen (14) days in advance of the leave and if so there will be no loss of seniority. During an approved leave, the employee shall be responsible for his share of insurance premiums. An employee who does not return to work at the conclusion of such approved leave or who engages in other employment while on such leave will be considered to have voluntarily resigned his employment with the Company.

Section 2 – Family and Medical Leave Act: The Company will comply with the provisions of the Family and Medical Leave Act of 1993. During an approved leave, the employee shall be responsible for his share of insurance premiums.

Section 3 – Military Leave: The Company will comply with the provisions of the Uniform Services Employment and Re-employment Act and other applicable Federal and State laws dealing with Veterans and Reservists re-employment rights.

Section 4 – Written Requests: A request for leave of absence or for an extension must be made in writing by the employee and approved in writing by the Company.

Section 5 – Requests for Leave: Requests for leaves of absences listed in this Article shall be made as far in advance as possible. Seniority shall accumulate during an approved leave of absence, however, time spent on leave of absence shall be without pay.

ARTICLE 19 – SENIORITY

Section 1 – Definitions of Seniority:

- a. Company Seniority shall refer to the length of an employee's continuous employment for First Transit, Inc. The Company seniority date shall be used for the purpose of establishing fringe benefit levels.
- b. Classification Seniority shall refer to the length of an employee's continuous employment for the Company within their job classification. This date may be the same as the Company seniority date if the employee has been in one classification during their service with the Company.
- c. The Classification seniority date shall be established as of the date the employee enters revenue service in their current classification. When more than one employee enters revenue service on the same date, seniority order will be established by drawing numbers. The employee with the highest number shall be listed first.
- d. Full time employees who resign their full-time status and revert to a part-time status shall lose all prior accrued full-time classification seniority and will begin accruing new part-time classification seniority from the commencement of his/her employment in part-time status.
- e. Part-time employees who accept full-time status shall lose all part-time classification seniority status and will begin accruing new full-time classification seniority from the commencement of his/her employment in that full-time status position.

Section 2 – Seniority Rank: Full-time seniority will outrank part-time seniority. If the Company determines that a full-time position is available, the position will be offered first to the most senior part-time employee who bids. If the employee declines the full-time position, the part-time employee will remain in his or her part-time seniority order. Full-time seniority will be established as of the date an employee enters the full-time seniority list.

Section 3 – Termination of Seniority: Seniority shall be broken and the employee will be considered terminated under the following conditions:

1. Discharge for just cause;
2. Resignation or other termination of service by voluntary act of the employee; or
3. No Call/no show for work for three consecutive days which shall be considered a voluntary resignation.
4. Failure to give notice of intent to return to work after recall within the time period specified in Section 6 of this Article, or failure to return to work on the date specified for recall, as set forth in the written notice of recall will be considered a voluntary resignation.

5. Except for layoff, time lapse of six (6) months since the last day of actual work for the Company, regardless of reason, unless such reason is protected by law.
6. Failure to return to work upon expiration of an approved leave of absence.
7. Layoff of a period of six (6) months.
8. Misuse of leave as a subterfuge, to accept employment elsewhere, or for a purpose other than stated upon request for leave.

Section 4 – Layoffs: If it become necessary to reduce the workforce, the employees with the least Company seniority will be laid off first. When the work force is increases, employees are to be returned to work in the reverse order in which they were laid off by Classification.

An employee who has been placed on layoff shall be given notice of recall via certified mail by the Company to the employee's last address on file with the Company. The employee must respond to such notice within seven (7) calendar days after receipt of notice, and return to work as directed in the notice. In the event an employee fails to comply within the preceding times, the employee shall lose all seniority rights under this Agreement and be considered to have voluntarily quit.

Section 5 – Posting of Seniority Rosters: Within thirty (30) calendar days of the signing of this Agreement, and quarterly thereafter, the Company will post a current seniority list and will forward to the Union a copy thereof which will also include employee's names, addresses, and their phone numbers, if authorized by the employees. Employees who may disagree with their seniority date shall have up to fifteen (15) days from said posting to challenge their posted date, otherwise the posted date shall be considered accurate.

Section 6 – Transfers: If an existing employee applies for a vacancy in another classification, the Company will consider the employee's application based on the employee's eligibility, experience and/or qualifications, before external candidates. If multiple employees apply for the position with the same eligibility, experience and/or qualifications, then, of those qualified employees, the Company will offer the position to the most senior employee.

If an existing employee is offered a position in a new classification, that employee shall go to the bottom of the applicable classification seniority list. The employee will maintain their Company seniority for the purpose of establishing years of service for fringe benefits. Employees will start at the entry level of the wage scale, if applicable, for the new classification, unless otherwise agreed to.

Employees who transfer from another First Transit location will retain Company seniority. Such seniority will be applicable for establishing years of service for fringe benefits. Drivers will be placed in the driver wage scale based on years of driving experience, but will go the bottom of the classification seniority list.

Section 7 – Transfers Into Bargaining Unit: Employees who transfer to the First Transit El Centro location from another bargaining unit shall be end-tailed into the bottom of the applicable seniority list based on their classification. Employees will retain their First Transit seniority.

Section 8: Upon mutual agreement between the employee and Company and prior to assigning

employees work opportunities at facilities outside of the First Transit El Centro Location service area, the Company must notify the Union as soon as possible to inform the Union of the terms of the assignment (for example: estimated duration of the assignment, location of the assignment, rate of pay, method of transportation to the assignment, mileage expenses, lodging accommodations, and per diem allotment, if such are applicable).

ARTICLE 20 – ATTENDANCE

Section 1 – Policy: Consistent and punctual attendance at work by employees is considered a condition of employment because it impacts the quality, employee morale and other areas of operating efficiency. If an employee is absent or late to work, others must become responsible to ensure that service to the community continues uninterrupted. The primary function of the Company is to provide safe, on-time and professional service to the community, and because small increments of time are so critical to the provision of service, it is imperative that employees are reliable and provide adequate advance notice when they are calling off. Employees are expected to report to work ready and on time in order to provide the highest quality transportation services possible. Therefore, the following attendance policy will be in effect, as per occurrence and applies to each employee:

ABSENCES WITHIN 90 DAY PERIOD

3rd	Written Warning
4th	Suspension
5th	Termination

NO CALL/NO SHOW

1 st	Written Warning
2 nd	Suspension
3 rd	Termination

TARDY

1 st	Verbal Warning
2 nd	Written Warning
3 rd	Suspension
4 th	Termination

Section 2 - Definitions:

- ABSENCE: Failure to report for work with notice given at least 1 hour prior to scheduled start time or failure to complete shift after you have reported.
- TARDY: Reporting to work after your scheduled start time. There is no grace period.
- NO CALL/NO SHOW: Failure to report absence or tardiness at least 1 hour prior to scheduled start time. Failure to call or show for 3 consecutive days will be considered as job abandonment and will result in your immediate termination.

This attendance policy will also pertain to any mandatory meetings.

Combinations of any 3 of the above within a 90-day period may result in the employee being placed on probation for 90 days. An unexcused absence, tardy or a no call/no show within this 30-day period will subject an employee to further disciplinary action up to and including termination.

A Driver who reports late for his scheduled shift and who has been replaced by another Driver in order to perform the required service shall not be paid unless the Company then has other work available. If the Driver is assigned other work, he shall only be paid for actual hours worked.

Section 3: Employee Responsibilities:

- a. An employee who is ill for more than one day must notify his Project Manager or designee every day unless he is told otherwise. The Company reserves the right to require notification from a physician before returning the employee to duty.
- b. Unless otherwise instructed, employees are required to attend safety meetings as part of their job. Since safety meetings are considered a part of the job, the rules regarding attendance will apply to attendance at safety meetings. Employees required by the Company to attend a safety meeting on a day they are not regularly schedule to work shall be compensated a minimum of two (2) hours, or the actual time spent in the meeting, whichever is greater.
- c. If employees' overall absenteeism is excessive or there is an established pattern of abuse, such employees will not be retained. Employees are expected to manage their time off and schedule dental, routine medical exams and other such personal business during their off time. Therefore, an employee who is absent repeatedly or whose absences follow a pattern of unacceptable absenteeism may be subject to disciplinary action.
- d. Employees are responsible for maintaining their current licensing and required certifications to operate Company vehicles on their own time.

ARTICLE 21 – HOLIDAY PAY

Section 1: All regular, full-time, non-probationary employees shall receive pay for the following holidays: New Years' Day, Martin Luther King, Jr. Birthday, President's Day, Memorial Day, July 4th, Labor Day, Veteran's Day, Thanksgiving Day, Christmas Day, and one (1) Personal Holiday. The Personal Holiday must be taken within the subsequent twelve (12) month period following the employee's seniority date. This personal holiday must be scheduled by mutual agreement between the Company and the employee. The employee must give at least two (2) weeks' notice to the Company of the day the employee intends to celebrate as a personal. The employee's Personal Holiday will be paid in eight (8) hour increments.

Section 2: An employee who works on a paid holiday shall be paid holiday pay in addition to his or her regular hours of work. An employee not scheduled to work on the holiday, shall be paid holiday pay. Holiday pay shall be based on the employee's regular workday, at either eight (8) or ten (10) hours depending on whether the employee works a five-day or four-day workweek. If the

eligible employee works a 10-hour, 4-day a workweek schedule, and the holiday falls on the employee's normally scheduled workday, the employee will be paid 10 hours of holiday pay at his regular rate of pay. However, if the holiday occurs on a day the eligible employee is not scheduled to work, the employee will receive 8 hours of holiday pay at his regular rate of pay. Holiday pay shall not be counted as hours worked for the purpose of computing overtime.

Section 3: It is understood that to be eligible for any of the above holidays, the employee must have worked their regular scheduled work day preceding the holiday, and the regular scheduled work day following the holiday, unless the employee obtains permission from the Company which will necessitate their working the preceding or following scheduled work day. If the employee has been previously granted intermittent FMLA, use of such allotted time will be considered certified by a doctor for the purpose of this section as long as it falls within the parameters of their FMLA leave.

Section 4: Eligible part-time employees will receive four (4) hours holiday pay.

ARTICLES 22 – VACATION PAY

Section 1 – Eligibility: All regular, full-time employees shall receive, after one (1) year of continuous full-time employment, paid vacation time off as further detailed in this Article.

Section 2 – Vacation Days: Employees who complete each (1) full year of continuous full-time employment shall receive the following vacation schedule: Forty (40) hours pay upon completing one (1) full year of continuous service, eighty (80) hours pay upon completing three (3) full years of continuous service, one hundred twenty (120) hours pay upon completing five (5) full years of continuous service with the Company, and one hundred sixty (160) hours pay upon completion of ten (10) full years of continuous service with the company after July 1, 2024. Those with more than ten (10) years' service on July 1, 2024, will receive a pro-rated amount based on the amount of time between July 1, 2024, their next anniversary date.

Employees who complete (1) full year of continuous full-time employment shall receive the following vacation schedule:

<u>Continuous Years of Service</u>	<u>Vacation Hours</u>
1	40
3	80
5	120
10	160

Section 3 – Vacation Use: Paid time off can be used for either sickness (on a case-by-case basis or other personal time. If the days are used for sickness, all rules applying to adequate notice to the Company will apply. If an employee is absent three days or more due to sickness, a doctor's note documenting the necessity of the days off may be required. Employees will be required to take vacation in weekly increments unless approval of the General Manager is obtained in advance. Vacation may be taken in one full day at a time with the advance approval of the General Manager, but shall not be taken in less than four (4) hour increments, unless otherwise approved by management and the employee follows the vacation request procedure. No rollover of vacation days from one year to the next will be permitted.

Section 4 – Vacation Scheduling: Vacation scheduling shall be accomplished by posting a schedule each December for thirty (30) days for vacation time to be used in the following calendar year. Vacation bidding will be awarded by seniority; however, employees failing to bid will lose any seniority rights for subsequent vacation scheduling. Any remaining vacation hours that are not bid by an employee during the vacation bid period will be granted by management on a first come first serve basis. Should two employees request the same time off on the same day, seniority will prevail, unless staffing permits awarding more than two employees off.

Section 5 – Holiday During Vacation: If one of the paid holidays stated in Article 21 should occur while an employee is on vacation the employee shall receive eight (8) hours holiday paid at the straight time rate.

Section 6 – Sick During Vacation: Any employee who falls sick with a serious health condition prior to going on a scheduled vacation period that extends into their vacation may cancel their vacation and be eligible for accrued sick leave.

ARTICLE 23 – BEREAVEMENT LEAVE

Section 1 – Bereavement Pay Eligibility: All employees upon written request, shall be granted up to four (4) days with pay and one (1) day without pay to attend the funeral of his/her current spouse, legal domestic partner, legal parent, legal child, sister, brother, grandmother or grandfather, grandchildren of the employee. Legal parents of the employee's current spouse shall also be covered as set forth above. The Company shall have the right to require proof of death of the relative and proof of attendance at the funeral or other documentation to substantiate the request for Bereavement Leave. Employees may elect to use their sick or vacation to cover unpaid bereavement leave.

Section 2 – Bereavement Pay Calculation: Bereavement pay as provided in this Article shall be paid at the employee's straight-time hourly rate of pay and shall be paid for the number of hours comprising the employee's current run schedule for each day up to a maximum of eight hours, or ten hours if regularly working a four day 10 hours per day workweek.

Section 3 – Bereavement Extension: In the event an employee's vacation is interrupted by a funeral for a covered relative as set forth in Section 1 above, the employee's vacation may be extended up to an additional three (3) days due to the granting of the bereavement leave provided the Company's manager is notified prior to the start of the bereavement period.

Section 4 – Extended Unpaid Bereavement Leave: The employee may request additional two (2) unpaid bereavement days for the purpose of traveling in excess of 500 miles or in extenuating circumstances. The Company may require proof of travel. The Company reserves the right to require proof of death of the relative and proof of attendance at the funeral or other documentation to substantiate the request for bereavement leave. The employee may use earned vacation or sick time for approved extended bereavement leave if the employee has it available and its use is approved by the Company.

ARTICLE 24 – INSURANCE: HEALTH AND WELFARE

Section 1 – Medical Insurance: All employees are required to complete the ninety (90) day probationary period per Article 3, Section 1: Probationary Employees prior to receiving any fringe benefits under this Agreement. For the purpose of medical insurance benefit eligibility only, full-time employees shall be eligible for medical insurance the first of the month following sixty (60) days of employment with the Company. To be considered full-time for the purpose of medical insurance eligibility only, employees must maintain the required number of hours worked under the ACA. Employees will receive payroll deductions for any premium contributions required under this Article, if applicable.

Full-time employees as defined in this Article are eligible to enroll in the following plans:

ProMed Access Plan

The Company will contribute to the medical coverage for eligible full-time employees enrolled in the ProMed Access plan design. The Company shall pay the following amounts for each respective coverage level, towards the premium for eligible, full-time employees who participating in the ProMed medical plan.

Employee Only:	\$146.68
Employee + Spouse:	\$366.15
Employee + Child:	\$374.37
Employee + Family:	\$463.94

This plan shall be administered in accordance with the respective ProMed Plan provisions, it being understood that the Company in no manner is associated with the administration or application of the plan and will incur no penalty as a result of the plan.

The Company will adhere to a maximum flat rate contribution of four hundred eighty-seven dollars (\$487) for 2023. Effective January 1, 2024, any increases to the cost of the plan will be the responsibility of the employee if the amount exceeds five hundred dollars (\$500). Effective January 1, 2025, any increases to the cost of the plan will be the responsibility of the employee if the amount exceeds five hundred fifty dollars (\$550). If the premium cost of the employee's elected coverage level is less than \$463.00 in 2023, \$500.00 in 2024, and \$550.00 in 2025, the Company will cover entire cost of medical premium, but no more than the amount designated for the employee's coverage level.

Company Medical Plans

The Company will provide a medical coverage option for eligible full-time employees enrolled in the general rule plans administered by the Company. The Company shall pay the following amounts for each respective coverage level towards the premium for eligible, full-time employees who participating in these plans:

	<u>(1.1.23)</u>	<u>(1.1.24)</u>	<u>(1.1.25)</u>
Employee Only:	\$487.00	\$500.00	\$550.00
Two Party:	\$487.00	\$500.00	\$550.00
Family:	\$487.00	\$500.00	\$550.00

The Company will adhere to a maximum flat rate contribution of \$487.00 (1.1.23), \$500.00 (1.1.24) and \$550.00 (1.1.25) to all coverage levels for the life of the agreement. Any increases to the cost of the plan will be the responsibility of the employee if the amount exceeds the amount designated for the employee's coverage level listed above. If the premium cost of employee's elected coverage level reduces below \$487.00 in 2023, \$500.00 in 2024, and \$550.00 in 2025, the Company will cover no more than the amount designated for the employee's coverage level.

Section 2 – Dental and Vision Insurance: Full-time employees as defined in Article 24, Section 1 for the purpose of benefits only, shall be eligible for the Company's group dental and group vision insurance plans the first of the month following sixty (60) days of continuous, full-time employment. The monthly premiums shall be the responsibility of the participating employee.

Section 3 – Life and AD&D Insurance: Regular full-time employees with in the bargaining unit shall be eligible to participate in the Company's group life insurance and accidental death and dismemberment insurance plan consistent with all the Plan's provisions. The premium for this benefit will be paid by the Company. The amount of insurance in effect will be \$10,000.

Section 4 – Cost-Efficient Plans: During the term of this Agreement should either party become aware of a more cost efficient medical, dental or vision plan, the parties agree to discuss the possibility of making a conversion prior to the expiration of this Agreement.

Section 5 – Excise Tax: Should any insurance plan(s) required under this CBA subject the Employer to an excise tax or penalty under Federal or State law, the Employer shall have the right to terminate such plan(s), and the parties agree to re-open this CBA for the limited purpose of negotiating an alternative plan(s) that will not be subject to the excise tax or penalty.

ARTICLE 25 – RETIREMENT PLAN

Employees covered under this CBA shall be eligible to participate in the Company 401(k) Plan subject to the terms and conditions of the Plan, with the following modification: The employer matching contribution will be 50% match on employee contributions (excluding catchup) up to 6% of eligible earnings (maximum 3% match).

ARTICLE 26 – ADDITIONAL PAYMENTS

Section 1 – Attendance at Safety Meetings: The Company will pay employees for attending the mandatory safety meetings as follows: For those employees completing their shift within fifteen minutes prior to the start of the safety meeting, or starting their shift within fifteen minutes following the end of the safety meeting they shall be paid for the actual hours spent attending the safety meeting. Other employees will be paid a minimum of two hours for safety meeting attendance.

Section 2 – Overtime: Time and one half shall be paid for all hours actually worked in excess of forty (40) hours per week. Time and one half shall be paid to mechanics, Fueler/Washer and Maintenance Utility classifications for all hours actually worked in excess of (8) hours per day, but there shall be no pyramiding of overtime payments.

Section 3 – Call Back Pay: An employee who is called back to work following the completion of his regularly scheduled work and who has left the Company’s property will be paid two hours regular pay or provided a minimum of two hours work at the Company’s discretion.

Section 4 – Boot and Tool Allowances: The Company will provide Mechanics and Washer/Utility employees with an annual allowance of up to one hundred fifty dollars (\$150.00) for steel-toed safety shoes upon being given an appropriate receipt. Mechanics shall also receive an annual tool allowance of two hundred dollars (\$200) if they are ASE Certified.

The Company will pay up to \$150.00 toward the cost of prescription safety glasses. An employee is eligible for this reimbursement when the prescription safety glasses are damaged or when the employee’s prescription changes. Glasses must meet Company safety standards. The employee must provide an appropriate receipt to the Company in order to receive a reimbursement the safety prescription glasses.

Section 5 – Certified Behind-the-Wheel Trainer (BTW) Premium: The Company will pay a one-dollar (\$1.00) premium for Company-certified behind-the-wheel trainers (BTWs) for the time in which they are actually performing training duties. For the hours the trainer is not actively performing behind-the-wheel training, the driver will be paid at his or her regular rate. Trainees will be paid the applicable training rate and will not receive a premium.

Section 6 – Cadet Assistant Premium: If the Company asks an employee to assist with the cadetting process (i.e., direct trained employees on a bus route), the employee has the right to decline the assignment. Employees who agree to assist with cadetting (Cadet Assistants) will be paid a premium of seventy-five cents (\$.75) for the time in which they are actually assisting new drivers with cadetting. Cadet (new) drivers will not receive a premium.

ARTICLE 27 – WAGES

Section 1 – Driver Wage Scale:

DRIVERS		RATIFICATION		1/1/2024
TRAINING	→	\$17.50	→	\$18.00
START RATE	→	\$17.50	→	\$18.00
CURRENT RATE				
\$15.60	→	\$17.50	→	\$18.00
\$16.21	→	\$17.86	→	\$18.57
\$16.50	→	\$18.16	→	\$18.89
\$16.88	→	\$18.56	→	\$19.30
\$17.27	→	\$18.96	→	\$19.72
\$18.38	→	\$20.12	→	\$20.92
\$18.87	→	\$20.62	→	\$21.45
\$19.20	→	\$20.97	→	\$21.81
\$19.56	→	\$21.34	→	\$22.20
\$19.84	→	\$21.63	→	\$22.50
\$20.22	→	\$22.03	→	\$22.91
\$21.30	→	\$23.15	→	\$24.08
\$22.96	→	\$24.88	→	\$25.87
\$23.06	→	\$24.98	→	\$25.98

DRIVERS		
YEARS	7/1/2024	1/1/2025
0-1	\$19.00	\$19.67
1-3	\$19.50	\$20.18
4-6	\$20.90	\$21.63
7-9	\$22.20	\$22.98
10-12	\$22.50	\$23.29
13-14	\$23.50	\$24.32
15+	\$26.50	\$27.50

- Effective July 1, 2024, drivers will be placed in the new wage progression scale based on years of service.
- After July 1, 2024, drivers obtaining a milestone in service years during the year will receive their new wage increase on their company seniority date. For example, if a driver with twelve years of service and an hourly rate of \$22.50 obtains 13 years of service with the company on May 1, 2025, will receive an increase to \$23.50 effective the first pay period following May 1, 2025.
- All wage increases will be processed effective the first pay period following the effective date of the increase.

Section 2 – Maintenance Wage Scales:

All maintenance employees employed as of the date of ratification will step horizontally to the right on the day following the date of ratification to the ratification column, which will go into effect on the first payroll period following ratification. Employees will progress to the right on the wage scale on 1/1/2024, 7/1/2024, and 1/1/2025 subject to his or her respective job classification.

Utility/Washer	RATIFICATION	1/1/2024	7/1/2024	1/1/2025
Current Rate				
New Hire	\$16.75	\$17.42	\$18.12	\$18.84
Current Utility				
15.50	\$17.87	\$18.06	\$18.79	\$19.54

	RATIFICATION	1/1/2024	7/1/2024	1/1/2025
Low-Level Mechanic (C)				
Current Rate				
\$31.00	\$32.09	\$33.21	\$34.37	\$35.57
Mid-Level Mechanic (B)				
Current Rate				
\$31.00	\$32.86	\$34.01	\$35.20	\$36.43
Top Level Mechanic (A)				
Current Rate				
\$31.50	\$33.64	\$34.81	\$36.03	\$37.29

Section 3 – Transfers to Bargaining Unit: Employees who transfer from another First Transit location will retain their First Transit Company seniority. Such seniority will be applicable for establishing years of service for fringe benefits, such as vacation. Drivers will be placed in the driver wage scale based on years of experience.

If an employee transfers within the bargaining unit to another classification (i.e., mechanic to driver) or into the bargaining unit from another First Transit El Centro bargaining unit (i.e., Dispatcher to Driver), such employee will begin as a new hire in the classification for which he is transferring for wage purposes, unless otherwise agreed to. The employee will retain his or her First Transit seniority for fringe benefits, such as vacation.

All transfers from other First Transit locations or between classifications at the First Transit El Centro location will go to the bottom of the seniority list for location seniority and bidding purposes.

ARTICLE 28 – SICK LEAVE

All employees, full and part time, who have completed the ninety (90) day probationary period shall receive 24 hours (three (3) work days at eight (8) hours per day) of paid sick leave. After completion of the probationary employees will have the 24 hours available for their use, and these sick days will renew on the employee's anniversary date with the Company the following year. If an employee has not used his or her sick days before the employee's anniversary date, the employee may bank the remaining sick days up to six (6) days to use in the following anniversary year. Employees may not cash out sick days upon resignation or termination from the Company.

Employees are required to give notice to the Company when taking a sick day. Full-time employees afforded a personal holiday under Article 21- Holidays may also apply the holiday to time off that would qualify for sick leave, but are subject to the requirements of Article 21 in order to take the personal holiday.

The parties acknowledge that if the California sick leave law is repealed or modified, the parties will reopen this Article.

Effective July 1, 2024, full and part time employees who completed the ninety (90) day probationary period will receive an additional eight (16) hours of sick leave on their first anniversary date following July 1, 2024, for a total of forty (40) hours of sick leave for their anniversary year.

ARTICLE 29 – MEAL AND REST PERIODS

Section 1 – Rest Periods: Every employee shall be entitled to take an uninterrupted ten (10) minute net rest period during each four (4) hour block of work or major fraction thereof during the course of the employee's shift, which shall be paid time. The rest period may include periods when the employee is on his/her route but the employee is not required to operate or remain in the vehicle. If the Company prohibits the employee from taking such rest period(s) during the course of the employee's shift, the employee shall be entitled to be paid for one (1) hour at that employee's regular hourly rate of pay, provided that any claim or the denied rest period must be made in writing to the appropriate supervisor within 24 hours of the end of the shift in which the rest period was denied.

Section 2 – Meal Periods: Every employee who is scheduled for and works a work period of more than six (6) hours shall be provided with a thirty (30) minute uninterrupted meal period beginning before or at the commencement of the fifth (5th) straight hour of the work period. If the employee is scheduled for and works a work period in excess of twelve (12) hours, the employee shall be entitled to a second thirty (30) minute meal period. The meal period(s) shall be unpaid. If the Company does not provide an employee with the meal period specified herein, the employee shall be entitled to be paid for one (1) hour at that employee's regular hourly rate of pay, provided that any claim for the denied meal period must be made in writing to the appropriate supervisor within twenty-four (24) hours of the end of the shift in which the meal period was denied.

Section 3: Employees are required to document their compliance with taking their rest and meal period(s) daily using a Company provided form and verified by employee's signature at the end of their shift. Any dispute concerning the taking of rest periods and/or meal periods, or lack thereof, is subject to the grievance and arbitration procedure.

ARTICLE 30 – WORK WEEK/PAYROLL

Section 1 – Workweek: A workweek starts at 0000 hours on Sunday and runs to 2359 hours on the following Saturday.

Section 2 – Minimum Guarantee: A regular Full-time employee will be guaranteed a minimum of 35 hours of worktime each week.

Section 3 – Payroll Mistakes: In the event of a payroll error of forty dollars (\$40.00) or more, the Company shall correct the error and pay the operator (if it is determined the error results that the employee is short of pay) within three (3) business days, once the mistake has been brought to the attention of management by the affected employee. If the error is less than forty dollars (\$40.00), the employee will be paid on the next payroll check.

ARTICLE 31 – CHOICE OF WORK ASSIGNMENTS

Section 1 – Choice of Assignments:
Bidding will be on a classification seniority basis.

Section 2 – Bids and Posting of Bids:

- a. For drivers, there shall be a minimum of two (2) general bids per year. Drivers shall be entitled to bid routes in accordance with their classification seniority. Part time drivers will be allowed to bid after all full-time driver bids have been completed and awarded, if routes are available.
- b. The bid will be displayed or posted at least ten (10) calendar days prior to the day of bidding to allow the drivers an opportunity to review all work assignments.
- c. The Company will meet with the Union representatives a minimum of ten (10) business days prior to the posting of the bid to review the bid packets and seniority rosters. Once

both sides have reviewed the bid packets and seniority rosters, the Company will immediately make available a digital copy to the Union.

- d. The Company will conduct the bids per Section 2(a) above. The Company will pay one (1) Union-designated member actual time required to assist in each General Bid.
- e. The new service change shall commence no less than ten (10) business days from the conclusion of the bid process, unless mutually agreed by both Union and the Company.

Section 3 – Proxy Bid:

- a. Bids will be accepted only on the form provided by the Company. The order of choices must be clearly indicated and signed by each individual driver. No bids will be taken over the phone. It will be the responsibility of the driver who is on vacation to make sure that his/her bid is made during the appropriate time.
- b. All bid proxies will be due a minimum of forty-eight (48) hours before the bid process begins.
- c. The Company Representative accepting the bid proxy shall place his/her signature, date and time on acceptance on each copy of the proxy bid. The Company Representative shall retain the original, and provide a copy to the driver. All proxy bids are final upon receipt. Except in cases of emergency, proxies received after the deadline are not valid and will not be accepted.
- d. A driver who fails to submit a proxy bid will be considered a “non-bid” operator. Non-bid operators will be passed. His/her name will be placed at the end of the driver bid list for that day. After the regular bid for that day, non-bid operators will be assigned to a bid. Assignments will be made by bid number, lowest to highest (if bids 101 and 105 are open, 101 will be assigned to the first “non-bid” operator (i.e., pass back) and continue down the list.
- e. Any non-bid operator who is assigned a route per Section 3(d) above will be allowed to relinquish their route and move the floater position.

Once the bidding process has been completed and drivers have been awarded their routes, the Company will maintain all routes in accordance with the bid. The parties understand that, due to the nature of the business, the client may modify the routes through the course of the bid period, only then will the bid be deviated from.

Should this change happen, the Company will notify the Union, a minimum of fourteen (14) days in advance, prior to client implementing change.

Section 4 – Work Trades:

Employees can trade shifts within the same work week. For the trade to be approved, it must be done within the same work week and must be approved by the Company at least twenty-four (24) hours in advance. The trade must not interfere with the either operator’s regular assignment an/or exceed the legal drive time.

ARTICLE 32 – EXTRA WORK

Section 1 – Extra Work List:

Every Friday the Company will post a list for extra work volunteers, to begin on the following Monday. The drivers list will be posted on the board outside dispatch. The maintenance list will be posted on the Maintenance Manager's window.

Section 2 – Posting of Extra Work Assignments:

The Company will update and post daily any and all extra work volunteers and the assignment in which they were assigned on the dispatch/managers window at the Ross Avenue building.

ARTICLE 33 - TERM OF AGREEMENT

Section 1: This Agreement shall be in effect from date of ratification and shall remain in effect until December 31, 2025, and shall continue in full force and effect from year to year thereafter unless either party hereto notifies the other party, in writing, on a date not less than sixty (60) nor more than seventy-five (75) days prior to the expiration date of the Agreement or the appropriate expiration date of any extension hereof, of its desire to amend or terminate this Agreement.

Section 2: If the parties have not reached an agreement by the end of the contract term or any extension thereof, all the provisions of the Agreement shall remain in full force and effect unless either party shall give a seventy-two (72) hour written notice of termination. All provisions of this Agreement shall remain in full force and effect until the specified time has elapsed. During this period, both parties shall continue in good faith in their efforts to reach an Agreement.

Section 3: Subject to all provisions of the immediately preceding paragraph 2 of this Article, should the Union Elect to take economic action against the Company, all the provisions of the Agreement shall remain in full force and effect unless the Union gives the Company an additional seventy (72) hour written notice of their intent to use economic action. Such action, if used must be lawful and must not impair the Company's obligation to provide transit services to the Client or any other areas in which service is provided. Such notice shall state the date and the hour such action will commence. All provisions of this Agreement shall remain in full force and effect until the specified time has elapsed. During this period, both parties shall continue in good faith in their efforts to reach an agreement.

IN WITNESS WHEREOF, the parties above-named have signed their names and affixed the signatures of their authorized representative on the ____ day of _____, 2023.

Notes:

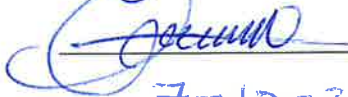
FOR THE UNION:

Alejandro Quinones

Alejandro Quinones

6-27-23

Edgar Calderon



7-10-23

~~7-10-23~~ 7-10-23

Samuel Hernandez

Samuel Hernandez

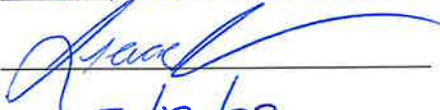
7-10-23

Silvestre Candelario



7-10-23

ISAAC PEDROJA



7/12/23

Flavio Grijalva - BA



7/10/2023

FOR THE COMPANY:

Mark ~~Flora~~ here

Region Vice President

6/14/23