

**AGREEMENT  
BETWEEN  
ALTERNATE CONCEPTS, INC.  
AND  
OFFICE AND PROFESSIONAL EMPLOYEES  
INTERNATIONAL UNION, LOCAL 30**

**NOVEMBER 16, 2018**

**THROUGH**

**JUNE 30, 2023**

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## **AGREEMENT**

This Agreement is between Alternate Concepts, Inc. ("Company") and Office And Professional Employees International Union, Local 30 ("Union").

### **ARTICLE 1**

#### **Recognition**

The Company recognizes the Union as the sole collective bargaining representative with respect to wages, hours, and working conditions of full-time and nontemporary part-time employees employed by the Company at its facility located at 605 S. 48<sup>th</sup> Street, Phoenix, Arizona in the classifications of Crew Dispatcher, Field Supervisor, Instructor, and Line Controller, but excluding all other employees. References to "employees" in this Agreement mean the individuals employed in the classifications of Crew Dispatcher, Field Supervisor, Instructor, and Line Controller.

### **ARTICLE 2**

#### **Union Representation**

2.1 The Union must provide the Company with written notice identifying the Union's stewards and other authorized representatives. The written notice shall include the names of the stewards and authorized representatives and their positions. The Union must promptly provide the Company with written notice of any change in stewards or other authorized representatives. The Company will not recognize any steward or other representative unless it has a current written notice from the Union designating that person as a steward or other authorized representative.

2.2 Nonemployee Union representatives may visit the work site. They must provide an authorized agent of the Company with advance notice of the visit and the purpose of the visit, they must check in with an authorized agent of the Company upon their arrival at the work site, and their visit must not interfere in any way with employees' performance of work.

2.3 Conducting Union business during work time is prohibited.

### **ARTICLE 3**

#### **Union Bulletin Board**

The Company will provide the Union with space for a bulletin board purchased by the Union. The bulletin board will be placed in a location that is regularly viewed by employees and the bulletin board will not be larger than two feet by three feet. Only appropriate notices of Union meetings and other official Union business will be posted, and notices must be signed by an authorized Union representative before they are posted. No material that is derogatory of the Company or its customers will be posted. The Company will remove any item that is not in compliance with this Article.

**ARTICLE 4**  
**Union Dues Deductions**

4.1 During this Agreement the Company will, upon receipt of valid Union dues deduction authorizations, deduct from employees' pay the regular monthly Union membership dues, and initiation fees or other assessments, if any. The Union will establish the amount of the regular monthly Union membership dues, initiation fees, or other assessments. The Company will remit the deducted membership dues to the Union on a monthly basis. The Company will begin to deduct membership dues from an employee's pay for the calendar month following the month in which the Company receives a valid authorization for that employee.

4.2 Dues deduction authorizations that were signed, dated, and submitted to the Company on or before April 1, 2018 will continue to be valid and effective. To be valid, dues deduction authorizations submitted to the Company after April 1, 2018 must be signed and dated by the employee and must be in the form set forth below.

**Union Dues Deduction Authorization**

I hereby authorize Alternate Concepts, Inc. (ACI) to deduct from my pay and to remit to Office And Professional Employees International Union, Local 30 (Union) the regular monthly Union membership dues, and initiation fees or other assessments, if any. ACI will incur no liability by honoring this authorization.

This Authorization may be revoked by my giving written notice of revocation to ACI and the Union.

This Authorization invalidates any prior Union dues deduction authorization signed by me.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Employee Identification Number

4.3 An Authorization signed by an employee becomes void when the employee leaves the bargaining unit.

4.4 The Union shall indemnify and save harmless the Company against any claims, demands, losses, suits, judgments, rulings, awards, or any other liability, including attorneys' fees and costs of defense, arising out of any actions taken or not taken pursuant to this Article.

**ARTICLE 5**  
**Labor -- Management Committee**

There will be a labor-management committee consisting of up to two representatives of the Union and up to two representatives of the Company. The Committee will meet at mutually agreed upon times, usually no less often than quarterly, to discuss topics such as scheduling, staffing, and other items of mutual concern.

**ARTICLE 6**  
**Equal Employment Opportunity**

6.1 Neither the Company nor the Union will discriminate against an employee because of the employee's race, color, religion, sex, national origin, age (40 and over), marital status, veteran status, sexual orientation, disability, genetic information, gender identity or expression, or membership or non-membership in the Union.

6.2 References to one gender in this Agreement include persons of both genders.

**ARTICLE 7**  
**Grievance and Arbitration Procedure**

7.1 A grievance is a claim of an alleged violation of a specific provision of this Agreement arising from a specific act or situation, or an alleged violation of an employment related statute, regulation, or other law. Any grievance and any issue which could have been the subject of a grievance shall be exclusively resolved pursuant to the provisions of this Article.

7.2 Before a grievance is submitted, an employee must first discuss the matter with his department manager or designee and attempt to resolve it. If the discussion between the employee and his immediate supervisor fails to resolve the matter, a grievance may be submitted.

7.3 Step 1. A grievance must be written, signed by the employee, state the facts upon which the grievance is based, state the date on which the event giving rise to the grievance occurred, identify the specific provision of this Agreement allegedly violated or the employment related statute, regulation, or other law allegedly violated, and state the remedy sought. The grievance must be submitted to the Chief Transportation Officer or his designee within 10 calendar days of the event giving rise to the grievance.

If the grievance requests a meeting, the Chief Transportation Officer or his designee will schedule a meeting to discuss the grievance within 10 calendar days of the date that the Chief Transportation Officer or his designee received the grievance. If no meeting is requested, the Chief Transportation Officer or his designee will provide a written response to the grievance within 10 calendar days of the receipt of the grievance. If a meeting is requested, the Chief Transportation Officer or his designee will provide a written response to the grievance within 10 calendar days of the meeting. If the Step 1 response does not resolve the grievance, the grievance may be appealed to Step 2.

Step 2. The appeal to Step 2 must be written, submitted to the Project Manager or his designee within 10 calendar days of the date the Step 1 response is provided to the aggrieved employee, and state the reasons the Step 1 response is claimed to be unsatisfactory.

If the Step 2 appeal requests a meeting, the Project Manager or his designee will schedule a meeting to discuss the Step 2 appeal within 10 calendar days of the date that the Project manager or his designee received the Step 2 appeal. If no Step 2 meeting is requested, the Project Manager or his designee will provide a written response to the Step 2 appeal within 10 calendar days of the receipt of the Step 2 appeal. If a Step 2 meeting is requested, the Project Manager or his designee will provide a written response to the Step 2 appeal within 10 calendar days of the meeting. If the Step 2 response does not resolve the grievance, the Union may appeal the grievance to Arbitration.

Step 3. The appeal to arbitration must be written and submitted to the Project Manager within 10 calendar days of the date the Step 2 response is provided to the aggrieved employee. When a grievance is timely appealed to arbitration, the Company and the Union can attempt to agree upon an arbitrator. If the Company and the Union do not agree on an arbitrator, the Company shall contact the Federal Mediation and Conciliation Service for a panel of seven arbitrators and the parties will select an arbitrator from that panel. The arbitrator shall not add to, subtract from, disregard, or modify the provisions of this Agreement. The decision of the arbitrator will be final and binding on all parties, including the employees involved. The parties will share equally the cost of obtaining a panel of arbitrators, the fees and expenses of the arbitrator, the cost of obtaining a transcript of the arbitration hearing, and the cost of the location for the arbitration hearing. The arbitration will take place in the Phoenix, Arizona metropolitan area.

7.4 Grievance meetings will be held outside the work hours of the employees involved.

7.5 The time periods set forth in this Article are material. The parties may extend the time periods in this Article by a written agreement signed by the parties before the time periods expire.

7.6 Nothing in this Agreement shall interfere with the right of an employee under section 9(a) of the National Labor Relations Act to present a grievance to the Company without the intervention of the Union.

7.7 Claims of alleged violations of employment related statutes, regulations, or other state or federal laws, other than claims arising under the Employee Retirement Income Security Act, are subject to this grievance and arbitration procedure and this grievance and arbitration procedure is the sole and exclusive procedure for addressing such alleged violations. This provision includes, but is not limited to, Title VII of the Civil Rights Act, the Americans With Disabilities Act, the Family and Medical Leave Act, the Age Discrimination in Employment Act, the Worker Adjustment and Retaining Notification Act, the Fair Labor Standards Act, the Genetic Information Nondiscrimination Act, the Arizona Civil Rights Act, and the Arizona Wage Payment Act. An arbitrator will apply the appropriate law in deciding a grievance

involving a claim of an alleged violation of an employment related statute, regulation, or other law. This Article 7.7 does not preclude employees from filing a claim or complaint with a state or federal agency.

## **ARTICLE 8**

### **Company Rules, Policies and Procedures**

The Company may establish rules, policies, and procedures as it deems necessary so long as the rules, policies, and procedures do not conflict with the express terms of this Agreement.

## **ARTICLE 9**

### **Misconduct Warranting Immediate Termination of Employment**

The following types of misconduct constitute grounds for immediate termination of employment. The types of misconduct listed below are not the exclusive types of misconduct which may result in immediate termination.

- (a) Gross negligence that results in damage to Company property or personal injury to any person
- (b) Commission of a felony
- (c) Any prohibited harassment or any form of prohibited discrimination
- (d) Appropriation or stealing of property of the Company or others
- (e) Tampering with, destroying, or damaging property of the Company or others
- (f) Violation of the drug and alcohol policy
- (g) Assault or aggression against another employee or any other person
- (h) Falsifying documents or reports, lying, or any other dishonesty
- (i) Falsifying work hours for oneself or another employee or punching the time clock or otherwise recording time for another employee
- (j) Sleeping on the job
- (k) Failure to return from a leave of absence
- (l) Disclosure of confidential Company information
- (m) Fighting or threatening an employee or others

- (n) Insubordination, including but not limited to refusal to work as assigned or directed, or using profane, obscene, abusive, or threatening language to a superior, another employee, or any other person
- (o) Possession of firearms, explosives, or dangerous weapons on Company property or while conducting Company business or activities on or off Company property, other than as expressly permitted by state law
- (p) Absence without leave or notice for two consecutive work days
- (q) Unbecoming conduct including conduct that harms the Company's business, image, or reputation
- (r) Leaving a work assignment or assigned work area without authorization
- (s) Unauthorized use of electronic devices, including, but not limited to, phones and computers

#### **ARTICLE 10** **Corrective Action**

10.1 Regular full-time employees will not be disciplined or discharged for arbitrary and capricious reasons.

10.2 An employee whose conduct is under investigation and who is required to participate in an investigatory interview will, upon request of the employee, be allowed to have a Union representative accompany him at the interview.

10.3 When an employee is issued written discipline, a copy of the written notice of discipline will be provided to the employee by a Manager.

10.4 Except as provided in Article 9, in those situations where the Company deems it appropriate the Company will issue progressive discipline and the progressive discipline may consist of an oral warning, a written warning, a disciplinary suspension, termination of employment, or other disciplinary action.

#### **ARTICLE 11** **Probation Period**

11.1 Employees will be in a probation period for the first 90 calendar days they work in one of the classifications covered by this Agreement. Probation employees may be transferred, disciplined, or terminated at the sole discretion of the Company. Probation employees are generally not eligible for benefits (e.g., paid time off, paid holidays, paid bereavement leave, paid jury duty leave, medical benefits, short-term disability, life insurance, or Company contribution to 401(k) Plan account), but they will receive uniforms and they will receive time and one half pay for hours worked in excess of 40 in a week. Probation employees

may use the grievance and arbitration procedure. Employees who have successfully completed their probation period are referred to as regular employees in this Agreement.

11.2 A new employee may not transfer from his initial classification for the first 18 months he works in a classification covered by this Agreement, unless he has written permission from the Project Manager to transfer.

## **ARTICLE 12**

### **Seniority**

12.1 Regular employees will have two seniority dates, a Company seniority date and a classification seniority date. Upon successful completion of the probation period, employees will obtain a Company seniority date as of the first day they worked in a classification covered by this Agreement and they will obtain a classification seniority date as of the first day they worked in their classification.

12.2 When employees move from one classification to another classification on a nontemporary basis, they will lose the classification seniority date they had in the classification they departed and they will obtain a classification seniority date in the new classification as of the first day they work in the new classification. When employees leave the bargaining unit or their employment terminates, they lose their seniority dates.

12.3 The Company will provide the Union with an updated seniority list upon request. When the Company provides the Union with an updated seniority list, the Union will have five calendar days after receipt of the list within which to submit a written objection to the Company concerning the seniority dates. Failure to submit a written objection within five calendar days constitutes the Union's acceptance of the seniority list.

## **ARTICLE 13**

### **Reduction in Force**

In a reduction of force, part time employees in an affected classification will be laid off from that classification before full-time employees in that classification are laid off. Full time employees in an affected classification will be laid off from the affected classification in reverse order of their classification seniority.

## **ARTICLE 14**

### **Recall**

14.1 Employees may be recalled to their prior classifications for up to one year after they are laid off. Employees who are recalled to their prior classifications will be recalled in classification seniority order.

14.2 The Company may notify employees of their recall by sending them a notice of recall by certified mail, return receipt requested, by calling them, or by e-mailing them. If the Company calls employees to inform them of the recall, the Company will send them a letter or e-

mail to confirm the recall. The Company will provide the Union with a copy of the written notice of confirmation of recall.

14.3 When it is practical to do so, the Company will notify employees of recall ten calendar days before the date they are to return to work. Employees must inform the Company of their availability to return to work within three calendar days of being notified of recall. Employees who fail to return to work when recalled will be terminated. Recalled employees may be required to undergo drug and alcohol testing. Recalled employees whose DOT certification has expired will be required to obtain a DOT certification before returning to work.

14.4 Laid off employees must provide the Company with their current addresses, e-mail addresses, and phone numbers, and any changes to their addresses and phone numbers.

#### **ARTICLE 15** **Work Hours**

15.1 Full-time employees will normally work eight hour shifts unless the Company changes shifts.

15.2 Except in an emergency, employees will not be required to work overtime.

#### **ARTICLE 16** **Wages**

16.1 Wage rates for employees who have completed the wage progression steps for new employees are as follows:

**Wage Rates**

<b><u>CLASSIFICATION</u></b>	<b><u>November 16, 2018</u></b>	<b><u>July 1, 2019</u></b>	<b><u>July 1, 2020</u></b>	<b><u>July 1, 2021</u></b>	<b><u>July 1, 2022</u></b>
Crew Dispatcher	\$ 29.05	\$ 29.90	\$ 30.50	\$ 31.10	\$ 31.55
Field Supervisor	\$ 29.05	\$ 29.90	\$ 30.50	\$ 31.10	\$ 31.55
Instructor	\$ 29.05	\$ 29.90	\$ 30.50	\$ 31.10	\$ 31.55
Line Controller	\$ 29.05	\$ 29.90	\$ 30.50	\$ 31.10	\$ 31.55

16.2 New employees hired on or after April 1, 2018 will receive the following wage rates:

#### **Years Worked In A Classification Covered By This Agreement**

#### **Wage Rate**

First Year

\$ 22.00

Second Year	\$ 23.00
Third Year	\$ 24.00
Fourth Year	\$ 25.00
Fifth Year	\$ 26.00
Sixth Year and Thereafter	Article 16.1 wage rate

16.3 If the Company hires someone with experience in the industry, the Company will pay them at a step in Article 16.2 that the Company determines is commensurate with their skills, knowledge, and experience.

16.4 When wage rates change, the new wage rate will become effective at the start of the payroll period that begins on or just after the date the rate changes.

#### **ARTICLE 17**

##### **Overtime Pay**

Hours worked in excess of 40 in a payroll workweek will be paid at time and one-half the employee's wage rate.

#### **ARTICLE 18**

##### **Temporary Vacancy**

The Company may transfer an employee from his classification to another classification to fill a temporary vacancy. When an employee is temporarily transferred to another classification, that will not affect his classification seniority date in his regular classification.

#### **ARTICLE 19**

##### **Part-Time Employees**

19.1 The Company may employ part-time employees. Part-time employees will not be transferred, disciplined, or terminated for arbitrary and capricious reasons.

19.2 Wage rates for part-time employees are as follows:

<b><u>Years Worked In A Classification Covered By This Agreement</u></b>	<b><u>Wage Rate</u></b>
First and Second Years	\$ 22.00
Third and Fourth Years	\$ 23.00
Fifth and Sixth Years	\$ 24.00
Seventh and Eighth Years	\$ 25.00
Ninth and Tenth Years	\$ 26.00
Eleventh Year And Thereafter	Article 16.1 wage rate

19.3 If an employee moves from full time to part time, the Company may decide to maintain the employee at the wage rate he held at the time he left full time status.

19.4 Part-time employees will receive the uniform allowance and four hours of holiday pay for a holiday. Part-time employees are not eligible for other benefits such as paid time off, paid bereavement leave, paid jury duty leave, or life insurance. Part-time employees will be eligible for medical benefits, short-term disability, and 401(k) Plan if they are eligible under the terms of the respective plans. Part-time employees who are eligible to participate in the 401(k) Plan will not receive Company matching contributions. Part-time employees may use the grievance and arbitration procedure.

19.5 If an employee works 40 hours per week for 12 months in a situation not involving the replacement of an employee, the employee will be deemed to be a full-time employee.

19.6 Except in an emergency, the number of part-time employees will not exceed 20% of the employees covered by this Agreement.

## **ARTICLE 20**

### **Paid Time Off**

20.1 Paid time off will be earned and taken in the same calendar year. After January 1 of each year an employee may take all of the paid time off that the employee will earn by working during that year. An employee who leaves the employ of the Company and who has taken paid time off that he has not earned will have the pay he received but did not earn deducted from his last paycheck.

20.2 In the calendar year in which an employee is hired, the employee will earn four hours of paid time off for each full calendar month he works. A new employee will not earn paid time off for the calendar month in which he starts to work. The paid time off earned by an employee in the calendar year in which the employee was hired must be taken in that calendar year.

- 20.3 (a) Employees will earn paid time off for each calendar month in which they work. For calendar months in which employees do not work they do not earn any paid time off.
- (b) Employees who have worked in a classification covered by this Agreement since before December 17, 2012 will earn 16.66 hours of paid time off for each calendar month in which they work.
- (c) Employees hired into one of the classification covered by this Agreement between December 17, 2012 and April 1, 2018 will earn paid time off for each calendar month in which they work as follows:

<u>Completed Years Of Service As Of January 1</u>	<u>Amount Of Paid Time Off Earned For Each Calendar Month In Which An Employee Works</u>
2 Years Or Less	10 Hours
3 Through 9 Years	13.33 Hours
10 Or More Years	16.66 Hours

- (d) Employees hired into one of the classifications covered by this Agreement after April 1, 2018 will earn paid time off for each calendar month in which they work as follows:

<u>Completed Years Of Service As Of January 1</u>	<u>Amount Of Paid Time Off Earned For Each Calendar Month In Which An Employee Works</u>
6 Years Or Less	6.66 Hours
7 Through 21 Years	10 Hours
22 Or More Years	13.33 Hours

- 20.4 (a) Employees with 80 or more hours of paid time off may take up to five days off in daily increments; the rest of the paid time off must be taken in weekly increments.
- (b) Employees who want to use paid time off as sick days must call their Manager at least two hours before the start of their shift. Failure to call their Manager will result in the time off being unpaid and may result in discipline.
- (c) All paid time off, including weeks and days, must be approved by the Company. The Company will respond to requests for paid time off within 10 calendar days of the request.
- (d) Employees can bid for paid time off in December before the year in which the paid time off is to be taken. Bids for weeks will be given precedence over bids for days. When more employees bid for weeks or days of paid time off than can be accommodated, the bidding employees with the greatest Company seniority will get the available paid time off.

20.5 Employees must use at least 40 hours of paid time off each year, unless they have earned less than 40 hours of paid time off. If employees have earned paid time off in excess of 40 hours that they did not take, they will be paid in January for that earned paid time off in excess of 40 hours that they did not take in the previous year.

20.6 The earned paid sick time provisions of the Fair Wages and Healthy Families Act do not apply to employees covered by this Agreement.

## **ARTICLE 21**

### **Holidays**

21.1 Holidays are as follows:

New Year's Day  
Martin Luther King Day  
President's Day  
Memorial Day  
Independence Day  
Labor Day  
Veteran's Day  
Thanksgiving Day  
Day After Thanksgiving  
Christmas Eve  
Christmas Day

21.2 Employees will be paid eight hours of pay for an unworked holiday, providing that they work their last scheduled day before and their first scheduled day after the holiday.

21.3 When employees work on New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, or Christmas Day, employees will be paid time and one-half for the hours worked plus eight hours of holiday pay, providing that they work their last scheduled day before and their first scheduled day after the holiday.

## **ARTICLE 22**

### **Bereavement Leave**

Eligible employees will, upon request, receive up to three days off with pay at the employee's regular rate of pay for eight hours per day in the event of the death of the employee's spouse or domestic partner or the death of the employee's, spouse's, or domestic partner's children, step-children, grandchildren, parents, grandparents, step-parents, siblings, mother-in-law, or father-in-law. The paid time off can extend to and including the day after the funeral. If the funeral is more than 300 miles from Phoenix, and if the employee attends the funeral, an employee will, upon request, receive up to five days off with pay and, in that case, the paid time off can extend to and including the second day after the funeral. To be eligible for paid bereavement leave, employees must provide evidence of their relationship to the deceased person. If employees require more time off, they can request to take paid time off or, if they do not have paid time off, they can request to take an unpaid leave of absence.

## **ARTICLE 23**

### **Jury Duty**

Employees who are selected for mandatory jury duty will be excused from work for the days they are required to perform jury duty and they will be paid for the scheduled work they necessarily miss as a result of performing jury duty. To receive this pay, employees must give

their supervisors as much advance notice of the jury duty as is possible and they must provide their supervisors with proof of their jury duty service. Employees must regularly notify their manager of the status of their jury duty and, if possible, the expected duration of the trial. When employees are released from jury duty at or before noon they must report to work in order to receive a full day's pay. When employees' absence from work would cause a hardship to the Company, employees will request the court to excuse them from jury duty service. When employees are scheduled to work nights, they will be excused from work the night before they serve jury duty and the night after a day they perform jury duty later than noon.

#### **ARTICLE 24**

##### **Military Leave**

Leave of absence for military service will be granted in accordance with applicable law. Employees returning to work from military service may be required to undergo drug and alcohol testing and returning employees whose DOT certification has expired will be required to obtain a DOT certification before returning to work.

#### **ARTICLE 25**

##### **Leaves of Absence**

25.1 Upon written request, and for compelling reasons, the Company may grant employees an unpaid personal leave of absence for up to 30 calendar days within a calendar year. For compelling reasons, the Company and an employee may agree, in writing, to extend a personal leave of absence.

25.2 When employees are unable to work due to serious injury or illness, they will be granted a leave of absence for up to one year.

25.3 Upon written request submitted to employees' supervisors at least 48 hours in advance of the desired leave, stewards and other authorized Union representatives may be granted leave to attend Union meetings when the Company determines that granting the requested leave will not interfere with the operational needs of the Company. The written request must identify the nature of the meeting. No more than two employees may take Union leave on a day and, in total, the maximum number of Union leave days that can be taken in a year is 24.

25.4 Employees returning from leave granted pursuant to Articles 25.1 and 25.2 may be required to undergo drug and alcohol testing and returning employees whose DOT certification has expired will be required to obtain a DOT certification before returning to work.

#### **ARTICLE 26**

##### **Administrative Leave For Extraordinary Event**

If an employee while operating a train is involved in an event that results in a fatality or extremely serious injury, and as a consequence is unable to work safely, the employee will, upon request, be placed on paid administrative leave for up to 15 work days.

**ARTICLE 27**  
**No Strikes/No Lockouts**

27.1 During this Agreement, there shall be no strike, sympathy strike, work stoppage, slowdown, walkout, picketing, bannering, handbilling, demonstrations directed at the Company, concerted failure to report to work, refusal to cross a picket line, sit down, boycott, or any other interference with work or the Company's operations, directly or indirectly, called, authorized, approved, encouraged, supported, sanctioned, condoned, or ratified by the Union or any of its members, officers, stewards, agents, or representatives. No employee shall, directly or indirectly, instigate, support, encourage, or in any way participate in any strike, sympathy strike, work stoppage, slowdown, walkout, picketing, bannering, handbilling, demonstrations directed at the Company, concerted failure to report to work, refusal to cross a picket line, sit down, boycott, or any other interference with work or the Company's operations.

27.2 During this Agreement, neither the Union nor employees will use any type of social media to in any way disparage or undermine the Company or its reputation, services, or business.

27.3 In the event of any violation of Article 27.1, the Union will immediately notify all employees that the actions violate the Agreement and subject employees to discipline, including discharge, and the Union will immediately take all reasonable steps to stop any actions that violate Article 27.1. The Union will promptly notify the Company in writing of the actions it takes pursuant to this Article.

27.4 The Company will not lock out employees during this Agreement.

27.5 The Company will take all reasonable steps necessary to ensure the safety of employees covered by this Agreement who perform work, including train operations, during a strike, lockout, or other labor dispute involving employees not covered by this Agreement.

**ARTICLE 28**  
**Driver's Licenses and Valley Metro Rules**

Employees must have a valid driver's license and must comply with the rules and policies of Valley Metro Rail, Inc. that apply to them. Employees will be provided with copies of Valley Metro's rules and policies.

**ARTICLE 29**  
**Uniforms**

Employees must wear Company approved uniforms while on duty. Each calendar year the Company will provide employees with a \$350 allowance for their use in purchasing and maintaining the uniforms. The \$350 allowance will be paid to employees on approximately the anniversary of the date they first began to work in a classification covered by this Agreement.

### **ARTICLE 30**

#### **Successors and Assigns**

This Agreement will be binding on the successors and assigns of the parties. The provisions of this Agreement will not be affected or modified by the consolidation, merger, sale, transfer, or assignment of either party or by a change in the legal status, ownership, or management of either party. However, if the Company's operating contract with Valley Metro Rail, Inc. terminates or is not renewed during the term of this Agreement, then the Company's obligations under this Agreement will terminate, except for any accrued benefits then due to employees.

### **ARTICLE 31**

#### **Management Rights**

The success of the Company requires clear management ability and freedom to make decisions and to operate its business in an efficient manner. Therefore, all matters related to the Company, its operations, and terms and conditions of employment are exclusively within the control of the Company, except those matters relating to wages, hours of work, and other employment conditions that are specifically set forth elsewhere in this Agreement. Without limiting the foregoing, the Company's rights and functions of management include, but are not limited to, the sole and exclusive right to determine business and financial policies; determine the methods and means of operation, including the subcontracting of work; select and determine the number of and qualifications of employees required; determine individual employee qualifications and the nature and extent of qualifications required for any particular classification; hire part time employees; direct the work force; schedule and assign work or shifts to specific employees; determine the starting and ending time and the number of hours to be worked; determine the method for recording the starting and ending time by electronic or other means; add or discontinue processes or operations, in whole or in part, temporarily or permanently; hire, assign transfer, and promote employees; lay off, terminate, or otherwise relieve employees from duty for lack of work or other business reasons; impose disciplinary suspensions or demotions or otherwise discipline and discharge employees for reasons that are not arbitrary or capricious; suspend employees pending investigation; determine the number and location or relocation of operations; abide by directives of contracting authorities or funding sources as to operations; issue, enforce, change, or terminate attendance policies; issue, enforce, change, or terminate drug and alcohol testing policies and procedures; issue, enforce, change, or terminate electronic device policies; install, use, remove, or relocate cameras and GPS devices; issue, enforce, change, or terminate tobacco use policies; issue, establish, revise, or terminate bonuses and bonus policies; issue, revise, or terminate training policies and procedures; and have nonbargaining unit employees perform bargaining unit work when deemed necessary by the Company on a temporary basis where such work does not result in the elimination of bargaining unit positions. The rights and functions of the Company mentioned in this Article shall not be deemed to exclude other rights and functions not specifically mentioned.

**ARTICLE 32**  
**Savings Clause**

If any provision of this Agreement becomes or is held to be unlawful or invalid, the remaining provisions of this Agreement will continue to be effective to the maximum extent possible. If a provision of this Agreement becomes unlawful or invalid, the parties will promptly meet to discuss the replacement of the unlawful or invalid provision with a valid provision.

**ARTICLE 33**  
**Wage Rate And Medical Plan Contribution Reopener**

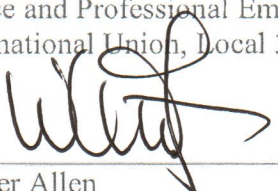
By complying with the provisions of this Article 33, either party may open for negotiations the wage rates in Article 16.1 that are scheduled to go into effect on July 1, 2021 and July 1, 2022 and/or contributions toward the cost of medical benefits for the period of July 2021 through June 2023. If a party desires to open for negotiations the July 1, 2021 and July 1, 2022 wage rates set forth in Article 16.1 and/or contributions toward the cost of medical benefits for the period of July 2021 through June 2023, that party must serve written notice of that desire on the other party by certified mail, return receipt requested and that written notice must be received by the other party during the month of April 2021. If a party gives proper and timely notice of the opening of the July 1, 2021 and July 1, 2022 wage rates set forth in Article 16.1 and/or contributions toward the cost of medical benefits for the period of July 2021 through June 2023, only those items will be open for negotiations and all other provisions of this Agreement shall remain in full force and effect during the term of this Agreement.

**ARTICLE 34**  
**Term of Agreement**

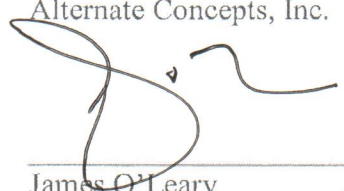
This Agreement will be in effect from November 16, 2018 through June 30, 2023, and will continue in effect from year to year thereafter, unless either party serves written notice on the other party by certified mail, return receipt requested, of a desire to modify or terminate the Agreement no later than 60 days before June 30, 2023 or no later than 60 days before any subsequent anniversary of June 30, 2023.

Signed this 16<sup>th</sup> day of November, 2018.

Office and Professional Employees  
International Union, Local 30

  
\_\_\_\_\_  
Walter Allen  
Executive Director

Alternate Concepts, Inc.

  
\_\_\_\_\_  
James O'Leary  
President

Memorandum Of Settlement

Between

Alternate Concepts, Inc.

And

Office And Professional Employees International Union,

Local 30

November 2018

## **Memorandum Of Settlement**

This Memorandum Of Settlement is between Alternate Concepts, Inc. ("ACI") and Office and Professional Employees International Union, Local 30 ("Union") and concerns the parties' 2018 anniversary negotiations.

### **Collective Bargaining Agreement**

1. The new collective bargaining agreement ("Agreement") that resulted from the 2018 anniversary negotiations is set forth in the document titled "Agreement Between Alternate Concepts, Inc. and Office and Professional Employees International Union, Local 30, November 16, 2018 through June 30, 2023."

### **Special One-Time Payment**

2. Within 30 calendar days after this Memorandum Of Settlement is signed by both ACI and the Union, ACI will pay each eligible employee a special one-time payment in the gross amount of \$500.00. To be eligible to receive this payment, an employee must be employed in the bargaining unit represented by the Union on October 1, 2018, and on the date that the payment is made. Income taxes and the other applicable withholdings will be deducted from the payment.

### **Medical Plan**

3. Effective January 1, 2019, ACI will make monthly contributions toward the cost of medical benefits in the amount of \$410.00 for employee coverage and \$1,080.00 for family coverage, effective January 1, 2020, ACI will make monthly contributions toward the cost of medical benefits in the amount of \$420.00 for employee coverage and \$1,100.00 for family coverage, effective January 1, 2021, ACI will make monthly contributions toward the cost of medical benefits in the amount of \$430.00 for employee coverage, and \$1,130.00 for family coverage, and effective January 1, 2022, ACI will make monthly contributions toward the cost of medical benefits in the amount of \$440.00 for employee coverage and \$1,160.00 for family coverage. Employees will make monthly contributions to the cost of medical benefits in an amount equal to the difference between the monthly premium for the medical plan option employees select and ACI's contribution. The employees' contributions will be deducted from their paychecks.

### **Dental Plan**

4. Effective January 1, 2019, ACI will make monthly contributions toward the cost of dental benefits in the amount of \$22.00 for employee coverage and \$63.00 for family coverage. Employees will make monthly contributions to the cost of dental benefits in an amount equal to the difference between ACI's monthly contribution and the amount of the monthly premium. The employees' contributions will be deducted from their paychecks.

### **Retirement Savings Plan**

5. On or about December 1, 2018, employees will cease to be covered by the current OPEIU, Local 30 Retirement Savings Plan and will be covered instead by the OPEIU National Retirement Savings Plan ("National Plan"). Unless employees elect different investment options in the National Plan, the money they have invested in the investment options in the current OPEIU, Local 30 Retirement Savings Plan will be mapped into designated investment options in the National Plan.

6. For employees hired on or after the date that employees become covered by the National Plan, ACI will provide a one time special contribution to their National Plan accounts in the gross amount of \$125.00 after they have (i) successfully completed their probation period, and (ii) made contributions to the National Plan for three consecutive calendar months. ACI will make this special contribution in the calendar month following the month in which an employee becomes eligible for the contribution. If an employee does not satisfy the eligibility requirements for this special contribution within one year of the employee's date of hire, the employee will not be eligible for this special contribution.

7. Effective on the date that employees become covered by the National Plan, the following will be ACI's contributions to the National Plan: ACI will provide a matching contribution of 50% of up to the first 6.0% of compensation that an employee contributes to the National Plan.

8. Employee contributions must be in 1.0% increments.

9. Notwithstanding any other document or provision pertaining to the National Plan, ACI will not be liable for any establishment or administration fees or costs related to the National Plan. ACI's liability for costs will be limited to those costs incurred in deducting and remitting employees' contributions to the National Plan and to the costs involved in making ACI's contributions as set forth in this Memorandum Of Settlement.

### **Short-Term Disability Benefits**

10. Effective January 1, 2019, short-term disability benefits will be as follows:

- (a) Employees will be eligible after they have completed one year of employment in the bargaining unit represented by the Union;
- (b) Employees will be eligible for a maximum of 26 weeks of benefits within a 52 rolling week period;
- (c) There will be a one week waiting period before benefits begin when the disability is due to injury, and there will be a two week waiting period before benefits begin when the disability is due to illness;

- (d) Weekly benefits will be \$300.00.

#### **Life Insurance And Flexible Spending Accounts**

11. The life insurance and Flexible Spending Account benefits that were in effect during the 2015 Agreement will continue in effect during the term of the 2018 Agreement.

#### **Benefit Plans and Documents**

12. The benefit provisions in this Memorandum Of Settlement are just a very brief outline of some aspects of these benefits. The details concerning these benefits are comprehensively and definitively set forth in the respective plan documents and contracts. The benefit plans and contracts are the controlling documents with respect to the benefit details.

#### **Benefit Provisions**

13. ACI may provide medical benefits, dental benefits, short-term disability benefits, life and accidental death and dismemberment insurance, flexible spending accounts, and retirement savings plan benefits through alternative plan designs, benefit plan providers, insurance companies, benefit plan administrators, trustees, vendors, and/or recordkeepers.

#### **Red-Circled Wage Rates**

14. Sharon Ninehouser and Bulmaro Valdez will continue to receive the wage rates they were receiving on October 1, 2018 until such time as the wage rates for their classifications in Article 16.1 of the Agreement equal or exceed their October 1, 2018 wage rates. When the Article 16.1 wage rates equal or exceed their October 1, 2018 wage rates, Sharon Ninehouser and Bulmaro Valdez will thereafter receive the Article 16.1 wage rates.

#### **Wage Rate of OPEIU Unit Employees**

15. During the term of the November 1, 2018 through June 30, 2023 Agreement, the wage rates of the employees covered by the Agreement will not be less than the then current wage rates of ACI's Operators in the Phoenix metropolitan area. This provision will end on June 30, 2023 and will have no force or effect after June 30, 2023.

#### **Wage Rate Transition**

16. (a) Steven Tumsuden and Paul Zongker will receive the Article 16.1 wage rate when the Article 16.1 rates go into effect.
- (b) The wage rate of Morris Stewart will remain \$26.81 until March 3, 2019 and on March 4, 2019 his wage rate will go to the Article 16.1 rate.
- (c) Chris Bellefueille will receive the Article 16.1 wage rate when the Article 16.1 rates go into effect.

- (d) The wage rate of Augustin Gavina will remain \$23.99 until December 4, 2018 and on December 5, 2018 Gavina's wage rate will go to the Article 16.1 rate.
- (e) The wage rate of Tyra Spotted Elk will remain \$23.99 until April 8, 2019, and on April 9, 2019 her wage rate will go to the Article 16.1 rate.
- (f) The wage rate of Jovi Burns will remain \$18.34 until March 3, 2019, on March 4, 2019 her wage rate will go to \$23.99, and on March 4, 2020 her wage rate will go to the Article 16.1 rate.
- (g) Peggy Wright, a part-time employee, will receive the Article 16.1 wage rates so long as she remains continuously employed by ACI during the term of the Agreement.

17. When wage rates change pursuant to this Memorandum Of Settlement, the new wage rate will become effective at the start of the payroll period that begins on or after the date the rate changes.

#### **Payment In Lieu Of Premium Pay For Training**

18. ACI will provide eligible employees with a payment in the gross amount of \$465.00 in lieu of premium pay for time spent training other employees. To be eligible, employees must be employed in the bargaining unit on October 1, 2018 and on the date the \$465.00 payment is paid. This payment will be paid within 30 calendar days after this Memorandum Of Settlement is signed by both ACI and the Union. Income taxes and other applicable withholdings will be deducted. Nothing in this paragraph is to be deemed to alter an employee's responsibility to train other individuals when directed or assigned to do so.

#### **Paid Time Off Transition**

19. Those employees who have carryover paid time off as of April 13, 2018 will have until December 31, 2019 within which to use that carryover paid time off. If those employees have any unused carryover paid time off as of December 31, 2019, they will be paid for those unused carryover paid time off hours in January 2020. When employees use carryover paid time off, they must specifically inform ACI that they are using carryover paid time off.

#### **Past Practices**

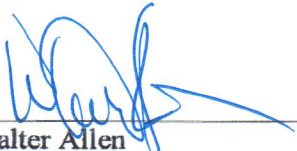
20. Side agreements, memoranda of understanding, letters of understanding, past practices, and similar items, written or unwritten, that existed on or before March 30, 2018, are terminated. To the extent that the parties desired to continue any side agreements, memoranda of understanding, letters of understanding, past practices, or similar items, they have been reduced to writing and included in the Agreement or this Memorandum of Understanding.

**Gender References**

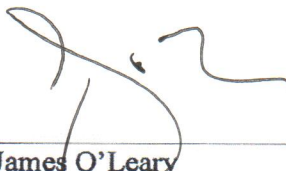
21. References to one gender in this Memorandum Of Settlement include individuals of both genders.

Signed this 16<sup>th</sup> day of November, 2018.

Office And Professional Employees  
International Union, Local 30

  
\_\_\_\_\_  
Walter Allen  
Executive Director

Alternate Concepts, Inc.

  
\_\_\_\_\_  
James O'Leary  
President