

# SUMMARY OF TENTATIVE LOCAL 986 GATEWAY LOCAL RIDER

For the Period of  
~~January 26, 2020~~ April 1, 2022 Through ~~March 31, 2022~~ March 31, 2026

## PREAMBLE

This Agreement is entered into by and between DHL EXPRESS (USA), INC. (hereinafter the "Company", "Employer" or "DHL"), the TEAMSTERS DHL NATIONAL NEGOTIATING COMMITTEE ("TDHLNNC"), representing Local Unions affiliated with the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, and LOCAL UNION 986, affiliated with THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS (hereinafter "Union" or "Local 986"). This Local Rider is supplemental to and becomes a part of the National Master DHL Agreement, here in after referred to as the "National Agreement" and the Gateway Operational Supplement, hereinafter referred to as the "Operational Supplement," for the period commencing ~~April 1, 2017~~ 2022 through ~~March 31, 2022~~ 2026. This Local Rider shall not become effective unless and until it is ratified by the Employer's Gateway employees represented by Local 986 and approved in writing by the National Union Committee as provided in the National Agreement (Article 2, Scope of Agreement, Section 1, Scope and Approval of Local Supplements). T/A

Once this Local Rider becomes effective, it (together with the National Agreement and Operational Supplement) shall supersede, cancel and replace in its entirety the pre-existing collective bargaining agreement between the parties for the affected Gateway employees represented by Local 986.

The terms set forth in each Local Rider

shall supersede any conflicting terms in their applicable Operational Supplement. Challenges/grievances arising out of alleged conflicts shall be submitted directly to the National Grievance Committee for decision.

## ARTICLE 10. BARGAINING UNIT

### Section 1. Departmental Structure

*[No Change] Except as noted below*

Duties may include but are not limited to, performing ~~ABX or Astar~~ weight and balance duties; monitoring the loading and unloading of ~~ABX or Astar~~ aircraft; operating ~~ABX or Astar~~ aircraft loading equipment and ground support equipment if required; and coordinating loading with ramp agents. T/A

## ARTICLE 11. STEWARDS

### Section 1. Stewards

The Employer recognizes the right of the Union to designate from the Employer's seniority lists ~~no more than three~~ (3) employees to serve as the primary shop steward for the unit covered by this Agreement, and ~~no more than three~~ (3) employees to serve as an alternate steward. T/A

### Section 2. Authorized Steward Activities

*[No Change]*

## ARTICLE 12. UNION VISITATION PRIVILEGES

*[No Change]*

**ARTICLE 13. USE OF AND  
PERFORMANCE OF BARGAINING  
UNIT WORK BY PERSONNEL  
OTHER THAN REGULAR  
EMPLOYEES**

*[No Change]*

**ARTICLE 14. WORK DAY,  
WORK WEEKSCHEDULING**

*[No Change] Except as noted Below*

1. For employees with a minimum forty (40) hour work week under this Article, the regular workday shall consist of eight (8) or ten (10) consecutive hours, excluding an unpaid meal period of one-half (1/2) hour. Part-time employees shall be scheduled for a minimum of fifteen (15) hours. T/A

F. The actual hours worked by each part-time employee will be reviewed monthly. If the average hours for a part-time employee exceeds forty (40) hours per week over a six (6)-week period, then the Company will add a full-time position. If a part-time employee volunteers for overtime on a specific day, that day will not count toward the average hour calculation. The last six (6) weeks of the year will be exempt from this calculation. T/A

**ARTICLE 15. JOB BIDDING**

A. Within sixty (60) calendar days after the ratification date of this Agreement, the Employer shall determine the number and type of regular work week and work day shifts (including four (4) day work week of ten (10) hour shifts), their starting and ending times and the number of employees required to staff each shift for each Department and provide such information to the Union seven (7) days prior to posting the jobs for bid. At

the Union's request, the Company will meet and discuss any suggestions or concerns the Union may have prior to the implementation of the bid. The discussions will not delay the implementation of the bid.

A bid shall be conducted at least once each contract year in the month of January. The bid shall be posted for a period of fourteen seven (~~14~~ 7) days. The bid shall become effective on the first Saturday of the following pay period Monday, but at least fourteen seven (~~14~~ 7) days, after bid close. A bid, other than the January bid, may be posted for one or more contractual Departments. T/A

Bidding will be by department. That is, bids as described above will be completed separately for departments 595 and 598. The jobs within these departments, which are posted for bid, will be open for bid to employees currently on that department's seniority roster.

Employees are not permitted to bid outside their current department. The qualifications to perform a particular job shall be established by the Company in its sole discretion. An employee must possess such qualifications to successfully bid that position. Further, the Company will continue to bid lead schedules separately for employees selected to lead positions. A lead who forfeits or is removed from his/her lead position, will be required to bid into a shift for which he/she is qualified and can hold with current seniority. T/A

**B.** *[No Change]*

**C.** *[No Change]*

**D.** *[No Change]*

**ARTICLE 16. OFFER OF  
SHIFTS TO  
UNASSIGNED PERSONNEL**

*[No Change]*

**ARTICLE 17. SENIORITY,  
LAYOFF AND RECALL**

*[No Change]*

**ARTICLE 18. ATTENDANCE  
POLICY**

*[No Change] Except as Noted Below*

An employee will not receive an attendance point, instance or discipline for utilizing a full day of compensated sick leave that has been earned, including any accumulated sick leave days from prior year. T/A

**ARTICLE 19. DISCIPLINE  
AND DISCHARGE**

**Section 1. Discipline**

*[No Change] Except as Noted Below*

issue all discipline within ten (10) calendar days of knowledge, unless the employee is placed under investigation. The Company has ten (10) days from the date of knowledge to notify the employee in writing, copy to the Local Union, that he is being placed under investigation. The Company must complete the investigation within thirty (30) days after placing the matter under investigation. The Company may extend the thirty (30) day period for cause, and notify the respective Local Union in writing of such extension. However, the time period that an employee is on leave does not count towards the ten (10) or thirty (30) day periods. T/A

An employee shall continue working while under investigation unless the Company informs the Union that the employee is under investigation for violation of one of the acts outlined in this Article or Article 8 of the Gateway Operational Supplement (Discipline and Discharge”). T/A

All discharges, suspensions, warning notices, or other disciplinary action shall be confirmed in writing to the employee and the Union. Appeal from a discharge, suspension, or written warning notice must be taken within five (5) days, excluding weekends and holidays.

**ARTICLE 20. INVESTIGATORY  
INTERVIEWS OF UNIT  
EMPLOYEES BY MANAGEMENT  
AND SUPERVISION**

*[No Change]*

**ARTICLE 21. WAGES &  
COMPENSATION**

**Section 1. Wage Rates**

A. ~~Retroactive to April 1, 2022~~ Upon the ~~Ratification Date of this Local Rider~~, all employees shall ~~continue to~~ receive the applicable wage rate listed below, based on ~~their current step in their levant progression under Articles 36 or 37 of the pre-existing collective bargaining agreement between DHL Express, Inc. and Local Union 986, affiliated with the International Brotherhood of Teamsters (effective October 9, 2005), for the affected Gateway employees represented by Local 986.~~ T/A

New Hire	\$15.50
	<u>21.50</u>
6 Mos	\$15.90
12 Mos	\$16.30
	<u>22.00</u>
18 Mos	\$16.70

22.50~~24 Mos~~ \$17.10~~30 Mos~~ \$17.40~~36 Mos~~ \$17.90~~42 Mos~~ \$18.30

- (This scale is inclusive of the April 1, 2022 COLA increase.) T/A

Full-time employees above the progression will receive the annual full-time wage increases contained in the PUD (which are inclusive of the April 1, 2022 COLA increase). T/A

Part-time employees above the progression will receive the annual part-time wage increases contained in the PUD (which are inclusive of the April 1, 2022 COLA increase). T/A

~~At date of ratification, employees with less than 60 months of service will move up to \$15.50 and follow the above progression every 6 months thereafter.~~ T/A

~~At date of ratification, employees with more than 60 months of service will move up to \$18.30.~~ T/A

~~Retroactive increases for full-time employees will be paid at the annual full-time wage increases contained in the PUD.~~ T/A

~~Retroactive increase for part-time employees will be paid at the annual part-time wage increases contained in the PUD.~~ T/A

## Section 2. Load Planner Differential

*[No Change]*

## Section 3. Lead Differential

*[No Change]*

## Section 4. Shift Differential

*[No Change]*

## Section 5. Call Back Pay

*[No Change]*

## Section 6. Overtime:

A. One and one-half (1½) times the straight-time hourly rate of pay, as provided in this Agreement, shall be paid for all hours worked:

(1) *[No Change]*

(2) For all hours worked on the sixth (6th) consecutive day worked in the work week for all employees. T/A

(3) *[No Change]*

(4) In excess of forty (40) hours in a workweek.

B. Two (2) times the straight-time hourly rate of pay, as provided in this Agreement, shall be paid for all hours worked:

(1) In excess of twelve (12) hours worked in a day for all employees. T/A

(2) For all hours worked on the seventh (7th) consecutive day worked in the work week for all employees. T/A

(3) For employees regularly scheduled to work a four (4) ten (10) hour day schedule, after the first eight (8) hours worked on the fifth (5th), sixth (6th), and/or seventh (7th) day worked in the workweek.

C. *[No Change]*

D. *[No Change]*

E. If overtime needs cannot be filled by qualified volunteers, employees may be forced to work such overtime in inverse order of seniority within classification and by qualification.

F. The Company shall use its best efforts to not call for mandatory overtime and will excuse employees in seniority order among all qualified employees within a classification from overtime when the workload has diminished.

When extending a regular shift, the Company will not force an employee to work more than two (2) post-shift hours, except in case of:

1. Act of God
2. Equipment Failure
3. Excessive Shipment Volume
4. Excessive Absenteeism
5. Severe Flight Delay T/A

G. For purposes of calculating overtime, all compensated hours shall be included.

## ARTICLE 22. VACATIONS

### Section 1. Vacation Accrual

All non-probationary unit employees accrue vacation hours beginning the first day of regular service. Employees are eligible to take accrued vacation after six (6) months regular service.

*[No Change] Except as Noted Below*

Any employee may make a written election in the annual vacation bidding process to cash out one-week increments

of vacation. Vacation time cashed out will be paid out by separate check in the last payroll that falls in the following March.  
T/A

### Section 2. Vacation Accrual Cap

*[No Change]*

### Section 3. Vacation Scheduling and Usage

*[No Change] Except as Noted Below*

1. In the first round of vacation bidding, an employee may ~~either bid up to~~ his/her entire vacation in one block of time in weekly increments, ~~or bid a maximum of two (2) full weeks of vacation.~~ In any subsequent round of vacation bidding, an employee may bid vacation in single or multiple days, but may not displace any previous vacation bid. Employees may not trade vacation days. T/A

### Section 4. Hospitalization During Vacation Time

*[No Change]*

## ARTICLE 23. SICK LEAVE

### Section 1. Use of Sick Leave

Sick leave may be used by employees actively at work during absence caused by a non-work related injury or illness, for medical, dental or vision care appointments, or during the waiting period for a work-related injury or illness. Sick leave may be used in any manner authorized by and consistent with federal and/or state law.

The Company may require verification of an employee's eligibility to use sick leave hours in accordance with applicable law.

## Section 2. Amount of Sick Leave

All non-probationary unit employees accumulate sick leave beginning the first day of regular service. Employees are eligible to use accumulated sick leave hours after completion of the probationary period.

Full-time and part-time employees may accumulate up to a maximum of forty-eight (48) sick leave hours over a twelve (12) month period based on anniversary date and may accumulate up to a maximum of two hundred (200) hours. T/A

A full-time and part-time employee with accumulated sick leave in excess of two hundred (200) hours as, shall retain his/her current sick leave hours, but shall not accumulate any additional sick leave until the employee has less than the maximum two hundred (200) accumulated hours. T/A

~~Employees not regularly scheduled to work full time may accumulate up to a maximum of twenty-four (24) sick leave hours over a twelve (12) month period, based on anniversary date, and may accumulate up to a maximum of one hundred (100) hours. T/A~~

~~An employee not regularly scheduled to work full time, with accumulated sick leave in excess of one hundred (100) hours upon the ratification date of this Agreement, shall retain his/her current sick leave hours, but shall not accumulate any additional sick leave until the employee has less than the maximum one hundred (100) accumulated hours. T/A~~

In the event an employee's status changes – for example, from full-time to part-time – the applicable maximum of accumulated sick leave hours will change, and if the employee's current sick leave hours exceed

the maximum, no additional sick leave hours will be accumulated until, as a result of use, the employee's sick leave hours are below the maximum.

A full-time employee will be paid eight (8) or ten (10) hours of pay, at his/her rate of pay for all accumulated sick leave, depending on current bid at the time the sick day(s) is taken.

A part-time employee will be paid seven (7) hours of pay at his/her rate of pay for all accumulated sick leave.

Terminated employees will not be paid for unused sick leave.

## Section 3. Attendance Bonus

Any employee who does not utilize any sick days during any contract year will receive a three hundred (\$300.00) payment within 30 days of the expiration of said contract year. T/A

## ARTICLE 24. JURY DUTY

*[No Change]*

## ARTICLE 25. HOLIDAYS

*[No Change]*

## ARTICLE 26. HEALTH INSURANCE ELIGIBILITY

*[No Change]*

## ARTICLE 27. HEALTH AND WELFARE

*See National Economics*

(a) All eligible non-probationary regular full-time and part-time employees may participate in existing DHL UHC Well Select, UHC Well Choice and Kaiser S California HMO\* medical insurance programs and will pay all

applicable employee contributions in accordance with the terms of those plans, on the same basis as they are generally offered to non-represented, non-exempt full-and part-time employees of the Employer, for the term of this Agreement. T/A

(b) Eligible full-time employees ~~as of October 9, 2005~~, may continue to participate in the DHL medical insurance programs and will not pay any ~~all~~ applicable employee ~~contributions up to a maximum of two hundred dollars (\$200.00) per month;~~ T/A

(c) Eligible part-time employees, as of October 9, 2005, purchasing benefits under full-time employee rates at the time of ratification of this Agreement, may continue to participate in the DHL medical insurance programs, and will not pay any ~~all~~ applicable employee contributions ~~up to a maximum of two hundred fifty dollars (\$250.00) per month;~~ T/A

~~All other eligible full time employees may participate in the DHL medical insurance programs, and will pay all applicable employee contributions up to a maximum of two hundred fifty dollars (\$250.00) per month; and,~~ T/A

(d) ~~All other~~ Part-time employees may participate in the DHL medical insurance plans under rate schedules applicable to part-time employees and will pay all applicable employee

Contributions up to a maximum of one hundred dollars (\$100.00) per month. T/A

~~Effective January 1, 2019, all other part-time employees hired after October 9, 2005 will have an insurance premium cap of four hundred dollars (\$400.00) per month.~~

\*Employees enrolled in UHC Well Premium may continue in that plan

based on the caps set forth in the 2017-2022 Agreement. T/A

## ARTICLE 28. PENSION

See National Economics

Effective April 1, ~~2017~~2022, the Company will continue participating in the Western Conference of Teamsters Pension Trust Fund. The Company will contribute ~~\$2.253.75~~ per hour for each compensable hour up to a maximum of 173.33 hours per month. In months with fewer than 173.33 straight time hours the contribution shall be based on 173.33 hours if all available straight time hours are compensated. T/A

Effective April 1, ~~2018~~2023, the Company will contribute ~~\$2.504.25~~ per hour for each compensable hour up to a maximum of 173.33 hours per month. In months with fewer than 173.33 straight time hours the contribution shall be based on 173.33 hours if all available straight time hours are compensated. T/A

Effective April 1, ~~2019~~2024, the Company will contribute ~~\$2.754.75~~ per hour for each compensable hour up to a maximum of 173.33 hours per month. In months with fewer than 173.33 straight time hours the contribution shall be based on 173.33 hours if all available straight time hours are compensated. T/A

Effective April 1, ~~2020~~2025, the Company will contribute ~~\$3.005.25~~ per hour for each compensable hour up to a maximum of 173.33 hours per month. In months with fewer than 173.33 straight time hours the contribution shall be based on 173.33 hours if all available straight time hours are compensated. T/A

~~Effective April 1, 2021, the Company will contribute \$3.25 per hour for each compensable hour up to a maximum of~~

~~173.33 hours per month. In months with fewer than 173.33 straighttime hours the contribution shall be based on 173.33 hours if all available straighttime hours are compensated.~~ T/A

For probationary employees or temporary agency personnel hired or utilized for the first time on or after October 14, 2013, the Company shall pay an hourly contribution rate of \$0.10 during the probationary period as defined in Article 2 of the Gateway Operational Supplement, or the initial period of utilization, but in no case for a period longer than 90 calendar days from an employee's first date of hire (into the bargaining unit) or utilization in the performance of bargaining unit work. Contributions shall be made on the same basis as set forth in Article 28 of this Agreement. After the expiration of the probationary periods defined in Article 2 of the Gateway Operational Supplement, or an equivalent period if an individual is utilized as a temporary employee, but in no event longer than 90 calendar days from an employee's first date of hire (into the bargaining unit) or the first date of utilization as a temporary employee, the contribution shall be increased to the full contractual rate stated in Article 28 of this agreement.

#### **ARTICLE 29. EQUIPMENT, SAFETY AND HEALTH**

*[No Change]*

#### **ARTICLE 30. IDENTIFICATION BADGES**

*[No Change]*

#### **ARTICLE 31. EMPLOYEE HANDBOOK**

*[No Change]*

#### **ARTICLE 32. CLEAN AND NEAT APPEARANCE**

*[No Change]*

#### **ARTICLE 33. UNIFORMS**

*[No Change]*

#### **ARTICLE 34. DURATION**

The term of this Local Rider is subject to and controlled by all of the provisions of Article 27 of the National Agreement ("Duration") between the parties hereto.

## **Local 986 Gateway Local Rider DHL Express (USA), Inc.**

**For the Period of April 1, 2017~~22~~  
through March 31, 2022~~6~~**

IN WITNESS WHEREOF, the parties have set their hands and seals this \_\_\_ day of \_\_\_\_\_, 2019~~22~~, to be effective April 1, 2017~~22~~, except as to those areas where it has been otherwise agreed between the parties.

**LOCAL 986, INTERNATIONAL  
BROTHERHOOD OF TEAMSTERS**

**SIDE LETTER OF AGREEMENT  
2017-2022**

*[No Change]*

**Memorandum of Understanding**

**The Parties agree that by modifying the language in Article 10, the Parties do not intend to expand or reduce the scope of bargaining unit work. T/A**



Side Letter – Vacation Cash Out Due to  
Hardship

In the event that an employee, the Union and the Company agree that an employee has experienced a hardship that requires the cash out of accrued, but unused vacation, the Company will cash out the employee's requested vacation (in one-week increments). The Company's agreement that a hardship exist will not be unreasonably withheld. The payment will be made within seven (7) days, but will not be subject to the penalty pay provisions of the National Agreement. T/A

Memorandum of Understanding  
Regarding Extension of Probationary  
Period

The Union will not unreasonably refuse a request by the Company to extend the probationary period due to a delay in the timing the probationary actually performing bargaining unit work, e.g. due to a delay in the badging process. T/A