

**SOUTHWEST UPS UTILITY ADDENDUM  
BETWEEN  
United Parcel Service  
AND  
The International Brotherhood of Teamsters  
Local Unions Nos.  
63, 186, 396, 481, 495, 542, 952 and 986**

For The Period August 1, ~~2018~~ 2023  
through July 31, ~~2023~~ 2028

Southwest Automotive and Utility Addendum Negotiating Committee (“Union”) proposals, on behalf of its signatory Local Unions, for the period August 1, 2023, through a date to be determined. The Union reserves the right to amend, add to, delete from or otherwise modify any and all of these proposals at any time during negotiations. At the present time, only those Articles or Sections in which an addition or change is requested, and any new Articles or Sections will be listed. The Union reserves the right to submit additional proposals under any additional Articles or Sections, as circumstances may be warranted during the process of these negotiations. The Union reserves the right to request information, now and ongoing as the negotiations progress, and based on information the Union receives additional information requests may be warranted. The Union proposals are being made not only for the purpose of amending the current Agreement but may also be for the clarification and interpretation of the current Agreement, and to memorialize established practices for ease of contract administration. Except where explicitly stated otherwise, the following proposals shall apply to all Southwest Package Rider covered Unions. **Language that is bold and lined through is to be deleted from the Agreement. Language bold and underlined is to be added to the Agreement. TBD = To Be Determined.**

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## UTILITY WORKERS ADDENDUM

THIS ADDENDUM made and entered into this 1st day August of 2018~~23~~<sup>23</sup>, by and between UPS, hereinafter referred to as the “COMPANY,” and the following Local Unions, where applicable, 63, 186, 396, 481, 495, 542, 952 and 986 affiliated with the INTERNATIONAL BROTHERHOOD OF TEAMSTERS hereinafter referred to as the “UNION.”

### WITNESSETH

That in consideration of the premises and of the respective promises of the parties hereto, they do hereby mutually agree as, follows:

## SECTION 1 – RECOGNITION OF THE UNION

The Company recognizes the Union as the sole collective bargaining agent for utility automotive workers, excluding those in supervisory capacity with authority to hire and discharge.

The Company recognizes that the principles of seniority should be given prime consideration in the everyday operation of the business.

Seniority is defined as the length of an employee’s continuous service within the classifications covered by this Addendum, in the location ~~he~~ they is are domiciled, from the date of hire or ~~his~~ their requested transfer.

A temporary employee is one who has been employed by the Company for a period of less than seventy (70) days worked. A new part-time employee shall attain seniority when ~~he/she~~ they has worked seventy (70) days within a six (6) consecutive month period. Such employees shall, thirty-one (31) days after their date of employment, pay their regular initiation fee.

The work of supervisors will not include assignments of work that is performed by Union members except for the purpose of training and demonstration. Supervisors will not perform Union members work until after all reasonable efforts have been exhausted to have the work covered.

## SECTION 2 – EMPLOYMENT AND DISCHARGE

The Union agrees that the Company’s business is of a character which requires different and varied experience from that of other members of the Union. The Company shall have the

right to hire any person who is over eighteen (18) years of age and who is a citizen of the United States or who has legally declared his intention of becoming a citizen. All such new employees as well as present employees covered by this Agreement, if not already members of the Union, shall become members of the Union on the thirty-first (31st) day of continuous employment or thirty-one (31) days following the execution of this Agreement, whichever is later, and shall become and remain a member in good standing of the Union as a condition of continued employment.

The Employer shall not and the Union shall not discriminate against any individual with respect to compensation, terms, conditions or privileges of employment because of race, religion, color, sex, national origin and/or age, as otherwise provided by law. Where the pronouns 'he' or 'she' or any other pronoun designating sex are used in this Agreement, it shall be deemed to refer to either/ and both sexes.

Part-time employees or full-time ADA employees will exclusively fill all permanent full-time Porter and Carwasher jobs covered by the Automotive Addendum Agreement except in Locals 495 and 481. These jobs will be filled exclusively by Local 495 and 481 employees only.

The Company shall be the sole judge of the competency and qualifications of its employees, and reserves the right to discharge any person in its employ not deemed by it to be satisfactory. However, before the Company discharges a seniority employee, it agrees to notify the Union of its intention and will discuss the grievance with the Union and the employee.

The exception to the above rule will be cases of:

- (a) Proven dishonesty; **(it is understood that failure to accurately recall details during investigatory interviews, bonafide errors or mistakes, or simple methods errors do not constitute proven dishonesty)**
- (b) Drinking of alcoholic beverages while on duty;
- (c) Recklessness resulting in a serious accident while on duty;
- (d) The carrying of unauthorized passengers;
- (e) Unprovoked assault on an employee or a supervisory employee while on duty;
- (f) Selling, transporting or use of illegal narcotics while in the employment of the Employer;
- (g) Willful, wanton or malicious damage to the Employer's property.

The Union agrees that the Company will be notified not less than seventy-two (72) hours before any employee of the Company, a member of the Union, be taken off the job because of his failure to maintain good standing in the Union.

The Employer recognizes the employee's right to be given requested representation by a steward, or designated alternate, at such time as the 'employee' reasonably contemplates disciplinary action, unless specifically waived by the employee, in writing, with a copy to the Union.

The Employer recognizes the right of the Local Union to designate job stewards and alternates from the Employer's seniority list.

Employees covered by this Collective Bargaining Agreement who are not subject to DOT mandated drug testing are only subject to reasonable cause testing. Reasonable cause is defined as an employee's observable action, appearance, or conduct that clearly indicates the need for a fitness-for duty medical evaluation. Refusal to submit to a reasonable cause drug test is a dischargeable offense.

### **SECTION 3 – SETTLEMENT OF CONTROVERSIES**

(Where applicable) See Western Conference of Teamsters-United Parcel Service Supplemental Agreement (Articles 25, 26, 27 and 28).

### **SECTION 4 – UNION BULLETIN BOARD**

The Employer agrees to supply a glass enclosed bulletin board and to provide suitable display space for the Union in each center, hub or place of work. Keys to the Union bulletin boards will be in the custody of the Local Business Agent and the Company. Postings by the Union on such boards are to be confined to official business of the Union.

### **SECTION 5 – METHOD OR OPERATION**

The Company's rules, regulations, practices and methods of operation now in effect shall continue in full force and effect, at the option of the Company.

### **SECTION 6 – BONDS**

Should the Employer require any employee to give bond, cash bond shall not be compulsory and any premium involved shall be paid by the Employer.

The primary obligation to procure the bond shall be on the Employer. If the Employer cannot guarantee for a bond within ninety (90) days, it must so notify the employee in writing. Failure to do so shall relieve the employee of the bonding requirement. If proper notice is given, the employee shall be allowed thirty (30) days from the date of such notice to make his own bonding requirements, standard premiums shall be that premium paid by the Employer for bond applicable to all other of its employees in similar classifications. Any excess premium is to be

paid by the employee. Cancellation of a bond after once issued shall not be cause for discharge, unless the bond is cancelled for cause which occurs during working hours, or due to the employee having given a fraudulent statement in obtaining said bond.

## SECTION 7 – UNIFORMS

The Employer agrees that if any employee is required to wear any kind of uniform as a condition of continued employment, such uniform shall be furnished and maintained by the Employer, free of charge, at the standard required by the Employer. Such uniforms shall be adequate to protect against climatic conditions.

Rain gear will be available for those employees assigned to moving vehicles on the Employer's premises. **Raincoats will be ordered and provided upon request for those employees that have extended exposure to inclement weather during their workday.**

The Employer has the right to establish and maintain reasonable standards concerning personal grooming and appearance and wearing of uniforms and accessories.

It is agreed that each employee shall put on the uniform before re- porting for duty and shall remove the uniform after being relieved from duty each day. It is agreed that time spent in putting on and taking off the uniform shall not be paid for by the Employer.

## SECTION 8 – OVERTIME RATES OF PAY

Employees shall work five (5) consecutive days each week. Employees will be assigned regular shifts and will be given five (5) days advance notice in case it is necessary to permanently change the starting time of any shift. When start times are permanently changed more than two (2) hours, the job shall be rebid, excluding employees assigned to vacation relief.

All hours worked **on a seniority employee's home sort** in excess of **eight (8) hours six (6) continuous hours of work, per day or after eight (8) hours in a day** and forty (40) hours per week shall be overtime hours and paid for at one and one- half (1½) times the regular rate of pay. **Beginning August 1<sup>st</sup>, 2027, the above overtime rate will apply after five and one half (5 ½) hours worked, instead of six (6), subject to the same above restrictions.**

Any employee reporting for work on any day as directed shall be guaranteed full pay for his regular hours, unless excused at the employee's request.

(A) All part-time employees who have attained seniority **as of August 1, 2018~~23~~**, will receive the following general wage increase for each contract year, but in no case shall an employee receive less than the hourly start rate specified on **August 1st, 2018~~23~~** as set forth in (B) below. The total wage increase for each year will be as follows:

August 1, ~~2023~~ 2018 Two dollars and seventy five cents (\$2.75) ~~One dollar and Seventy cents (\$.70) per hour~~

August 1, ~~2024~~ 2019 Seventy-five cents (\$.75) per hour

August 1, ~~2025~~ 2020 Seventy-five cents (\$.75) per hour ~~Eighty cents (\$.80) per hour~~

August 1, ~~2026~~ 2021 One dollar (\$1.00) per hour ~~Ninety cents (\$.90) per hour~~

August 1, ~~2027~~ 2022 Two dollars and twenty five cents ~~One dollar (\$1.00) per hour~~

the general wage Any seniority part-time employee below twenty-one dollars (\$21.00) after the application of increase shall be raised to the minimum of twenty-one dollars (\$21.00) and shall thereafter be eligible for the above general wage increases and the one-time longevity increase below.

After application of the GWI and the minimum twenty-one dollar (\$21.00) rate, the following one-time longevity increases shall become a part of the applicable employee's base wage rate, based on their original hire date:

Five (5) up to ten (10) years of service (YOS)-fifty cents (\$0.50) per hour

Ten (10) up to fifteen (15) YOS—one dollar (\$1.00) per hour

Over fifteen (15) YOS-one dollar and fifty cents (\$1.50) per hour.

The applicable longevity increase will be applied for each eligible employee on August 1, 2023.

For example, if an employee's date of hire is August 1, 2002, effective August 1, 2023 the employee will receive the two dollar and seventy-five cent (\$2.75) general wage increase and the one dollar and fifty cent (\$1.50) per hour longevity wage increase based on the accrued twenty-two (22) years of service.

(B) Newly Hired Part-time Employees:

All part-time employees who are hired or reach seniority after August 1, ~~2018~~23 will be paid according to the following wage schedules:

Utility Workers

Hourly Rate

<u>Start</u>	\$21.00
<u>Twelve (12) months</u>	\$21.50
<u>Twenty-four (24) months</u>	\$22.00
<u>Thirty-six (36) months</u>	\$22.50
<u>Forty-eight (48) months</u>	\$23.00



<b>August 1, 2018</b>	<b>\$13.00</b>
<b>August 1, 2019</b>	<b>\$14.00</b>
<b>August 1, 2020</b>	<b>\$14.50</b>
<b>August 1, 2021</b>	<b>\$15.00</b>
<b>August 1, 2022</b>	<b>\$15.50</b>

(C) The wage rates and increases provided in (A) and (B) shall be a minimum.

(D) All part-time employees governed by this Article shall be provided a minimum daily three and one-half (3½) hour guarantee.

(E) Seniority part-time employees who are receiving an hourly rate higher than set forth above in Section (B), as a result of a Market Rate Adjustment, shall not have their hourly rate reduced due to the implementation of this Article.

**On days where premium is paid, either one and one-half (1 1/2) time or double (2) time, the premium pay shall be paid from punch to punch.**

## **SECTION 9 – TIME CLOCKS**

A daily time record shall be maintained by the Employer for an employee's review, upon request. The Employer who employs five (5) or more drivers at any hub/center shall have time clocks at such hub/center when requested by the union, in writing.

## **SECTION 10 – REST BREAKS**

Part-time employees working in three-hour locations shall be entitled to a ten (10) minute rest break. Commencing after the fourth (4th) hour and each hour thereafter, the employee shall be entitled to a five (5) minute break not to exceed that time agreed to under the Labor Agreement for full-time employees.

**Breaks are intended to provide employees rest during their shift. Breaks shall not be unreasonably delayed or denied to force an employee to take their break at the end of their shift. It shall be the employer's responsibility to ensure each employee's earned breaks are taken or compensated.**

## **SECTION 11 – HOLIDAYS AND PERSONAL DAYS**

The following holidays shall be granted to seniority employees without reduction in pay:

New Year's Day

Memorial Day

July 4th

Labor Day

Thanksgiving Day

Day after Thanksgiving

Christmas Day

December 31

**Martin Luther King Jr. Day**

#### Four (4) Floating Holidays

Each seniority employee shall be granted four (4) floating holidays to be taken each calendar year. Employees hired after July 31, 2002, shall be eligible for these holidays after one (1) years seniority with the company.

Floating holidays and personal days shall be selected in the following manner. Floating holidays and personal days scheduled during the vacation selection process shall be guaranteed time off for the employee requesting such days. Those employees not selecting during the vacation selection period may request their floating holidays or personal days at any time during the calendar year. Seniority shall prevail when the floating holidays and personal days have been selected at least ten (10) working days prior to the selected dates and time off shall be guaranteed ten (10) working days prior to the dates the floating holidays or personal holidays occur. By mutual agreement, floating holidays and personal days may be selected as individual days, blocks of days (two, three or four days) or combined in blocks of five (5) days and selected as full weeks.

Seniority shall prevail when an excessive number of employees have chosen the same day.

The granting of floating and personal holidays may be limited during the month of December.

If the Company decides to shut down its operation in the Southern California area on another day, a floating holiday will be assigned to that day.

Employees absent for more than thirty (30) days due to non-industrial illness or injury will not be eligible for holiday pay. In cases of industrial injury, employees absent for more than ninety (90) days will not be eligible for holiday pay.

Except as described above, an employee, to be eligible for holiday pay, must have monies earned during the week in which the holiday falls.

The holiday pay for all eligible employees shall be four (4) hours maximum.

HOLIDAYS WORKED: Pay shall be one and one-half (1½) times the hourly rate plus the holiday pay except for those employees engaged in the processing of the delivery and pickup of air parcels on the Day after Thanksgiving, and New Years' Eve Day (December 31st), who shall be paid straight-time wages for hours worked, in addition to holiday pay.

Employees may elect, on their anniversary date, to receive five (5) consecutive personal days off (guaranteed hours) or pay in lieu thereof. These five (5) days will be selected, under seniority procedures, by the employee as part of the employee's vacation selection procedure. Employees hired after August 1, 2002, shall be eligible for the five (5) personal days described above after completion of two (2) years seniority with the Company.

## **SECTION 12 – MATERNITY/PATERNITY/FMLA LEAVE**

A. It is understood that maternity leave for female employees shall be granted with no loss of seniority for such period of time as her doctor shall determine that she is physically unable to return to her normal duties, and maternity leave must comply with applicable State and Federal laws. It is further understood that, pursuant to Section 19B-Family and Medical Leave Act, paternity leave for a male employee whose spouse is pregnant shall be granted with no loss of seniority, for each pregnancy, for a period not to exceed twelve (12)/six (6) weeks, with the exception of employees not able to meet qualifications set out in Section 19B, who shall be granted leave not to exceed one (1) week, this week shall commence on the date of birth or the day the spouse is released from the hospital subject to the employee's choice.

B. All employees who have worked for the Company for a minimum of twelve (12) months and worked at least 1250 hours during the past twelve (12) months are eligible for unpaid leave as set forth in the Family and Medical Leave Act of 1993.

Additionally, any employee not covered above, that has worked for the Company for a minimum of thirty-six (36) months and accrued at least 625 paid hours during the past twelve (12) months is eligible for unpaid leave as set forth below, except that the amount of leave allowed will be computed at one-half (½) of the time provided by the FMLA.

Eligible employees are entitled up to total of 12/6 weeks of unpaid leave during any twelve (12) month period for the following reasons:

1. Birth of a child;
2. Adoption, or placement for foster care;
3. To care for a spouse, child or parent of the employee due to serious health condition;
4. A serious health condition of the employee.

The employee's seniority rights shall continue as if the employee had not taken leave under this section, and the Employer will maintain health insurance coverage during the period of the leave. The Employer may require the employee to substitute accrued vacation or other paid for leave for part of the 12/6 week leave period.

The employee is required to provide the Employer with at least thirty (30) days advance notice before FMLA leave begins if the need for the leave is foreseeable. If the leave is not foreseeable, the employee is required to give notice as soon as practical. The Employer has the right to require medical certification of the need for the leave under the Act. In addition, the Employer has the right to require a second 2nd opinion at the Employer's expense.

The provisions of this section are in response to the Federal Act and shall not supersede any state or local law which provides for greater employee rights.

## **SECTION 13 – DISABILITY AND SICK LEAVE**

Each employee will be allowed seven (7) days sick leave (four [4] hours daily guarantee or straight-time pay) upon attaining one (1) year's seniority with the Company. Each employee will be allowed seven (7) days sick leave (four [4] hours daily guarantee at straight- time pay) on each succeeding sick leave anniversary date.

Each employee will be allowed seven (7) days (at the daily guaranteed rate of pay) on each succeeding sick leave anniversary date.

On the employee's anniversary date, ~~he/she~~ they shall have the option to:

- A. Accumulate any/all sick leave days, to a maximum of thirty (30) days.
- B. Receive pay for any/all accumulated unused sick leave.
- C. Use in conjunction with vacation time, earned, as described below:

At the end of each succeeding twelve (12) months, any unused sick pay may be accumulated, paid, or used in five (5) day segments in conjunction with vacation time off at the option of the employee. These five (5) days, forty (40) straight time hours, may be selected under the same procedure by the employee as part of the employees next vacation selection period. When unused sick leave is paid, it shall ~~he~~ be paid at the rate of pay at which it was earned.

Sick pay contribution shall be allocated under the following conditions:

1. Sick pay to be allowed for the first day of any period of absence from work due to a bona fide sickness or disability, and shall start when an employee leaves the job because of injury on the job.
2. An employee unable to work because of sickness or disability must notify the Company one (1) hour or more before the employee is scheduled to report for work, unless conditions make it impossible to give such notification, and sickness shall be deemed to have commenced at the time the Company is so notified, unless notification is impossible.

3. No employee shall be entitled to disability leave pay when the sickness or injury is due to intoxication or the use of narcotics, nor shall it apply in case of injury while working for another employer or while self-employed for profit or compensation.
4. No employee shall be requested to have a medical release, from their physician, unless the employee has been on sick leave five (5) consecutive days or more, or in the event of any personal injury.
5. Prorated unused sick leave pay will be paid in cases of separation from the Company after one (1) year employment. An employee who retires from the Company, and is entitled to receive payment for prorated unused sick leave pay, shall also be paid a separate additional cash payment equal to the total pension contributions which the Company would have been required to make on behalf of the employee had the employee utilized all accumulated unused sick leave pay prior to retiring (i.e. the number of prorated unused sick leave pay hours multiplied by the hourly pension contribution rate in effect at the time of payment as illustrated in the following example – 40 hours x \$6.60 per hour = \$264.00).
6. A lapse of more than thirty (30) days per year shall break continuity of employment for the purpose of sick pay eligibility. Sick pay days will be prorated.
7. Earned sick pay may be integrated with Workmen's Compensation or Unemployment Compensation Disability Benefits when re- requested. An employee who is receiving such benefits shall be paid the difference between such benefit payments and his straight-time weekly earnings for each week such benefit payments are made until such sick pay benefits that the employee would be eligible for are exhausted.

## **SECTION 14 – VACATIONS**

All employees covered by this Agreement shall be entitled to one week of vacation with pay after one (1) year's seniority with the Company; two (2) weeks of vacation with pay after three (3) years' seniority with the Company; three (3) weeks of vacation with pay after five (5) years' seniority with the Company; four (4) weeks of vacation with pay after ten (10) years' seniority with the Company; and five (5) weeks of vacation with pay after twenty (20) years seniority with the Company and six (6) weeks of vacation with pay after twenty-five (25) years seniority with the Company.

**Employees will have the option of taking one (1) week of accrued vacation time and breaking it up into individual days or combined into a block of two (2) days. This choice will be made at the time of vacation selection and will be scheduled in accordance with Section 11 of this Agreement. These individual days will be paid in accordance with this Section 14, which is a regular vacation week divided by five (5).**

Vacation pay for each week of vacation shall be one-fifty- second (1/52) of the gross annual earnings of the employee during the twelve (12) month period immediately prior to the

employees employment anniversary date. 1/52 shall be defined as all monies paid to an employee for an anniversary year, excluding unused sick pay, pay in lieu of unused vacations or personal days, National negotiated monetary bonus shall be governed by the National Negotiating Committee.

Location seniority to prevail for selection of vacation period which may be taken all at one time or may be split, provided it is earned at that time. All vacation dates are to be determined by mutual agreement between the manager and the employee.

A lapse of more than thirty (30) days per year shall break continuity of employment for the purpose of vacation eligibility. Vacation days will be prorated.

**VACATION SELECTION PROCEDURE:** For choice of vacation, once a vacation list is posted, the first full week of January is allowed for the top 25% to select in seniority order, the second week of January for the second 25%; the third week of January for the third 25% to select in seniority order; and the fourth 25% to select the fourth week of January. Those not signing up in their scheduled week shall lose their choice of vacation and must take what is left. **The V**acation period shall be defined as February 1st through the week of Thanksgiving and December 26th through January 31st of the following year.

Earned vacations, for the vacation period scheduled, shall be paid for during the week prior to the date the vacation is taken, Employees who have earned vacation weeks not selected during the vacation selection period, may select at a later date, by mutual agreement for the available time not selected or may elect to sell back those unscheduled weeks at any time. The maximum number of weeks for sell back shall be limited to two (2) weeks. Vacation pay shall be paid on a separate check.

After one (1) year of seniority, vacation allowances will be prorated on a monthly basis and paid in the event of separation from the Company.

An employee who retires from the Company, and is entitled to receive payment for prorated unused vacation, shall also be paid a separate additional cash payment equal to the total pension contributions which the Company would have been required to make on behalf of the employee had the employee utilized all accumulated unused vacation prior to retiring (i.e. the number of prorated un- used vacation hours multiplied by the hourly pension contribution rate in effect at the time of payment as illustrated in the following example – 40 hours x \$6.60 per hour = \$264.00).

## **SECTION 15 – HEALTH INSURANCE COVERAGE**

Employees hired prior to August 1, 2008, and their eligible dependents, shall become eligible for this coverage six (6) months after their seniority date.

In accordance with National Master United Parcel Service Agreement Article 34, Section 2(d), (Health & Welfare and Pension) individual and dependent/spousal health coverage will be made available to part-time employees on the payroll as of or hired after August 1, 2018 after nine (9) months of active employment.

For those full-time or part-time employees who have received health and welfare benefits from the Company Health & Welfare Plan, benefits on and after January 1, 2014 will be provided by Teamsters Western Region and Local 177 Health Care Plan in accordance with the Letter of Agreement on the Teamsters Western Region and Local 177 Health Care Plan dated September 6, 2013.

For all full-time and part-time employees who receive health and welfare benefits from the Teamsters Western Region and Local 177 Health Care Plan the employer shall make health and welfare contributions for employees who have been injured on the job for a period of one (1) year, and for employees who are ill or have been injured off the job for a period of four (4) week, with the Teamsters Western Region and Local 177 Plan covering the remaining weeks up to a maximum of twenty-six (26) weeks.

Any eligible employee covered by this Section who retires effective January 1, 2014 or thereafter shall be provided retiree medical benefits through the Teamsters Western Region and Local 177 Health Care Plan.

Current retirees who are receiving benefits through a UPS sponsored plan shall receive coverage on and after January 1, 2014 under the terms of the Memorandum Concerning UPS Sponsored Plans, attached to the National Master Agreement.

## **SECTION 16 – PENSION BENEFITS**

The Company shall pay into the Western Conference of Teamsters Pension Trust Fund, for the account of each employee working under this Agreement, a monthly sum computed as follows:

Pension contributions payable into the Western Conference of Teamsters Pension Trust Fund on account of each part-time employee of the bargaining unit shall be paid for each hour for which compensation was paid (all compensable hours) up to a maximum of two thousand eighty (2080) hours per calendar year. **For the duration of this Agreement, the employer shall continue to contribute to the Western Conference of Teamsters Pension Trust Fund in the amount equal to**

the contribution rate as of July 31, 2023, except as that rate may be increased in accordance with the terms of Article 34 of the National Master Agreement.

In accordance with the provisions of Article 34, Section 1(a) of the National Master Agreement, the Joint Supplemental Area Negotiating Committee has decided to allocate twenty-five cents (.25) of the available August 1, 2023 fifty cent (.50) contribution as a pension contribution to the Western Conference of Teamsters Pension Trust Fund. As such, the pension contribution rate will be increased from eleven dollars and six cents (\$11.06) to eleven dollars and thirty-one cents (\$11.31) per hour effective August 1, 2023.

For probationary employees hired on or after August 1, 2002, the Employer shall pay an hourly contribution rate of ten cents (\$.10) (including \$0.01 for PEER/84 for part-time employees) during the probationary period as defined in Section 1 of this agreement, but in no case for a period longer than the first ninety (90) calendar days from an employees first date of hire. If and when this period is completed, the full standard contribution rate shall apply. Contributions shall be calculated on the same basis as described in this Article.

~~Effective August 1, 2018, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$9.46 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.~~

~~Effective August 1, 2019, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$9.86 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year~~

~~Effective August 1, 2020, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$10.26 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.~~

~~Effective August 1, 2021, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$10.66 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year~~

~~Effective August 1, 2022, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$11.06 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.~~



## **SECTION 17 – SAVINGS**

Effective September 1, 1997, United Parcel Service shall make contributions at the rate of eighty-five cents per compensable hour into the Pacific Coast Benefits Trust (herein “Trust”) on behalf of all employees covered under this Addendum on whose behalf United Parcel Service was obligated to make contributions in the Trust immediately prior to September 1, 1997. With respect to employees whose first hour of employment (or reemployment) with United Parcel Service is on or after September 1, 1997. United Parcel Service shall make contributions at the rate of eighty-five cents (\$.85) per compensable hour into the Pacific Coast Benefits Trust Fund on behalf of each such employee beginning on the earlier of the employee’s achievement of seniority or the employee’s completion of 600 hours of employment (or reemployment) within twelve consecutive calendar months, such contributions to be made retroactively for all compensable hours in the twelve consecutive months immediately preceding achievement of seniority or the completion of 600 hours of employment (or reemployment) as the case may be. Provided, however, that United Parcel Service shall not contribute for more than 173 hours in any calendar month for each covered employee. The total amount due for each calendar month shall be remitted in a lump sum not later than the tenth day of the following month, United Parcel Service acknowledges that it has received a true copy of the Trust and shall be considered a party thereto. It is understood and agreed that United Parcel Service accepts the terms and conditions of this Trust and agrees that the Employer Trustees named pursuant to the Trust are its representatives and consents to be bound by the actions and determinations of the Trustees. United Parcel Service further agrees to abide by such rules as may be established by the Trustees of said Trust to facilitate the audit of hours for which contributions are due, the prompt and orderly collection of contributions, and the accurate recording of such hours.

## **SECTION 18 – TRUST FUND ACCEPTANCE**

Holidays, sick pay and vacation time paid for but not worked shall be considered as time worked for the purpose of Sections 16, 17 and 18, but no payments shall be made for overtime hours, unused sick pay payments or prorated payments made in cases of separation from the Company.

The Employer shall not be obligated to make payments into the Trust Funds of amounts in excess of those which are deductible from gross income by the Employer under Section 404 of the Internal Revenue Code.

The total amount due for each calendar month shall be remitted in a lump sum not later than the 20th day of the following month.

The Employer agrees to abide by such rules as may be established by the Trustees of the respective Trust Fund to facilitate the prompt and orderly collection of such amount and the accurate reporting of such amounts paid on account of the employees.

Failure to make the payments herein provided within the time specified shall be a breach of this Agreement.

## **SECTION 19 – PICKET LINE**

It shall not be a violation of this Agreement and it shall not be cause for discharge or disciplinary action in the event an employee refuses to enter upon any property involved in a primary labor dispute or refuses to go through or work behind any primary picket line, including the primary picket line of Unions party to this Agreement and including primary picket line of Unions party to this Agreement and including primary picket lines at the Employer's place of business.

## **SECTION 20 – GARNISHMENTS**

In the event of notice to the Employer that a court order has been issued requiring the Employer to withhold a percentage of an employee's wages to satisfy a garnishment, the Employer may take disciplinary action if the employee fails to satisfy such garnishment or wage assignment within a seventy-two (72) hour period after notice to the employee that the Employer is considering disciplinary action. However, the Employer may not discharge any employee by reason of the fact that his earnings have been subjected to garnishment or wage assignment for any one indebtedness. An employee may be suspended by reason of the fact that his earnings have been subjected to garnishment or wage assignment for any one indebtedness, but any such suspension must be for a fixed stated period of time.

If the Employer is notified of three (3) garnishments or wage assignments for more than one debt, irrespective of whether satisfied by the employee within a seventy-two (72) hour period, the employee may be subject to discipline. However, the employee may not be discharged upon notice of a third garnishment under this provision unless and until the Employer has actually begun withholding the employee's wages of a second debt. If the Employer has an established practice of discipline or discharge with a fewer number of garnishments or wage assignments or impending garnishments or wage assignments, if the employee fails to adjust the matter within the seventy-two (72) hour period, such past practices shall be applicable, provided it does not result in the discharge of an employee prior to the actual withholding of the employee's wages

for a second debt. A garnishment for child support or alimony shall not be considered a debt for the purpose of discipline.

The Employer shall comply with State, Local and Federal law in enforcing the provisions of this Article. Discipline or discharge pursuant to this Article shall be reasonable and nondiscriminatory.

## **SECTION 21 – JURY DUTY**

When a seniority employee is called for jury duty service, ~~he/she~~ they shall be excused from ~~his/her~~ their regular duties on the days ~~he/she is~~ they are required to appear in court or comply with jury rules that prevent him/her from reporting for work. For any regularly scheduled work day in which time off for jury service is granted, the part-time employees shall receive four (4) hours' pay at his/her straight-time hourly rate, less any amount received as a jury duty fee is such fees are defined as wages under applicable laws. The employee shall be required, however to turn over to the Company adequate proof of his jury duty service and compensation in order to receive the compensation above provided.

An employee who is required to report for jury duty during a week of previously scheduled vacation, may select another available week of vacation.

Time spent on jury duty service shall be considered time worked for purposes of the Employer's contributions to Health and Welfare and Pension Plans, vacation eligibility and payment, holidays and seniority, in accordance with the applicable provision of the Supplemental Agreement.

Notwithstanding the above, no employee, working other than a day shift, will be required to report to work on a night if ~~he or she~~ they ~~has~~ have served jury duty that day and that service prevents ~~him or her~~ them from reporting for work.

## **SECTION 22 – FUNERAL LEAVE**

In the event of a death of a member of the employee's family, a seniority employee shall be allowed a reasonable time off to attend the funeral or other bereavement rite.

Members of the employee's family means: spouse, child, or step- child, grandchild, father, mother, brother, sister, grandparents, mother-in-law and father-in-law and step-parents.

A regular full-time employee shall be guaranteed two (2) days off to be taken between the day of death and two (2) working days following the funeral provided the employee attends the funeral or other bereavement rite.

An employee shall be allowed one (1) day off to attend the funeral or other bereavement rite of a sister-in-law or brother-in-law. Re-imbursment for this day shall be the same as provided below.

Time off shall not extend beyond the day of the funeral unless an additional day is required for travel, except as provided below. In no event will total compensated time exceed four (4) scheduled work days. The employee will be reimbursed at eight (8) times the employee's straight time hourly rate for each day lost from work for those employees whose regularly scheduled workweek is five (5) days, and ten (10) times the straight time hourly rate for those employees whose regularly scheduled workweek is four (4) days. Part-time employees will receive the same benefits as above, paid at four (4) times the employee's hourly rate.

The definition of a sister-in-law or brother-in-law is your spouse's sister or brother and your brother's or sister's spouse.

## **SECTION 23 – SHIFT TRANSFERS**

Part-time employees with at least six (6) months seniority may re-quest shift transfers within the hub employed. Such transfer requests shall be in writing and consistent with the efficient operations of the Company.

Employees covered under this Agreement may request, in writing, to be placed on the full-time employment list. Forms shall be provided for the employee to indicate the full-time classifications of work re-quested. A copy of the completed request form shall be returned to the employees' immediate supervisor or manager for approval before being forwarded to the personnel office for final approval and held in their file for ready reference when openings occur.

Employees within the jurisdiction of the Local Unions, 481 and 495, shall be given first opportunity, by seniority, to fill permanent openings in job classifications described in the Automotive Workers Addendum. The Company is to maintain a separate seniority list for employees covered under this Agreement.

A notation will be made on the employee record U6150 when transfers and requests for full-time employment are approved and/or disapproved. All such notations shall be signed by the immediate supervisor and the employee involved. A list of such requests shall be maintained in the Company's personnel departments.

Under this provision, employees shall be given up to thirty (30) working days to demonstrate their ability to qualify for such position. Failing to qualify within this period, the employee shall return to his or her former classification without loss of seniority.

An employee covered under this Agreement with six (6) months or more of seniority, who is hired into a full-time position, shall carry-over one-half (½) of his Company seniority for the purpose of qualifying for fringe benefits only.

Part-time employees who wish to transfer to another location for educational purposes may submit a written request to the Employer. If approved, the transfer shall be allowed subject to the following conditions:

- a) A part-time opening exists at the desired location.
- b) Employees must have attained seniority and been employed by the Employer for at least one year.
- c) Job Classification Seniority shall be end tailed.
- d) Company seniority shall be retained for the purpose of number of weeks of vacation and number of holidays in accordance with the applicable Supplement at the new location.
- e) Any expense, including moving expenses, associated with an approved transfer, shall be the responsibility of the employee.

## **SECTION 24 – SENIORITY**

When a reduction of force is necessary, employees shall be given the option to displace: the least senior employee within the local union's jurisdiction by classification, providing the employee is qualified to perform the work or accept the layoff. The last employee laid off, as provided for above, will be the first employee rehired, provided that acceptance of the job must be received by the Company within forty-eight (48) hours after notice is sent to the employee.

An employee unable to report for work due to a proven illness or injury shall retain seniority for a period equal to such employee's length of service with a one (1) year maximum.

Job openings in classifications covered by this Agreement will be posted for bid among employees within the facility they work. Rules for bidding shall be as follows:

1. Job openings will be posted including general job description, hours of work and workweek for seventy-two (72) hours. Those desiring to fill said openings shall sign their names on the posted bulletin.
2. The vacancy shall be filled by the most senior bidder, provided the senior bidder can demonstrate his qualifications to perform the work of the vacancy.

3. A successful bidder for an opening may not bid again on subsequent openings for a period of six (6) months following reassignment.
4. Employees may bid the original opening. The opening created by the successful bidder will also be bid. Thereafter, the Company will make assignments to fill subsequent openings.
5. Employees may bid openings within their Local Union area, only.

In the event of a complete building re-alignment, porters covered by this Agreement shall be given the opportunity, in accordance with their seniority, to bid the new defined areas. It is understood that daily work assignments and coverage for disability, vacation, etc., will not be affected by this paragraph.

It is agreed that needs for vacation relief or permanent openings, under this Agreement, will be filled from members on the layoff list, by seniority. Appropriate notice will be given.

## **SECTION 25 – TERMS OF AGREEMENT**

This Agreement shall be effective on August 1, ~~2018~~23 and remain in effect through July 31, ~~2023~~28

All current letters of understanding shall be renewed for the term of the Agreement.

### **FOR THE COMPANY:**

~~Brian Castillo~~ ~~John Veentjer~~, Company Chairman\*\*

~~Mary Misloski~~ ~~John Ernest~~  
~~Rob Acorn~~ ~~Heather Hughes~~  
~~David Clifford~~ ~~Marie Gomez~~  
~~Elijah Whitfield~~  
~~Victor Cabral~~

### **FOR THE UNION:**

~~Victor Mineros~~ ~~Bob Lennox~~  
~~—Local 495\*\*~~  
~~George Park~~ —Local 495  
~~Sam Stewart~~ —Local 63

~~Ralph Dominguez~~ —Local  
~~63~~  
~~Victor Torres~~ —Local 481  
George Skrbic – Local 481  
~~Grant Maertz~~ —Local 952  
Able Garcia – Local 186

\_\_\_\_\_  
For the Company

~~John Veentjer~~ Brian Castillo

\_\_\_\_\_  
For the Union

Victor Mineros ~~Robert M. Lennox~~

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Date:

