COLLECTIVE BARGAINING AGREEMENT BETWEEN WASTE MANAGEMENT OF SPOKANE

&

TEAMSTERS UNION LOCAL 690

January 1, 2012 – December 31, 2015

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RECOGNITION

This Agreement, made and entered into by and between WASTE MANAGEMENT OF SPOKANE, hereinafter referred to as the "Employer" and TEAMSTERS UNION LOCAL 690, of Spokane, Washington, affiliated with International Brotherhood of Teamsters, hereinafter referred to as the "Union."

The Employer recognizes the Union as the exclusive bargaining agent for all full-time and part-time mechanics, drivers (rear and front loader, container, yard waste and recyclers) employed by the Employer in its operation located at 11321 E. Indiana Rd., Spokane Valley, WA 99206 and excluding supervisors, managers and all other employees. This is to include, all areas within the boundaries granted to Valley Garbage Services, Inc. by the Washington Utilities and Transportation Commission.

<u>ARTICLE I</u> UNION MEMBERSHIP

- Management Relations Act of 1947, it is agreed that all employees coming under the terms of this Agreement shall make application to join the Union within thirty-one (31) days following employment or the date of signing of this Agreement, whichever is the later, and must maintain membership in good standing for the life of this Agreement and any renewal thereof. The Employer shall discharge any employee as to whom the Union, through its Business Agent, delivers to the Employer, a written notice that such employee is not in good standing in conformity with this Article, and has been provided ten days written notice of delinquency by the Union. "Good standing" shall be defined as the tendering of uniformly required dues and initiation fees. The Union agrees to hold harmless and indemnify the Employer for any and all action taken by the Employer in response to the Union's direction.
- 1.2 Thirty (30) days from the date of the execution of this Agreement, the Employer shall submit to the Union a list of names of all employees in the bargaining unit indicating each employee's initial hire date.
- 1.3 Thereafter, the Employer shall submit to the Union the names and hire dates of all new employees, and in addition, any employee rehired. Such written notice shall be submitted to the Union not later than ten (10) working days from the date of employment or re-employment of such employee. This provision shall apply only to employees in the bargaining unit. The Employer shall send to the

Union a new seniority list upon reasonable request. These seniority lists will include names, dates of hire and Social Security Numbers for each employee in order of their hire dates. The Union shall indemnify and hold harmless the Employer for release of social security numbers.

- 1.4 The Employer agrees not to enter into any agreement or contract with his employees, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement. Any such agreement shall be null and void.
- 1.5 The Employer shall provide a bulletin board (or a reasonable portion of a bulletin board) for the Union's use at its main office next to time clocks which bargaining unit employees have regular access for official Union announcements and notices. Such notices may not be of an inflammatory nature.
- 1.6 The Employer, upon written authorization of the employee, shall deduct from the first pay received each month by such employee, the Union dues and assessments (but not initiation fees) for the current month and promptly remit same to the appropriate officer of the Union. If dues are not deducted in one month for any reason, they shall be deducted the following month. The amount of such dues and assessments are those currently in effect or as may hereinafter be established.

When an employee quits, is discharged or is laid off, any of the foregoing amounts due will be deducted from the last pay payable, provided the Union notifies the Employer in writing of the amount due before such paycheck is drawn.

The Union shall indemnify and hold harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken or not taken by the Employer in reliance upon signed authorization cards furnished to the Employer by the Union, or other directions given by the Union, or for the purposes of complying with any provisions of this Article.

The authorization and assignment shall be irrevocable for the term of the applicable contract between the Union and the Employer, or for one (1) year, whichever is lesser, and shall automatically renew itself for successive yearly or applicable contract periods thereafter, whichever is the lesser, unless the employee gives written notice to the Employer and the Union at least forty-five (45) days and not more than sixty (60) days before any periodic renewal date of this authorization and assessment of any desire to revoke the same.

1.7 The Employer agrees to deduct from the paycheck of all employees covered by this Agreement voluntary contributions to D.R.I.V.E. D.R.I.V.E. shall notify the Employer of the amounts designated by each contributing employee that are to be deducted form his/her paycheck on a bi-weekly basis for all weeks. The Employer shall transit to D.R.I.V.E, International Brotherhood of Teamsters, 25 Louisiana Avenue N.W. Washington D.C. 20001 on a monthly basis, in one check, the total amount deducted along with the names of each employee on whose behalf a deduction is made and the amount deducted form the employee's paycheck.

<u>ARTICLE II</u> DISCRIMINATION

2.1 The Employer and the Union agree to acknowledge their responsibilities under Title VII of the Civil Rights Act of 1964 as amended not to discriminate on the basis of a persons race, creed, sex, religion, national origin, disability or age within the meanings of the law. Nothing in this Agreement shall be construed to prevent the Employer's compliance with the Americans with Disabilities Act, but should a conflict with an express provision of this Agreement arise, the mutual agreement of the Employer and the Union shall be required. An employee seeking administrative or legal relief in a different forum may not pursue a grievance under this section. However, in the event such employee exhausts the grievance procedure, then in that event such employee may pursue other remedies.

<u>ARTICLE III</u> WAGE PROTECTION

3.1 No employee of the Employer, who prior to the date of this Agreement was receiving more than the rate of wages designated in the schedule contained herein for the class of work in which he was engaged, shall suffer a reduction of wages through the operation or because of the adoption of this Agreement.

<u>ARTICLE IV</u> PAYDAYS/MEAL PERIODS

- 4.1 All employees shall have two (2) or more paydays per month.
- 4.2 <u>Meal Periods</u>: Employees who are scheduled to work more than five (5) hours in a day shall be allowed an unpaid meal period of at least thirty (30) minutes between their second (2nd) and fifth (5th) hours of work. Upon written request to the Employer, employees may voluntarily waive their meal period.

Employees who are scheduled to work three or more hours longer than their regularly scheduled work shift shall be allowed a second (2nd) unpaid meal period of at least thirty (30) minutes. Upon written request to the Employer, an employee may voluntarily waive this second (2nd) meal period. If an employee is eligible for a second (2nd) meal period, the employee must be allowed to take such second (2nd) meal period as near as possible to the midpoint of the additional work period that follows their regularly scheduled shift. The parties agree that applicable state law applies to the waiver of employee meal periods.

- 4.3 Rest Periods. Each employee shall be allowed two (2) ten (10) minute paid rest periods during each shift, one (1) to be taken each half (1/2) shift. Such rest periods shall be taken as near as possible to the midpoint of each half (1/2) shift. No employee shall be required to work more than three (3) hours without a rest period. If the nature of the employee's work allows the employee to take intermittent rest periods equivalent to ten (10) minutes for each half (1/2) shift, scheduled rest periods are not required.
- 4.4 <u>Recording Time:</u> Employees must record their actual time worked. Each employee is responsible for maintaining his or her own time record. Employees should record the time work begins and ends, as well as the beginning and ending time of each meal period. Employees must also record any departure from work for any non-work-related reason.

Should an Employee fail to record his or her time, or should a known error occur, the matter should be reported to a supervisor. Employees may not mark, erase, or make changes on time cards. Altering, falsifying, and/or tampering with time records, or recording time on another Employee's time record is prohibited.

- 4.5 <u>Notification</u>: If circumstances do not permit an Employee to take his or her meal (or rest period), it is the Employee's duty and responsibility to notify his or her supervisor that he or she was not permitted to take a meal (or rest) period.
- 4.6 <u>Settlement of Disputes</u>: Any complaint arising in connection with the application or interpretation of this Article, including but not limited to claims regarding alleged missed meal and rest periods and alleged payments shall be subject to the Settlement of Disputes procedure set forth in Article XVIII of this Agreement.

Nothing in this Article shall prohibit the Employer from modifying its policy consistent with applicable state law.

<u>ARTICLE V</u> VACATION

- 5.1 All regular employees covered by this Agreement with one (1) year of continuous service with the Employer shall be entitled to one (1) week vacation with pay annually, and after two (2) years' continuous service with the Employer shall be entitled to two (2) weeks' vacation with pay, after eight (8) years' continuous service with the Employer, shall be entitled to three (3) weeks' vacation, with pay, and after twelve (12) years' continuous service with the Employer, shall be entitled to four (4) weeks' vacation with pay, and after twenty (20) years' continuous service with the Employer, shall be entitled to five (5) weeks vacation with pay.
- 5.2 Vacation periods shall be selected according to seniority, taking into consideration the reasonable operating needs of the Employer i.e. total employees off, number off within a classification, etc. Earned vacations must be taken. Employer may limit vacations to no more than two (2) week increments. Each employee will be limited to selecting a maximum of two (2) weeks vacation until all other employees have had the opportunity to make their selection, unless mutually agreed otherwise. Full week vacations will take precedence over individual days off requested. There will continue to be five (5) drivers and one (1) mechanic allowed off for vacation, as per current practice, except from December through February where the Employer will make reasonable efforts to allow six (6) drivers and one (1) mechanic off for vacation. On any morning when there is sufficient manpower to cover all routes, the Employer will allow an Employee to utilize a personal holiday and take the day off (with pay). Requests will be approved based on seniority.

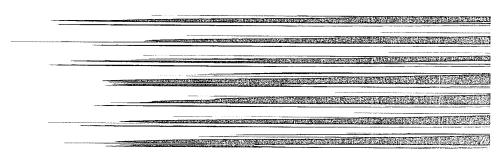
In the event the Employer is able to accommodate an Employee's request for a day off due to a critical family medical emergency, (e.g. -operation on father), the employee may utilize a personal holiday in order to receive pay for the day off.

5.3 Employees separated from employment for any cause after one (1) year of service as a regular employee shall be paid, pro rata, according to vacation earned up to the time of separation. Failure to give two weeks' advance written notice of quit, unless such notice is impossible, shall result in forfeiture of accrued vacation pay.

- 5.4 Employer may prorate vacations for employees with less than one thousand seven hundred fifty (1,750) worked hours during an employment year (i.e., anniversary date to anniversary date). Formula shall be: All employees with one thousand seven hundred fifty (1,750) or more worked hours during an employment year shall be entitled to full vacation benefits as set forth in Section 5.1. Formula for employees with less than one thousand seven hundred fifty (1,750) worked hours shall be: worked hours divided by two thousand (2,000) equals percentage earned vacation due employee.
- 5.5 An employee shall accrue a year of service under this Article only for those years in which he or she works more than one thousand five hundred (1,500) hours.
- 5.6 After January 1 of each contract year the Employer will make available a binder to be kept in the employee break room containing the approved vacation schedule for the year. Such binder shall be updated weekly.

<u>ARTICLE VI</u> HOLIDAYS

6.1 The following Holidays shall be considered days off with pay:



Recognizing the operating needs of the Employer, requests for Floating Holidays shall not be unreasonably denied.

6.2 All regular employees shall be paid eight (8) hours' pay for such holidays, regardless of which day of the week such holiday occurs. When any of the aforementioned holidays fall on a Sunday, the Monday following shall be considered the holiday. If the holiday occurs during an employee's vacation, he shall receive holiday pay in addition to his vacation pay in the amount of eight (8) hours at the rate of straight time. In order to receive holiday pay the employee must work his last scheduled work day before, on and immediately after the holiday to receive holiday pay, unless excused by his immediate supervisor or

unless the employee is unable to work due to a work-related injury occurring on any of those days.

6.3 All work performed on holidays shall be compensated at time and one half (1 ½) plus holiday pay.

<u>ARTICLE VII</u> PICKET LINE NO STRIKE OR LOCKOUT

- 7.1 No employee shall be discriminated against for upholding legal Union principles, so long as such action is consistent with this Agreement. Any employee engaged in fulfilling Union-related duties, such as serving on a committee, shall not lose employment or be discriminated against for this reason so long as such action is consistent with this Agreement.
- 7.2 It shall not be a violation of this Agreement, or cause for discharge or permanent replacement of any employee or disciplinary action of any kind if an employee voluntarily refuses to cross or work behind a lawful primary picket line approved by the Union, including such picket lines at the Employer's place of business.
- 7.3 Except as expressly provided herein, the Union will not call or sanction, nor will the employees covered by this Agreement engage in any strike, sympathy strike, work stoppage, slowdown, picketing or other forms of economic action directed at the Employer during the term of this Agreement. Employees engaging in such action may be subject to discharge. The Employer will not engage in any lockout during the term of this Agreement.

<u>ARTICLE VIII</u> HOURS OF WORK

- 8.1 All time worked in excess of forty (40) hours in any one (1) week, shall be paid for at the rate of one and one-half ($1\frac{1}{2}$) times the regular rate per hour. There shall be no compounding or pyramiding of overtime pay.
- 8.2 Where overtime is anticipated, the Employer will take into consideration an employee's schedule conflicts that are made known to the Employer. The employee will make every possible effort to make such conflicts known to the Employer at least twenty four (24) hours in advance. Employee requests for time off shall be in writing, on a form furnished by the Employer, and

given to the Employee's immediate supervisor at least twenty four (24) hours in advance but no more than thirty (30) days in advance of the requested time off.

- 8.3 The Employer will provide sign-up sheets for one-time weekend overtime work if known by Wednesday noon. The overtime will be given first to the most senior qualified employee. If there are no volunteers, the overtime will then be awarded to the least senior qualified employee. Regular full-time employees shall be guaranteed five (5) consecutive days of work, or four (4) days of work (for employees assigned to the four-ten schedule by the Employer), and forty (40) hours per week, when work is available. The Employer shall make a good faith reasonable effort, consistent with the operating requirements of the Employer, to combine part-time routes and thereby maximize the number of full-time routes, so long as such combination does not cause any inefficiencies. The Union may challenge the establishment of short routes by proposing alternatives and meeting with the Employer. The Employer shall make good faith, reasonable efforts to comply with this understanding. "Extra" employees used by the Employer shall not be subject to the hours guarantee.
- 8.4 All regular full-time employees shall be guaranteed eight (8) hours work or pay (or ten (10) hours work or pay for 4x10 employees) if sent out to work excepting weather, other factors beyond the control of the Employer or employee is sent home pursuant to DOT regulations.
- 8.5 At the option of the Employer, a four-ten (4-10) workweek may be implemented by the Employer as long as the Employees affected receive at least one (1) week's notice prior to the change. In changing back to five-eights (5-8's), the Employer must provide one (1) week's notice prior to the effective date of the change.
- 8.6 All work performed on sixth (6th) and seventh (7th) day shall be compensated at one and one half ($1\frac{1}{2}$) times the regular hourly rate. Holidays shall be counted in computing 6th and 7th days.
- 8.7 Employees shall be guaranteed four (4) hours work or pay at the applicable rate when reporting for duty as scheduled, including being on time, on any day outside of their regularly scheduled workweek.
- 8.8 Employees reporting for work shall receive a full day's pay, except as provided in Section 6.2. Any employee reporting for duty, pursuant to instructions, shall be paid for one-half (1/2) day, except for weather emergencies or other factors beyond the control of the Employer.

8.9 In computing overtime, payment shall be made for all time actually worked. An employee who leaves early due to sickness, or any reason of employee's volition, or that is terminated for cause, shall only be paid for time actually worked.

ARTICLE IX WAGES

9.1 The following is the minimum scale of hourly wages, and each increase is effective the first payroll period following the indicated date:

Classification	Current	Ratification	7/1/12	1/1/13	7/1/13	1/1/14	7/1/14	1/1/15	7/1/15
Increase		\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20
Head Mechanic	\$21.49	\$21.69	\$21.89	\$22.09	\$22.29	\$22.49	\$22.69	\$22.89	\$23.09
Mechanic	\$20.69	\$20.89	\$21.09	\$21.29	\$21.49	\$21.69	\$21.89	\$22.09	\$22.29
Relief	\$20.74	\$20.94	\$21.14	\$21.34	\$21.54	\$21.74	\$21.94	\$22.14	\$22.34
Commercial	\$20.69	\$20.89	\$21.09	\$21.29	\$21.49	\$21.69	\$21.89	\$22.09	\$22.29
Residential Drivers	\$20.34	\$20.54	\$20.74	\$20.94	\$21.14	\$21.34	\$21.54	\$21.74	\$21.94
Yard Waste	\$18.67	\$18.87	\$19.07	\$19.27	\$19.47	\$19.67	\$19.87	\$20.07	\$20.27
Floater	\$17.04	\$17.24	\$17.44	\$17.64	\$17.84	\$18.04	\$18.24	\$18.44	\$18.64
Recycle Driver	\$16.84	\$17.04	\$17.24	\$17.44	\$17.64	\$17.84	\$18.04	\$18.24	\$18.44
Container/ Cart Delivery (New Employee)	\$15.84	\$16.04	\$16.24	\$16.44	\$16.64	\$16.84	\$17.04	\$17.24	\$17.44

The following wage increases are represented by the chart above: effective upon ratification all employees shall receive an hourly wage increase of \$0.20; July 1, 2012 all employees shall receive an hourly wage increase of \$0.20; July 1, 2013 all employees shall receive an hourly wage increase of \$0.20; July 1, 2013 all employees shall receive an hourly wage increase of \$0.20; January 1, 2014 all employees shall receive an hourly wage increase of \$0.20; July 1, 2014 all employees shall receive an hourly wage increase of \$0.20; January 1, 2015 all

employees shall receive an hourly wage increase of \$0.20; July 1, 2015 all employees shall receive an hourly wage increase of \$0.20.

Mechanics who qualify for the Master Tech classification, as outlined in the parties attached Letter of Understanding, shall receive a \$0.25 per hour premium above their contractual rate.

Any driver who performs work requiring a Class A license shall receive a \$0.50 per hour premium above their applicable contractual rate for all time spent performing such work.

- 9.2 Under no circumstances shall a driver collect payments for accounts receivable.
- 9.3 The terms and provisions of this Agreement shall prevail at all times and the payment of any money or benefit in addition thereto shall be at the discretion of the Employer.
- 9.4 In the event of shift work in the shop, the mechanics will be paid a shift differential of fifty (\$.50) per hour, and there shall be a minimum of two (2) persons working in the shop area for safety concerns, at least one of whom shall have first aid qualifications, and second person does not have to be a mechanic. Any shift starting at or after 2 p.m., shall be eligible for the shift premium.
- 9.5 Break-in rates for entry level classifications hired after date of ratification shall be as follows:

0-2080 hours of work 90% of the above rates 2081-4160 hours of work 95% of the above rates 100% of the above rates

No employee shall be required to complete the above progression more than one (1) time, even if he/she transfers between full-time jobs, unless the employee has left the employ of the Company. Employees moving or bidding into a lower paying classification shall be paid at the lower classification top step.

- 9.6 During the winter season months, reasonable efforts will be made to use Yard Waste employees to fill positions of vacationing and absent drivers.
- 9.7 The Floater shall be a bid position. A Floater will not perform commercial work. A Floater will be paid twenty (20) cents per hour above the Recycle rate for work performed in that class. For all work performed outside the

Recycle rate, the Floater shall be paid the wage step increase for that classification and will also receive the higher pension contribution for those hours, if applicable. The Employer may not utilize more than one (1) Floater unless there are at least five (5) Relief positions. If there are five (5) Relief positions, the Employer may only add a second Floater.

- 9.8 As a condition of continuous employment, all drivers and mechanics shall maintain and keep current a valid drivers license and medical examiner's certificate. All employees must hold a commercial drivers license, and any applicable license if required by the Employer, and must comply with all applicable federal, state and local regulations.
- 9.9 The terms and provisions of this Agreement shall be minimums and the payment of any money or benefit in addition thereto shall be at the discretion of the Employer.
- 9.10 The Union reserves the right to negotiate wages and benefits for any new bargaining unit classifications.

ARTICLE X SICK LEAVE

- 10.1 It is understood and agreed by both parties to this Agreement that a non-occupational or occupational accident is the same as a bona fide illness, unless otherwise stated. Employees shall accumulate sick leave at the rate of seventy two hours per year, or six (6) hours per month. Accumulation and usage will be based on the number of hours in an employee's shift, 5-8's or 4-10's. Sick leave benefits shall be payable commencing with the second (2d) working day missed, except that any employee with over two hundred fifty (250) hours in his sick leave bank, or who did not miss work in the past rolling six-month (6) period will be paid beginning on the first (1) day. When an individual is hospitalized, has sustained a non-occupational accident, or has disabling outpatient surgery, benefits shall be payable commencing the first day.
- 10.2 Payment for sick leave days shall be paid commensurate with the employee's workday. The daily total of sick leave pay under this Article and time loss payments provided by the Health and Welfare Plans shall not exceed the daily contract rate.
- 10.3 Sick leave or non-occupational leave shall be used only for bona fide illness of an employee. Any unused sick leave shall accumulate into a sick leave

bank of not more than three hundred twenty (320) hours, and further, said bank to be used for future illnesses of an employee as his needs may require.

- 10.4 In cases of possible abuse, the Company may require verification from a physician of an employee's illness or injury, and may also require the employee attend a physician (at the company's expense) in order to verify the illness or injury.
- 10.5 Upon retirement, those employees with at least two hundred fifty (250) hours of sick leave will be paid (based upon their then hourly rate) for those hours from two hundred fifty (250) to three hundred twenty (320) in their sick leave bank.
- 10.6 Employees may cash-out, in eight-hour (8) increments, accrued vacation leave or personal holidays to an employee who has had a catastrophic injury or illness and exhausted his/her sick leave, and is not otherwise receiving payments from an alternative source (e.g., workers' comp) Employees requesting such a cash-out must obtain the approval of the District Manager.

<u>ARTICLE XI</u> HEALTH & WELFARE

- 11.1 <u>Medical Plan</u>: Effective upon ratification, the Employer shall pay into the Inland Empire Teamsters Trust, Plan A, the amount of eight hundred seventy dollars (\$870.00) per month for each employee covered by this Agreement who was compensated for eighty (80) hours or more during the preceding month. Said payment is to be made on or before the tenth (10) day of each month. Of the above total amount, employees shall continue to contribute one hundred sixty dollars and seventy-eight cents (\$160.78) through payroll deduction.
- 11.2 The Employer shall remit the total monthly contribution to the Trust. However, any contributions required over the above cap amount set forth above shall be split 50-50 between the employer and the employees. Such employee contributions shall be withheld by payroll deduction and employees shall be required to sign a written authorization for the deduction. However, the employees' contribution shall not exceed twenty percent (20%) of the total premium during the term of this Agreement.
- 11.3 The Employer and the Union agree to be bound by the provision of the Agreement and declaration of the above-named Trusts or such other Trust as may be agreed to by the parties to this Agreement, and agree that the Trustees of that Trust shall act as Trustees on their behalf.

<u>ARTICLE XII</u> RETIREES MEDICAL

12.1 All active employees will be covered under the Retiree RWT-Plus Health and Welfare Plan sponsored by Washington Teamsters Welfare Trust. Effective on the dates indicated below and each month thereafter during the term of this collective bargaining agreement, the Employer agrees to remit the following amounts per month to the Washington Teamsters Welfare Trust on behalf of each employee who received compensation for eighty (80) hours or more in the previous calendar month:

Effective Upon Ratification \$94.85

12.2 Of the above amount of \$94.85 per employee, the Employer will contribute \$84.85 and employees shall contribute the remaining ten dollars (\$10.00) through a payroll deduction. Any additional contributions required over the amounts specified above shall be borne by the employees. Employee contributions under this section shall be withheld by payroll deduction. Employees shall be required to sign a written authorization for said deduction. The Employer and the Union agree to be bound by the provision of the Agreement and declaration of the above-named Trusts or such other Trust as may be agreed to by the parties to this Agreement, and agree that the Trustees of that Trust shall act as Trustees on their behalf.

ARTICLE XIII PENSION

13.1 The Employer shall continue to pay the following contribution levels into the Western Conference of Teamsters Pension Trust fund for each member of the bargaining unit for each hour of which compensation is paid, not to exceed one hundred eighty-four (184) hours per month, and two thousand eighty (2080) hours per year. All employees that are new to the bargaining unit will have a pension contribution of ten cents (\$0.10) per hour (up to 184 per month) for the first 90 calendar days.

Classification	Current	7/1/12	7/1/13	7/1/14	7/1/15
Proposed Increase	***	\$0.15	\$0.20	\$0.20	\$0.20
Garbage and Mechanics, Yard Waste	\$4.22	\$4.37	\$4.57	\$4.77	\$4.97

Recycle	\$3.55	\$3.70	\$3.90	\$4.10	\$4.30
First 90 days	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10

13.2 The total amount due for each calendar month shall be remitted in a lump sum not later than ten (10) days after the last business day of such month. The Employer agrees to abide by such rules as may be established by the Trustees of said Trust Fund to facilitate the determination of the contributions due, the prompt and orderly collection of such amounts for each member of the bargaining unit. Failure to make all payments herein provided for within the time specified shall be a breach of this Agreement.

PEER/84—The Employer agrees that six and one-half percent (6.5%) of the above mentioned contribution shall be paid for the purpose of providing the Program for Enhanced Early Retirement (PEER)/84 of the Western Conference of Teamsters Pension Trust Fund. All required contributions shall be paid out of the contribution levels established in Section 12.1. The contribution for PEER/84 must at all times be six and one-half percent (6.5%) of the basic contribution, and cannot be decreased or discontinued at any time.

- 13.3 The parties will jointly present this article to the Trust for approval. Should approval not be forthcoming, the parties will immediately meet and find a mutually satisfactory replacement, providing employees the same level of benefits and the Employer comparable cost.
- 13.4 The Employer agrees to participate in the Teamsters 401(K) Plan, a plan intended to conform to the requirements of Section 401(K) of the Internal Revenue Code. The Employer's obligations are limited to execution of the subscriber agreement, and timely payment of that portion of wages that employees elect to pay into the plan. All administrative expenses of the Plan shall be paid by participating employees. The Employer may establish reasonable rules related to the timing and manner of employee contributions and contribution changes. Except as otherwise provided herein, the Employer shall have no legal responsibility or obligation for the operation, funding, or administration of the Plan.

<u>ARTICLE XIV</u> JURY DUTY

- 14.1 Any regular employee when called upon for jury service in any municipal, county, state or federal court shall advise the Employer upon receipt of such call, and if taken from his work for such service shall be reimbursed as provided herein, for any loss of wages while actually performing such service, provided he exhibits to the Employer his properly endorsed check, and permits the Employer to copy the check or voucher he received for such service.
- 14.2 The amount the employee shall be reimbursed shall be determined by subtracting the amount he received for such service from the amount he would have earned at his regular straight-time hourly rate during the regular working hours he missed while performing such service.
- 13.3 After having reported for jury duty an employee is excused and has at least four (4) hours (daylight), he/she shall report for work or call in prior to 12:00 noon.

<u>ARTICLE XV</u> DEATH IN THE IMMEDIATE FAMILY

- 15.1 In the event of a death in the family, a regular employee shall be entitled to three (3) days off at eight (8) hours times his regular hourly rate per day to attend the funeral. The compensable day off must fall within the employee's regular scheduled work week.
- 15.2 Immediate family shall be defined as wife, husband, son, daughter, mother, father, brother, sister, mother-in-law, father-in-law, grandmother, grandfather, grandson, granddaughter, spouses' grandparents, step parents and stepchildren, providing persons in such step relationships have lived or have been raised in the family home and have continued an active family relationship, and domestic partners. A domestic partner shall be defined as a live-in partner of at least five (5) years in a committed relationship and the domestic partner is also a beneficiary of the employee. The burden is on the employee to establish domestic partner status to the satisfaction of the Employer.
- 15.3 This Article shall not apply when the employee is on leave of absence or sick leave.

15.4 It is understood and agreed that this benefit is available only to employees who are directly and personally inconvenienced under the circumstances described above.

<u>ARTICLE XVI</u> SEPARABILITY & SAVINGS

16.1 If any Article or Section of this Agreement should be held invalid by operation of law or by any tribunal of competent jurisdiction, the balance of this Agreement shall continue in full force and effect. The Article or Section held invalid shall be modified as required by law or the tribunal of competent jurisdiction, or shall be renegotiated for the purpose of an adequate replacement.

<u>ARTICLE XVII</u> SUSPENSION & DISCHARGE

- 17.1 The Employer shall not discipline or discharge any Employee (other than a probationary Employee) without just cause. Just cause shall include, but not be limited to, violation of any provision of the Employer's policies and procedures, so long as such policies are not inconsistent with the express provisions of this The Employer recognizes its obligation to engage in progressive discipline. At the same time, it is mutually understood that the Employer is in the public service industry, and that high standards of conduct are expected. As such, the parties recognize that the Employer may immediately discharge or suspend without a previous warning letter any Employee that engages in dishonesty; recklessness; violation of the Life Critical Rules (Attachment A), gross negligence in handling or driving Employer's vehicles which results in significant property damage or bodily injury; carrying unauthorized passengers while operating Employer's vehicles; failure to report an accident; gross insubordination, possession of weapons; violent or threatening language, behavior or conduct, except where the Employee can establish he acted in bona fide self defense; possession, sale, use or being under the influence of alcohol or drugs or controlled substances related to employment; or other infractions of a similar magnitude.
- 17.2 Warning notices shall be specific in nature and issued within twenty (20) days (excluding weekends or intervening holidays) and in the case of an accident, within ten (10) days (excluding weekends and intervening holidays) from the date the investigation is complete regarding said accident.
- 17.3. Warning notices will not be grounds for additional discipline beyond fifteen (15) months of the date of a warning.

- 17.4 Copies of any warning notice, suspension or discharge notice shall be provided to the Union.
- 17.5 An Employee receiving a warning notice, suspension, or discharge may request an investigation by filing a grievance through Article XVIII, Settlement of Disputes.
- 17.6 All Employees must read and acknowledge receipt of copies of any current or future Company implemented, adopted or modified policies, safety procedures, work rules, drug/alcohol policies, attendance/tardiness rules or health or government rules.

<u>ARTICLE XVIII</u> SETTLEMENT OF DISPUTES

- 18.1 The right to process and settle grievances is wholly, to the exclusion of any other means available, dependent upon the provision of this Article. The Union and the Employer agree to act promptly and fairly in all grievances.
- 18.2 The Union shall not be required to press employee grievances if, in the Union's opinion, such lack merit. With respect to the processing, disposition and/or settlement of any grievance, including hearings and final decisions of boards and arbitrators, the Union shall be the exclusive representative of the employee(s) covered.
- 18.3 Disputes arising as to the interpretation of this Agreement or grievances thereunder shall be handled in the following manner:
- 18.3.1 <u>STEP ONE</u>—The aggrieved employee shall first contact the immediate supervisor, within seven (7) calendar days in an attempt to adjust the dispute. If the employee is not satisfied, the grievance procedure may be initiated.
- 18.3.2 <u>STEP TWO</u>—Should a matter coming to the knowledge of the Union or the Employer give rise to a grievance, such shall be submitted, in writing, to the Union, by the Employer, or to the Employer by the Union. All such submissions must be made within ten (10) working days of the date of the employee's knowledge of the action giving rise to the grievance or the grievance shall be deemed waived. The submission shall contain a concise statement of the facts upon which the grievance is based, the section(s) of the Agreement allegedly violated, and the remedy that is being sought. Thereafter, the Union and the Employer shall diligently seek to reach a fair informal settlement within ten (10)

working days. If no resolution has been reached within ten (10) working days of the submission, the matter may be moved to the next step.

- 18.3.3 **STEP THREE**—If the grievance is not settled at Step Two, the dispute shall be referred for final adjustment to a Labor Relations Committee selected as follows: Two (2) members, who are non WM of Spokane managers, appointed by the Employer and two (2) members by the Union, who are not representatives or employed by Local 690. The submission shall be made with ten (10) calendar days after the expiration of Step Two.
- 18.3.4 <u>STEP FOUR</u>—In the event the Labor Relations Committee fails to reach an agreement, the moving party shall request the Federal Mediation and Conciliation Services to provide a panel of seven (7) Pacific Northwest Arbitrators from which one (1) shall be selected by the method of alternately striking names from the panel. The submission shall be made within ten (10) working days following the Labor Relations Committee meeting. The decision of the Arbitrator shall be final and binding on both parties and any employee affected by such decision. It is understood and agreed that the Arbitrator is not vested with the power to change, alter or modify this Agreement in any of its parts.
- 18.4 Each party shall pay its own expenses and fees incurred during the arbitration, including the costs of representation, and shall equally pay any mutual expenses incurred in the process of arbitration.
- 18.5 The Employer and the Union agree to comply with the time limitations set forth above, and either party shall have the right to insist that the time limitations be complied with; provided, however, said time limitations may be waived by mutual agreement. Failure to comply with the time limits shall result in the grievance being waived for all purposes.
- 18.6 Any award of back wages shall be limited to the amount of wages the Employee would otherwise have earned from his employment with the Company subsequent to the timely filing of the written grievance, less any unemployment or other compensation received during the period in question. Back pay awards are limited to ninety (90) days, except in instances where the Arbitrator determines the Employer has intentionally delayed the proceedings, unless the time frames in this section are mutually agreed to be waived in writing.

<u>ARTICLE XIX</u> SENIORITY

- 19.1 All employees of the Employer shall retain their original seniority dates with the company, including rights and benefits.
- 19.2 The first six (6) months of employment will be considered a new Employee's probation period. In the event an employee is retained six (6) consecutive calendar months, their seniority date shall revert back six (6) calendar months prior to the date they became regular employees.
- 19.3 Seniority shall be broken, and employment shall end, by retirement, voluntary quit, termination, failure to report for duty within five (5) days of recall from layoff status, or more than nine (9) months continuous absence, unless due to an injury on the job, in which case seniority shall prevail for twelve (12) months, (unless otherwise agreed by the Union and the Employer). If qualified, seniority shall prevail in all layoffs and rehires. Such determinations are subject to the dispute settlement in Article 18.
- 19.4 Extra employees are defined as employees who substitute for regular employees and have no regular assignment, workweek guarantee, or work day guarantee. Extra employees shall not be employed to deprive regular employees with seniority of regular work. Openings for regular employment shall be filled by the Employer from among those extra employees with at least 700 hours of work for the Employer. Except as stated in this Section 19.4, extra employees shall not accrue seniority. Except in the event of emergency or other circumstances beyond the Employer's control, the Employer will assign relief drivers to daily work assignments prior to assigning extra drivers or management employees.
- 19.5 When a regular employee is on layoff status, his seniority shall apply to all additional manpower needs of the Employer for which the employee is qualified. It is agreed that the forty (40) hour guarantee is waived unless the employment is full-time. Extras may not be used to deprive laid-off regular employees (either in probationary status or seniority status) of available employment. A laid-off employee will always be sent out first (before extras) whenever he or she has made himself available for work at the work place.
- 19.6 When a route becomes permanently open (either by an employee leaving or addition of a new route) that route will be bid according to seniority and qualifications. After the open position is filled, there will be one additional bid according to seniority and qualifications. Once that bid process is completed, there

will be no further bidding. The Company will be allowed to make any other moves to fill positions as has been the practice.

Bids will be posted on the driver's board for a period of seven (7) calendar days for those interested drivers to sign up. The posting shall include qualifications needed for the open route, opening and closing dates, a brief description of the responsibilities and provide space for the interested driver to sign up.

The driver that is awarded a bid will not be allowed to bid again for a twelve (12) month period from the date of award, unless bidding into a higher wage rate position.

<u>ARTICLE XX</u> MANA GEMENT RIGHTS

- The Union recognizes the Employer's inherent and traditional right to manage its business and to establish reasonable work rules, and require their observance. The Employer shall have the sole right to direct the working force in the performance of their work assignments, including the assignment of jobs and equipment, to evaluate employees, to make promotions, to establish all routes, to subcontract equipment maintenance and repair (so long as such subcontracting does not cause the layoff of an employee) and long haul (except that if there is enough long haul work to employ an additional employee, and such work can be performed at less cost by the Bargaining Unit, the parties will meet to negotiate same); to regulate the general working conditions in relation to the efficiency of the operations; to make changes in equipment and technology, the right to state how general business is to be conducted, including manpower assignments, routing of routes, use of trucks, operating procedures with respect to equipment; provided that this clause shall not be administered so as to be in conflict with this Agreement. Upon request, the Employer will bargain the impacts of technology or equipment changes (e.g., lay-offs, etc.) The Employer also reserves the right to inspect, review, and revise each employee's route, and other items pertinent to a safe and efficient operation. The above statement of rights is not exclusive, but rather is given by way of example only.
- 20.2 Outside employment interfering with the employee's performance of duties shall, upon Employer direction, be terminated. Where reasonably practical, an employee will be given two (2) weeks notice before requiring cessation of second job. Regular employees (except on layoff) shall not perform outside work for any competitor of the Employer.

- 20.3 Employees will not be allowed to salvage any materials from the Employer's premises or from any route, drop-off boxes, tipping area or other locations which they may come in contact with during working hours without the Employer's written consent.
- 20.4 The Employer's drug and alcohol policy, as from time to time modified, shall apply to all employees covered by this Agreement. Management may, to the extent it has reasonable suspicion to believe a violation has occurred, perform random alcohol and drug screening, searches or inspections of employees and their personal effects to determine whether an employee is in possession of, or under the influence of, alcohol, drugs or controlled substances while on company premises or outside company premises on company business. Upon request, an employee may have a Business Agent or Shop Steward in attendance for such a search. All screening shall be performed by persons with sufficient competence to give an appropriate examination. The parties agree that the Employer will comply with all drug/alcohol testing mandated by law.

Employees who refuse to cooperate with screening/search procedures will not be forced to comply, but will be informed that failure to comply is grounds for discipline, up to and including discharge.

- 20.5 <u>Reports</u>. Employees shall, no later than the end of a shift, report all defective equipment and defective containers. Such reports shall be made on a suitable form furnished by the Employer. Failure to fill out defective equipment reports completely and accurately will subject an employee to progressive discipline.
- 20.6 An employee involved in any work-related accident, regardless of whether it is in the workplace or vehicular, shall as soon as reasonably possible (and in no event later than the end of the shift) report said accident and any physical injuries sustained to a supervisor or manager of the Employer (or their designee if unavailable).
- 20.7. Any employee sustaining a work-related injury shall report it by the end of their shift whenever possible.

<u>ARTICLE XXI</u> SHOP STEWARDS

21.1 The Employer recognizes the Union's right to appoint Shop Stewards. Shop Stewards may pass out proposed official Union written instructions and

deliver routine oral instructions. Business Agents have authority over Shop Stewards.

- 21.2 Shop Stewards may, without loss of pay or benefits, expend reasonable short periods of time investigating and alerting the Employer to probable violations and grievances. Shop Stewards and/or Business Agents may attend meetings between supervisor and employee when disciplinary action against employee is probable. It is understood that the duties of the Shop Steward will in no way disrupt the normal work activities of the employee performing that function.
- 21.3 Shop Stewards have no authority to establish policy or negotiate or approve labor agreements or alterations or amendments thereto. Shop Stewards have no independent authority to settle disputes, to initiate or implement slowdowns, work stoppages, or economic persuasion, or to interfere with production.

<u>ARTICLE XXII</u> UNIT WORK PRESERVATION

- 22.1 Except as provided herein, bargaining unit work shall be performed by bargaining unit members. Supervisory and other non-bargaining unit employees may perform bargaining unit work for the purpose of training or in emergency situations, or where reasonably necessary due to operational conditions (on a temporary basis), or a sufficient number of bargaining unit employees are not available after a reasonable attempt by management. The foregoing is not intended to apply to newly-acquired bargaining unit work for which no employees have been employed.
- 22.2 An employee leaving the bargaining unit to accept a non-union position with the Employer shall, if returned by the Employer to the bargaining unit within one (1) year of leaving, be restored to the same seniority as he had when he left the unit.
- 22.3 If the disposal industry is deregulated during the term of this Agreement, or if the authority of the WUTC to regulate garbage collection and set rates is altered or transferred to any other government instrumentality, body, or agency, or if additional WUTC franchises or permits are issued to other companies, and this impacts the competitive nature of the disposal industry in the area serviced by the Employer, or if prevailing rate requirements are removed from contracts bid by the Employer or are reduced below the wages and conditions set

forth in this Agreement, the Union agrees to renegotiate wages, hours, and working conditions upon request of the Employer. If within thirty (30) days from such request the parties are unable to agree upon modifications, and it becomes necessary for the Employer to immediately reduce wages or to alter hours or working conditions in order to remain competitive or to match prevailing rates, it may do so pending resolution of new contract terms. In the event the parties are unable to agree upon the nature and amount of any modifications required, the issues in dispute may be made the subject of economic action by either party, irrespective of the other provisions of this Agreement.

ARTICLE XXIII UNIFORMS

23.1 If uniforms are required, they shall be paid for by the Employer and maintained by the Employer. When specific safety footwear is required, the Employer shall reimburse up to one hundred-fifty (\$150.00) dollars annually for the cost of same. Uniforms and other safety apparel furnished by the Employer shall be maintained by the employee. Required safety eyewear or prescription safety eyewear, will be provided if required by Employer. Uniforms or other safety apparel that are given to the employee will be replaced by the Employer if damaged or worn out as a result of expected usage, or lost, unless proved by the Employer to be excessive and then the employee will be responsible for replacement.

<u>ARTICLE XXIV</u> WORKING CONDITIONS

- 24.1 The Employer will make a good faith effort to ensure that customers comply with tariff restrictions.
- 24.2 All book and record keeping shall be on the Employer time where required by the Employer.
- 24.3 All employees required to attend meetings shall be paid at the applicable rate. The Employer will make a good faith effort to post notice of mandatory safety meetings forty eight (48) hours in advance. Employees shall be paid for attending such meetings.
- 24.4 The Employer shall make and maintain reasonable provisions and take and maintain reasonable measures for employee's safety and protection, consistent with federal, state and local laws.

- 24.5 New company policies that materially affect working conditions will be submitted to the Union for review and discussion, if necessary, before being instituted by the Employer.
- 24.6 Employees must be neat in appearance and courteous at all times. Employees shall report to the office any address changes and any other items important to the proper operation of the Company.
- 24.7 In order to facilitate promotional opportunities, the Employer will not unreasonably deny training requests on other equipment, consistent with the operational needs of the Employer and the relative seniority of the Employee.
- 24.8 Route books will be kept current in the proper sequential order, and followed by the driver. Deviations from following proper sequential order shall be allowed upon management approval. Violations of the above shall be subject to progressive discipline.
- 24.9 An employee will be given up to ten (10) days of training within a thirty (30) day period, where necessary, before being qualified on new equipment where he moves from a recycle position to a front end load position or from front end load to a roll-off position. This provision shall not apply to temporary position moves by employees who have previously performed such work.

<u>ARTICLE XXV</u> ATTENDANCE AND TARDINESS POLICY

- 25.1 Being available for work on a regular basis is a condition to continued employment.
 - 25.2 The Employer reserves the right to establish starting times for work.

<u>ARTICLE XXVI</u> SAFETY COMMITTEE

26.1 The Employer and the Union agree that the safety of the employees and the general public is of utmost importance. To address safety and health issues, the Employer shall establish an on-going Safety Committee which shall consist of at least four (4) employees elected from the bargaining unit, along with other employees of the Employer. The function of the Committee shall be to evaluate safety issues, and to communicate those issues to the Employer's designated Safety Representative. It shall be the responsibility of the Safety Representative to review recommendations of the Committee and to advise the

Committee of such action taken, or to otherwise respond to the Committee regarding such recommendations. If the Committee has any questions regarding the action or response to the Safety Representative, the District Manager and the Union Business Representative shall be notified and shall meet with the Committee. The Committee shall meet at least quarterly. While the Committee will not make determinations on accident preventability, the Committee may review serious accidents or patterns of accidents in order to determine if safety and/or health recommendations should be made to the Safety Representative. Minutes of the meetings shall be posted within twenty (20) days after each meeting.

<u>ARTICLE XXVII</u> MECHANICS

- 27.1 The Employer shall reimburse mechanics for tools inventoried with the Employer and kept at the workplace if such tools are destroyed due to fire or catastrophe. Thefts of such tools, if proven, will be reimbursed by the Employer, with a \$250 deductible.
- 27.2 Mechanics will be reimbursed an annual tool allowance of up to \$250.00 which will be used to buy or replace tools used in the performance of their duties.

<u>ARTICLE XXVIII</u> DURATION OF AGREEMENT

28.1 This Agreement will become effective upon ratification and shall remain in full force and effect until December 31, 2015, and shall continue in full force from year to year thereafter, unless either party shall desire a change and shall give the other party sixty (60) days notice in writing prior to the expiration date of any year.

	Dated at Spokane, Washington, this 28	day	of February , 2012.
Waste	e Management of Spokane	Tean	nsters Local 690
By:	Alla -	By:	Oa Colleur Val Holstrom Secretary-Treasurer
By:		By:	Muchael Valenul & Mike Valenzuela Business Representative
Ву:	Marco Genzalez District MANAGER	By:	Eric Johnson Committee Member
		By:	Robert Bower Committee Member

Attachment A

LIFE CRITICAL RULES

-- COLLECTIONS--

- 1. <u>Never</u> back a vehicle with someone in the riding steps.
- 2. <u>Never</u> back a dual drive vehicle from right side without the proper mirrors, camera(s)/monitor.
- 3. <u>Never</u> exceed the speed limits posted or set by policy for school zones, riding steps, and stand-up right-side driving.
- 4. <u>Always</u> safely secure the vehicle.
- 5. <u>Always</u> comply with seat belt rules.
- 6. <u>Never</u> zigzag.
- 7. <u>Never</u> double side unless approved by DM and specific conditions are met.
- 8. <u>Never</u> modify or disable equipment safety devices.
- 9. <u>Always</u> comply with tipping floor or workforce rules.
- 10. Always apply parking brakes when exiting a vehicle.

Refer to WM Operations and Safety Rules Book for full rule description.

Revised
