

HIGHLIGHTS OF THE 2013 - 2017 TENTATIVE AGREEMENT

Between APWU and Pat Salmon & Sons

Article 5 – Layoffs and Leave of Absence – The parties agreed to expand the amount of time employees may remain on a leave of absence from 18 months to 24 months before they will lose their seniority.

Article 6 – Discipline - New language will establish time limitations for the Company to issue discipline. The previous “just cause” provisions were retained, and new language was added to establish Progressive Discipline prior to discharge. Also, new language states that the Company will attempt to minimize the amount of time a driver is in a non-pay status when an investigation of an accident, incident or event which may result in discipline and/or discharge is conducted.

Article 8 – Probationary Period - New language will provide probationary employees access to the grievance procedures outlined in the Agreement for any contractual violations.

Article 9 – Seniority and Employee Classification - New language in Section 2 will provide ongoing seniority benefits to a Driver who quits, resigns, or changes employment status to another career position, and who returns to Driver status within 3 business days. Also, new language in Section 3 clarifies the distinction between Regular Drivers and Seasonal/Temporary Drivers.

Article 12 – Monitoring Devices – After several days discussing the Company’s proposals to use monitoring devices to issue discipline, new language was agreed to which will provide protections to drivers by allowing them to challenge the events on the videos in the presence of their steward. Also, if coaching or retraining is conducted, the Company must document the subject, date, and type of coaching that occurs.

We retained existing language that states, “*No employee shall receive discipline based solely on information collected or obtained by on-board camera or event recorder.*” In addition, we retained other language that states, “*... any audio recorded on the on-board camera and event recorders shall not be subject to discipline.*” New language will also be added to prevent the Company from issuing discipline unless the Just Cause and Progressive Discipline provisions are applied first.

Much discussion occurred regarding the Company piling-on unrelated events to issue discipline, such as following too close, not wearing a seat belt, and/or stop sign, etc. In this regard, a new provision will state that a driver shall not receive discipline for an infraction detected through an on-board camera or other event recorder unless the driver has received training or coaching for the same type of infraction within the preceding 12 months. The exception to this provision will apply for instances involving a violation of the Company work rules prohibiting the use of mobile communications devices while operating a Company vehicle.

Article 13 – Job Bidding - The previous language requiring Annual Bidding in Dallas and Little Rock has been eliminated. Also, new language has been agreed to for Annual Bidding that will continue in Memphis and Shreveport, which will allow the Union to examine schedules in advance of posting for the purpose of reviewing and discussing bid packages. Additional new language at Section 5 will establish that Bid Awards for all bids will be posted on the Company's bulletin board at each work site by 4:00 pm on the Tuesday after the close of bidding.

Article 14 – Management /Union Cooperation and Information to the Union - This is a new Article that the Union opened so we can receive information from the Company on a regular basis that will allow us to better police the Contract. The parties signed off on new language that states the Company will provide a list of all Regular Drivers reporting at each terminal on a monthly basis, listing their names, home addresses, primary phone number(s) and e-mail contact address, hire dates, seniority date(s), and employment status. The agreement also states that the Company will provide copies of all official postings on the Company bulletin boards regarding Company policies and work rules, as well as any changes or updates. In addition, the Union will immediately be notified of the sale of any operations covered by the Agreement.

Article 17 – Light Duty – New language establishes that the Company will provide all equipment and supplies necessary for the employee to perform any light duty assignment(s).

Article 18 – Extra Board Dispatch Procedures – Under the 2011 Agreement, once an Extra Board driver reached a threshold of 40 hours in a work week they were placed at the bottom of the Extra Board for the remainder of that work week. The parties have agreed to restrict this requirement to only those Extra Board drivers who are working on a “first in-first out” basis, and allow those Extra Board drivers who are holding down a vacant run to continue to work that run for the remainder of the week. In addition, a new Section 6 will be added which states that available Extra Board or volunteer Bid drivers who have responded to dispatch will be utilized before using Leased, Seasonal/Temporary drivers.

Article 19 – Grievance and Arbitration Procedure –Under previous Contracts the grievance procedure was slow, and there was no contractual requirement to force the Company to agree to quickly move outstanding grievances to arbitration. After several days of negotiations the parties reached Agreements on several Article 19 issues that needed to be updated, including provisions to:

- Reduce the number of steps in the grievance procedure to two steps: Step 1 and Step 2. Thereafter, outstanding grievance may be appealed by the Union directly to Arbitration.
- Develop a standard Grievance Form.
- Reduce the number of days for the designated representatives to meet at Step 2
- Require the Company's representative to provide a written answer within seven calendar days of the date of the Step 2 meeting, and that this answer must state the reason(s) for the denial of the grievance. No more “Denied”, without any reason or rationale.

- New language also states that if the Company fails to provide a response to the Step 2 meeting within seven calendar days of the date of the meeting, it will be deemed a denial of the grievance. In other words, NO MORE DELAYS BECAUSE THE COMPANY REFUSED TO PROVIDE A RESPONSE! With this new language, the Union may move a grievance where no timely response has been received directly to arbitration.
- To quickly move grievances to arbitration, new language will allow the Union to request arbitration by giving the Company written notice within ten calendar days of receipt of the written denial at Step 2 denial or within ten calendar days from the date that the Company fails to respond under the Step 2 timeline.
- Perhaps the biggest change in Article 19 is a new concept of a standing Arbitration Panel, in an effort to quickly move grievances to arbitration
- Furthermore, new language provides for an Expedited Arbitration Process for cases involving discipline of more than sixty days and/or discharge.

Article 20 – Work Rules – Under the 2011 Agreement the Company required a Driver to be accident free for 5 years before they would, *“in its sole discretion, have the right to impose discipline less than discharge”* for listed charges. After much discussion regarding the definition of “accident free”, the parties agreed to new language which will state: *“If the employee has not been involved in an at-fault accident during his or her employment with the Company for a period of 5 years or more, the Company shall consider discipline less than discharge”*

Article 21 – Equipment and Safety – After much discussion, the Company has agreed to establish a new Safety Incentive Program, as well as a new 25 Year Commitment Award. Details of these new programs are spelled out as an Addendum in the back of the Contract.

Article 22 – Union Representation – The parties have agreed to new language which will allow duly authorized non-employee Union officers or representatives to have access to Company premises or facilities.

Article 26 – Holiday Scheduling – The parties have agreed to new replacement language which states that holidays for Regular Drivers are recognized under the applicable Wage Determinations, and they will be observed on the days observed by the USPS. A new Section 2 will also be added regarding the procedures for Regular Drivers to either request to be off work on a holiday, or sign up to work a holiday.

Article 29– Vacation Scheduling - New provisions regarding **Choice Vacation** were agreed to which identify the dates that employees can apply for vacation, as well as establish dates when the Company must either approve or disapprove the requests, as well as establish the percentages of employees allowed to take vacation. Also, new language regarding **Non-Choice Vacation** was agreed to, which states the Company will retain a record of all disapproved vacation requests in the order they were received and denied, and this record will be used to fill cancelled vacation time or the approval of alternative vacation requests.

New provisions regarding **Team Runs/Sleeper Drivers** were agreed to, regarding the scheduling of vacation time corresponding to the length of time reflected in their trip schedule. Other new language will allow Team Drivers who have a remaining vacation balance of a few hours to take such hours under Non-Choice Vacation selection. Plus, a new provision was agreed to which will allow Team Drivers to apply for vacation to begin prior to Christmas.

Article 32 – Holiday Pay - Much discussion occurred regarding employees who exercise the option of banking Holiday hours for future time off with pay, with special concerns on the matter of when they receive pay for a banked Christmas holiday. Because of the fact that the normal pay day for the week that includes Christmas usually falls in early January, the Company wanted the payment of a banked Christmas holiday to fall in that same pay schedule. The APWU pointed out that the employees who banked the Christmas holiday did so to receive payment so they could buy Christmas presents. After much back-and-forth, new language was reached that states: *“If Christmas falls after the cutoff date for the final payroll for the calendar year it shall be included in the banked holidays “ADJ HOL” payment for the current year, provided the employee has banked the Christmas holiday by submitting a holiday banking form by December 24th of the preceding year”*. This is a win-win. With this new language in place, the Company can anticipate the numbers of employees who will be paid for the banked Christmas holiday, and the employees can receive their pay prior to the normal pay day for the week that includes Christmas.

Article 34 – Wages - After much discussion, the following agreements were reached:

- Wages for **Newly Hired Drivers** will be \$10.00 per hour for their new hire orientation.
- The Company withdrew its proposal to limit SCA wages to only “mail haul” work, and we retained the existing language that SCA wages apply to all mail haul related work and tractor/truck driving. In addition, the Company will provide copies of periodic wage determinations to the Union if the U.S. Department of Labor determines there will be adjustments.
- With the exception of light duty, the hourly rate for Drivers who perform other work on a voluntary basis (e.g., equipment shuttle work, courtesy car transfer, etc) will be \$16.50 per hour. This is an increase from the previous \$15.00 per hour; which represents a 10% increase.
- The Mechanics in Shreveport (this is the only group of Mechanics that are organized and represented by the APWU) will receive a pay increase of \$.50 per hour, effective as of the effective date of the Contract.
- New language was also reached regarding Compensated Hours, which states that (1). Regular Drivers will be paid for time worked, as required by applicable DOL Wage & Hour regulations, and (2) In the event a Driver submits an Extra pay form, a copy of the form will be provided to the Driver upon request.

Article 37 – Fringe Benefits - After much discussion the following agreements were reached:

- Layover **Pay** for drivers who have a scheduled layover including cumulative layover hours during the course of a single run of 24 hours or more was increased from the previous \$25.00 per layover to be \$27.50; with an additional \$27.50 if a scheduled layover exceeds 45 hours.
- A new **401(k) Retirement Plan** was also agreed to for Drivers and Shreveport Mechanics who desire to voluntarily participate in the plan. As part of the newly negotiated language, on an annual basis the Company agrees to contribute 30% of the eligible participant's contribution to the Plan, up to 6% of the eligible participant's pay. The Plan will be administered by TransAmerica. For more information on the Plan you can go on-line at Salmon.trsuretire.com, or call 800-755-5801.
- New language was also reached regarding **Disability Insurance, Life Insurance**, and the various plans offered by the **Cafeteria Plan**, which will require the broker for each of these plans to provide a Certificate of Coverage for the policy to each participating employee. In addition, the Company will also make the actual policy(s) available on a new Benefits website for review by employees.

Article 38 – Health Insurance – Much discussion occurred regarding the costs and coverage of alternative Health Plans that had been submitted by various providers. As a result of these comparisons, the Company announced that the current Health Plan will continue to be administered through Arkansas Blue Cross & Blue Shield, at the current premiums for 2 years. An agreement was reached that in addition to the base \$1,500 deductible Plan, a “buy up” \$250 deductible Plan will be available to employees who voluntarily want to have more coverage.