

AGREEMENT

Between

J&J Worldwide Services

and

Local 351, International Union of Operating Engineers

AFL-CIO

William Beaumont Army Medical Center

El Paso, Texas

October 1, 2011 to September 30, 2014

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William Army Medical Center**El Paso, Texas**

This Agreement; made and entered into this 25th day of April, 2011, by and between J&J Worldwide Services with its principal office at 3755 Capital of Texas Highway South, Suite 355, Austin, Texas 78704-7271 (hereinafter referred to as the "Company") and Local 351 of the International Union of Operating Engineers, AFL-CIO, with its principal office at 111 East Coolidge, Borger, Texas 79007 (hereinafter referred to as the "Union").

Article 1**Union Recognition**

Employer recognizes LOCAL 351, INTERNATIONAL UNION OF OPERATING ENGINEERS AFL-CIO as the sole Collective Bargaining Agent for all employees within the scope of this agreement.

Scope

All employees of all present and future Army Medical Facilities Maintenance contracts awarded by the Department of Defense to J&J Worldwide Services at Fort Bliss, TX, El Paso county or immediately surrounding areas, excluding office clerical handling Company confidential information, drivers and supervisory employees as defined in the National Labor Relations Act as amended.

Article 2**Union Security**

All present employees who are members of the Union, on the effective date of this Agreement, shall remain members as a condition of employment. All present employees who are

not members of the Union, and all new employees hired hereafter, shall as a condition of employment, become members of the Union as of the effective date of this Agreement, or not later than the 90th day of their employment, whichever occurs later. All employees shall remain members in good standing for the full term of this Agreement. Failure to comply with this requirement shall be a cause for discharge of the employee, upon written notification to the Company, by the Union, that an employee has failed to tender the appropriate dues and fees uniformly imposed upon all employees in the bargaining unit.

When the Union advises an employee in writing that he or she is delinquent in the tender of fees or dues as required, the Union shall send a copy of the notice to the Company.

Article 3

Check-off Authorization

Upon receipt of a signed authorization of the employee involved, the Company shall deduct from the employee's pay, initiation fees and uniform monthly dues, payable to the Union.

The Union will acknowledge receipt of the remittance in writing, deducted and remitted once they are paid to the Union.

The Union further agrees to save the Company harmless from any legal actions growing out of these check-off deductions that may be instituted by any employee involved therein before a court, the National Labor Relations Board, or any other body asserting or having jurisdiction, against the Company and further agrees to reimburse the Company for any financial payment adjudged by a court, the National Labor Relations Board, or any other body asserting or having jurisdiction, against the Company as well as reasonable costs and expenses involved in defense of any such action as set forth in this paragraph.

If any change in the amount of dues is made by the aforesaid Union during the term of this Agreement, the Union will give written notice of such to the Company.

Article 4

Rights of Management

Except as specifically limited by the express language of this Agreement, the Company has and retains exclusively to itself, all rights in the exercise of the functions of Management, including but not limited to the following rights: To manage and operate its business facilities; to direct its employees; to direct, plan, and control all operations; to establish and/or change existing methods, productivity standards, job duties, materials, equipment, facilities and accounting methods; to determine what products shall be handled or distributed and service or work performed at its facilities or by employees covered by this Agreement and/or where they shall otherwise be handled or services and/or work performed; to utilize suppliers and subcontractors, provided that the sole intent of such subcontracting is not to lay-off full-time bargaining unit employees for which full-time work is available; to test, select and hire employees and assign them to work as needed; to establish hours or work; to transfer, promote and demote employees, to suspend, discipline and discharge employees for cause or relieve them from duty for lack of work or for other proper reasons; and to establish and enforce rules and regulations relating to the operation of any and/or all facilities and to employee conduct.

Article 5

No Strike – No Lockout

There shall be no strike, slowdown, or other stoppage of work by the Union or Union employees and no lockout by the Company during the life of this Agreement. The sole exception

to this prohibition is that the observance of a picket line which is established by a labor organization presently recognized by the Company for purposes of collective bargaining, and which picket line is authorized by the Central Labor Council shall not be a violation of this Agreement; provided, however that if the Union supports another Union's picket line during the term of this Agreement, the Union recognizes its obligation to keep a reasonably sufficient number of employees on the job to maintain and operate the hospital and equipment for patient protection and care. The Union agrees to not unreasonably deny the Company's request to add additional bargaining unit engineering staff during the duration of a strike.

Article 6

Seniority

Section 1. Classification Seniority under this Agreement shall be defined as length of continuous service by work classification on a regular assignment. Company Seniority under this Agreement shall be defined as length of continuous service from the employee's date of hire by J&J Worldwide Services or a previous contractor performing the services under the current contract between J&J Worldwide Services and the Army Corps of Engineers.

Section 2. The Company shall establish available work shifts, days off and vacation periods. Classification Seniority shall be considered in the selection of work shifts, days off, reduction and restoration of the working force. Company Seniority shall be considered in the selection of vacation periods, amount of vacation, and Personal Time Off (PTO).

Section 3. Probationary employees may be assigned to any shift.

Section 4. Classification and Company Seniority lists shall be prepared by the Company and shall be posted January 1st of each year and shall be revised each six (6) months thereafter.

Such lists shall be subject to correction upon protest and clarification, but if no complaint is made within fifteen (15) days of posting, the list published will be assumed to be correct.

Section 5. In case of layoffs, seniority by classification shall be followed with due consideration for the efficiencies and special needs of the operation. In case of the restoration of the working force, seniority by classification shall be followed with due consideration for the efficiencies and special needs of the operation. The Steward shall be the last employee in his classification to be laid off provided he has the ability to perform the remaining work.

Employees who are promoted to positions excluded from the bargaining unit will be given a leave of absence from the bargaining unit for three (3) months and shall continue to retain and accrue seniority during that period. If at the end of this period the employee has not returned to work within the classifications covered by this Agreement, he/she shall lose all seniority rights under this Agreement and his name shall be removed from the seniority lists.

Section 6. Employees covered by this Agreement shall lose their seniority status and their names shall be removed from the seniority lists under the following conditions:

- A. The employee quits or resigns.
- B. The employee is discharged for cause.
- C. The employee is laid off and not re-employed within six (6) months.
- D. The employee has been laid off for less than six (6) months and the employee does not return to the service on or before a date specified in a Registered Mail letter from the Company, mailed to the employee's last know address offering such employee re-employment, which date shall not be prior to five (5) days after mailing such notice, provided however, that this paragraph D shall not apply to offers of temporary work.
- E. An employee, while on a leave of absence, accepts another job, his employment and all seniority rights will automatically be terminated.

F. The employee fails to return to work at the expiration of either a medical or personal leave of absence.

G. Absence from work for three (3) consecutive days or longer without notice.

Article 7

Probationary and Temporary Employees

Newly hired employees shall be on probation for the first ninety (90) days of employment. During this period, employees shall receive the rates of pay and all economic benefits provided herein. During the probationary period, the Company may discipline or discharge any employee for any reason without recourse to the grievance procedure or arbitration. However, no employee shall waive any rights or protection of the laws of the United State of America.

Upon completion of the probationary period, employees shall be placed upon the seniority list as of the first date of employment. Seniority shall be by classification and all benefits provided in this Agreement shall be accrued by service. Within a given classification, including layoff and rehire after layoff. Employees will, however, accrue vacation and Personal Time Off (PTO) benefits based on their total length of service with the Company.

Temporary employees are those who are employed for a period of sixty (60) days or less with notification to the Union. Any temporary employee employed for a period in excess of sixty (60) days shall become permanent.

Article 8

Wages, Health & Welfare and Pension

The Wage rates which shall be effective during the term of this Agreement are set forth in Schedule "A".

The Health & Welfare and Pension rates which shall be effective during the term of this Agreement are set forth in Schedule "B".

Article 9

Hours of Work and Overtime

Section 1. Wage Schedule: Wages and classification of positions shall be as shown in Schedule "A". All wages are to be paid on the 10th and 25th of each month.

Section 2. Workweek and Overtime: All full-time employees shall work forty (40) hours divided into five (5) days of eight (8) consecutive hours in any one-day; shall constitute the workweek (Sunday through Saturday). All hours worked in excess of forty hours in a week shall constitute overtime and shall be paid for at one and one-half (1½) times the employee's basic rate of pay. If a vacancy was created by changes in the contract between the company and DOD, the Project Manager shall notify the Union of such change within a week.

Section 3. Days Off: Where possible, each employee shall have two (2) regularly assigned days off in each forty (40) hour workweek and, these days shall be consecutive. Should an employee be assigned to work on either of his/her assigned days off, or both, shall be paid overtime accordingly, but shall not be reassigned alternate days off to avoid payment of overtime.

Section 4. Work Schedule: The Project Manager or his/her designee shall post a work schedule at least two weeks in advance. Once the schedule is posted no leave requests will be

accepted during the second week of the posted schedule. It is understood and agreed that the posted schedule may change as a result of the leave requests received during the first week of the posted schedule. In case of an emergency or requirements by the government, the schedule shall be posted as soon as possible.

Section 5. Call Back: In the event that an employee is called back to work in an emergency or for any other reason, after completing his/her regular work day and has left the premises, he/she shall receive not less than four (4) hours pay at the employee's basic rate of pay. Any work performed which was scheduled in accordance with this Agreement shall not be considered a "Call Back" under this Section.

Section 6. Shift Differential: Employees that are assigned to and actually work the second shift (afternoons) will be paid at the rate of five percent (5%) above the normal basic rate of pay. Employees that are assigned to and actually work the third shift (nights) will be paid at the rate of eight percent (8%) above the normal basic rate of pay.

Section 7. On Call: Employees that are required by the Company to carry a pager, shall receive two (2) hours overtime pay per week at the rate of one and one-half (1½) times the employee's basic rate of pay.

It is understood and agreed that in no event shall any of these sections be combined or pyramided.

Article 10

Holidays

The Company will pay eligible employees for the following holidays not worked:

New Year's Day

Labor Day

Martin L. King's Birthday

Columbus Day

President's Day

Veteran's Day

Memorial Day

Thanksgiving Day

Independence Day

Christmas Day

- A. In weeks during which a holiday occurs on a scheduled workday and an employee is assigned a day off, he/she shall receive a day's pay for that holiday. During such week(s) all work performed in excess of thirty-two (32) hours shall be paid for at one and one-half (1½) times the employee's basic rate of pay.
- B. If an employee works on any of these holidays, he/she shall be paid standard shift rate plus holiday pay (including applicable shift differential) for all hours worked. No employee shall be assigned to work less than eight (8) hours on a holiday to perform normal work nor less than four (4) hours to perform emergency repairs.
- C. If a holiday falls on a full-time employee's regularly scheduled day off and he/she is not required to work, he/she shall receive the regularly assigned hours' pay at his/her straight time rate. A part-time employee will receive holiday pay at their regular hourly rate times the average daily hours worked in the week preceding the holiday observance.
- D. Should a holiday fall on a weekend, the day designated by J & J Worldwide Services, Inc. shall be recognized as the holiday.
- E. If another Federal Holiday or administrative day off is declared and applicable to contract personnel, it shall be considered a holiday or administrative day off with pay under the terms of this Agreement. Therefore, employees shall not be expected to work on such days and shall be compensated at the rate of pay, in accordance to the terms of this Agreement.
- F. Notwithstanding any other provisions of this agreement, it is understood and agreed that in no event shall sub-sections (a), (b) or (c) of this section be combined or pyramided.

Article 11

Vacation

An employee who shall have attained the years of continuous service specified in the following table, shall receive a regular vacation corresponding to such years of continuous service with vacation pay as shown in the following table:

Years of Service	Entitlement
One (1) – Four (4) Years of Service	Ten (10) Days
Five (5) – Nine (9) Years of Service	Fifteen (15) Days
Ten (10) and Above Years of Service	Twenty (20) Days

The Company shall have the exclusive right to fix and determine the vacation schedule; however, whenever practicable the Company will give consideration to the wishes and Company Seniority of the employees in scheduling vacation. Employee will be permitted to take up to ten (10) consecutive working days off, but such schedule will be governed by the operating requirements of the facility.

Vacation payment will be calculated on the basis of a regularly scheduled day at the employee's straight time rate in existence at the time of vacation.

Vacations shall be based on an employee's anniversary date.

Employees, who are laid off or otherwise removed from the payroll, shall be paid any accrued vacation.

Article 12

Personal Time Off

Employees shall be entitled to personal time off per year, with pay, at the employee's regular rate of pay, as identified in Schedule "A". Scheduled personal time off (PTO) is to be used in no less than 2 (two) hour increments with at least one day in advance notice. Unscheduled personal time off (PTO) must be taken in 4 (four) hour increments unless otherwise authorized by the project manager, such as in the case of an emergency. Employees will receive six (6) full days per year at the beginning of the calendar year. PTO not used shall be paid to the employee at the employee's regular straight time rate of pay, on December 31 of each year as PTO will run concurrent with the calendar year. Employees shall be permitted to bank a maximum of ten (10) days. Employees, who are laid off or otherwise removed from the payroll, shall be paid any accrued PTO.

Article 13

Funeral Leave

The Company and the Union recognize that an employee may require five (5) consecutive calendar days for bereavement of a parent, spouse, child or grandchild and three (3) consecutive days for bereavement for a grandparent, sister, brother, parent-in-law, uncle, aunt, nephew and niece, brother-in-law and sister-in-law of a current marriage. If any of the required days are working days, the employees shall suffer no loss of pay. One (1) of the days used for bereavement shall be the day of the funeral. No employee shall receive any part of funeral leave that occurs during previously scheduled or regular time off, or when the employee is absent from work for other reasons, shall pay for funeral leave be in excess of eight (8) hours per day at straight time. At the request of the Company, the employee shall furnish proof of attending the

funeral. Should an employee require more time off, the employee may use accrued Personal Time Off (PTO) and or vacation leave such as in cases where travel is required.

Article 14

Jury Duty

An employee summoned for Jury Duty to a court of record shall be allowed the necessary time off for such service. If an employee is not selected for Jury Duty he/she must report to work upon release by the court.

When an employee is selected for Jury Duty, he/she shall be compensated at his/her regular rate of pay for a maximum of eight (8) hours per day spent on Jury Duty. Hours spent on Jury Duty shall not be considered hours worked and will not be used in the calculation of overtime. Employees working the afternoon and night shifts shall not be required to report to work while on Jury Duty.

Payment received from the court for Jury Duty shall be remitted to the Company. Employees shall present to the Company a statement from the clerk of the court showing the dates of such service and the amount of compensation thereof.

An employee shall be paid at the regular hourly rate for the time required by a court of record to answer a summons to assess eligibility to serve on a jury. This compensated time will include the time necessary, not to be more than two (2) hours, to dress appropriately for an appearance in said court of law.

The company shall make arrangements for personnel scheduled to work a midnight shift to receive a day off prior to appearing in a court of law when serving on jury duty.

Article 15

Grievance and Arbitration

Section 1. Definition: A grievance is defined as a dispute, difference, disagreement or complaint between the parties related to wages, hours, and conditions of employment. A grievance shall include, but is not limited to the complaint of an employee, Company, or of the Union, which involves the interpretation, application of or compliance with the provisions of this Agreement.

Section 2. Procedure:

Step 1. Within five (5) working days of an incident or event giving rise to a grievance, the Shop Steward must discuss the grievance with the grievant's immediate supervisor in order to initiate the grievance. The employee may accompany his Steward, if he so desires. The Company shall render a decision within forty-eight (48) hours after the conclusion of the Step I hearing.

Appeal. If the Union wishes to appeal, it must appeal a denied grievance to Step 2 within forty-eight (48) hours after the receipt or non-receipt of the Company's decision. Such appeal shall be in writing to the project manager or department head of the Company's operation at the facility.

Step 2. The employee may be represented by the Shop Steward or Union Representative. The project manager or department head shall meet with the Steward or Union Representative as expeditiously as possible. A decision by the Company shall be rendered within seven (7) days.

Appeal. The Union may appeal a denied Step 2 grievance to Step 3 within twenty (20) working days of the receipt or non-receipt of the Step 2 decision.

Step 3. The Union Business Representative shall meet to discuss the grievance with the Project Manager and the Company Labor Relations Representative as expeditiously as possible. A decision by the Company shall be rendered within seven (7) days.

Appeal. The Union may appeal a denied Step 3 grievance to Arbitration within twenty (20) working days of the receipt or non-receipt of the Company's decision.

Step 4. Arbitration: In the event that the Union or the Company elects to arbitrate the grievance, it shall be heard by an arbitrator to be designated by mutual agreement of the Company and the Union.

In the event the parties fail to mutually agree upon an arbitrator, either party may move to arbitration through the rules of arbitration as provided by the Federal Mediation and Conciliation Service.

The arbitrator's decision shall be final and binding on all parties concerned. Any compensation required to be paid to the arbitrator shall be borne equally by the parties.

The arbitrator shall have jurisdiction and authority to apply, interpret and determine compliance with the terms of this Agreement but in no case add to, deviate from, detract from or alter in any way the provisions of this Agreement. The decision of the arbitrator shall be confined to the matter submitted to him for arbitration.

Article 16

Uniforms

The Company shall provide employees with five (5) sets of uniforms. Additionally, the Company shall provide replacements as needed on a one for one basis (turn one and get one back).

The Company shall provide employees with up to a yearly **160.00** allowance for boots.

This Article is not applicable to office clerical employees.

Article 17

Leave of Absence

Employees with at least one (1) year of service may, at the discretion of the Company, be granted a leave of absence without pay for periods not to exceed thirty (30) calendar days in any one year.

Article 18

Visitation Rights

Officers of the Union shall have the privilege of visiting members at the Hospital for the purpose of fostering a good working relationship with Company and its employees.

The representative or representatives of the Union shall report to a designated management official before entering the Hospital on Union business and such representative shall not interfere with the normal conduct of work in the Hospital.

All visitation rights under this Agreement are subject to the Hospital and or other governmental approval. The parties hereby agree that the Company is not responsible for the actions of the Hospital and or Ft. Bliss, in allowing or denying visitation rights.

Article 19

Captions and Terms

Captions or Articles of this Agreement are for convenience only and do not in any way limit or amplify the terms and provisions thereof. Whenever the singular or plural number is

used herein, is shall equally include the other and whenever the masculine or feminine gender is used, it shall equally include the other.

Article 20

Saving Clause

Should any part or provision of this Agreement be rendered invalid by reason of any existing or subsequently enacted legislation, such invalidation of any part or provision of this Agreement shall not invalidate the remaining portions hereof, and they shall remain in full force and effect.

Article 21

Bulletin Boards

The Company agrees to provide the Union with a bulletin board, however, all material to be posted requires the approval of the Manager or his designee prior to posting.

Article 22

No Discrimination

It is agreed by the Company and the Union, there shall be no discrimination against any present or future employee by reason of race, creed, color, age, disability of any individual in accordance with applicable law, national origin, sex, sexual preference, veteran's status or as a Veteran of the Vietnam era or any other conflict.

Article 23

Shop Steward

The Union may select three (3) employees of the Company to act as Shop Steward. A Shop Steward's authority shall be limited to and shall not exceed the following duties and activities:

Section 1. The investigation and presentation of grievances to the designated Company's representative in accordance with the provisions of this Agreement.

Section 2. The Shop Steward may receive and may discuss grievances of employees on the premises of the Employer, but only to such extent as does not neglect, retard or interfere with the work or duties of employees. The Shop Steward shall obtain permission of his respective supervisor prior to leaving his work assignments to handle grievances, and report to his supervisor upon his/her return.

Section 3. The transmission of such messages and information which shall originate with and be authorized by the local Union, or its officers, provided such messages and information had been reduced to writing and, if not reduced to writing, are of a routine nature and do not involve work stoppages, goods or other interferences of the Employer's business.

Section 4. Any activities undertaken by the Shop Steward outside of his normal working hours, shall not be considered as time worked for pay or overtime purposes.

Article 24

Modification

It is the intent of the parties hereto that the provisions of this Agreement, which supersedes all prior agreements and understandings, oral or written, expressed or implied,

between such parties, shall govern their entire relationship and shall be the sole source of any and all rights to claims which may be asserted in arbitration hereunder, or otherwise.

The provisions of this Agreement can be amended, supplemented, rescinded or otherwise altered only by mutual agreement in writing hereafter signed by the parties hereto.

The parties hereto mutually agree not to seek, during the term of this Agreement, to negotiate or bargain with respect to any matters pertaining to rates of pay, wages, hours of employment, or other conditions of employment, whether or not covered by this Agreement or in the negotiations leading thereto, and any rights in that respect are hereby expressly waived.

The provisions of this Agreement shall be conclusive as to all bargainable matters relating to wages, hours, or work, and working conditions, except that rates of pay for new classifications are bargainable. Therefore, the Company and the Union, for the lifetime of this Agreement each agree that the other shall not be obligated to bargain collectively with respect to any subject matter referred to or governed by this Agreement, unless the Company and the Union mutually agree to alter, amend, supplement, enlarge or modify any of its provisions.

Article 25

Wage Rate Classifications

The wage rate classifications and present job titles applicable thereto are attached and made part hereof as Schedule "A". Employees will be paid for time worked in each classification to which assigned at not less than the job rate for the work performed.

Article 26

Successorship

The company agrees to notify the successor of its government contract of the existence of this Agreement and of the rights and obligations of the parties under this Agreement.

Article 27

Duration

This Agreement shall be in full force and effect from 12:01am October 1, 2011 to 11:59 pm September 30, 2014 and shall continue from year to year thereafter, unless written notice of desire to modify or terminate this Agreement is served by either party upon the other sixty (60) days prior to the date of expiration.

In Witness Whereof, the parties hereto have executed this Agreement on this 25th day of April, 2011.

J&J Worldwide Services
3755 Capital of Texas S., Ste. 355
Austin, Texas 78704-7916



Human Resources Director

IUOE Local 351
111 E. Coolidge
Borger, Texas 79007



Business Representative

Schedule "A"**Wage Rates**

Job Classification	Current Rates	Oct 1, 2011	Oct 1, 2012	Oct 1, 2013
Lead HVAC	\$25.94	\$26.46	\$26.99	\$28.20
Lead Boiler Operator	\$25.94	\$26.46	\$26.99	\$28.20
Boiler Operator	\$23.66	\$24.13	\$24.62	\$25.72
Plumber	\$23.66	\$24.13	\$24.62	\$25.72
Utility Operator	\$23.66	\$24.13	\$24.62	\$25.72
HVAC Tech	\$23.66	\$24.13	\$24.62	\$25.72
Stationary Engineer	\$23.19	\$23.65	\$24.13	\$25.21
Electrician	\$23.66	\$24.13	\$24.62	\$25.72
Electronic Tech	\$25.46	\$25.97	\$26.49	\$27.68
Carpenter	\$21.86	\$22.30	\$22.74	\$23.77
Gen. Maint. Worker	\$19.06	\$19.44	\$19.83	\$20.72
Certified Locksmith	\$23.66	\$24.13	\$24.62	\$25.72
Material Handler		\$9.14	\$9.32	\$9.74
Material Coordinator		\$16.69	\$17.02	\$17.79
Service Order Dispatcher/General Clerk III		\$11.77	\$12.01	\$12.55
Production Control Clerk		\$16.69	\$17.02	\$17.79

Schedule B**Health & Welfare and Pension Rates**

Health & Welfare	Current Benefit	Oct 1, 2011	Oct 1, 2012	Oct 1, 2013
	\$725.00/mo	\$775.00/mo.	\$825.00/mo.	\$875.00/mo.

Central Pension Fund	\$338.00/mo	\$354.90/mo.	\$372.65/mo.	\$391.28/mo.
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Long Term Disability The LTD policy provided by the company is already calculated into the Health and Welfare benefit stated above.