Agreement

THIS AGREEMENT, made and entered by and between VALLEY ASPHALT SHOP, hereinafter called "employer" and the Valley Asphalt Parts Employee Association hereinafter called "association."

WITNESSETH:

1. The employer recognizes the association as the sole bargaining agent for all employee classifications listed in paragraph 22 and excluding all other employees.

2. New employees who continue to work for more than sixty (60) days and who come under the jurisdiction of the association shall apply for membership in the association on the 61st day, or shall be subject to discharge.

3. The operation of the employers business, the direction of its workforces, the planning and control of operations, to subcontract work, to locate or relocate operations and plants, the introductions of new or improved facilities or methods of operation, the right to relieve employees from duty because of lack of available work, safety reasons, or for any other legitimate reasons, or to transfer employees, to determine the minimum qualifications of experience, health, or fitness for any job covered hereby, and the right to appraise the qualifications of any employee including the right to hire, suspend, layoff, transfer, discipline, promote, or discharge, are vested exclusively in the employer. Such rights, however, shall not be exercised so as to violate the provisions of this agreement.

4. All employees coming under the jurisdiction of the association shall remain members in good standing of the association for life of this agreement.

5. Forty (40) hours shall constitute a week's work and all time in excess thereof shall be paid at 1 ½ times the regular hourly rate.

6. Employees working on the eight (8) major holidays (Memorial Day, July 4th, Labor Day, Thanksgiving Day, Christmas Eve, Christmas Day, New Year's Eve, New Year's Day) shall be paid double their normal hourly rate of pay.

7. Certain government projects may require the work week to begin on Sunday evening. When such applies, the employer may start the work week after 6:00 PM on Sunday at straight time rates. In applying this schedule, Sunday PM will be considered Monday; the following Friday will be considered Saturday, and that following Saturday will be considered Sunday.

8. The employer agrees to pay eight (8) hours regular pay for eight (8) holidays referred to in paragraph 6 when no work is performed on these days provided the employee works the scheduled day immediately before and immediately after the holiday. This time will not be counted towards hours for overtime.
9. All employees covered by this agreement are to be at their regular place of employment at starting time as designated by the employer.

10. All employees covered by this agreement shall be eligible for two (2) weeks (80 hours regular pay) vacation time after completing one (1) year of service. Each employee shall be eligible for three (3) weeks vacation (120 hours regular pay) after completing 10 years of service. One (1) year shall be defined as completing ten (10) months of service during a calendar year. Vacation time shall not be count toward accumulation of overtime (O/T) hours.

11. There shall be established annually by the employer a representative to meet with a representative designated by the association for the settlement of any disputes. These representatives shall convene in the settlement of disputes and negotiations of contracts. Each party will notify the other party in writing, annually, the name of its representative. If any change is made in the representative, the party making such change shall notify the other party.

12. All employees covered under this agreement shall appoint two (2) employee representatives. These representatives shall convene in the settlement of disputes and negotiations of contracts.

13. Any dispute under this agreement shall be made in writing within five (5) days after the dispute arises to the employer and the association. Representatives of each shall attempt to settle the dispute and, if no agreement is reached within three (3) days, the matter shall be referred to the Arbitration Board for settlement.

14. The Arbitration Board shall consist of one (1) member selected by the association and one (1) member selected by the employer; and in the event these two cannot agree on a settlement within three (3) working days, after meeting for this purpose, they shall request the Federal Mediation & Conciliation Service to designate a third member of the Arbitration Board who shall act as chairman to hear and determine a resolution of the dispute. A decision of a majority of the Arbitration Board shall be final and binding upon all parties and is to be compiled within five (5) days after the decision is rendered.

15. The Arbitration Board shall have no authority to add or detract from or in any way modify the terms of this agreement.

16. The association and the employer agree that there shall be no work stoppage or strike by the association or lockout by the employer during the duration of this agreement and that all disputes shall be settled according to this agreement.

17. The employer shall provide comprehensive medical coverage for all employees covered under this agreement.

18. Upon reasonable notice to the employer, twenty-four (24) hours regular time pay in the event of the death of employee's spouse, mother, father, brother, sister, mother-in-law, father-in-law, grandmother, grandfather, son, daughter, step son, step daughter, the employee shall be given not to exceed three (3) days off with pay, up to and including the day of the funeral, provided that such days which the employee otherwise would have worked. This article shall apply only to
employees who have completed their probationary period. An employee shall be required to furnish the employer with satisfactory proof of death and attendance of funeral, if so requested, in order to receive the twenty-four (24) hours of pay.

19. The employer agrees to provide work uniforms, hard hats, and safety gear for all employees covered under this agreement; and the employees shall wear all safety equipment required by the employer.

20. The Company agrees to provide a 401-K retirement plan in accordance with all applicable regulations. For further information concerning this plan employees should refer to their plan documents.

21. The employer agrees that, at its cost, it shall cover each regular employee with a life insurance policy with a face value of ten thousand dollars ($10,000.00).

22. The following classifications and wage rates shall be in full force and effect for the period of this agreement, beginning on the first complete pay period in January 2016 and ending on the last complete pay period in December 2018.

<table>
<thead>
<tr>
<th>Classification</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative Coordinator</td>
<td>$15.00 – Open Ended</td>
</tr>
<tr>
<td>Parts Counter Coordinator</td>
<td>$14.00 – Open Ended</td>
</tr>
<tr>
<td>Parts Delivery Driver</td>
<td>$13.00 – Open Ended</td>
</tr>
<tr>
<td>Yard Laborer</td>
<td>$11.50 – Open Ended</td>
</tr>
</tbody>
</table>

*The above listed rates shall be increased an additional $0.50/hr. whenever employees are required to work night shift.

23. The Employer shall provide each employee covered under the agreement a formal performance evaluation at least once (1x) per year. During this evaluation each employee shall be advised of his/her strengths, weaknesses and areas needed to advance within classifications listed in paragraph 21.
This agreement shall be in full force and effect from January 1, 2016, through midnight December 31, 2018.

This agreement is hereby entered into this 25th day of February 2016, by and between Valley Asphalt Shop, and the Valley Asphalt Parts Employee Association by its duly authorized representative(s).

Valley Asphalt Shop

[Signatures]

Valley Asphalt Parts Employee Association

[Signature]