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LABOR AGREEMENT

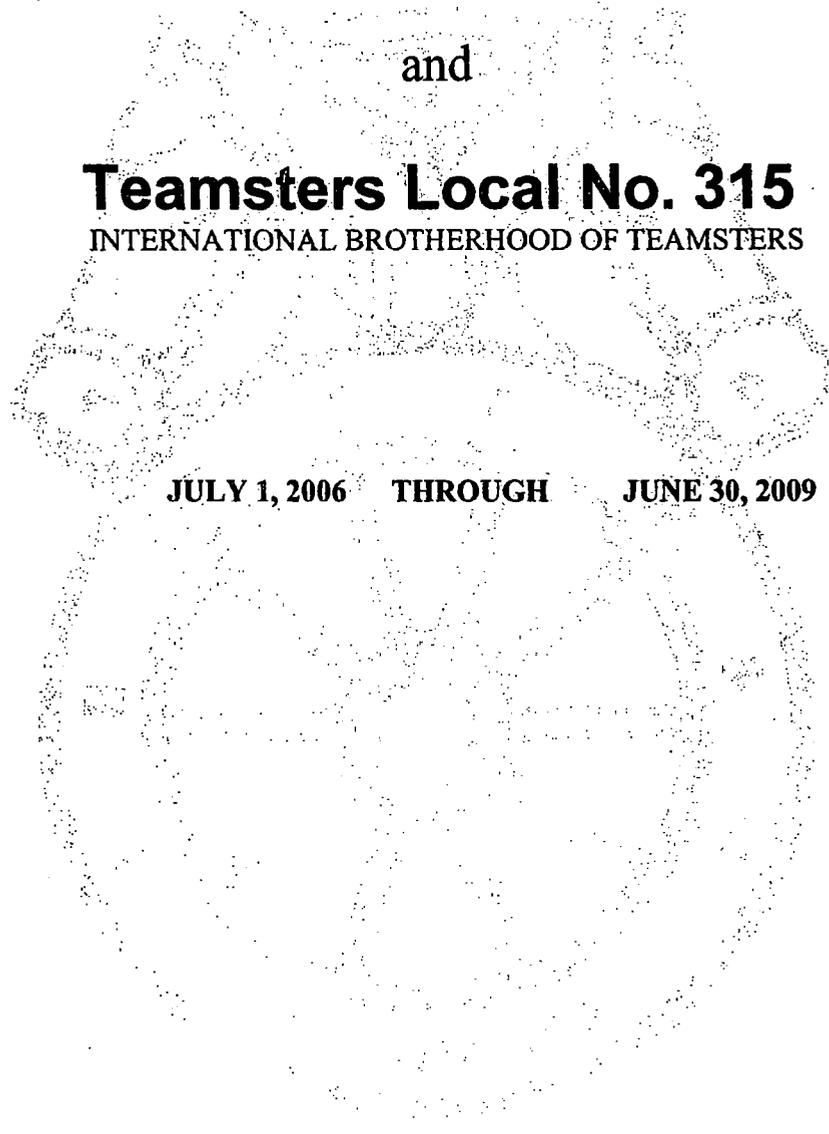
between

MV Transportation, Inc.
Pinole, California

and

Teamsters Local No. 315
INTERNATIONAL BROTHERHOOD OF TEAMSTERS

JULY 1, 2006 THROUGH JUNE 30, 2009



AGREEMENT

This Agreement entered into by and between MV Transportation, Inc., Pinole, California operation located at 601 Walter Avenue, Pinole, California, hereinafter referred to as "Company" and Teamsters Local No. 315, International Brotherhood of Teamsters, hereinafter referred to as "Union."

ARTICLE I . RECOGNITION

The Company recognizes the Union as the sole and exclusive bargaining agent representative for its bus operators that perform work consistent with its client contract.

Whenever used in this Agreement, the term "employees" shall mean all non-probationary regular, full-time and regular part-time Drivers employed by the Company, but excluding all other administrative, clerical, reservations and dispatch employees, maintenance employees, guards and supervisors as defined under the National Labor Relations Act.

For purposes of this Agreement, whenever the term he, his, him or any male appellation appears, it is understood to include the female as well.

ARTICLE 2- DEFINITION OF EMPLOYEES

Section 1 - Probationary Employees

Effective with the ratification of the Agreement, all new employees who have never accrued seniority under this Agreement, or an employee rehired after termination, shall be in "probationary" status until he/she has completed ninety (90) calendar days. Employees who are serving their probationary period shall not have access to the grievance procedure and may be disciplined or discharged at the sole discretion of the Company.

Section 2— Regular and Full-time Employees

The classification of employees is defined herein as follows:

- a. A regular full-time employee is defined as an employee regularly scheduled to work thirty-five (35) hours or more in a workweek.
- b. A regular part-time employee is defined as an employee regularly scheduled to work less than thirty-five (35) hours in a workweek. From time to time, regular part-time employees may be required to work more than thirty-five (35) hours in a workweek to meet service demands or unusual situations. If a part-time employee regularly works an average of at least thirty-five (35) hours or more per workweek for one-hundred-twenty (120) consecutive calendar days or one bid period whichever is less, he should be reclassified into a full-time position when a full-time position becomes available in accordance with their seniority. The one-hundred-twenty (120) consecutive calendar days or one bid period will be

counted toward meeting waiting period requirements for all full-time benefits provided for in this Agreement.

ARTICLE —3 COOPERATIVE EFFORTS

The Company and Union agree to mutually cooperate in their efforts to promote harmony and efficiency among all the Company's employees.

It is recognized that the Company and its employees are obligated to perform essential public services and that these services must be continuously performed in a courteous, on-time, competent, efficient and safe manner.

This Agreement has as its purpose the establishment of an equitable and peaceful procedure for the resolution of differences, the promotion of economical transportation services, and the settlement of all disputes.

ARTICLE 4- MANAGEMENT RIGHTS

Section 1: The rights, powers and authority retained solely and exclusively by the Company and not amended by this Agreement include, but are not limited to the following: to manage, direct and maintain the efficiency of its business and personnel; to manage and control or eliminate jobs and operations in whole or in part with required legal notice; to direct the work force; to increase or decrease the work force and determine the number of employees needed; to hire, transfer, promote, demote, suspend discharge and maintain the discipline and efficiency of its employees; to establish operating standards, schedules of operation and work load; to specify or assign work requirements and require overtime; to assign work and decide which employees are qualified to perform work with due notice to the employees and the Union, make reasonable work rules and rules of conduct, appearance and safety and penalties for violations thereof, and amend these rules from time to time; to determine the type and scope of work to be performed and the services to be provided; to determine the methods, processes and means and places of providing services; to adapt, install or operate new equipment or operations; to determine the location and relocation of operations and to effect technological changes. Nothing contained in this Agreement is intended or shall be construed as a waiver of any of the usual inherent and fundamental rights of management.

The Union agrees to respect the rights of the Company to conduct and supervise its business as long as it does not conflict with the wages, hours, terms and conditions of this Collective Bargaining Agreement. In the event the Union determines that management, in the exercise of any of its management functions has violated its obligations under the Agreement, the Union shall have recourse to the grievance procedure.

Section 2: Client Contract:

(a) Termination of Transportation Services Contract. If the transportation services contract between MVT and West Contra Costa Transit Authority, (WESTCAT), to provide service terminates for any reason, the rights and obligations of this agreement shall also terminate at that time, provided that the parties to this agreement may continue to resolve disputes pending at the time of termination including arbitration. If WESTCAT awards a contract for the services now provided by MVT to another transportation provider, MVT will notify the union of the name, address and representation of such other transportation provider, if known.

(b) Rights of Customers. Nothing in the agreement is intended or shall be construed to change, limit, modify, restrict or in any way alter the duties or obligations owed by MVT to WESTCAT or the passengers nor the rights and privileges of WESTCAT under the transportation services contract referenced in Section 1 of this article.

ARTICLE 5 .SEPARABILITY

Should any Article, Section or portion of this Agreement be determined to be in conflict with established law and unenforceable by a court of competent jurisdiction, such decision shall apply only to the specific Article, Section or portion thereof directly specified in the decision. Upon issuance of the decision, the parties agree to immediately negotiate a substitute for the invalid Article, Section or portion thereof. Neither party shall be under any obligation to renegotiate any Articles, Sections or portions of this Agreement which are not affected by such decision. It is specifically understood that all unaffected contract language shall remain in effect.

ARTICLE 6 .FULL NEGOTIATIONS AND COMPLETE AGREEMENT

Section 1: Full Negotiations & Complete Agreement

The Company and the Union acknowledge that during negotiations which resulted in this Agreement, each party had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed from law from the area of collective bargaining and that the understandings and agreements arrived at by the parties after the exercise of their respective rights and opportunities are fully and completely set forth in this existing Agreement.

Section 2: Waiver of Bargaining During Term

It is agreed by both parties hereto that all previous contracts between the Company and the Union, written or verbal, are hereby canceled and that this contract is the only contract in existence between the parties hereto. No provisions or terms of this Agreement may be amended, modified, changed, altered or waived except by written document by the parties hereto.

ARTICLE 7— REPRESENTATION

Section 1: Union Stewards

- a. **Recognition of Stewards:** From among the employees employed in the Bargaining Unit, the Union may designate and the Company will recognize not more than five (5) Union Stewards. The Company shall not be required to recognize any employee as a Union Steward unless the Union has informed the Company, in writing, of the employee's name.
- b. **Compensation of Union Stewards While Engaged in Union Activity:** The Union Stewards shall not be compensated by the Company for their duties as the Union Stewards.

Section 2: Distribution of Union Literature

The Company will provide the Union with an enclosed locked bulletin board, in the driver's room which shall be used by the Union for posting of official notices, meetings and other matters pertinent to the Union. The Union agrees that the bulletin board will only be used for official business and will not be used for personal notices or any other material not pertinent to official Union business. The Union also agrees that no inflammatory, offensive or derogatory notices or materials related to the Company, the Client or its Customers will be posted on the bulletin board.

Section 3: Union Business Leave

An employee designated by the Union to serve as a full-time officer or employee of the Union shall be granted leave without pay for the duration of such office. During the period of such leave, the employee shall continue to accrue seniority as defined in Article 12 .Seniority of this Agreement.

Section 4: Union Visitation

Authorized agents of the Union shall have access to the Company's fixed facilities during working hours provided they notify the Company consistent with existing procedures.

ARTICLE 8- NO STRIKES OR LOCKOUTS

Section 1: No Strike or Lockout: The Union agrees that there shall be no strike, slowdowns, work stoppages or other activity that tends to disrupt a normal operation during the term of this Agreement. The Company agrees that there shall be no lockout during the term of this Agreement. It is further understood and agreed that the Company shall have the right to discipline up to and including discharge any employee encouraging or participating in any unauthorized strike, slowdown, walkout, or any other stoppage of work.

Section 2: Pickets: The Company recognizes that an individual may elect not to enter upon a non-client property involved in a primary labor dispute which has been sanctioned by the Union, it being understood that services will continue to be provided that are covered by the Americans with Disabilities Act.

Section 3: Liability: The Company agrees that the Union shall not be financially liable to the Company as a result of any violation of this Article by an employee or group of employees if the Union has: (a) taken every reasonable means to terminate any such acts by the employees or any of them, (b) promptly and publicly declared that such conduct is unauthorized and directed such employees to return to work or to cease any other acts in violation of this Article, and (c) not directly or indirectly assisted, encouraged, or condoned such activity by such employees.

ARTICLE 9- NON-DISCRIMINATION

The Company and the Union agree that there shall be no discrimination against any individual in hiring, compensation, terms and conditions of employment because of the individual's race, color, religion, sex, age, disability, national origin or Union activities.

ARTICLE 10- GRIEVANCE AND ARBITRATION

Section 1: Grievance Procedure

Step One: In the event a dispute arises during the term of this Agreement which affects the interpretation or application of this Agreement, the matters in dispute shall be set forth, in writing, by the complaining party and promptly forwarded to the other party not later than fifteen (15) calendar days immediately following occurrence of the matter on which the grievance, claim or dispute is based. Any such grievances, claims or disputes not submitted within such time shall be waived. As Step 1, the matter shall be discussed with the Grievant, the Shop Steward and/or Business Agent and the employee's Supervisor.

Step Two: As Step 2, if the matter is not solved within forty-eight (48) hours after completion of Step 1, it shall then be taken up with the Business Agent and the Manager. If the dispute is not settled by the parties within seven (7) calendar days or such extended time as may be mutually agreed upon, the dispute may be referred to the Adjustment Board which shall hear the case within fourteen (14) calendar days thereafter or such extended time as may be mutually agreed upon. Upon mutual agreement of both parties, the Adjustment Board shall be waived and the parties shall proceed directly to Arbitration.

Step 3: Adjustment Board. An Adjustment Board shall be established for the purpose of hearing and deciding disputes which arise and are presented during the term of this Agreement and which are limited to the interpretation or application of any of the sections of this Agreement, or the term or provisions of written agreement supplementary hereto. The Board shall consist of two (2) representatives selected by the Union and two (2) representatives selected by the Employer. The Adjustment Board shall elect a

chairman and a secretary and adopt rules of procedure. A majority decision of the Adjustment Board shall be final and binding.

Section 2: Arbitration

Timeliness. In the event that a timely grievance, as provided in Step 1 of Article 10, has not been settled at Step 3, the Union or the Company, may, within five (5) working days of the final answer to Step 3 or within five (5) working days of the decision to skip the Adjustment Board, request arbitration of such grievance if the grievance is one arising out of a matter subject to arbitration. If no written request for arbitration is made within the period provided herein, then the grievance shall be barred from arbitration and from further consideration.

Selection of Arbitrator. Within ten (10) working days after the receipt of an appropriate and timely request for arbitration, the Business Agent of the Union or his designated representative and a representative of the Company shall attempt to agree upon an arbitrator. If they are unable to do so, they shall request the American Arbitration Association to submit to them a list of seven (7) names from which the arbitrator will be selected by alternatively striking names, the Union having the first strike, until one remains.

Scope. Unless it is mutually agreed otherwise, each grievance which is subject to arbitration shall be handled as a separate case except that grievances arising out of an identical set of facts or the same incident or matters which involve more than one person may be heard jointly.

Limitations and Arbitrator. The arbitrator selected shall have no power or authority to amend or modify this Agreement, but shall be limited to deciding whether or not a violation of its expressed terms has been committed. The arbitrator shall have no power or jurisdiction to base his award on any alleged practice or oral understanding not incorporated in writing as a part of this Agreement. The arbitrator shall have no power to establish wage costs, rates for new jobs or to change any wage. The arbitrator shall have no power to substitute his discretion for that of the Company in cases where the Company has retained discretion or the right to act under this Agreement.

Arbitrator's Decision. The arbitrator shall be bound by the facts and evidence submitted to him in the hearing and may not go beyond the terms of this Agreement in rendering his decision. No such decision may include or deal with any issue not directly involved in the grievance submitted to him or with any matter which is not expressly made subject to arbitration under the terms of this Agreement. The decision of the Arbitrator shall be in writing and such decision shall be final and binding upon the parties when rendered upon a matter within the authority of the arbitrator as provided in this Agreement, and shall be void insofar as the decision exceeds the authority of the arbitrator or passes upon matters not expressly made subject to arbitration under the terms of this Agreement.

Reinstatement. Should it be determined that an employee, other than a Probationary employee, was disciplined or discharged without just cause, he shall be restored to his former status with back pay provided that the Company shall have the right to credit against any back pay awarded any earnings, compensation, or remuneration received by the employee from any source whatsoever including unemployment compensation and worker's compensation payments during the period involved.

Fees. The fees and expenses of the arbitrator and the arbitration hearing room shall be borne equally by both parties. Each party shall bear its own expense in presenting its case to the arbitrator, in providing witnesses and in securing any desired copy of the hearing transcript.

Processing Time. Time spent by an aggrieved employee or employees in filing, processing, investigating, meetings with the Company or in arbitration hearings regarding grievances will be on a no-pay basis. All grievances, including investigations, meetings, with the Company or arbitration hearings will be handled other than during working time unless the Company agrees that such grievances, meeting or hearings be handled at a time during normal working time.

ARTICLE 11- DISCHARGE AND DISCIPLINE

Section 1: The Company shall not discharge or suspend any non-probationary employee without just cause, but in respect to discharge or suspension, progressive discipline will be followed except that employees may be discharged or suspended immediately for dishonesty; giving false information during an investigation, violation of the Company Drug and Alcohol policy, showing up for work under the influence of alcohol or drugs, drinking on the job, use or trafficking of illegal drugs, gross negligence resulting in an accident while on duty, conviction of a felony, gross insubordination, assault on Company premises and/or while on duty; verbal or physical assault of passengers; carrying, displaying, or using weapons while on duty; proven theft, fraud; embezzlement; allowing an unauthorized person to drive a Company vehicle, or allowing unauthorized riders on Company vehicles, sexual or other forms of harassment, failure to properly secure a wheelchair, conviction of a DUI, conviction of vehicular manslaughter, failure to account for employer or system funds that may come into an employees possession, Intentionally punching another employee's time card or recording time on a timesheet or manifest, or permitting another employee to punch one's own time card or record of time on timesheet or manifest.

Section 2: Discharge or suspension must be by written notice, delivered via certified mail, stating the reason to the employee and the Union and issued at such time of discharge or suspension. The notice will be issued within fourteen (14) calendar days of the event leading to the discipline subject to mitigating circumstances.

Section 3: The warning and/or suspension letter, as herein provided, shall not remain in effect for a period of more than twelve (12) months.

ARTICLE 12- SENIORITY

Section 1: Seniority Defined

Seniority shall mean the length of time an employee has been employed by the Company, measured in calendar days from the first day of the employee's most recent date of hire, for the purpose of selecting work, the determination of order in any layoff or recall from layoff or other reduction in work force, bidding, runs, assignments, or time off as provided for in this Agreement. If two or more employees are hired on the same day, their respective positions on the seniority list shall be determined by a draw of cards, with the employee drawing the high card being considered the senior employee. If two employees remained tied after throwing cards, they will throw again to determine their respective positions on the seniority list. Seniority shall be applicable only as expressly provided in this Agreement.

Section 2: Lay Off

- a. Determination of Lay Off: The Company will determine the timing of a lay off, and the number of employees to be laid off
- b. Lay Off: The Company shall, in any reduction of the work force place employees on layoff in inverse order of seniority: provided, however, that the remaining employees must be fully qualified to perform the work of a displaced employee. If the Company has at least two (2) weeks' advance notice of a changed business condition which will require layoff of bargaining unit employees, the Company shall give each affected employee two (2) weeks' notice of layoff

Section 3: Recall

- a. Order of Recall: The employee with the most seniority will be the first one recalled from a lay off.
- b. Notice of Recall: The Company will forward notice of recall by registered mail, return receipt requested, to the last known address of the employee as reflected on Company records. The employee must, within three (3) days (excluding weekend days and holidays) of delivery or attempted delivery of the notice of recall, notify the Company of his/her intent to return to work on the date specified for recall and, thereafter, returns to work on such date. Section 4: Termination of Seniority: An employee's seniority shall be terminated and his rights under this Agreement forfeited for the following reasons:
 - a. Resignation by the employee or termination by the Company, unless reinstated pursuant to the grievance procedure.
 - b. Failure to give notice of intent to return to work after recall within the time period specified in Section 3 of this Article, or failure to return to work on the date specified for recall, as set forth in the written notice of recall.
 - c. Except for layoff, time lapse of twelve (12) months since the last day of actual work for the Company, subject to acceptable mitigating circumstances.

- d. Failure to return to work upon expiration of an approved leave of absence, subject to acceptable mitigating circumstances.
- e. Layoff of a period of eighteen (18) months or for a period equal to the employee's seniority, whichever is less.
- f. Absence of three (3) consecutive days without notifying the Company, subject to acceptable mitigating circumstances.
- g. Misuse of leave as a subterfuge, to accept employment elsewhere, or for a purpose other than stated upon request for leave.

Section 5: Seniority List: The Company shall provide the Union a current seniority list once every three (3) months. Such list shall be deemed accurate unless challenged by the Union or the employee within ten (10) days of receipt.

Section 6: Return of Personnel to Bargaining Unit: A person who, after transfer or promotion out of the bargaining unit, for a period of six (6) months or less, remains in the continuous employment of the Company and, notwithstanding any other provision of this Agreement, will be returned to any designated job classification in the bargaining unit previously held by the person. If the transfer of such a person to the bargaining unit requires the layoff of an employee, the employee with the least seniority will be laid off.

ARTICLE 13— BIDDING PROCEDURE

Section 1: ROUTE BIDDING & VACANCIES: All vacancies in routes and other regular driving assignments shall be filled as provided in Sections 2-8 of this Article.

Section 2: REVIEW OF ROUTES: All routes and work assignments shall be subject to review and reassignment as provided in this Article. The Company will determine the number of bid periods and theft frequency based upon its legitimate business needs and the desires of its contracting entities; provided, however, all work assignments shall be bid no less than three (3) times in each twelve (12) month period.

Section 3: NOTIFICATION OF ROUTE/WORK ASSIGNMENT DAY: The Company shall notify each qualified employee of the date of Route/Work Assignment Day at least seven (7) calendar days in advance. Such notice requirement may be satisfied by posting at the affected facility.

Section 4: ROUTE ASSIGNMENT & BIDDING: A qualified employee who reports as instructed on Route/Work Assignment Day, and all new employees, shall be allowed to bid on available routes and work assignments in order of seniority; provided, however, that an employee must be fully qualified and licensed to perform all of the work involved in the assignment for which he is bidding, and all required in-service hours must be current. An employee who is on a medical (including Workers Compensation) leave of absence, light duty or assigned to non-driving duty at the time of the Route/Work Assignment Day shall be passed, unless he/she has a release to return to full duty on his/her first scheduled bid day by a certified physician and said release must be presented on Route/Work Assignment Day.

Section 5: ASSIGNMENT OF REMAINING WORK: Any route or work assignment remaining unassigned following the application of the procedures provided in Section 4 of this Article may be assigned by the Company to any employee not yet assigned a route or work assignment. In the event there are routes still open, a five (5) day period will be provided to employees that choose to go on the Extra Board, to choose a route. If no route is taken, a route will be assigned by the lowest route number in reverse order of seniority.

Section 6: EXTRA BOARD DRIVER: An employee who has not been assigned a fixed route or work assignment as provided in this Article shall be classified as an Extra Board Driver.

Section 7: HOLD-DOWN ASSIGNMENT: When an employee who is assigned a fixed route is absent for more than five (5) days, his route shall be assigned as a hold-down, which shall continue until the absent employee returns or until the end of the bid period, whichever is earlier. Such hold-down shall be assigned to the senior Extra Board Driver who is interested and qualified to perform the work. If no Extra Board Driver requests the hold-down, it shall be assigned to the junior qualified Extra Board Driver.

Section 8: PROXY & ABSENTEE BIDS: A non-probationary employee who cannot attend Route/Work Assignment Day shall be allowed to submit his bid by written proxy, provided such proxy is submitted to the Company not later than one (1) hour prior to the commencement of the bidding. Such employee's proxy will be examined when the time for his bid occurs, and he shall be assigned that available route listed on his proxy that is his most preferred. An employee who failed to bid or to select enough choices on his proxy will be assigned to the Extra Board.

ARTICLE 14- HOURS OF WORK

Section 1: Purpose of Article: The sole purpose of this Article is to provide a basis for the computation of straight-time, overtime and other wages, and nothing contained in this Agreement shall be construed as a guarantee or commitment by the Company to any employee of a minimum and maximum number of hours of work per day, per week or per year, except that for fixed route bids, the hours bid will be guaranteed for the duration of the bid, unless the hours are reduced by Acts of God or the Client. The Company's pay records, practices and procedures shall govern the payment of all wages.

Section 2: Workweek: The workweek shall consist of seven (7) days beginning at 12:00 a.m. on Saturday and ending at 11:59 p.m. the following Friday.

Section 3: Work Qualifications: In order to qualify for a category of work under this Agreement, an employee must possess all required licenses and certificates for the category or work desired and all required in-service hours must be current.

Section 4: Overtime: An employee shall be paid one-and-one half (1 1/2) times the Straight-time rate of pay then in effect for work performed when the total number of hours

exceeds (40) in a workweek. Overtime shall be offered by seniority to the senior available Drivers who sign the monthly overtime sheet.

ARTICLE 15 .DRUG AND ALCOHOL TESTING

In acknowledgement of the nature of the Company's operations and the very special and overriding safety considerations, the Company has adopted formal provisions for fitness for duty drug and alcohol screening. Such provisions are adhered to and expressly made part of this Agreement. Employee shall be compensated at their regular hourly rate of pay for all time spent for random drug testing, or other drug testing as required by the Company. Said time shall not be used in the calculation of overtime pay for the affected pay period.

ARTICLE 16— ATTENDANCE POLICY

The parties recognize that unexpected absence or tardiness of employees has many effects on the organization and the ability to provide safe, quality on-time service to our customers and client. Therefore, both the Union and the Company have agreed to incorporate the Company's attendance policy as outlined in their employee handbook as part of this agreement.

The parties also agree that the company's attendance policy will remain the policy of the aforementioned collective bargaining agreement, except that the penalty for a "no call, no show" will be 1 point if an extra board driver fills the empty route. However, should a staff member need to fill in for the nc/ns employee, then 4 points will be applied. This is based on the employee calling in but outside the prescribed time limits. Should an employee not call in at all for the entire shift, 4 points will apply.

Clean Slate Attendance-Employees covered by this agreement who go a consecutive four (4) months without an attendance violation will have their points removed and start fresh. Authorized paid days missed under the provisions of this agreement, including funeral leave, jury duty, holidays, vacation and Union business, shall be considered excused absences and shall not count as an occurrence on the employee attendance record.

ARTICLE 17 .GENERAL CONDITIONS

Section 1: Payday: All paychecks will be distributed every other Friday.

Section 2: DRIVE: The Company agrees to deduct from the paycheck of all employees covered by this Agreement, voluntary contributions to DRIVE. The Company shall transmit to DRIVE National Headquarters on a monthly basis, the total amount deducted along with the name and Social Security Number of the employee and the amount deducted from the employee's paycheck. The International Brotherhood of Teamsters shall reimburse the Company annually for the Company's actual cost for the expense in administering the bi-weekly payroll deduction plan.

ARTICLE 18- JURY DUTY

Section 1: An full-time employee assigned covered by this Agreement who is required to complete Jury Duty shall receive pay at his/her base, straight-time rate of pay for each day of work lost because of such service, for up to five (5) days per year during the term of this Agreement.

Section 2: In order to be eligible to receive benefits under this Article, an employee must immediately notify the Company of the receipt of a summons or notice to appear for jury duty and must cooperate with the Company, if required, in requesting a postponement or other consideration of the Company's legitimate business needs.

Furthermore, employees are required to return to work if not needed and must provide a written notice from the courts to receive jury duty pay.

Section 3: Jury Duty as provided in this Article shall be calculated at the employee's base, straight-time rate of pay and shall be based upon the average number of straight-time hours per day that the employee has worked during the two-week period immediately preceding payment.

ARTICLE 19- FUNERAL LEAVE

Section 1: - A non-probationary full-time employee covered by this Agreement shall, upon request, be granted up to three (3) days with pay, to attend the funeral of his current spouse, parent, child, sibling, current mother-in-law, current father-in-law, grandmother, grandfather or grandchild, and current legal domestic partner, it being understood that in order to be eligible for this benefit, the employee and his/her domestic partner must execute and provide to the Company a Declaration of Domestic Partnership and meet the requirements specified therein. In the event an employee is required to travel out of the State of California to attend the funeral of relative as provided for herein, the employee may be granted up to an additional two (2) days of funeral leave. The Company shall have the right to require proof of death of the relative and of attendance at the funeral, and proof of the employee's relationship with the deceased.

Section 2: Funeral pay as provided in this Article shall be paid at the employee's straight-time hourly rate of pay and shall be paid for the number of hours comprising the employee's current run standard.

ARTICLE 20- PAID HOLIDAYS

Section 1: Subject to the provisions of Sections 2 and 3 of this Article, a non-probationary full-time employee covered by this Agreement shall receive pay for the following holidays falling on or after the date of ratification:

New Year's Day
Dr. Martin Luther King's Birthday
President's Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Christmas Day

Section 2: Holiday pay as provided in this Article shall be calculated at the employee's base, straight-time rate of pay and shall be based upon the employee's current run standard.

Employees without a current run standard shall be paid based upon the average number of straight-time hours per day that the employee has worked during the thirty (30) day period immediately preceding payment.

Section 3: In order to be eligible to receive holiday pay as provided in this Article, an employee must work the entire run or shift of his/her last scheduled work day prior to the holiday and the entire run or shift of his/her first scheduled work day following the holiday.

Section 4: An employee who works on a day recognized as a holiday in this Article shall receive holiday pay plus time and one half his straight-time hourly rate for all hours worked on the holiday. An employee who is scheduled to work on a paid holiday as defined in Section 1 of this Article but who does not report for work shall not receive holiday pay.

Section 5: The Company may elect to amend the work schedule during a week in which a paid holiday falls or during a week in which service is amended because of an unpaid holiday in order to satisfy the service requirements of its customers.

Section 6: If one of the Company's revenue customers does not operate service on a holiday that is not otherwise identified as a paid holiday in Section 1 of this Article, an employee who is subsequently denied the opportunity to work under that revenue contract on that day, shall receive his regular pay for the hours he would otherwise have worked.

ARTICLE 21- VACATIONS

Section 1: - A full-time employee covered by this Agreement shall be eligible to take vacation according to the following schedule:

- (a) After one (1) year's service - one (1) week
- (b) After three (3) years' service - two (2) weeks
- (c) After eight (8) years' service - three (3) weeks

Section 2: The Company shall prepare and post in December of each year a vacation schedule, showing the number of employees in each classification, if any, who may be allowed to take vacation in each week during the twelve month period commencing January 1st of the following year. The Company shall develop a procedure allowing employees to select their vacations according to seniority, subject to the presence of necessary employees required to cover all required work assignments it being recognized that a minimum of four (4) employees may be off per week.

Section 3: Vacation must be taken in full work week increments, and vacation shall not commence prior to the anniversary date on which it is earned under the schedule provided in Section 1 of this Article. There shall be no scheduling or payment of pro rata vacation amounts under this Agreement. No employee shall receive vacation pay in lieu of time off.

Section 4: Pay for vacations provided in this Article shall be calculated at the employee's base, straight-time rate of pay, and each week's vacation taken shall be paid at the weekly current run standard of that employee. Employees without a current run standard or who are absent more than six (6) days during the employee's anniversary year during which the vacation is earned (excluding Funeral Leave, Paid Holidays, Vacation time or Personal Leave for Union Business as provided for in this Agreement), shall be paid for each week of vacation earned at the rate of .019 hours' pay for each hour worked during said anniversary year.

ARTICLE 22- OVERTIME

Overtime at 1 and 1/2 times the employee's regular straight-time hourly rate of pay will be paid for all hours worked in excess of forty in the work week. There shall be no pyramiding of any overtime payments to employees covered by this Agreement.

ARTICLE 23- SICK LEAVE

Section 1: Sick leave pay shall be accrued by a full-time employee covered by this Agreement according to the following schedule: 0.038 hours for each hour worked during the employee's most recent anniversary year of service, not to exceed a total often (10) days or eighty (80) hours per year. Unused sick leave may be accumulated to a maximum accumulation of three hundred-twenty hours (320) hours.

Section 2: An employee shall be eligible to apply for benefits from his accumulated sick pay balance after completing one (1) full year of service, from his most recent date of hire. The Company may request a proof of illness or a doctor's note, after a third consecutive day of absence due to illness, from an employee who requests sick leave pay. Should an employee fail to provide a doctor's note upon request that employee shall not be paid sick leave pay.

Section 3: Sick pay shall be accumulated on the basis of the employee's total hours, and may be paid in full day increments, or if an employee reports for work and leaves early due to illness, they may request to be paid in amounts that would complete the employees pay for that day and based upon the employee's current run standard. Employees without a current run standard shall be paid based upon the average number of straight-time hours per day that the employee has worked during the thirty (30) day period immediately preceding payment.

Section 4: An employee whose employment terminates for any reason shall forfeit all accumulated sick pay.

ARTICLE 24- TEAMSTERS PENSION FUND

Effective July 1, 2006, the Company will fund an hourly retirement contribution of \$0.60 for all employees beyond the probationary status.

For probationary employees, the company shall pay an hourly contribution rate of \$0.10 during the probationary period as defined in this agreement, but in no case for a period longer than ninety (90) calendar days from an employees first date of hire. Contributions shall be made on the same basis as set forth in this article. After the expiration of the probationary period as defined in this agreement, but in no event longer than ninety (90) calendar days from an employee's first date of hire, the contribution shall be increased to the full contractual rate.

The Company shall pay into the Western Conference of Teamsters Pension Plan for the account of each employee working under this Agreement. The Company shall fund each employee's account for each compensated hour up to one hundred sixty (160) hours per month in months containing two pay dates and maximum of two hundred forty (240) hours in months containing three pay dates.

Benefit time paid for but not worked, such as holidays and vacations shall be considered as time worked for the purpose of this Article.

Effective July 1st 2007 the Company's contribution rate for all non probationary employees shall be increase to \$0.70.

Effective July 1st 2008 the Company's contribution rate for all non probationary employees shall be increased to \$0.80.

ARTICLE 25- UNIFORMS

The Company's current uniform policies, practices and procedures shall remain in effect.

ARTICLE 26- HEALTH INSURANCE

Section 1: . The Company shall, subject to all of the provisions of this Article, provide Group Medical Insurance Plan coverage to a qualified full-time employee, and to his dependents.

Section 2: . A qualified employee shall be a non-probationary full-time employee, be a current, active Transit Bus or Dial-A-Ride Driver who, is regularly scheduled to work at least thirty (30) hours per week, and shall remit through payroll deduction the proper employee contribution for such Plans in which the employee and his dependents may be enrolled.

Section 3: . The employee shall, subject to the provisions of Section 2 of this Article, pay \$20.00 per month towards there own coverage.

Section 4: . A qualified employee may elect to extend coverage to his authorized dependents. Such employee shall, through payroll deduction, pay the following amounts per pay period.

Employee + I	= \$50.00
Employee + Family	= \$100.00

Section 5: All employee elections under this Article shall be made in accordance with the plan provisions in effect at the time.

Section 6: Eligible employees as defined above, will be able to participate in the Company's group Dental and Vision Plans at their own cost. Effective with the third year of this Labor Agreement, the Company will pay 25% of the premium for the employee's coverage.

Section 7: Each year of this Agreement, the Company and/or the Union may present an additional medical insurance plan to be reviewed by a committee made up of both Company and Union representatives. If mutually agreed upon, this new plan will replace either of the existing medical insurance plans to be effective during the open enrollment period of that year. The company will maintain the current level of benefits for the life of this agreement.

ARTICLE 27- WAGES

Employees covered by this Agreement shall receive the minimum wage rates as follows subject to the Notes indicated below:

	Effective 7-1-06	Effective 7-1-07	Effective 7-1-08
DRIVERS			
Start	\$11.93	\$12.43	\$12.92
After 1 yr.	\$12.77	\$13.30	\$13.83
After 2yrs.	\$13.61	\$14.18	\$14.74
After 3yrs.	\$14.28	\$14.87	\$15.47
After 4yrs.	\$15.46	\$16.10	\$16.74
After 5yrs.	\$16.80	\$17.50	\$18.20

Those employees that are currently over the proposed wage scale at the time of the signing of this agreement will receive an increase of \$.70 per hour each year of the contract.

Payroll Note #1: Initial training prior to revenue-producing work will be paid at the current State of California minimum wage.

Payroll Note #2: Safety meetings and other informational meetings which are required by the Company will be paid at the employee's current hourly rate.

Payroll Note #3: Step increase will be paid on the employee's anniversary date, if applicable. No employee will earn more than the wages listed above for equivalent length of seniority.

Payroll Note #4: The Company may assign an employee who, in its honest business judgment, is fully qualified to perform work as a Driver/Trainer and may similarly remove such employee from such assignment. The employee assigned to the non-DOT certified Driver/Trainer position shall be paid a differential of \$0.50 per hour in addition to his/her regular rate of pay for all hours worked as a Driver/Trainer. The employee assigned to the DOT certified Driver/Trainer position shall be paid a differential of \$1.00 per hour in addition to his/her regular rate of pay for all hours worked as a Driver/Trainer.

ARTICLE 28— UNION SECURITY

Section 1: Union Membership: It shall be a condition of employment that any employees covered by this Agreement shall apply for Union membership on or by the completion of his thirtieth (30th) day of employment. Such employee shall then be eligible for membership in the Union and shall maintain his membership in good standing as a condition of continued employment.

Section 2: Suspension: The Company shall suspend any employee covered by this Agreement within seven (7) days after receipt of written notice from the Union that said employee has not become or remained a member in good standing. This Section will be administered in a manner conforming with all legal requirements.

ARTICLE 29-CHECK-OFF

1. Upon receipt of a written assignment and authorization, signed by an employee covered by this Agreement, or an appropriate legally acceptable form furnished by the Union, the Company agrees to deduct bi-monthly from the first and second check of such employee in each calendar month and pay to the Union his regular monthly dues and/or uniform assessments. Deduction of dues shall in all cases be made from the first day in each calendar month immediately following the date of signing of such authorization by the employee. The Company further agrees that it will deduct the prescribed initiation fee in two equal monthly payments from all new hires who are not members of the Union. Remittance of these check-off payments to the Union shall be made once a month, within five days following the second deduction in a calendar month for which such deductions are made and a list of employees for whom payment is made and their Social Security numbers shall accompany such payment.
2. The Union will indemnify and save the Company harmless against any and all claims, demands, suits or other forms of liability (including attorney fees and court costs) that may arise out of or by reason of action taken or not taken by the Company for the purpose of complying with any of the provisions of this article in reliance on any list, notice or authorization provided by the Union hereunder.
3. The deductions and remittances to the Union herein provided shall be made by the Company only to the extent and as long as it shall be legal for the Company to make such deductions under any applicable Federal law or law of the State of California and

while it has proper written notice from each such employee, and while this Agreement remains in effect.

ARTICLE 30- REAL PARTY IN INTEREST

It is agreed that this Agreement shall not vest or create in any employee or group of employees covered thereby any right or remedies which they or any of them can enforce either at law, equity or otherwise, and whether as principal or third party beneficiary or otherwise, it being understood and agreed on the contrary, that all of the rights and privileges created or implies from this Agreement shall be enforceable only by the parties hereto, and only in the matter established by this Agreement.

ARTICLE 31 . TERM OF AGREEMENT

Except as otherwise provided herein, this Agreement shall be effective upon July 1, 2006 and remain in effect through midnight June 30th, 2009 and shall be renewed from year to year thereafter unless either of the collective bargaining representatives shall give written notice to the other of the desire to change at least sixty (60) days prior to the expiration of this Agreement. While this Agreement continues in effect, neither party will make demands upon the other party for any changes in conditions or benefits or for any new or additional conditions or benefits except at the time and in the manner provided in this Agreement.

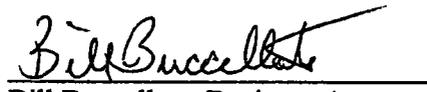
IN WITNESS WHEREOF, the parties above-named have signed their names and affixed the signatures of their authorized representative on the ___th day of _____ 2006.

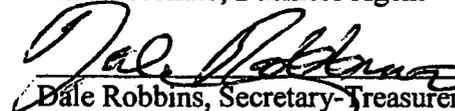
MV TRANSPORTATION, INC.

TEAMSTERS UNION
LOCAL NO. 315


David Vinson, Labor Relations-West

8/31/06
Date


Bill Buccellato, Business Agent


Dale Robbins, Secretary-Treasurer

8/31/06
Date



TEAMSTERS LOCAL NO. 315

General Truck Drivers, Warehousemen, Helpers and Automotive Employees of Contra Costa County
Affiliated with the International Brotherhood of Teamsters

September 13, 2006

STEVE GUTIERREZ
President

DALE ROBBINS
Secretary-Treasurer
Principal Officer

LETTER OF UNDERSTANDING

Between

M.V. Transportation, Inc. and Teamsters Union Local No. 315

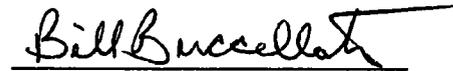
The undersigned parties do hereby agree that language for Article 21, Section 3, Vacation, was omitted from the July 1, 2006 through June 30, 2009 Collective Bargaining Agreement between M.V. Transportation, Inc. and Teamsters Union Local No. 315, and shall be included by this Letter of Understanding as follows:

Article 21, Section 3

“Vacation may be taken in full week or daily increments, and vacation shall not commence prior to the anniversary date on which it is earned under the schedule provided in Section 1, of this article. There shall be no scheduling or payment of Pro-rated vacation amounts under this agreement. No employee shall receive vacation pay in lieu of time off. Time taken in one day increments is subject to pre-approval of the Company based on operational requirements. The Company shall not unreasonably refuse request for incremental use of vacation time.”


David Vinson, Labor Relations-West

9/15/06
Date


Bill Buccellato, Business Agent

9-13-06
Date

BB/va
cc: Dale Robbins, Secretary-Treasurer