

K# 9398



LABOR AGREEMENT BETWEEN
INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL 438



AND

CSC ELECTRIC, LLC



AUGUST 1, 2020 THROUGH JULY 31, 2023

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PURPOSE

It is the intent of the parties to establish a basic agreement covering wages, hours of work and conditions of employment at all properties maintained by CSC Electric, Appendix A, in Arizona and all its represented employees. This agreement shall require all such work performed by the company to proceed continuously and uninterrupted and in an efficient and economic manner without work stoppage, slowdowns, or any other interference with work progress.

The parties recognize the unique nature and purpose of the work performed by CSC Electric, LLC, and its importance to the nation's national defense. The parties therefore acknowledge that special considerations, approaches and solutions to management problems are essential to the performance of work covered by this Agreement. These special considerations form the basis of this Agreement to affect binding methods for the settlement of all misunderstandings, disputes and grievances which may arise during the term of this Agreement.

ARTICLE 1 AGREEMENT

Section 1. This Agreement, effective July 1, 2020, is made and entered into by and between CSC Electric LLC, (hereinafter called the "Company"), and International Union of Operating Engineers, Local 428, AFI-CIO (hereinafter called the "Union").

ARTICLE 2 UNION RECOGNITION AND SCOPE OF AGREEMENT

The Company recognizes the Union certified by the National Labor Relations Board, (Case No. 28-RC-109612, CSC Electric, LLC & International Union of Operating Engineers, Local 428, AFI-CIO) as the exclusive representative and bargaining agent with respect to rates of pay, wages, hours and other conditions of employment for the bargaining unit comprised of all full-time and regular part-time facilities maintenance mechanics employed by the Employer working at all buildings maintained by the company, but excluding all other employees, clerical employees, guards, and supervisors as defined in the Act. The word "employee" or "employees", as used in this Agreement means all employees of the Company in job classifications listed in Appendix "B" of this Agreement and those added pursuant to Article 24 of this Agreement.

ARTICLE 3 MANAGEMENT RIGHTS

Section 1. The Company reserves and retains, solely and exclusively, all of its Common Law rights to manage the business in compliance with its prime contract, and terms and conditions of this Agreement. Except to the extent expressly abridged by a specific provision of this Agreement, the sole and exclusive rights of management shall include but are not limited to its right to determine prices of products and services, levels of service, volume of production, methods of financing; to drop a service or product line; to sell or lease the business or modify policies, practices or procedures; to determine and from time to time re-determine the number, location, relocation and types of its operation, and the methods, materials, equipment and facilities to be employed; to determine the number of hours per day or per week services or operations shall be carried on; to select and to determine the number and qualifications of persons to be employed or assigned specific jobs; to assign work to such employees in accordance with the requirements determined by management; to establish and change work schedules and assignments; to transfer, promote or demote employees or to lay off, terminate

for just cause and consistent with employee manual or otherwise relieve employees from duty for lack of work; to determine the fact of lack of work; to make and enforce rules for the maintenance of discipline consistent with employee manual; to suspend, discharge or otherwise discipline employees and otherwise to take such measures as management may determine to be necessary for the orderly and efficient operation of the business. Such determination of lack of work shall be made by the Company, in its discretion; however, the Company shall communicate with the Union prior to laying off any employees and agrees to objectively determine whether non-productive man-hours exist and whether a reduction in staffing is necessary in order to maintain the efficiency of the Contract.

Section 2. The Company and Union agree there will be no restrictions on production and promoting efficiency and all work shall be performed in a safe and healthful work manner under OSHA guidelines. The Union will encourage and advise employees to exhaust every effort, ways and means to perform work of good quality, quantity, and safe execution.

Section 3. The Company shall be responsible for the selection of Lead personal, including the number required.

Section 4. The Company and the Union agree that the lead personnel shall be working leads.

Section 5. Employees shall be at their place of work as designated by the Company at the starting time and shall remain at their place of work performing their assigned functions until quitting time. Required preparatory work shall be compensated as time worked. The Company agrees to furnish transportation during working hours if employees are required to move from one job site to another. However, this shall not preclude any requirements stated on an employee's position description.

ARTICLE 4 NO DISCRIMINATION

Section 1. Neither the Employer nor the Union shall discriminate against any employee on account of race, color, creed, national origin, political belief, sex, age, religion, sexual orientation, veteran's status or disability, or because any employee exercised his/her rights under any federal or state law. All Employer policies, rules and interpretations of this Agreement shall be applied equally to employees in the bargaining unit.

ARTICLE 5 UNION REPRESENTATION

Section 1. The Union shall make all steward appointments and there shall be one steward for each scheduled shift.

Section 2. The Union shall maintain and supply a complete written list of all authorized stewards to the Employer.

Section 3. The Employer agrees that in the event it plans to transfer a steward, from one work shift and/or shop to another for a period of more than 2 consecutive work days, it will inform the Union one (1) calendar day prior to taking such action, except when emergency conditions or requirements preclude such advance notification.

Section 4. Upon prior notice of at least one (1) hour to the Project Manager, authorized representatives of the International Union of Operating Engineers, Local 428, AFL-CIO shall have access to Employer's establishment during working hours to deal with disputes, investigate working conditions and monitor adherence to the Agreement. All visitors must notify the Shop Supervisor prior to or at the time of the visit, before meeting with

than the term of the leave of absence, or who accept employment elsewhere without permission of the Employer during such leaves of absence, shall be considered to have voluntarily terminated their employment with the Employer. Leave of absence shall not cause a change in seniority date. However, there shall be no accrual of benefits, no holiday pay for any holiday that falls during the period of leave, and no payment of wages/fringe benefits. Employees on a personal LOA may continue their medical insurance at their expense.

Section 2. Military Leave of Absence

Employees enlisting or entering the military service of the United States, pursuant to the provisions of the Uniformed Service Employment and Re-employment Rights Act (USERRA), shall be granted all rights and privileges provided by the act.

Section 3. Family and Medical Leave Act

The company will comply with all State and Federal Family Leave Act regulations.

ARTICLE 12 JOB INJURY

Section 1. The Company will follow the Workers Compensation Act of Arizona.

Section 2. The company has the right to work employee within the restrictions of the injury. If restrictions are more than the company's ability to accommodate then the employee will be placed on leave until they obtain a less restriction or a full release, whichever comes first.

ARTICLE 13 SAFETY AND HEALTH RULES AND EQUIPMENT

Section 1. The Company shall continue to make statutory required provisions for the safety and health of employees during their hours of employment.

Section 2. Employees shall take personal responsibility for their own safety by complying with all environmental, safety, and health rules established by the Company.

Section 3. Personal Protective Equipment shall be provided in accordance to OSHA standards.

ARTICLE 14 SITE SAFETY / SECURITY

Section 1. Company and Union agree to adhere to security and safety regulations as may be mandated by the government.

ARTICLE 15 SUBCONTRACTING

Section 1. The Company reserves the right to call upon other resources or subcontract work to independent contractors. The Employer will not contract out work which the members of the Union have historically performed unless required to augment the workforce on a short term, temporary basis. However, the company

will first request a list of qualified candidates from the union to fill this need. The union will respond within forty-eight (48) hours or the company will exercise its rights.

ARTICLE 16 JOB CLASSIFICATIONS

When it becomes necessary to create or change a classification consistent with this bargaining unit the company will negotiate in good faith with the Union. The Company shall propose a rate of pay to the Union and if the Union agrees the parties shall execute a memorandum of agreement to Appendix B.

In the event an agreement is not reached between the company and the Union within five (5) working days from the date of submission, the Company may place into effect the new or changed classification at the proposed rate of pay. The proposed rate of pay may be subject to the grievance procedure if the Union does not agree.

ARTICLE 17 DAVIS-BACON

Section 1. The Company and the Union recognize that work performed by employees covered by this Agreement may fall under either the Service Contract Act or Davis-Bacon Act. When the work is Davis-Bacon work, the Company will pay the appropriate wage determination in effect for that contract period of performance. Current Davis-Bacon Act wages shall be posted on the employee/Union bulletin board and kept current.

ARTICLE 18 BARGAINING UNIT WORK

Supervisors may, as needed, perform any work assignment in the area of their supervision in emergency situations or short-term assignments wherein no employee in the Bargaining Unit is available who is capable of doing such work. Further, there shall be no restrictions on a member of supervision in the instruction or training of an employee or group of employees.

An emergency is defined as an unforeseen set of circumstances that require immediate action.

ARTICLE 19 NO STRIKES - NO LOCKOUTS

Section 1. The union agrees that it shall not cause interruptions in, or impediments to, the Employer's operations nor shall there be any stoppages, strikes, or lockouts during the life of this Agreement arising out of disputes or grievances. Instead, such disputes and grievances shall be peacefully resolved under the grievance procedure provided in Article 7. This agreement includes a strike, concerted slowdown, sit-down, and stay in, walkout, stoppage of work, interference with work and illegal picketing of any of the Company's operations.

Section 2. The Union agrees that in the event of any unauthorized strikes, slowdowns, walkouts, or any other unauthorized acts of the employees of the Employer, or of the Union or official thereof, the Union and the Union's Stewards shall promptly undertake to induce employees to return to their jobs and to process any dispute under Article 7. The obligation of the Union in regard to this Article shall be limited to the performance of its obligations expressed in this Article, and provided that the Union fully complies with those obligations, the Union officers and agents shall have no further liability during the term of this contract or thereafter, for any damage suffered by the Company arising from or out of any stoppage or strike. The Employer acknowledges

Article 22

Workday, Workweek and Overtime

Section 1. The payroll week for the purpose of computing pay shall consist of Seven (7) consecutive twenty-four (24) hour periods, starting at 0001 on Sunday and ending at 1200 the following Saturday.

Section 2. Shifts: Eight (8) consecutive hours, excluding the hour for lunch period, shall constitute a regular day's work. Monday through Friday shall constitute a regular workweek.

The shifts are for eight (8) hours with a scheduled lunch break of one (1) hour.

Or

Four (4) consecutive days at Ten (10) hours

Section 3. Change in Shifts: will continue to be scheduled as presently established. Changes in the permanent shifts will be made only as dictated by operational requirements and no shift change shall be made until the Union has been advised of such change. If a vacancy exists on a shift, all qualified employees will be notified. The vacancy will then be filled by the most senior qualified employee who desires to fill the vacancy. Seasonal shift changes may be made with at least forty-eight (48) hours notice to the employee and to the Union.

Section 4. Computation of Overtime Rates: Time one and one-half (1 ½) the employees base rate shall be paid; for hours worked after eight (8) hours in a day or forty (40) hours worked in a workweek. Work suffered on a Saturday shall be paid at one and one-half (1 ½) times the regular rate of pay and work suffered on Sunday shall be paid at a rate of two (2) times the regular hourly rate of pay. All overtime must be approved by the Project Manager prior to the overtime being worked. However; all overtime hours suffered whether approved or not shall be paid.

Section 5. No employee shall work more than seven (7) consecutive days without a day off.

Section 6. A fifteen (15) minute break will be permitted in the first and second half of each shift worked.

Section 7. Paydays: Paydays will be every Friday. When a payday falls on a holiday or weekend, payday shall be on the preceding day. Davis Bacon hours will be paid weekly on Friday.

Section 8. Call-in Pay: When an employee is called back to work, he will receive two (2) hours of pay at one and one half (1 ½) times his regular rate of pay. These hours will be considered as hours worked and will be used in the calculation of overtime.

Section 9. Standby Provision: If an employee is called in he/she shall be paid a minimum of two (2) hours of pay at the appropriate as in Section 7. These hours will be considered as hours worked and will be used in the calculation of overtime. The employer will provide cross training so that employees will be able to have relief from standby duty.

Section 10. An employee designated as being on standby shall be reachable by a signal device and remain within a reasonable distance of the work site. In the event that the use of a signal device is not possible, the employee on standby shall leave a telephone number where he/she can be reached by the Company and shall inform the Company of a phone number where he/she can be reached in the event of a change in location. Report time to the work site shall be one (1) hour from the time notification is made. Weather permitting.

Section 11. A standby period shall consist of the time period beginning at the end of the employee's work shift on Monday and end at the beginning of his shift on the following Monday.

Section 12. Employees working in a classification that pays a higher rate of pay than his current rate of pay will be paid the higher wage rate for hours working in that classification. When an employee is required to work in a classification that pays a lower rate of pay than his current classification will continue to be paid at the higher classification.

Article 23 Vacations

Section 1. Employees will earn vacation time off with pay according to the following table:

Continuous years of service with the Contractor or Successor	Weeks of Vacation	Vacation Accrual
1 Year but less than 5	Two Weeks	80 Hours
5 Years but less than 10	Three Weeks	120 Hours
10 Years or more	Four Weeks	160 Hours

Section 2. A vacation year is the twelve (12) month, consecutive month period beginning with the employee's anniversary date of employment. Employees will be entitled to a two (2) week vacation after their first twelve (12) months of employment. Vacation will then be accrued per pay period using a formula applicable to the time earn in Section 1. Vacation time may then be used as accrued with proper notice. Weekly accrual will begin on the first anniversary date of hire for each employee.

Section 3. Compensation for the vacation period shall be computed at the employee's base rate of pay in effect at the time the vacation is taken. An employee who is terminated or terminates for any reason shall be granted payment for any earned but unused vacation, provided that he has a minimum of twelve (12) months continuous service at the date of termination.

Section 4. Part-time employees are entitled to vacation on a pro-rated basis. Pay will be based on the employee's average number of part-time hours per week during the vacation accrual year on the same accrual schedule as for full-time employees.

Section 5. Employees working any number of hours on Davis Bacon work will in no way be penalized on their accrued paid vacation time earned and will entitled to the full vacation pay hours as entered in this article.

Section 6. The use of partial day vacation time will be permitted, time may be taken in a minimum of four (4) hour increments with one (1) days' notice or earlier if approved by the Supervisor and or the Project Manager.

Section 7. All employees may submit a vacation request form. The Company will respect the wishes of the employees in granting vacations on dates requested by employees. Seniority at the contract site will be given preference to the granting of vacation time requested. After this process, the employees will give the Company two (2) weeks advance notice (unless there is an emergency) of any change for vacation periods in excess of four (4) days. In cases where such change conflicts with other employee's vacation dates, the employee desiring a change must coordinate the change with the other employee. Under no circumstances will an employee with more seniority shall be allowed to bump another employee.

Section 8. Only one week of vacation can be rolled over into the following year, all other vacation not used will be forfeited.

Article 24 Holidays

Section 1. The following holidays will be paid for at the basic straight time hourly rate of pay not to exceed eight (8) hours and ten (10) hours if employees are on a ten (10) hour work shift. Holiday hours shall constitute hours worked for the purpose of calculation overtime.

New Year's Day
Martin Luther King Day
President's Day
Memorial Day
Independence Day
Labor Day
Columbus Day
Veteran's Day
Thanksgiving Day
Christmas Day

Section 2. All time worked on Holidays by employees shall be paid at one and one-half (1 ½) times the employee's regular rate of pay in addition to the Holiday pay. The following shall also apply; any employee who works during the entirety of the holiday week is entitled to full holiday pay.

Section 3. Employees who are scheduled to take vacation at time during which a holiday occurs may elect one of the following:

- A. Receive the vacation in addition to the eight (8) hours of holiday pay, or extend the vacation period by one (1) day in lieu of the holiday.
- B. Observance of holidays will be on the day specified by the government.

Article 25 PTO and Sick Leave

Section 1. Employees will receive Five (5) days Sick and Personal Leave on each anniversary year, Sick and Personal Leave will be accrued by each employee at the rate of four (4) hours, every 208 hours worked. For the purposes of this first contract employees will begin accruing Sick and Personal Leave from the day of implementation of said contract.

Article 28

Wages

Section 1. Wage rates shall be those set forth in Appendix "B" hereto which by reference is incorporated and made a part thereof.

Section 2. In the event the Company establishes a new or revised occupational classification in the bargaining unit, the hourly rate applicable shall be determined by negotiation between the Company and the Union. Operations shall not be delayed through failure to immediately agree upon an hourly rate applicable to any such occupational classification. In such cases, pending results of the negotiations, the Company will establish the new or revised occupational classification and the Company-proposed salary rate applicable thereto and shall place such that the Company-proposed rate will be paid retroactive to the date of the start of the occupational classification and such hourly rate into effect, negotiated rates finally established, which are higher.

Section 3. Annual Wage increases will take place on the anniversary of the CBA effective date.

Article 29

Health and Welfare Benefits

Section 1. Health and Welfare rates shall be those set forth in Appendix "C" hereto which by reference is incorporated and made a part thereof. The Employer shall submit a report and pay the full monthly contributions as noted in Appendix "C" to the Health and Welfare Trust Fund on behalf of all employees covered by this collective bargaining agreement who are listed on the payroll as of the first calendar day of the month. Such report and payment shall be submitted by the 15th of the following month. Part-time employees that are not eligible for benefits will be paid the prevailing Service Contract Act Fringe Benefit amount in each paycheck.

Section 2. Medical, Dental, Short Term Disability, Death Benefits, included in the Operating Engineers Local No 428 Health and Welfare Trust Fund is a trust fund jointly administered by equal number of Trustees representing Employers and Local Unions. All contributions provided for in this article will be paid into the Operating Engineers Local No 428 Health and Welfare Trust Fund.

Section 3. It is further agreed that the Union and the Company may open for negotiation any further increases in insurance premiums above \$0.10 per month ninety (90) days prior to October 1st of each year.

Section 4. CSC Electric, LLC, has agreed to a one-time payment of \$30,375 for health care coverage at 135 hours at \$5.00 per hour for Three (3) months - \$2,025 per employee (15 current employees) to insure instant healthcare coverage as of August 1, 2014, and to remit payment no later than June 25, 2014.

Section 5. All new employees hired after August 1, 2014 will fall under regular health insurance requirements and plan documents.

Article 30

Pension Fund

Section 1. Pension rates shall be those set forth in Appendix "C" hereto which by reference is incorporated and a part thereof.

Section 2. The employer agrees to make payments to the Operating Engineers Local No. 428 to provide benefits for eligible employees in accordance with the plan of the Operating Engineers Local No. 428 Pension Trust Fund.

Section 3. If additional monetary increased are deemed necessary, they will be designated by the Union as to rates and amounts, and will be taken from the negotiated settlement. The Union can revise the economic package so long as the combined total of wages, health and welfare, and pension does not exceed the economic package figure. It is agreed that the Union will give the Company sixty (60) days advance notice, in writing, of proposed changes to the contribution rate.

Section 4. ITEC Contribution - IUOE NATIONAL TRAINING FUND – The employer signatory to this agreement hereby agree to submit a \$.05 (five cents) per hour contribution worked on all employees covered by this agreement which will be remitted to the International Union of Operating Engineers National Training fund for each hour worked on all employees whose compensation is covered by this agreement, for the duration of this agreement. The employer agrees to transmit and pay the amount of contributions due to the National Training Fund to the local union fringe benefit fund administrator, under the same terms and at the same time as the other local union fringe benefit fund contributions are made under this agreement.

Article 31 Bulletin Boards

Section 1. Subject to approval by the Government, a bulletin board will be provided for the exclusive use of the Union and for the purpose of posting Union notices, such notices to encompass such subjects as: meetings, union elections, results of such elections, recreational and social affairs and miscellaneous announcements. This bulletin boards shall not be used for detrimental postings of any kind, nor shall it be used for the posting or distribution of payments or notices of political matters, advertising, nor for notices adversely reflecting upon the Company. All items must be approved by the project manager and business representative of the union before posting to assure that detrimental posting are not made.

Article 32 GENERAL SAVINGS CLAUSE

Should any provision or provisions of this Agreement or any applications thereof become unlawful by virtue of any applicable law, or by final adjudication of any court of competent jurisdiction, the provision or application of a provision of this Agreement shall be modified by the parties to comply with the law, order, or final adjudication, but in all other respects the provisions of this Agreement shall continue in full force and effect for the life thereof.

Article 33 COMPLETE AGREEMENT

Section 1. The Parties hereby acknowledge and affirm that during the negotiations which led to this Agreement, each of them had the unlimited right and opportunity to formulate demands and proposals with respect to all subjects or matters not excluded by law from the collective bargaining arena and that all decisions and covenants reached by them through the use of such rights and opportunities appear in this Agreement. Therefore, it is

APPENDIX B
(CSC Electric, LLC)

<u>Job Classification:</u>	<u>Current</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
		\$2.00	\$0.70	\$0.70
Chief Engineer 1	\$26.19	\$28.19	\$28.89	\$29.59
Chief Engineer 2	\$23.03	\$25.03	\$25.73	\$26.43
Lead Engineer 1	\$24.07	\$26.07	\$26.77	\$27.47
Lead Engineer 2	\$22.60	\$24.60	\$25.30	\$26.00
Engineer 1	\$22.43	\$24.43	\$25.13	\$25.83
Engineer 2	\$21.44	\$23.44	\$24.14	\$24.84
GM Level 1	\$21.22	\$23.22	\$23.92	\$24.62
GM Level 2	\$20.74	\$22.74	\$23.44	\$24.14
GM Level 3	\$19.16	\$21.16	\$21.86	\$22.56
Dispatch Level 1	\$18.77	\$20.77	\$21.47	\$22.17
Dispatch Level 2	\$17.55	\$19.55	\$20.25	\$20.95

APPENDIX C
(CSC Electric, LLC)

Operating Engineers Local No 428
Health & Welfare Trust fund

Paid per hour for every hour worked

\$6.20 – 2020

\$6.50 - 2021

\$6.80 - 2022

Operating Engineers Local No 428
Pension Trust Fund

Paid per hour for every hour worked

\$3.30 – 2020

\$3.55 – 2021

\$3.80 – 2022

IUOE NATIONAL TRAINING FUND

\$0.05 – 2020

FOR THE DURATION OF THIS AGREEMENT