AGREEMENT
BETWEEN

MV TRANSPORTATION, INC.
Hanford, CA

AND

AMALGAMATED TRANSIT UNION
LOCAL 1027

Effective:
October 30, 2016 - June 30, 2019
AGREEMENT

This Agreement is entered into between MV Transportation Inc. (hereafter "Company") and the Amalgamated Transit Union, Local 1027 (hereinafter "ATU"), has as its purpose: The establishment of wages, hours of work, and other terms and conditions of employment. In the event ATU or the Company becomes aware of a practice, procedure, or activity which is not in compliance with this Agreement, then notwithstanding such practice, procedure, or activity, the parties shall immediately comply with the applicable provision of the agreement, rule, regulation, or statute.

ARTICLE 1
RECOGNITION

Section 1.1 - Recognition of the ATU:
The Company recognizes ATU as the exclusive representative of "employees" as defined in Section 1.2 of this Article for purposes of collective bargaining with respect to rates of pay, hours of work and other conditions of employment for all such employees.

Section 1.2 - Definition of Employees:
Whenever used in this Agreement, the term "employee(s)" shall mean:

INCLUDED: All full-time and regular part-time Dispatchers and Drivers employed by the Employer at or out of its Hanford/Dinuba, California facility, who perform work under the Employer's contract(s) with the City of Hanford/Dinuba, California.

EXCLUDED: All clerical, professional and confidential employees, Road Supervisors, Dispatch Supervisors, Driver Development and Safety Supervisors(dds), Maintenance Supervisors, Administrative Assistants, mechanics, guards, and supervisors as defined in the Act.

Section 1.3 - Definition of Probationary Employee:
An employee who has never accrued seniority under this Agreement or predecessor agreements between the Company and ATU, or an employee rehired after termination of seniority shall be on 'probationary' status for ninety (90) calendar days. The discipline or discharge of an employee who is in a probationary status shall not be in violation of this Agreement.

Section 1.4 - Job Classes:
The classification of jobs as described in Section 1.2 of this Agreement are defined 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 an employee regularly scheduled to work at least sixteen (16) hours but less than thirty-five (35) hours in a work week, however, the Company may schedule a part-time employee less than sixteen (16) hours in a work week upon the request of the employee. From time to time, part-time employees may be required to work more than thirty-five (35) hours in a workweek to meet unusually high service demands or other unusual situations. If a part-time employee works thirty-five (35) or more hours in a workweek, each week for four (4) consecutive weeks, the Company agrees to grant that employee full time status with the exception of temporary vacancies as stated in Section 14.5. When an employee works less than thirty-five (35) hours in a workweek for six (6) consecutive weeks, that employee shall be moved/returned to part-time status.

c) When a full-time vacancy occurs, as determined by the Company, it shall first be offered to a part-time employee in seniority order before non-employee applicants are considered. Employees may elect to remain part-time, if they so desire.

ARTICLE 2
SCOPE OF AGREEMENT

Section 2.1 - Duration:
This Agreement shall become effective immediately after midnight on October 30, 2016 and shall continue in full force and effect from October 30, 2016 and shall continue in full force and effect through midnight June 30, 2019.

The parties agree to begin negotiations on a successor agreement no later than sixty (60) days prior to the expiration of the existing agreement.

Section 2.2 - 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 Articles, Sections or portions of this Agreement, which are not affected by such decision.

Section 2.3 - Waiver of Bargaining Rights and Amendments to Agreement.
During the negotiations resulting in this Agreement, the Company and ATU each had the unlimited right and opportunity to make demands and proposals with respect to any matter as to which the National Labor Relations Act imposes an obligation to bargain. Except as specifically set forth elsewhere in this Agreement, the Company expressly waives its right to require the ATU to bargain collectively, and ATU expressly waives its right to require the Company to bargain collectively, over all matters as to which the National Labor Relations Act imposes an obligation to bargain, whether or not: (a) such matters are specially referred to in this Agreement; (b) such matters were discussed between the Company and ATU during negotiations which resulted in this Agreement; or (c) such matters were within the contemplation or knowledge of the Company or ATU at the time this Agreement was negotiated and executed. This Agreement contains the
entire understanding, undertaking and agreement of the Company and ATU, after exercise of the right and opportunity referred to in first sentence of this Section 2.3, and finally determines all matters of collective bargaining for its term. Changes in this Agreement, whether by addition, waiver, deletion, amendment, or modification, must be reduced to writing and executed by both the Company and ATU.

No employee shall be permitted to waive any of the benefits of this collective bargaining agreement. No waiver or consent to employment under conditions other than as specified in this agreement may be asserted by any party, unless there is a signed written supplement to this agreement, executed by a duly authorized official of ATU and the Company in advance of any deviation from the terms contained herein.

No Company representative or official of ATU has authority to orally modify any of the terms contained in this agreement. Stewards and Executive Board members are not vested with authority to consent to or approve of any deviation from the terms of this agreement.

ARTICLE 3
SENORITY

Section 3.1 - Seniority Defined:
An employee's seniority shall be from the last date of hire in the employee's job classification. Seniority shall mean the length of time an employee has been employed as a driver and, dispatcher, by the Company or date of hire from the Hanford/Dinuba location, measured in calendar days from the first day of the employee's most recent date of hire, for the purpose of selecting work, but not limited to, 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 application of the preceding sentences results in two or more employees having the same seniority, the employee's seniority position will be determined by lot. Seniority shall not accrue to a probationary employee until completion of the probationary period set forth in Article I (RECOGNITION) of this Agreement, at which time the employee shall possess seniority as defined in this Section 3.1. Seniority shall be applicable only as expressly provided in this Agreement.

Section 3.2 - Layoff:
a. Determination of Layoffs. The Company will determine the timing of layoffs and the number of employees to be laid off.

b. Layoffs. When a reduction in the work force becomes necessary, as determined by the Company, such layoffs shall be made in reverse order of seniority in each job classification.

Section 3.3 - Recall:
a. Order of Recall. The employee with the most seniority in each job classification will be the first one called from layoff.

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 five (5) days (excluding weekend days) of delivery or attempted delivery of the notice on the date specified for recall, and thereafter, returns to work on such date.

**Section 3.4 - 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 specific in Section 3.3 (b) of this Agreement, 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, regardless of reason, unless otherwise provided for by law.

d. Failure to return to work upon expiration of an approved leave of absence.

e. Layoff for a period of eighteen (18) months or for a period equal to the employee's seniority, whichever is less.

f. Absence for three (3) consecutive days without notifying the Company.

g. Misuse of leave as subterfuge, to accept employment elsewhere, or for a purpose other than stated upon request for leave.

**Section 3.5 - Seniority List:**
The Company shall provide ATU with a current Seniority List every month consisting of the employee's name, address, date of hire, expected date of probation ending and social security number, employee rate of pay, step increases, change in job title. The seniority list must be delivered to ATU via mail, fax, or email, no later than the 7th day of each month. Such a list shall be deemed accurate unless challenged by ATU or the employee within ten (10) days upon receipt. The Company shall also provide notification in writing via mail, fax, or email to ATU within five (5) days if an employee's probation period is extended.

**Section 3.6 - Return of Personnel to the Bargaining Unit:**
A person, who transfers out of the bargaining unit for a period of six (6) months or less and remains in the continuous employment of the Company, may transfer back to his designated job classification in the bargaining unit, which he vacated. If the person has withdrawn from the bargaining unit or paid no union dues during his original transfer, then the employee shall be subject to paying all past union dues and assessments.

If the return of the employee to the bargaining unit requires the layoff of an employee, the
employee with the least seniority will be laid off.

**Section 3.7 - Transfer or Promotions:**
If an employee transfers or is promoted out of the bargaining unit for more than six (6) months and chooses to return to a position in the bargaining unit, the employee will lose all seniority rights in the bargaining unit.

**Section 3.8 Job Classification Transfers:**
Employees transferring to a different job classification in the bargaining unit, shall be compensated at the appropriate hourly rate determined by total seniority time in the bargaining unit, but for purposes of bidding shall be considered a new hire.

### ARTICLE 4
**ATU REPRESENTATION**

**Section 4.1 - ATU Shop Steward:**

a. Recognition of Shop Stewards: From among the employees employed in the Bargaining Unit, ATU may designate and the Company will recognize not more than (2) shop stewards to serve as ATU’s agent in the representation of employees of the Bargaining Unit.

b. Compensation of Shop Steward While Engaged in ATU Activity: Except as specially provided in this Section 4.1 (b), the shop steward shall not be compensated by the Company for his/her duties as the shop steward and shall perform such duties during times when he/she is not scheduled to work for the Company. Where the company has requested or the company has initiated an action, requiring the services of a shop steward, the steward shall be compensated for such time.

Access to Personnel/Medical Files: The Company will allow the ATU officials to review the Employee's personnel, and or, medical records, if done so in the facility office. A Written and verbal release from the employee must be provided to the General Manager, or designee, prior to Union review of any employee's personnel files. The files will be provided to the Union as soon as practicable once the employee's release has been received as stated in this section. Medical records will not be released absent a specific release of medical records signed by the employee.

**Section 4.2 -- Distribution of Union Literature.**
Bulletin Boards: The Company will provide ATU with a bulletin board. Said bulletin board will be located in such a manner that all employees can easily see its contents. This shall be used by ATU for posting of official notices, meetings, and all other matters pertinent to ATU. All notices and communications will be on ATU letterhead. ATU 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 ATU business. ATU also agrees that no inflammatory or derogatory materials regarding the Company will be posted on the bulletin board. The ATU business agent or other duly appointed ATU Local 1027, officer shall have reasonable access, during regular Company office hours, to maintain the bulletin board.

**Section 4.3 - ATU Business Leave:**
An employee designated by ATU to serve as an officer or employee of ATU 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 3 (SENIORITY) of this Agreement.

Section 4.4-Union Release Time:
The Company shall release from duty without pay any ATU representative to conduct Union business. With these requests, ATU recognizes the needs of the operation.

Section 4.5 - ATU Visitation:
Upon giving reasonable notice to the Company, the Union will be allowed access to Company premises for the purpose of investigating or adjusting an actual grievance, or visiting the members in order to ensure the terms of this Agreement are being upheld. The Union agent will confine any conversations with employees to non-work time (which includes layover and break time) and his activities will not in any manner interfere with the performance of work by the employee.

ARTICLE 5
CUSTOMER RIGHTS AND CONTINGENCIES

Section 5.1 - Termination of Transportation Service Contract:
If the transportation services contract between the Company and its service customer, City of Hanford/Dinuba, 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 up to and including arbitration. If the transportation service contract to one customer is terminated, then rights and obligations of this Agreement associated with work done will be continued by the new contractor, except for the pending dispute resolution as described in the previous sentence. If the service customer awards the services now provided by the Company to another transportation provided, the Company will notify ATU of the time, address and representation of such other transportation provider, if known.

Section 5.2 - Rights of Customers:
Nothing in this Agreement is intended or shall be construed to change, limit, modify, restrict or in any way alter the duties or obligations owed by the Company to its services customer nor the rights and privileges of such customer under the transportation services contract referenced in Section 5.1 of this Article.

ARTICLE 6
MANAGEMENT RIGHTS

Section 6.1 - Retention of Managerial Prerogatives:
Consistent with its obligation under the National Labor Relations Act, the Company retains the sole and exclusive right to exercise all the authority, rights and/or functions of management and expressly retains the complete and exclusive authority, right and power to manage its operations and to direct its employee except as the terms of this Agreement specifically limit said authority, right and powers. Consistent with the same obligations of the National Labor Relations Act, the Company also reserves the right to revise, withdraw, supplement, promulgate, and implement policies during the term of the agreement as it deems appropriate, provided that such actions do not conflict with the express provisions of the agreement. Except as expressly modified or restricted by a specific provision of this Agreement, all statutory and inherent managerial rights, prerogatives, and functions are retained and vested exclusively in the Company, in accordance with its sole and exclusive judgment and discretion, including, but not limited to the following:

a. To reprimand, suspend, discharge, or otherwise discipline employees for cause and to determine the number of employees to be employed.

b. To hire employees, determine their qualifications and assign and direct their work; to promote, demote, and transfer, layoff, recall to work and retire employees.

c. To set the standards of productivity, the services to be rendered; to maintain the efficiency of operations; to determine the personnel, methods, means, and facilities by which operations are conducted; and set the starting and quitting time and number of hours and shifts to be worked.

d. To close down or relocate the Company's operations or any part thereof; to expand, reduce, alter, combine, transfer, assign, or cease any job, department, operation, or service; to control and regulate the use of vehicles, facilities, equipment, and other property of the Company or the Customer.

e. To introduce new and improved technology, research, service, and maintenance methods, materials, equipment; to determine the price at which the Company contracts its services; to determine the methods of financing its operations and services; and to determine the number, location and operation of departments, divisions, and all other units of the Company.

f. To issue, amend, and revise policies, rules, regulations, and practices including rules of conduct or standards of performance; to take whatever action is either necessary or advisable to determine, manage and fulfill the mission of the Company and to direct the Company's employees; to determine the existence or non-existence of facts which are basis of management decision; and to carry out the lawful directives of the customers to whom the Company contracts its services. The Company will provide written notification to ATU of any changes.

The Company's failure to exercise any right, prerogative, or function hereby reserved to it, or the Company's exercise of any such right, prerogative, or function in a particular way, shall not be considered a waiver of the Company's right to exercise the same other way not in conflict with the express provisions of this Agreement.
Section 6.2 - Bargaining Unit Work:
It is the understanding of the parties that bargaining unit work shall normally be performed by bargaining unit personnel within the classification in which the work is normally assigned. However, bargaining unit personnel may be cross-utilized when manning requirements and operational needs dictate, as determined by management. Additionally, non-bargaining unit employees may be assigned to perform bargaining unit work during urgent demand or emergency situations as needed when no other bargaining unit employees are readily available to perform the work. A bargaining unit employee shall take over work assigned to non-bargaining unit employees during urgent demand or emergency situations as soon as they become available to take over that work. The Company shall not be required to pull an employee from another assignment in order to replace the non-bargaining unit employee. The Company will not assign a non-bargaining unit employee to perform bargaining unit work for the sole purpose of avoiding the payment of overtime.

Section 6.3 - Contractual Duties: Nothing in this Agreement shall be construed to prohibit the Company from fulfilling its contractual responsibility to the City of Hanford/Dinuba, which includes, but is not limited to the assignment, dispatching and management of trips, passengers and service to other contractors who are under contract directly to the City of Hanford/Dinuba.

Section 6.4 - Work Rules:
The Company, after conferring with ATU, may issue information which sets forth rules, regulations and policies that do not conflict with the provisions of this Agreement. At least ten (10) days prior to the implementation of any new revised rule, regulation or policy, the Company will provide ATU a copy of such revision. This section shall not be construed as a waiver of ATU's statutory rights regarding said revisions except that the union acknowledges the Company's right to establish reasonable rules as it deems necessary. Should the union raise an objection, it must do so in writing within the ten (10) days specified herein or else the union's objection is not valid.

ARTICLE 7
NON-DISCRIMINATION

Section 7.1 - Equal Opportunity:
The Company and ATU each agree that it will not unlawfully discriminate against any individual with respect to hiring, promotion, discharge, compensation and other terms, conditions and privileges of employment nor will it limit, separate or classify employees so as to unlawfully deprive any individual of employment opportunities because of such individuals race, color, religion, sex, national origin, age or disability. The parties agree that disputes under this Article shall be resolved through the grievance and/or arbitration procedures.

Section 7.2 - Affirmative Action and Job Accommodation:
Nothing in this Agreement is intended nor shall be construed to prohibit or discourage compliance by any part with Federal, State or local laws pertaining to discrimination, affirmative action, or job accommodation nor to prohibit the Company from complying with the lawful
mandates or directions of its customers with respect to discrimination, affirmative action or job accommodation. The Company may take any action required or proper under such laws, mandates, or directions, with or without notice to ATU, and neither such action nor its effect may be deemed a violation of this Agreement.

Section 7.3 - Concerted Activities:
The Company and ATU each agree that it will not discriminate against any employee or applicant because of such individual's lawful activity for or support of ATU or because of the individual's other lawful concerted activity for the purpose of collective bargaining or other mutual aid and protection or because of the individual's decision to refrain from such activity.

Section 7.4 - Gender Terms
Throughout this Agreement, the use of the gender pronouns and terms shall be construed to include both male and female.

ARTICLE 8
NO STRIKES OR LOCKOUTS

Section 8.1 - No Strikes or Lockouts
During the term of this Agreement, or any extension thereof, (a) neither ATU nor its members will directly or indirectly cause, encourage, sanction, or participate in any strike, work stoppage, slowdown, or boycott against the Employer, and (b) there will be no lockouts by the Employer.

Section 8.2 - Discipline for Violations of Section 8.1:
The failure or refusal on the part of any employee to comply with the provisions of Section 8.1 of this Article shall be cause for immediate discipline, including discharge. The failure or refusal by an ATU officer, agent representative or steward to comply with the provisions of Section 8.1 of this Agreement constitutes leading and instigating a violation of said Section 8.1. It is specially agreed that the ATU officers, agents, representatives and stewards, by accepting such positions, have assumed the responsibly of affirmatively preventing violations of Section 8.1 of this Agreement by reporting to work and performing work as scheduled and/or required by the Company.

ARTICLE 9
DRUG AND ALCOHOL TESTING

The parties agree to adopt the MV Transportation substance abuse policy where that policy mirrors DOT/FTA guidelines. In addition, the parties agree to adopt the Company's "Zero Tolerance" policy, and the Company's Non-DOT Post Accident Testing policy. The Company shall notify the union in writing when bargaining unit employees are required to submit to Non-DOT Post Accident Testing.
ARTICLE 10
GRIEVANCE PROCEDURE

Section 10.1 - Grievance Procedure:
A grievance is a claim that a specific provision of this agreement has been violated. All parties will make a sincere endeavor before a written grievance is filed to resolve differences between ATU or Employee and the Company in an informal meeting. If any disagreement between the parties arises over the application or interpretation of this agreement, the employees, the Union and the Company agree that the procedure outlined below shall be the exclusive remedy for such disputes.

Step 1 (Union Grievance) The aggrieved employee party or his/her Union Representative shall file a written statement of the grievance with the General Manager within twenty (20) working days of the conclusion of the informal meeting. Such statement shall be in sufficient detail to identify the nature of the grievance, the name of the aggrieved employee, the specific section of the agreement allegedly violated and the date and place where the grievance occurred. The aggrieved employee or his/her Union Representative must sign this statement. Within ten (10) working days after the written statement has been filed, the aggrieved employee and/or his/her Union Representative shall be accorded a hearing with the General Manager or designee. The General Manager or designee conducting the hearing shall render a written decision within ten (10) working days from the conclusion of the hearing. A copy of the decision will be given to the aggrieved employee/ATU, signed and dated by said employee. A copy shall be given to ATU Representative, mailed and/or faxed to the ATU office.

Step 2 (Union Grievance) If the matter is not resolved at Step I, the Union representative shall within ten (10) working days of receipt of the Company's response, from Step 1, request a hearing with the Company's Labor Relations Director in writing. The hearing shall be held at the project site within twenty (20) working days of said request. The Company's Labor Relations Director or designee conducting the hearing shall render a decision within ten (10) working days from the conclusion of the hearing. A copy of the decision will be given to the aggrieved employee, signed and dated by said employee, a copy given to Union Representative, mailed and faxed to the Union office.

Step 3 (Union Grievance) If the matter is not resolved at Step 2 the Union may request Arbitration within forty (40) calendar days from receipt of the Company's Labor Relations Director's written decision.

Section 10.2 (a) Record Documents:
The Union and the Employee will be allowed to review and if requested given copies of all relevant papers and documents pertaining to charges against the Employee. Nothing in this section shall constitute a waiver of the union's right to certain information related to the representation of its members as stated in the National labor Relations Act.

Section 10.2(b) Witnesses:
At any grievance hearing regarding suspensions or termination the Employee and the Union
Representative will have the opportunity to question all witnesses that are employed by the Company and others that may be relevant to the discipline, that are willing to attend the hearing.

Section 10.3 - Arbitration:
If the matter is referred to arbitration, the following procedures shall apply:

a. A list of seven (7) arbitrators shall be requested from the Federal Mediation and Conciliation Service. If a panelist obtained from the Federal Mediation and Conciliation Service, selection shall be made within fifteen (15) working days of receipt of said list. The Parties shall flip a coin to determine who will strike first and will then alternately strike names from the list until one (1) person is left who will become the arbitrator. If the arbitrator so selected is not available within ninety (90) calendar days, a second arbitrator shall be selected using the same method of selection, unless the Company and Union mutually agree to waive the ninety (90) day requirement.

b. The arbitrator will not have the authority to amend, alter or change any provision in the agreement. The arbitrator shall not hear or decide more than one (1) grievance without the mutual consent of the Company and the Union. The written award of the arbitrator on the merits of any grievance adjudicated within his jurisdiction and authority shall be final and binding on the aggrieved employee, ATU and the Company.

c. The arbitration expenses (i.e. Arbitrator, Hearing Room, and transcripts) shall be shared equally between both parties

d. All decisions and awards of the arbitrator will be considered final and binding.

Section 10.4 - Time Limits:
Failure of either party to comply with the time limits, as set forth above will serve to declare the grievance settled in favor of the other party and no further grievance action can be taken.

Section 10.5 - Extension of Times:
Time limits in this article may be extended by mutual agreement in writing. Email, facsimile, US Mail, or hand delivery shall be acceptable forms of service.
ARTICLE 11
HOURS OF WORK

Section 11.1 - Purpose of Article:
The sole purpose of this Article is to provide a basis for the computation of straight time, overtime, and other premium wages. Laws of State and Federal government or terms agreed to shall govern the payment of wages.

Section 11.2 - Workweek:
The workweek shall consist of seven (7) days beginning at 12:01 a.m. on Saturday and ending at mid-night the following Friday.

Section 11.3 - Overtime/Extra Work:
The Company shall determine when overtime will be worked. Employees interested in working extra work shall sign up on the Extra Work List.

  a. Weekly Extra Work: An Extra Work List shall be posted on Monday, pulled down on Thursday at 5:00 PM, and assigned by seniority for extra work the following week subject to availability. The posting will contain all work assignments known by the Company. All other work assignments that arise after the posting will be assigned according to the Daily Extra Work Assignments below. If the work assignment remains open after the posting or the list is exhausted, then the Company shall require employee(s) on the seniority list, in reverse seniority, to perform the work.

  b. Daily Extra Work Assignments: Due to the nature of the Company’s operations, there are several work assignments that are received by the Company after the weekly posting on Monday. Daily extra work assignments received before 12:00 PM on the previous day shall be assigned to the remaining available employees on the Overtime List. Daily work assignment received after 12:00 PM the previous calendar day shall be filled on an as needed basis.

  c. Overtime Pay: Overtime will be paid for all hours worked over 40 hours in a weekly period. Overtime pay shall be paid at 1-1/2 the regular rate of pay.

If an employee signs up and fails to work or declines the assigned work, then their name will be removed from the Extra Work List the remainder of the week and the following week.

Section 11.4 – Driver Meal and Rest Periods
All dispatch and utility employees will be provided with meal periods in accordance with California Industrial Welfare Commission Wage Order Number 9-2001. The Company will provide a meal period of at least thirty (30) minutes for drivers who work a shift of at least five (5) hours a day. The Company will only provide meal periods in accordance with this Section if the employee has not also been assigned to a split shift where the split is at least thirty (30) minutes.
The Company will provide off-duty meal periods to drivers that are entitled to meal periods as described in the above paragraph. A meal period shall be considered an off-duty meal period whenever the driver is relieved of all duty and allowed to take at least a thirty (30) minutes uninterrupted meal period. Off-duty meal periods shall be taken as close to the middle of the scheduled shift as practicable but the meal period be provided at least one hour prior to the end of an employee’s shift.

The Company shall designate the employee’s daily meal period on the bid packets, schedules and manifests distributed to the employees. For fixed route service the scheduled meal period shall remain as scheduled unless any minor adjustment due to traffic or any other circumstances beyond the control of the Company or the employee. For paratransit services, a reasonable adjustment can be made based on the need of the service or on time performance. MV shall provide a monthly report to the Union, which shall include documentation of when operators took meal periods (and how long each meal period lasted) during the preceding month.

If the Company fails to provide a meal period to an employee as described in this section, the employee or the Union must initiate a grievance under Article 10 within ten (10) days after the date of pay for the pay period in question or upon notification to the Union/employee that the pay request has been formally denied. Answers to pay request for a missed meal period shall be approved or denied within five (5) working days.

Any and all disputes regarding the application of meal periods shall be subject to the grievance procedure, with the following limitations: all unresolved meal period grievances shall be combined and heard via arbitration, pursuant to Article 10 of this agreement. If an arbitration regarding meal periods is scheduled, all other pending meal period grievances shall be combined and heard at that arbitration.

If the arbitrator finds meal period violations, the affected employee(s) shall be entitled to any applicable non-monetary equitable remedies as well as economic compensation of sixty (60) minutes of pay at the employee’s regular rated of pay for each day that the meal period violation occurred.

ARTICLE 12
LEAVES OF ABSENCE

Section 12.1 - Personal Leave:
Personal leave may be granted for a minimum period of two weeks, to a maximum of 8 weeks every calendar year at the Company’s discretion, upon receipt of written request from the employee stating the reason for the requested leave. The Company may, at its sole discretion, extend the time limit if the employee requests such an extension in writing stating the reason why the extension is necessary.

Request for leave of absence shall be made as far in advance as possible. Seniority shall accumulate during leave of absence; however, unless otherwise stated in this Agreement, time spent on leave of absence shall be without pay, or the employee may use any available vacation balances at the employee's discretion.
Section 12.2 - Disability Leave:
After all State and Federal leaves are exhausted, an employee may request leaves of absence because of health and/or medical condition. The leave may be granted for periods up to thirty (30) days, with thirty (30) day extensions, up to a maximum of twelve (12) months. To obtain such disability leave of absence, an employee shall present: (1) a written request for such leave; and (2) a written statement from the employee's doctor indicating the need for such leave; and doctor's recommendation as to when the employee may be able to return to work. The employee's actual return to work, however, will be contingent upon an assessment by the Company (in conjunction with the employee's medical doctor and/or the Company's medical doctor, any consulting or treating specialists, or therapists, ATU and the employee) that, after considering the nature and scope of the employee's duties, the employee is able to return to work and perform the essential functions of his job, with or without reasonable accommodation and in a manner which will not directly threaten the health, safety or welfare of the employee, passengers or the public. In the event the Company's Medical Doctor determines that the employee is not able to return to work, the reasons for such determination shall be provided by the Company's Doctor, in writing to the employee. Any employee protesting removal from service because of an order from the Company's physician may have his/her case reviewed by a physician jointly selected by the Company and ATU and that physician's decision will be final. The cost of the third opinion would be split between the employee and Company. If an employee is found fit for duty, there will in no way be any back pay awarded.

Section 12.3 - Military Leave:
The Company will comply with the provision of the Veterans Re-Employment Rights Act.

Section 12.4 - Civic Leave:
A employee who is required to report for jury duty shall be paid for lost time, or who is subpoenaed to testify at a hearing in which the employee is not a party shall be granted leaves for such service. If the employee reports for service and is excused there from, he shall immediately contact the Project Manager and stand ready to report to work, if requested.

Section 12.5 - Family Leave:
The Company shall comply with State and Federal Leave Laws.

ARTICLE 13
DISCIPLINE

Section 13.1 - Company Rights:
The Company shall have the right to change any policies, rules and regulations governing employees without renegotiation of this Agreement. Should such changes in policies, rules and regulations be required in order to comply with any governmental law or regulation or to comply with any provision of the Agreement between the Company and its customers client, the Company shall provide written notification to the Union of required changes seventy-two (72) hours before implementation. The Company shall further have the absolute right to carry out all directions of its customers notwithstanding any provision of this Agreement to the contrary. The Company will provide written notification to the ATU of any changes.
Section 13.2 - Disciplinary Procedures:
A General Manager, Operations Manager or Regional Vice-President, or his designee will perform all disciplinary processes.

For terminations and suspensions, the Manager to whom the individual is requested to report, shall meet with the employee and, if requested by the employee, the employee’s union representative prior to reaching a decision to impose disciplinary action.

If the Company proceeds with the disciplinary process, the Company shall provide written notice to the employee. Such notice shall state the nature of the offence with which the employee is being charged. Upon the employees’ receipt of such notice, the employee may request a review of the charges with the General Manager to be held within a five (5) day period of receipt of such notice.

The charged employee shall attend all meetings, which may result in disciplinary action. An ATU Representative may also attend the meetings, if so requested by the employee.

Nothing in this Article 13 shall prevent ATU from appealing a decision of the respective General Manager to the Labor Relations Director prior to a possible grievance being filed.

Safety Investigation Leave: Upon an initial assessment of preventability by the General Manager or his/her designee, any employee involved in a major incident will be placed on administrative leave while the incident is being investigated to determine root causes and preventability for a period not to exceed 10 calendar days. Administrative leave is unpaid unless the incident is determined to be non-preventable. However, an employee may use unused vacation time during a safety investigation leave. Employees may perform other non safety sensitive functions if authorized by the company and available and/or appropriate until final determination is made.

Section 13.3 - Progressive Discipline:
Any violation of posted and/or written company rules, policies, and/or procedures shall result in disciplinary action. With the exception of a violation of the serious infractions, as listed in Section 13.4, attendance policy as listed in Section 13.5 and 13.6, the Safety Policy and Discipline as listed in Section 13.6, or the Company’s Drive-Cam policy, or other stand-alone policy containing its own progressive discipline, each infraction of any rule, policy or procedure may result in the following disciplinary action taken by the company against the employee who violates any rule, policy or procedure.

- First Violation: Verbal warning with counseling by Project Manager.

- Second Violation: Written warning notice.

- Third Violation: Suspension up to, but not exceeding, one (1) day. Lesser discipline may be imposed at the sole discretion of the Company.

- Fourth Violation: Dismissal from employment with Company may be lesser discipline at the sole discretion of the Company.
Violations of the progressive discipline track above shall be removed for the purposes of discipline twelve (12) months after the date of the occurrence.

Section 13.4 - Serious Infraction:
The following violations of Company policies and rules are considered serious infractions and may be just cause for the immediate discharge of an employee, although the Company may impose, at its sole discretion, a lesser penalty:

1. Falsifying company records or making false statements on application for employment or other Company forms.

2. Reporting for work while under the influence of alcohol or drugs.

3. Use or possession of any alcoholic beverage or drugs on Company premises or vehicles.

4. Refusal to take an alcohol or drug test when requested by the Company.

5. Theft of Company property or customer property or property of another employee.

6. Physical violence, or fighting, on Company premises or vehicles.

7. Possession of firearms, weapons, explosives, and similar devices on Company premises or vehicles.

8. Unwanted touching, physical contact, or indecent/sexual conduct, resulting in a conviction, or a substantiated written complaint with Company employees, passengers or members of the public. This includes sexual or other forms of harassment directed at the passengers, fellow employees, the client or any third party.

9. Insubordination, including refusal or failure to perform assigned work.

10. Threatening, intimidating, coercing, or abusing fellow employees or passengers.

11. Altering the time record of another employee, having someone else alter another employee's time record, or alteration of a time card.

12. Gross negligence, deliberate destruction, defacing, damage, or loss of any Company property or property of another employee.

13. Operating a Company vehicle without a valid driver's license and all other certificates required by Federal, State or Local law or regulation to operate the vehicle, provided that in the event of temporary loss of the required license or
certification, the employee shall be first entitled to thirty (30) days or less unpaid leave of absence to correct said loss of a valid driver's license or other certificates required to operate the vehicles. An additional fifteen (15) days of unpaid leave will be granted if requested by the employee in writing. Failure to have the license or certificates after the thirty (30) or forty-five (45) day leave, whichever is applicable, shall be cause for termination.

14. Negligence resulting in a serious accident, incident or failure to follow established safety guidelines related to passenger safety.

15. Any time the terms of this agreement that specify discharge have been met

16. Operating a company or customer vehicle that rear-ends another motor vehicle, whether moving or not. The immediate discharge shall not apply if such rear-end accident was caused by another party striking the employee’s vehicle, provided the employee did not violate any traffic law as documented by the police or other accident report taken at the scene of the accident. If there is less than $700.00 total damage and no injuries, then the accident will be treated as an Unsafe Act under Article 13.9 Safety Policy and Discipline.

17. Conviction of Local, State or Federal Laws, regulations that would disqualify anyone from employment under MV Transportation's hiring criteria. Moving violations, which are governed by the MV Safety Point System, are exempted. Employees are required to report said conviction within twenty four (24) hours.

18. Deliberately damaging or abusing property

19. Carelessness or horseplay resulting in property damage in excess of $5,000 or personal injury

20. Violation of confidentiality and proprietary information policy

21. Sexual or any other forms of harassment prohibited by Company policies

22. Violations of the MV Safety Policy, Attendance Policy or Substance Abuse and Policy Violations of the following regarding Company vehicles and/or equipment:
   • Operating without a valid license appropriate for that vehicle, equipment or service.
   • Driving on a suspended license
   • Driving a commercial vehicle without a valid medical card
   • Transporting school children without proper school bus certification as required by applicable law
   • Un-insurability as a vehicle operator, where applicable.
   • Negligent use of a Company owned or provided vehicle or equipment
   • Unauthorized use of a Company owned or provided vehicle or equipment including transporting unauthorized passengers
   • Use of a personal cell phone while operating a Company vehicle
23. Inappropriate, unprofessional or disorderly verbal or physical conduct directed towards coworkers, passengers, clients or any third party while acting as a representative of the Company.

24. Entering a passenger’s home while in service or in Company uniform without a legitimate business purpose.

25. Use of Company property or Company garages for personal vehicle repair unless authorized by the Regional Vice President.

26. Failing to pass initial, ongoing or changed qualification standards when those changes standards are modified by bargaining or changes required by the client or mandated by local, State, Federal laws or a regulatory agency.

27. Dishonesty, theft, or improper handling of company assets or cash.

Section 13.5 - Attendance Policy:

The Company has an established Attendance Policy as set forth in the Employee Handbook. Any changes to such policy shall follow the procedures set forth in Section 6.4.

Section 13.6 -- Safety Policy and Discipline:
Because our clients rely upon MV Transportation for qualified, well trained and safe drivers, a good safety record on the part of our drivers is essential for us to serve our clients in the safe professional manner that they expect. It is the policy of MV Transportation that safety and accident prevention shall be considered of primary importance in all phases of operations and administration. The Employee Handbook describes the Safety Point System and the other rules and procedures regarding safety. The Safety and Incident Policies as detailed in the MV Employee Handbook, including the Safety Point System, are the agreed upon safety policies for this Agreement.

Section 13.7 - Job Abandonment:
An employee who is a No Call/No Show fails to report or call in for three (3) consecutive scheduled working days will be considered as abandoned and voluntarily quits his/her job and will be discharged unless the employee can show a justifiable excuse to his/her employer.

ARTICLE 14
SHIFT BIDDING

Section 14.1 -Initial Bid:
a. The Company shall develop the number of full-time and part-time shifts. The number of full time shifts shall not be less than the number of full-time shifts in place as of the date
of ratification, unless there are circumstances beyond the control of the Company that would require a reduction of service. The Company shall then allow each employee, in seniority order, to select the full time/part-time shifts. Employees not bidding on a Full-time shift also will be considered part-time employees. The intent is to protect the security of full time positions for those who have already established full time status. If and when part time work is established or necessary, it will be placed up for bid as provided in Article 14, section 14.2.

a. The company shall post notification of the bid in the facility ten (10) working days prior to the date of the bid. In addition, the Company shall notify all employees who are not scheduled to work ten (10) day prior the commencement of the bid. The posting will identify the runs available, the start and ending times, work to be performed and the days off. Those employees who cannot attend the bid may designate their choice of shift by proxy. The proxy must be submitted to the Project Manager no later than 5:00 p.m. on the day prior to the scheduled bid. The proxy shall indicate choices in order of preference which shall equal the employee's standing on the seniority bid list. Those employees who fail to bid and who fail to submit a proxy shall be assigned at the discretion of the Company following the completion of the bid process by all other employees scheduled to bid.

Section 14.2 - Permanent Vacancies in Shifts:
Vacancies in Full-Time/Part-Time Shifts: When a shift becomes permanently available between regular bid periods, the Company will, within three (3) weekdays, post the vacancy for four (4) days. The most senior regular employee, who has less seniority than the employee who held the vacated shift, and who bids for the vacancy, shall be awarded that shift.

When the Company creates an additional shift between bid periods: the above procedures apply except that the new position will be posted for ten (10) calendar days and the bid is available to all regular employees.

In both instances the award will be implemented at the start of the next pay period but not less than seven (7) calendar days.

Section 14.3 - Periodic Shift Bidding:
On the effective date of this Agreement, an initial shift bid will be held as described in Section 14.1, and thereafter the Company shall, at least every four (4) months or when an aggregate of five (5) or more employees have completed training and join the workforce, re-bid the regular full-time/part-time shifts within fourteen (14) days. The Company shall determine the exact date of each re-bid date. The Company shall post the bids for the shifts and provide a copy to ATU at least five (5) week days prior to the starting of the bid and each full-time/part-time regular employee shall bid in seniority order. Those employees who cannot attend the bid may designate their choices of shift by proxy. The proxy, which must be at the Project Manager no later than 5:00 p.m. on the day prior to the scheduled bid, shall indicate choices in order of performance which shall equal the employee's standing on the seniority bid list. Those employees who do not bid and fail to submit a proxy shall be assigned at the discretion of the Company following the completion of the bid.
Section 14.4 - Changes in Shifts:
The Company shall have the right to adjust shifts up to one (1) hour a day and for standy drivers one and one-half (1 ½) hours a day without re-bidding and without reducing the total bid time of the shift. The intent of this Section 14.4 is to accommodate passengers and their needs.

Section 14.5 - Temporary Vacancy:
   a. A temporary vacancy is defined as any full-time shift that becomes vacant for at least five (5) or more working days.

   b. Temporary vacancies will be bid to all part-time employees within three (3) days from the time it was determined to be a temporary vacancy was defined in “a.” above. Any shift that becomes vacant after the temporary vacancy bid may be filled by a part-time employee up to a maximum of three weeks. After three weeks, the Company shall fill the temporary vacancy by scheduling a Mark Down and allowing only those operators with a lower seniority than the operator whose shift is to be filled, to bid (according to their seniority) on the open shift, or any open shift that becomes available as a result of this Mark Down process.

   c. A temporary vacancy will be filled daily until bid as a temporary vacancy.

   d. A temporary vacancy will be filled by the driver who bids for it until the end of the vacancy, making the driver ineligible for bidding on any other temporary vacancies which may occur during his current assignment.

   e. A temporary vacancy obligates the driver to work the entire shift originally bid, including the same scheduled days off.

   f. Will only last until the original driver returns either as scheduled or as soon as medical leave ends. When a temporary vacancy ends, the driver who filled the temporary vacancy returns to part-time status and becomes eligible to bid on any new vacancies.

Article 14.6 - Vacancies In Full-Time Shifts:
In the event a regular full-time employee elects to vacate his full-time position or the position becomes available through the termination of seniority, or in the event an additional full-time shift is created by the Company, the Company shall do one of the following:

If there is less than six (6) weeks left before the next scheduled re-bidding of all shifts, the vacancy shall be treated as a temporary vacancy.

If there is six (6) weeks or more left before the next scheduled re-bidding of all shifts, the Company shall fill the vacancy by scheduling a "Mark Down." A "Mark Down" shall be defined as a process in which the General Manager makes a correction or modification of a past sign up by allowing only those operators with a lower seniority than the operator whose shift is to filled, to bid according to their seniority on the open shift, or any open shift that becomes available as a result of this "Mark Down" process.
ARTICLE 15
GENERAL CONDITIONS

Section 15.1 Payday:
All Employees shall be paid every other Friday and funds will be deposited into a money
network account, or into the bank account of the employee’s choosing, and will cover all monies
due through the Friday of the prior pay period. The money network account, once implemented,
will provide paper checks as required by law.

Employee timesheets are available for review for accuracy on the Friday prior to payday. Any
errors should be brought to the Company’s attention to get corrected before payroll is
distributed. All efforts should be made to submit corrections prior to the next payday. The
Company shall provide employees an accounting of accrued sick days, floating holidays and
vacation on a monthly basis if requested by the employee.

In the event an employee receives pay in an amount less than what they believe to be the proper
amount, they must bring it to the company’s attention immediately.

The following shall occur:

1) If the error is an employee error then the adjustment will be on the next scheduled payroll
run.

2) If the error is caused by the company and the error is twenty-five ($25) dollars or more,
the company will produce an adjustment check as soon as possible but no longer than
within 72 hours, if requested by the employee. If less than twenty-five ($25) dollars the
adjustment check will be received within five working days, if requested by the
employee.

Section 15.2 - Company Meetings:
The Company may require, with five (5) days’ notice, safety meetings and other informational
meetings from time to time. Employees shall attend such meetings as required by the Company,
unless the employees were not given five (5) days’ notice. Attendance at only one safety
meeting shall be mandatory each month, unless excused by the General Manager.

Section 15.3 - Citations:
No employee shall be required to violate traffic laws. Employees are required to pay for the cost
of citations received.

Section 15.4 - Physicals and Drug Screens:
See Section 20.1

Section 15.5 - Extra Contract Agreements:
The Company will not enter into any agreement or contract with the employees, individually or collectively, which in any way conflicts with the terms and conditions of this Agreement. Any such agreement shall be null and void.

ARTICLE 16- WAGES

Section 16.1 - Wage Rates

Drivers

Effective the date of ratification, the training rate will be minimum wage. The starting rate will increase to $11.00. All employees below $11.00 will increase to $11.00. Drivers above four years of service will receive a 3.5% wage increase to their current wage rate.

Effective July 1, 2017, all drivers will receive a 3.0% increase to their current wage rate. The starting rate will remain at $11.00.

Effective July 1, 2018, all drivers correspond to one of the wage rates set forth below based on years of service.

To the extent the minimum wage is higher than any of the wage rates, the minimum wage will replace that corresponding wage rate.

<table>
<thead>
<tr>
<th>DRIVER WAGES</th>
<th>7/1/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training</td>
<td>$11.00</td>
</tr>
<tr>
<td>Starting</td>
<td>$11.50</td>
</tr>
<tr>
<td>After 1 Year</td>
<td>$12.50</td>
</tr>
<tr>
<td>After 2 Years</td>
<td>$13.00</td>
</tr>
<tr>
<td>After 3 Years</td>
<td>$13.50</td>
</tr>
<tr>
<td>After 4 Years</td>
<td>$14.00</td>
</tr>
<tr>
<td>After 5 Years</td>
<td>$14.50</td>
</tr>
<tr>
<td>After 6 Years</td>
<td>$15.00</td>
</tr>
<tr>
<td>After 7 Years</td>
<td>$15.50</td>
</tr>
<tr>
<td>8+</td>
<td>$16.50</td>
</tr>
</tbody>
</table>
Dispatchers

Effective the date of ratification, dispatchers with over four (4) years of service receive a 3.50% wage increase. Any dispatcher below $11.00 will increase to $11.00.

Effective July 1, 2017, dispatchers will receive a 3.00% wage increase. The starting rate will remain at $11.00.

Effective July 1, 2018, the dispatchers shall correspond to the wage rates set below based on years of service. Any employees above the existing wage rate scale will receive a 5% wage increase.

<table>
<thead>
<tr>
<th>DISPATCHER WAGES</th>
<th>7/1/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training</td>
<td>$12.00</td>
</tr>
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<tr>
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<tr>
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<td>After 6 Years</td>
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</tr>
<tr>
<td>After 7 Years</td>
<td>$16.50</td>
</tr>
<tr>
<td>8+</td>
<td>$17.50</td>
</tr>
</tbody>
</table>

ARTICLE 17
PAID HOLIDAYS

Section 17.1 - Holidays:
All full-time, No probationary employees who have completed one year of service shall receive eight (8) hours pay for the following holidays:
1. New Year's Day
2. Memorial Day
3. Independence Day
4. Labor Day
5. Thanksgiving Day
6. Christmas Day
Section 17.2 - Holiday Pay:
Holiday pay shall be calculated at the employee's regular rate of pay and will be based upon the employee's regularly scheduled shift. If the holiday falls on the employee's normally scheduled day off, the employee will be paid eight (8) hours at the regular rate of pay. If an employee works on a paid holiday, the employee will be paid his/her regular scheduled pay plus eight (8) hours at the regular rate of pay for the holiday pay. Holiday pay shall not be counted as hours worked for the purpose of computing overtime.

Section 17.3 - Eligibility:
In order to be eligible for holiday pay the employee must work his/her, scheduled day before and scheduled day after the holiday, and must also work on the holiday, if so scheduled.

Section 17.4 - Pay on Holiday Worked:
Pay for time worked on a holiday shall be at straight time hourly rate of pay for all hours worked.

ARTICLE 18
VACATIONS

Section 18.1 - Eligibility:
All full-time employees shall receive, after one (1) year continuous full-time employment, a paid vacation as further detailed in this Article.

Section 18.2 - Vacation Pay:
Hire – 6 months: 0 Hours/Pay Period
At 6 months: 1.54 Hours/Pay Period
3 Year anniversary: 3.08 Hours/Pay Period

Employees shall accrue hours per pay period for every pay period they work a minimum of 70 hours. Hours included to reach the 70 hours include regular work hours, paid vacation time, paid holiday time.

Section 18.3 - Pro-rata:
All employees with vacation accruals who are laid off or terminated shall have their vacation balance paid at the regular rate of pay for all hours accumulated at the time of layoff and/or termination.

Section 18.4 - Vacation Pay:
Vacation may not be taken prior to the anniversary date on which it is earned. Vacation pay shall be issued on the normal pay period and not taken in advance.

Section 18.6 - Vacation Accrual:
Employees stop accruing vacation after a total of 120 hours until the balance drops below 120 hours.

All employees shall receive an accounting of all vacation hours in writing on a monthly basis.
ARTICLE 19  
Health/Dental/Vision INSURANCE

Section 19.1 - Provision:  
The company agrees to maintain its' contribution to the existing health care coverage plan for all eligible employees.

The current Company contribution is a minimum and it reserves the right to increase its current contribution in order to maintain the Company contribution at or above the rate required to maintain compliance with the Affordable Care Act.

Effective July 1, 2018, the Company will contribute 95% of the total contribution rate for employee-only coverage for the Company’s Core Low Cost Aetna Plan. The Company will maintain its existing contribution rates for all other plans and levels of coverage.

Section 19.2 - Eligibility:  
Eligibility for the plan will be determined under the provisions of the Affordable Care Act, which is approximately 30 hours worked per week in the previous calendar year. Eligible employees and their families shall begin participation in a benefit plan on the first day of the month following sixty (60) calendar days of employment with the Company.

Section 19.3 – Affordable Care Health Insurance Plans:  
Eligibility for the plan will be determined under the provisions of the Affordable Care Act, which is approximately 30 hours worked per week in the previous calendar year. All employees will be eligible to participate in the company’s Affordable Care Health & Welfare Plans (Medical, Prescription Drug, Dental & Vision) first day of the month following sixty (60) calendar days of employment. These plans will be priced according to the “affordability” definition under the Affordable Care Act. All employee contributions must be made via payroll deductions, except in the case of Leave of Absence, when other arrangements may be made. The employee’s coverage shall end as of the last day of the month in which he terminates from the company.

ARTICLE 20  
OTHER BENEFITS

Section 20.1 - Physicals/Drug Screens:  
The Company will pay the cost of required physicals at Company-approved facilities/doctors.

Section 20.2 - 401(k) Plan:
Employees may contribute to a pre-tax retirement savings plan the first day of the month following thirty (30) calendar days of Company employment at their cost subject to the Plan provisions.

Section 20.3 - Sick Pay:
The Company shall provide sick leave benefits in accordance with the California Sick Leave Act.

Section 20.4 - Incentive Programs:
The Company may institute incentive bonus programs for safety or other such purposes. The Company reserves the right to amend, modify, or rescind such programs at any time.

ARTICLE 21
UNION SECURITY

Section 21.1 - Union Shop:
It shall be a condition of employment that the employees of the Company covered by this Agreement who are members of the ATU in good standing on the effective date of this Agreement, shall remain members in good standing and those who are not members of a union the effective date of this Agreement shall, on the thirtieth (30th) day following the effective date of this Agreement become and remain members in good standing in ATU. It shall also be a condition of employment that all employees covered by this Agreement hired on or after its effective date shall, immediately upon the completion of the probationary period, become and remain members in good standing in ATU.

Section 21.2 - Notification:
The Company will notify ATU, in writing, of all new employees hired at least seven (7) calendar days after the employee starts to work and shall notify ATU immediately in writing when any employee completes the probationary period as established herein. No less than monthly, the Company will furnish the Secretary-Treasurer of ATU with a list of all bargaining unit employees, along with the seniority date of hire, mailing address and telephone number as is currently in the employee’s employment record. The Company will notify ATU immediately in writing, of all employees leaving its employment. ATU agrees to furnish the Company with an up-to-date list of all its officers and stewards, and to immediately notify the Company of any and all changes thereto. The Company agrees to furnish ATU an up-to-date list of its local representatives and to immediately notify ATU of any and all changes thereto.

Section 21.3 - New Hires:
When new or additional employees are needed, the Company shall choose applicants on the basis of their respective qualifications for the job, and no applicants will be preferred or discriminated against because of membership or non-membership in any union. An ATU officer will be allowed to use up to thirty (30) minutes of paid time to speak with each new employee during their initial training or within 30 days of the beginning of revenue service to provide a union orientation at a time mutually agreeable to the parties. Company management may or may
not attend the orientation at their discretion.

Section 21.4 - Enforcement:
In the event an employee due to his own negligence, fails to apply for or maintain his membership in ATU, ATU must give the Company notice of this fact and within five (5) days after receipt of such notice, remove said employee from service and shall continue to withhold said employee from service until notified by ATU that the employee is a member in good standing with ATU.

Section 21.5 - Representation:
It is mutually agreed that all matters covered by this Agreement shall be transacted between the properly accredited officers, agents, or representatives of the Company and the duly elected or appointed officers of the ATU.

ARTICLE 22
DUES CHECKOFF

Section 22.1 - Checkoff:
Upon receipt by the Company of a Checkoff authorization in the form set forth in Section 23.4 of this Article, dated and executed by an employee, the Company shall deduct, from the wages owed such employee for the first payroll period ending in each calendar month following receipt of such Checkoff authorization (until such Checkoff authorization is revoked by the employee in accordance with the terms thereof), ATU's membership dues deduct from an employee's wages only that amount of money which the Secretary-Treasurer of ATU has entitled to the Company, in writing, is the amount of dues properly established by ATU in accordance with applicable law and ATU's constitution and bylaws, and required of all employees as condition of acquiring or retaining membership in ATU. The Company shall each month on or before the thirtieth (30th) day of the month, provide ATU a written statement containing the names of the employees from whose pay, and in what amount, such deductions have been made and shall simultaneously therewith rebate the total amount of such monthly deductions to ATU.

Section 22.2 - Dues in Excess of Net Wages:
If on any payroll period in which the Company is obligated to make such deductions pursuant to Section 21.1 of this Article, the wages owed an employee after deductions mandated by any governmental body or to reimburse the Company for advances against wages no less than the amount of money which the employee has authorized the Company to collect pursuant to Section 21.1 of this Article, the Company shall make no deductions on the wages owed the employee for that payroll period and shall make no deductions, which would have been made from wages owed the employee from that payroll period, from wages owed the employee for any future payroll period.

Section 22.3 - Checkoff Authorization Form:
The Company shall not deduct any money from an employee's wages pursuant to Section 23.1
of this Article, unless the Checkoff authorization executed by the employee conforms exactly to the form set forth below.

CHECKOFF AUTHORIZATION

a. Authority to Deduct: I hereby authorize MV Transportation, Inc. to deduct from wages owed to me for the first payroll period ending in each calendar month, and to forward to Amalgamated Transit Union Local 1027, the monthly membership dues uniformly required of all employees as a condition of acquiring or retaining membership in said Local 1027.

b. Revocability of Authorization: This Checkoff Authorization shall be irrevocable for a period of one-year following my execution thereof, or until the expiration of any applicable collective bargaining agreement whichever occurs sooner. Thereafter, it shall be automatically renewed for successively one (1) year periods unless written notice of revocation of this Checkoff Authorization executed by me, is delivered to MV Transportation Inc.: (1) during the period commencing thirty (30) days prior to and ending five (5) days prior to (a) the annual anniversary of my execution hereof, or (b) the expiration date of any collective bargaining agreement obligating MV Transit Services, Inc. to honor the Checkoff Authorization, or (2) during any period when there is not a collective bargaining agreement in effect obligating MV Transportation, Inc. to honor the Checkoff Authorization. I voluntarily executed this Checkoff Authorization on 20

Section 22.4 - Indemnification of Company:
The union shall defend, indemnify, and save the Company harmless against any and all claims, demands, suits, grievances, or other liability that arise out of or by reasons of activity taken by the Company pursuant to Article 22.

ARTICLE 23
TERM OF AGREEMENT

Section 23.1 - Effective Date:
This Agreement shall be in full force and effect from ratification through midnight June 30, 2019.

As of the date of ratification, all established past practices shall cease with the ratification of this agreement and revert to agreed upon contract language, or in accordance with existing MV Transportation policy.
Section 23.2 - Renewal:
It is the intent of the parties that a successor Agreement to this one shall be completed prior to the expiration date provided in Section 23.1. The Company and the Union therefore agree to commence negotiations on a successor Agreement sufficiently in advance of the expiration date provided in Section 23.1 to allow for a settlement to be reached.

IN WITNESS THEREOF, the duly chosen representatives of the parties hereby affirm that they have authority to enter into this Agreement on behalf of themselves and their principals and hereto affix their hands.

FOR THE COMPANY  
MV TRANSPORTATION, INC.  

DATE: 12/2/2016

Patrick Domholdt  
Director of Labor Relations

FOR THE UNION  
ATU Local 1027  

DATE: 12-2-16

Rick Steitz  
President
ATTACHMENT “A”

MEMORANDUM OF UNDERSTANDING
MV EMPLOYEE HANDBOOK &
DRIVE-CAM POLICY

MV Employee Handbook

The parties agree to utilize the current MV Employee Handbook (2016 version), Code of Conduct, and Drug & Alcohol Policy as amended during the 2016-17 negotiations as the accepted and agreed upon policies in effect at time of Tulare ratification for both Hanford and Tulare collective bargaining agreements. Future changes to the MV Employee Handbook shall be implemented in accordance with the current collective bargaining agreement.

1. Amendments to the MV Employee Handbook.

All Handbook sections apply with the following exceptions:

- Employment Categories – pgs. 8-9
- Overtime – pg. 11
- Rest and Meal Periods – pg. 13
- Travel Time – pg. 13
- Attendance & Punctuality – pgs. 13-16
- Workers Compensation – EE Handbook and Drug & Alcohol policy will comply with California State Law and FTA regulations concerning drug testing as a result of an on the job injury
- Jury Duty – pg. 24
- Anti-Fraternization Policy – pg. 26
- Social Media Policy – pgs. 28-30
- Discipline – pgs. 32-35
- Employee Personnel File – Subject to Section 4.1(c), California Labor Code Section 1198.5, and any other applicable local ordinance
MEMORANDUM OF AGREEMENT & EXTENSION AGREEMENT

This Agreement is entered into by, and between, Amalgamated Transit Union Local No. 1027 ("Union") and MV Transportation, Inc. ("Company").

WHEREAS, the Union and Company are parties to a collective bargaining agreement ("CBA") that expires on June 30, 2019 at the Company’s Hanford Division;

WHEREAS, the parties have previously negotiated rates;

WHEREAS, the Company desires to increase the Driver Wage Scale in order to attract and retain employees;

WHEREAS, the Company desires to extend the terms and conditions of the current collective bargaining agreement ("CBA") to June 30, 2023;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. Article 16 – Wages in the current CBA is as follows:

   ARTICLE 16- WAGES

Section 16.1 - Wage Rates

Drivers

Effective the date of ratification, the training rate will be minimum wage. The starting rate will increase to $11.00. All employees below $11.00 will increase to $11.00. Drivers above four years of service will receive a 3.5% wage increase to their current wage rate.

Effective July 1, 2017, all drivers will receive a 3.0% increase to their current wage rate. The starting rate will remain at $11.00.

Effective July 1, 2018, all drivers correspond to one of the wage rates set forth below based on years of service.

To the extent the minimum wage is higher than any of the wage rates, the minimum wage will replace that corresponding wage rate.

<table>
<thead>
<tr>
<th>DRIVER WAGES</th>
<th>7/1/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training</td>
<td>$11.00</td>
</tr>
<tr>
<td>Starting</td>
<td>$11.50</td>
</tr>
<tr>
<td>After 1 Year</td>
<td>$12.50</td>
</tr>
<tr>
<td>After 2 Years</td>
<td>$13.00</td>
</tr>
<tr>
<td>-------------</td>
<td>--------</td>
</tr>
<tr>
<td>After 3 Years</td>
<td>$13.50</td>
</tr>
<tr>
<td>After 4 Years</td>
<td>$14.00</td>
</tr>
<tr>
<td>After 5 Years</td>
<td>$14.50</td>
</tr>
<tr>
<td>After 6 Years</td>
<td>$15.00</td>
</tr>
<tr>
<td>After 7 Years</td>
<td>$15.50</td>
</tr>
<tr>
<td>8+</td>
<td>$16.50</td>
</tr>
</tbody>
</table>

**Dispatchers**

Effective the date of ratification, dispatchers with over four (4) years of service receive a 3.50% wage increase. Any dispatcher below $11.00 will increase to $11.00.

Effective July 1, 2017, dispatchers will receive a 3.00% wage increase. The starting rate will remain at $11.00.

Effective July 1, 2018, the dispatchers shall correspond to the wage rates set below based on years of service. Any employees above the existing wage rate scale will receive a 5% wage increase.

**Dispatcher Wages**

<table>
<thead>
<tr>
<th></th>
<th>7/1/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training</td>
<td>$12.00</td>
</tr>
<tr>
<td>Starting</td>
<td>$12.50</td>
</tr>
<tr>
<td>After 1 Year</td>
<td>$13.50</td>
</tr>
<tr>
<td>After 2 Years</td>
<td>$14.00</td>
</tr>
<tr>
<td>After 3 Years</td>
<td>$14.50</td>
</tr>
<tr>
<td>After 4 Years</td>
<td>$15.00</td>
</tr>
<tr>
<td>After 5 Years</td>
<td>$15.50</td>
</tr>
<tr>
<td>After 6 Years</td>
<td>$16.00</td>
</tr>
<tr>
<td>After 7 Years</td>
<td>$16.50</td>
</tr>
<tr>
<td>8+</td>
<td>$17.50</td>
</tr>
</tbody>
</table>

2. Effective June 15, 2018, Article 16 will be replaced with the following:

**Article 16 - Wages**

**Section 16.1 - Wage Rates**
Drivers

Effective the date of ratification, the training rate will be minimum wage. The starting rate will increase to $11.00. All employees below $11.00 will increase to $11.00. Drivers above four years of service will receive a 3.5% wage increase to their current wage rate.

Effective July 1, 2017, all drivers will receive a 3.0% increase to their current wage rate. The starting rate will remain at $11.00.

Effective June 15th, 2018, all drivers correspond to one of the wage rates set forth below based on years of service.

To the extent the minimum wage is higher than any of the wage rates, the minimum wage will replace that corresponding wage rate.

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Training</td>
<td>Min Wage</td>
<td>Min Wage</td>
<td>Min Wage</td>
<td>Min Wage</td>
<td>Min Wage</td>
</tr>
<tr>
<td>Start</td>
<td>$16.00</td>
<td>$16.00</td>
<td>$17.00</td>
<td>$18.00</td>
<td>$19.00</td>
</tr>
<tr>
<td>After 1 Year</td>
<td>$16.50</td>
<td>$16.50</td>
<td>$17.50</td>
<td>$18.50</td>
<td>$19.50</td>
</tr>
<tr>
<td>After 2 Years</td>
<td>$17.25</td>
<td>$17.25</td>
<td>$18.25</td>
<td>$19.25</td>
<td>$20.25</td>
</tr>
<tr>
<td>After 3 Years</td>
<td>$17.50</td>
<td>$18.50</td>
<td>$19.50</td>
<td>$20.50</td>
<td>$21.50</td>
</tr>
<tr>
<td>After 4 Years</td>
<td>$18.50</td>
<td>$19.50</td>
<td>$20.50</td>
<td>$21.50</td>
<td>$22.50</td>
</tr>
<tr>
<td>After 5 Years</td>
<td>$19.25</td>
<td>$20.25</td>
<td>$21.25</td>
<td>$22.25</td>
<td>$23.25</td>
</tr>
<tr>
<td>After 6 Years</td>
<td>$20.00</td>
<td>$20.50</td>
<td>$21.50</td>
<td>$22.50</td>
<td>$23.50</td>
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</table>

Dispatchers

Effective the date of ratification, dispatchers with over four (4) years of service receive a 3.50% wage increase. Any dispatcher below $11.00 will increase to $11.00.

Effective July 1, 2017, dispatchers will receive a 3.00% wage increase. The starting rate will remain at $11.00.

Effective June 15th, 2018, the dispatchers shall correspond to the wage rates set below based on years of service. Any employees above the existing wage rate scale will receive a 5% wage increase.
3. The parties also agree to modify Section 23.1 to extend the term of the CBA through midnight June 30, 2023 instead of June 30, 2019.

4. Additionally, Section 18.2 shall include the vacation accrual, “10 Year anniversary: 4.62 Hours/Pay Period” which is the current practice that was inadvertently omitted from the current CBA.

5. Except for the above changes, the current agreement including all other terms and conditions of employment remain in full force and effect through the new term of the CBA.

All parties have read and understood this Agreement and acknowledge their understanding and acceptance by signing below.

Patrick Domholdt  
Date: 1/4/2018  
MV Transportation, Inc.

Al Munoz  
Date: 1/5/18  
ATU Local 1027