



SUMMARY OF THE Teamsters Joint Council 3 Tentative Agreement

This agreement provides improvements in several areas of the contract including:

- Once you are a utility driver you no longer have to qualify to be a package car driver.
- Increased opportunities to go to full time from an inside position including feeders.
- An increase for part-time employees in the Pacific Coast Benefits Trust.
- Reducing the cost of retirees' insurance for full-time employees.
- An increase in time loss benefits for full-time employees that are hurt off the job.

TEAMSTERS JOINT COUNCIL 3 PACKAGE AND FEEDER SUPPLEMENT TENTATIVE AGREEMENT

For the Period:

August 1, ~~2013~~ 2018 through July 31, ~~2018~~ 2023

covering:

The parties reserve the right to correct inadvertent errors and omissions. Where no reference is made to a specific Article or Section thereof, such Article and Section are to continue as in the current Agreement, as applied and interpreted during the life of such Agreement. Additions and new language are **bold and underlined**. Language from the prior Agreement that is being deleted is ~~struck through~~.

ARTICLE 1 PARTIES TO THE ADDENDUM

SECTION 2.

Employees covered by this Agreement shall be construed to mean feeder drivers, package drivers, combination employees covered under Article 22.3 **and 22.4** of the National Master UPS Agreement, and mechanics, (Locals 2 & 190) working in classifications set forth in the wage schedule of this Addendum or any classification mutually agreed on by the parties during the life of this Agreement.

ARTICLE 2 SENIORITY

- (a) There shall be ~~three (3)~~ **four (4)** separate seniority lists, by center: one
 - (1) list for tractor-trailer feeder drivers; one (1) list for delivery drivers, one (1) list for Article 22.3 combination employees; **and one (1) list for 22.4 combination employees.** When an employee moves from one seniority list to another separate seniority list, his/her seniority date for vacation selection, layoff, rehire, and bidding, if appropriate on the list to which he/she transferred, shall be the date he/she transferred to the new position. All other benefits to apply as per Company seniority. Where appropriate, there shall be a separate seniority list for mechanics. Shuttle drivers and/or package feeder drivers shall be included on the tractor-trailer feeder seniority list. Full-time and part-time employees hold separate seniority. Feeder drivers enjoy separate seniority for operational purposes. Seniority shall prevail in all layoffs and rehires.

ARTICLE 3 FEEDER DRIVERS

- (a) Package drivers, **including 22.4 drivers** who are interested in qualifying as a tractor trailer driver, shall so notify the Company in writing. Such employees in seniority order, will be permitted to attend, on their own time, the Company training program which may be established from time to time as the need occurs. The Company agrees to furnish the necessary equipment and instructors.

Employees who have been on the tractor-trailer qualified list for three (3) or more years, who give the Employer ninety (90) days proper written notice, shall be removed from the qualified list.

If no package car driver, **or 22.4 driver** is interested in qualifying as a tractor trailer driver, the position will be offered first to Article 22.3 employees then to part time employees **that possess a valid Class A CDL** in seniority order, To be eligible, these employees must meet the same qualifications as an off the street hire excluding previous driving experience and one year of UPS safe driving. They must possess a valid Class A CDL license prior to attending the school. **Next the position will be offered to Article 22.3 employees then to part time employees who currently perform driving duties as a part of their job.**

- (b) To qualify for attendance at the tractor-trailer school, an employee must have one (1) year UPS safe driving for the year pre- ceding his application to attend the school.
- (c) Upon completion of the tractor-trailer school, the Employer will determine whether the employee is qualified to drive a tractor-trailer and whether the employee will be placed on the qualified list.

- (d) To be eligible to move from the qualified list to a tractor-trailer job, an employee must not have had an avoidable accident during the year preceding his assignment to a tractor-trailer job.
- (e) New tractor-trailer openings or vacancies will be filled from the list of qualified employees in accordance with Article 3, Section 4. In the event no employee on the list of qualified employees elects to fill an opening, the employee with the least seniority on the list must fill the opening.

**ARTICLE 4
COMBINATION EMPLOYEES COVERED UNDER
ARTICLE 22.3 OF THE NMUPS AGREEMENT**

Only part time or existing full time employees in the "22.3" classification shall fill newly created or open full time combination jobs. The initial open or new position and the subsequent opening will be filled by bidding within the "22.3" full time classification. The resulting open position will be offered to the senior part time employee per local procedure, unless otherwise mutually agreed upon by the Company and the Union.

The only exception to this paragraph would be if a full time driver is permanently disqualified from obtaining a D.O.T. Physical Card. That driver would have the option to bid into an open 22.3 position prior to offering the position to a part-time employee. The driver must be physically fit and qualified to perform the essential functions of the new job. The disqualified driver would end tail into the 22.3 seniority list but would retain his full-time seniority date for fringe benefits such as weeks of vacation, sick leave, etc. The rate of pay would be that of a full time 22.3 employee.

Any newly created or vacated full-time 22.3 combination job shall be posted within ten (10) calendar days. If the Company is not going to post a vacated bid within ten (10) calendar days, the Labor Manager shall notify the Local Union. All full-time 22.3 combination bids shall include a description of the work performed, work week and start time. All bids will be posted for seven (7) calendar days.

Full-time Combination jobs may be bid with alternate workweeks, by mutual agreement of the parties.

The full time combination jobs shall be awarded by facility, by "22.3" full time classification or by part time company seniority, whichever is applicable as stated in paragraph one above. (The Salt Lake Hub facility and the Salt Lake Air facility will be considered as one regarding the movement of part time employees to full time positions.)

These full time combination jobs shall be a classification unto themselves, except as stated in paragraph 2 above.

An employee who successfully qualifies for a full time inside combo position shall remain in that position for a minimum of three (3) months. However, this would be waved should a full time pack- age driving position become available.

Part time employees will follow procedures as outlined in Article 7 of the WRS/UPS Agreement when requesting full time positions. The Employer's Human Resource Department will maintain two lists: one list for full time combination positions and the other for full time driving. Company seniority will prevail when awarding full time package driving positions.

Until an employee gains seniority as a full time package car driver, he/she will have the option of working their regular full time "22.3" job if package driving work is not available. If not practicable to work their regular inside full time position, he/she can work any combination of part time jobs for which he/she is qualified in order to be made whole for eight hours pay.

Failure to qualify for a "22.3" position shall be in accordance with Article 7 in the WRS/UPS Agreement.

Article 6, Section 5, as well as Article 7 in the WRS/UPS Agreement shall apply to all employees who are awarded a newly created full time combination position. The employees selecting one of the original second year full time combination jobs and were awarded retro pay shall be dovetailed onto the new "22.3" seniority list by using his/her part time seniority date. Thereafter, the applicable language in the J.C.#3 Package Rider referring to seniority in Article 2 will prevail.

Coverage for all planned and unplanned absences for these combination full time jobs shall be performed by qualified part time employees.

Should any employee working a full time combination job have his/her work day, ~~1) permanently reduced to less than eight hours; 2) is bumped by a senior employee; or 3) whose work is permanently eliminated shall have the following options:~~

Bump the least senior a junior employee on his/her seniority list, the first employee bumped by this provision shall be allowed to bump a junior employee on his/her seniority list, the 2nd employee bumped by this provision shall be allowed to bump the least senior employee on his/her seniority list, the least senior person shall be return to part-time. The displaced employee may select an open preferred position using their Company seniority on their new shift. Any employee affected in this process, may not displace someone with driving duties or hazmat responder unless they have been previously qualified. Their seniority shall be dovetailed onto their new seniority list, all appropriate part time wage rates, health and welfare and pension benefits apply. Dovetail their company seniority into any part time position within their facility for which they are qualified at the appropriate part time wage rate.

Any such employee who returns to the part time seniority list shall have the first opportunity to select the next open or newly created full time combination job. When such employee returns he/she will retain their original seniority

position on the full time combination job list with the appropriate pay rate.

If the start time should be permanently changed by more than two (2) hours, the affected employee shall be allowed to bump any less senior employee within the "22.3" classification. This bumping will cease once it is established that two employees will have to be trained in a new job for which they were not previously qualified to perform, unless mutually agreed upon by the Company and the Union.

Employees awarded these newly created full time jobs under NMUPS Agreement, Article 22.3, will not be eligible for utility, or air exception work, ~~or extra inside work~~ until all other part time employees have been offered that work. **Fulltime 22.3 combination employees shall be offered over time at the end of their workday, on their shift, using their total Company seniority.**

For benefit purposes part time employees moving to a full time combination job classification are to be treated the same as a part time employee moving to a full time package driving classification.

All Article 22.3 job opportunities offered for bid within a Local Union's jurisdiction shall be specific as to the work to be performed. After successfully completing the probationary period a 22.3 Combination Job employee may request a preferred job opportunity within his/her bid time frame. These job opportunities shall be selected from vacated positions or newly created work. The 22.3 Combination employees preferred work selection shall not adversely affect the operation of the employer. There shall be no bumping and seniority shall prevail.

ARTICLE 5 SEASONAL PERIOD

SECTION 2. SEASONAL EMPLOYEES

A seasonal employee is a temporary employee who is hired between October 1 and December 31, or May 15 to August 31 inclusive of any year. **In addition seasonal feeder drivers may be used through January 15. He/she Seasonal employees** shall not accrue seniority or service credit for any purpose during this period excepting contributions for pension based on compensable hours. Any employee hired prior to October 1 or May 15 of any year shall continue to accrue seniority during this seasonal period in accordance with seniority provision of this Agreement. In classroom training conducted outside the seasonal period will not count as time toward seniority attainment.

Seasonal employees ~~Employees recalled after the seasonal periods December 31, or August 31,~~ shall commence their probationary period, and shall attain seniority after working forty (40) days within a one hundred and twenty (120) day period.

ARTICLE 6 WORK DAY – WORK WEEK

SECTION 6. STARTING TIMES – PACKAGE DRIVERS & MECHANICS

- (a) Starting times for all employees, excluding feeder drivers, shall be scheduled by Friday of the preceding work week for the following work week. Feeder driver starting times shall be posted at the time of annual bids and when necessary; to permanently change such start times, the change shall be scheduled not later than the Friday of the preceding work week for the following work week.
- ~~(b) An employee shall be notified of a change of his/her starting time for the following day at the end of the tour of duty.~~
- (eb) An employee shall be given reasonable notice when being advised not to report to work.

ARTICLE 11 UTILITY DRIVERS

- (a) It is agreed that package operations may hire utility drivers. Regular part-time employees (in order of seniority) who desire to be considered as a utility driver shall submit a letter of intent to his/her center manager. Those employees who successfully meet the qualification standards for UPS drivers will be considered for the utility driving job. In buildings where there are more than one package center, the utility driver shall choose the center he/she wants to be permanently assigned to prior to classroom training. **New utility drivers shall be considered qualified once they complete a trial period as defined by Article 4, Section 1 (b) of the Western Region Supplement. Utility drivers shall be placed on a designated area during their trial period. A qualified, current utility driver will not be required to complete another package car driver trial period.** They must make themselves available on a daily basis unless mutually agreed by the company and union. **The company shall notify the union of any utility driver found in non-compliance, after notification to the union. If the employee continues** Failure to be unavailable for utility work, **it** may be grounds for **the employee** being removed from the utility driving list. **If removed, the employee may request to place their name back on the utility list, if there is an opening, after six (6) months.**

ARTICLE 14 REST PERIODS

Package Drivers and **22.4 combination drivers** may take less than the one (1) hour unpaid lunch period, but not less than thirty (30) minutes. A one (1) hour lunch period may be required due to operational needs. Requests for a thirty (30) minute lunch will not be unreasonably denied.

Other full time employees shall take lunches based on the current practice.

It is agreed that a fifteen (15) minute paid rest period will be allowed all full time employees. Package drivers **and 22.4 combination drivers** will take a rest period during mid-morning hours. The lunch period will not start before the employee has been on duty three (3) hours and will be completed before the start of the sixth (6th) hour. The unpaid lunch period may not be fractured except by mutual agreement of the Employer and the Union.

ARTICLE 15 HOLIDAYS

SECTION 2. HOLIDAY ELIGIBILITY

- (a) Seniority employees shall be paid for all holidays, regardless of when they occur, except holidays occurring after sixty (60) continuous days off for illness or injury.
- (b) In order to be eligible for holiday pay as outlined above, seniority employees must work the scheduled work day before and after the holiday, **unless an employee with a bona-fide injury or illness provides the Company with a note from a medical professional excusing them from work for the scheduled work day before and/or after the holiday.**

SECTION 8. SELECTION OF PERSONAL HOLIDAYS

- (a) An employee selecting a Personal Holiday shall notify the appropriate supervisor as early as possible; however, not less than ten (10) calendar days prior to the date he/she has selected as his/her "Personal Holiday".

The supervisor shall either grant or deny the date selected by the employee as the "Personal Holiday" seven (7) calendar days prior to the date the employee selected. Once approved, the date selected by the employee shall not be changed by the Company or the employee. Under no circumstances will an employee be allowed to work on the "Personal Holiday".

Seniority shall prevail in the selection of the day to be taken; however, senior employees shall not be allowed to bump junior employees who have been granted their requested day within seven (7) days of the date selected. **Personal Holidays may not be selected from the Monday following Thanksgiving through December 25th. It is understood that the Company will grant Personal Holidays during this period if employees are on lay-off and for special circumstances, these requests will not be unreasonably denied.**

- (b) **In a package or feeder center dispatching two hundred (200) or more drivers, a minimum of six (6) employees will be allowed off per day for their "Personal Holiday". In a package or feeder center dispatching one hundred fifty (150) or more drivers, a minimum of five (5) employees will be allowed off per day for their "Personal**

Holiday." In a package or feeder center dispatching one hundred (100) or more drivers, a minimum of four (4) employees will be allowed off per day for their "Personal Holiday". In a package or feeder center dispatching sixty (60) or more drivers, a minimum of three (3) employees will be allowed off per day for their "Personal Holiday". In a package or feeder center dispatching thirty (30) or more drivers, a minimum of two (2) employees will be allowed off per day for their "Personal Holiday". In centers with under thirty (30) drivers, a minimum of one (1) employee will be allowed off per day.

ARTICLE 18 PENSION

Pension increases will be in accordance with Article 34 of the NMUPS AGREEMENT.

ARTICLE 19 HEALTH AND WELFARE LOCALS 2 AND 190

SECTION 1. ELIGIBILITY CONTRIBUTION

- (a) Effective August 1, 2013 the Employer shall pay into a fund established for the purpose of administration of certain benefits known as the Montana Teamsters Employers Trust, UPS Benefits, or its successor, the sum of ~~one thousand two hundred forty four dollars (\$1,244.00)~~ **one thousand three hundred ninety four dollars (\$1,394.00)** per month for each employee who has received compensation for eighty (80) hours or more in the preceding month. The payments will become effective on the first day of August, 2013 for July, 2013 hours worked and shall continue to be made by the Employer into said fund, without cost to the employee, and shall be made on behalf of any employee who has met the above eligibility requirements. Should the premium, on the coverage described herein, increase during the life of this Agreement, including retiree coverage, the Employer shall pay such increases in order to maintain the level of benefits provided.

SECTION 5 – MTET UPS RETIREES SUBSIDY FUND

- (A) **The Company shall work jointly with the Joint Council 3 Union Negotiating Committee to establish the UPS Retirees Subsidy Fund at the Montana Teamster Employers Trust. The purpose of the Fund is to reduce the monthly co-pays of UPS retirees and their spouses who participate in the non-Medicare retiree health and welfare program offered by the Trust.**

The UPS Retirees Subsidy Fund shall only apply to full-time UPS bargaining unit employees who retire after August 1, 2020 and who at the time of retirement meet all eligibility requirements of the Montana Teamster Employers Trust to participate in the non-Medicare retiree health and welfare programs offered by the Trust. As a result of Local Unions employing UPS bargaining

unit employees on an Article 16.1 National Master UPS Agreement leave of absence, all Local Unions participating in the Montana Teamster Employers Trust, shall be allowed to participate and contribute in the Fund provided the Local(s) make a contribution equivalent to that made on behalf of UPS bargaining unit employees, and meet all eligibility requirements.

(B) Contributions shall be paid by the Company to the Montana Teamster Employers Trust UPS Retirees Subsidy Fund on account of each full-time employee of the bargaining unit for which compensation was paid (all compensable hours up to a maximum of 2,080 hours per calendar year) in amounts to be determined each year in accordance with this section.

Contributions to the UPS Retirees Subsidy Fund will be reallocated as determined by the Joint Council 3 Union Negotiating Committee and as provided for in Article 34 of the National Master UPS Agreement. Any health and welfare contributions in each year of the contract that are not required by the Trustees of the Montana Teamster Employers Trust to be utilized for maintenance of benefits under Article 34 of the National Master and Section 3 above, shall be allocated to the UPS Retirees Subsidy Fund as determined by the Joint Council 3 Union Negotiating Committee. The Joint Council 3 Union Negotiating Committee is authorized to reallocate any portion of an hourly pension increase to the UPS Retirees Subsidy Fund. If any portion of the Article 34 increase is allocated to the Subsidy Fund in any contract year, then UPS' total increase in cost cannot exceed one dollar (\$1.00). The Union shall not be allowed to allocate monies to the Subsidy Fund ahead of the Pension fund if the latter becomes subject to a Rehabilitation or Funding Improvement Plan.

(C) The Company shall remit contributions to the Montana Teamster Employers Trust UPS Retirees Subsidy Fund by the 15th day of each calendar month for all hours compensated in the previous month.

(D) In order to build a strong and stable financial foundation the UPS Retirees Subsidy Fund will build its initial financial reserves during the startup period which will commence for a minimum twelve (12) month period that will begin from the first day of contributions. The subsidy of co-pays for UPS retirees and their spouses is tentatively scheduled to begin no sooner than January 1, 2020, or as otherwise determined by the Joint Council 3 Union Negotiating Committee. The amount and form of the subsidy shall also be determined by the Joint Council 3 Union Negotiating Committee.

(E) Any costs associated with administering the UPS Retirees Subsidy Fund will be deducted from the Fund.

ARTICLE 20 HEALTH AND WELFARE LOCALS 222 AND 983

SECTION 1. CONTRIBUTIONS

- (a) Effective August 1, 201~~3~~ the Employer agrees to pay \$1,859.86 per month to the Utah-Idaho Teamster Security Fund for each employee covered by this Agreement who was on the payroll of the Employer at any time during the prior month.
- (b) The contribution rate of \$1,859.86 includes the UPS Retirees Health Plan effective April 1, 1990. The UPS retirees reserve shall be funded in part by a contribution in the amount not less than \$7.54 for each covered employee.

SECTION 5. DENTAL CARE ELIGIBILITY

An employee becomes initially eligible for dental care benefits on the first day of the month next following the completion of nine (9) consecutive months of employment during each of which months he worked as a "REGULAR" employee. Contributions are to be paid to said Fund on behalf of all regular employees including the nine (9) months worked prior to establishment of eligibility. Part time employees moving into a full time position will not suffer a laps in dental coverage.

SECTION 10. DEFINITION OF REGULAR FULL-TIME EMPLOYEES WORKING IN THE CLASSIFICATIONS OF PACKAGE CAR DRIVER AND ARTICLE 22.4

A "REGULAR" employee, for purposes of this Agreement, shall be any employee who has completed a probationary period of at least thirty (30) working days, but not more than forty (40) working days within a one hundred and twenty (120) consecutive working day period as describe in Article 4, Section 1 – Probationary Trial Period, paragraph (b) Trial Period (Package Car Driver) of the Western Region Supplemental Agreement. The Employer is required to pay the stipulated contribution on any new package car driver who has served the required probationary period as defined in this Section.

ARTICLE 22 LEGAL SERVICES TRUST FUND

The Employer agrees to contribute ~~fifteen cents (\$.15)~~ ten cents (\$.10) per hour up to a maximum of ~~twenty-five dollars and ninety-five cents (\$25.95)~~ seventeen dollars and thirty cents (\$17.30) per month for each regular employee into the Western Conference of Teamsters Legal Services Trust Fund for the purpose of providing for employees and their dependents, legal benefits as provided by the Trust.

ARTICLE 24 CLASSIFICATION-WAGES

SECTION 1. FULL-TIME WAGE INCREASES

All full-time employees who have attained seniority as of August 1, 20~~13~~ 2018 will receive the general wage increases

in accordance with Article 41 of the National Master UPS Agreement.

ARTICLE 25 DURATION

This Agreement shall be in full force and effect from August 1, 2013 **2018** to and including July 31, 2018, **2023** and shall continue from year to year thereafter, unless written notice of desire to cancel or terminate the Agreement is served by either party upon the other at least sixty (60) days prior to the date of expiration.

In Witness Whereof, the parties hereto have set their hands and seals this day of to be effective as of August 1, 2013, **2018** except as to those areas where it has been otherwise agreed between the parties

MEMORANDUM OF UNDERSTANDING OR NEW ARTICLE FULL-TIME COMBINATION 22.4 EMPLOYEES

The following only applies to areas with weekend ground delivery operations:

- (A) Workday Workweek and Daily guarantee. See Article 22.4 of the National Master UPS Agreement.**
- (B) Start Times: 22.4 combination employee start times shall be posted on the prior Friday of the week for which the start times shall be effective. Posted start times will include the center and/or operation where the employee is scheduled to report.**
- (C) Multi-center Buildings: 22.4 combination employees working in a multi-center building will be on a separate center seniority lists according to their bid.**
- (D) Dispatch in a Package Center: 22.4 combination employees are dispatched with driving work after all bid and unassigned regular package car drivers ("RPCD") have been dispatched and offered the work. Seniority and area knowledge will then prevail. (Same practice as RPCD).**
- (E) Extra Driving Work. 22.4 combination employees will not be offered extra driving work, including scheduled days off and holidays, until all RPCD's have first been offered the work. 22.4 combination employees will be forced to perform extra work prior to forcing RPCD's.**
- (F) The Company and the Union agree that there may be unforeseen 22.4 issues, if and when these jobs are**

implemented in Joint Council 3, that may need to be addressed during the term of the Labor Agreements. The Joint Council 3 Chair will be notified of said unforeseen issues and be party to the discussions and settlement on said issues. The Joint Council 3 Chair will get input from all Local Unions signatory to this Rider. The Company will then meet with the Joint Council 3 Chair and the affected Local Union to attempt resolution. The intent of this provision is not intended to modify what has been negotiated under the National Master. This provision is intended to address local issues and how this Rider will be applied to those issues.

- (G) Article 6, Section 5, and Article 7 of the Western Region Supplemental Agreement shall apply to all part-time employees who are awarded a 22.4 job.**
- (H) RPCD's working a Monday through Friday schedule, shall be guaranteed five consecutive days of eight (8) consecutive hours per report and forty (40) straight time hours of straight time pay each week, if reporting each day as scheduled, as long as work is available; pursuant Article 22.4 of the National Master UPS Agreement.**
- (I) A 22.4 employee who is promoted to a RPCD job shall not have to go through another training and trial period under Article 6, Section 5 of the WRSA.**
- (J) All 22.4 combination employees will select their Optional Holidays Tuesday through Friday after all RPCD's have selected their Personal Holidays. All 22.4 combination employees will select their Personal Holidays on Saturday's or Sunday's based on the minimum number off outlined in Article 15 Section 8 (b) of the Joint Council 3 Package Rider. The number of 22.4's dispatched shall be used in the calculation to determine the number of employees allowed off per day for their Personal Holiday.**
- (K) All 22.4 combination employees will select their vacation within their assigned center by classification as per Article 16 of the Joint Council 3 Package Rider.**
- (L) 22.4 combination employees will not be allowed to perform feeder work, unless mutually agreed to by the Company and the Local Union.**
- (M) RPCD's may submit a letter of intent to move into the 22.4 combination job classification using their company seniority. All provisions that pertain to a 22.4 combination employee will apply to a RPCD that accepts a 22.4 combination job.**