

AGREEMENT

BETWEEN

**LOCAL UNION NO. 89
INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-
CIO**

AND

**VALLEY ELECTRIC CO. of MOUNT VERNON, INC.
d/b/a VALLEY ELECTRIC**

EFFECTIVE February 16, 2024 through February 15, 2027

ARTICLE 1
TERM OF AGREEMENT

- 1.1 WHEREAS, there has existed a Collective Bargaining Agreement between the Company and the Union; and WHEREAS, it is the desire of the parties hereto enter into a new Agreement, NOW, THEREFORE, the parties hereby do mutually contract and agree with each other as follows:
- 1.2 This Agreement represents a complete and final understanding between the Company and the Union, and it shall be effective as of February 16, 2024 and remain in full force and effect through, February 15, 2027 and thereafter from year to year unless at least sixty (60) days prior to said expiration date, or any anniversary date thereafter, either party gives written notice to the other of its desire to terminate or modify any or all of its provisions.
- 1.3 Notices permitted or required to be served by one party upon the other party under the provisions of this Agreement shall be sufficiently served for all purposes herein, when mailed by certified mail, postage paid to the Business Manager, Local Union No. 89, I.B.E.W., P. O. Box 2349, Mount Vernon, Washington 98273, and to Valley Electric Co. of Mt Vernon d/b/a Valley Electric, 1100 Merrill Creek Parkway Everett, Washington, 98203, for service upon the Company, and the date of the receipt of such notices shall be the controlling date for the purposes hereunder. Each party shall promptly inform the other party of any change in the addresses set forth in this Section.

ARTICLE 2
RECOGNITION

- 2.1 The Company hereby recognizes the Union as the exclusive bargaining agency for all its employees, except confidential employees, professional employees and supervisors as defined by the Labor Management Relations Act of 1947, for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment and other conditions of employment. The Union agrees to act fairly and impartially for all employees for whom it shall be the bargaining agency.
- 2.2 The Company agrees to meet with the properly accredited officers, representatives, and/or committees of the Union on all questions or grievances arising hereunder.

2.3 The parties hereto agree that they and their successors and assigns shall be bound by the terms and conditions of this Agreement.

2.4 This Agreement shall be subject to amendment at any time by mutual consent of the parties hereto. Such amendment shall be reduced to writing, state the effective date of the amendment, and be executed in the same manner as is this Agreement.

2.5 It is agreed that no change in the Agreement resulting from the amendments made herein shall cause any reduction in wage rates of present employees in the classifications affected.

2.6 In the event that any provision of this Agreement shall at any time be made invalid by applicable legislation or be declared invalid by any court of competent jurisdiction, such action shall not invalidate the entire Agreement, it being the express intention of the parties hereto that all other provisions not made invalid shall remain in full force and effect.

2.7 The parties mutually agree to recognize and comply with the Americans with Disabilities Act.

ARTICLE 3 UNION SECURITY

3.1 All employees covered by this Agreement who are presently members of the Union, and those who subsequently become members, shall as a condition of employment be required to remain members of the Union in good standing during the term of this Agreement. New employees hired after the effective date of this Agreement coming within the classifications covered herein, shall as a condition of employment, be required to become members of the Union on the thirty first day of employment and shall be required to remain members in good standing during the term of this Agreement. The Union agrees to accept such employees into membership with an Initiation Fee not in excess of that established by its Bylaws. The Company agrees to advise new employees of the existence of the Agreement.

3.2 This provision shall not be construed as denying the Company the right to hire its employees regardless of whether such employees are members of the Union, but it is the intent that the new employees herein covered shall be required to become members in good standing in the Union on the thirtyfirst day following employment. The Union will be allowed a fair amount of time during the new-hire orientation to present applicable Union issues. The hiring department is

responsible for notifying the Union not less than one (1) week before the orientation session.

3.3 The Company agrees to deduct Initiation Fees and regular monthly Union Dues from the pay of its employees and pay to the Local Union No. 89 such amount as is authorized in writing by the employee on a form acceptable to the Company. The Company agrees to make this deduction from the first and second payroll period of each month and to send a check for the total amount, together with a list of the individuals' names for whom the deductions were made to the Financial Secretary, as designated by the Union, on or before the fifteenth day of the following month. This authority shall be revocable by the employee by notice in writing delivered by mail to the Labor Relations Representative of the Company and the Financial Secretary of the Union.

3.3.1 The Union agrees that the Company assumes no responsibility in connection with deduction of Dues and Initiation Fees except that of forwarding monies deducted as set forth in this Article. The Union shall indemnify the Company and save the Company harmless from any and all claims against the Company for amounts deducted and withheld from earnings.

ARTICLE 4 UNION RIGHTS

4.1 When the Local Union requests time off for an employee for Union activities, in addition to regular time off, the employee shall be granted such requests if such time off will not inconvenience the operations of the Company or increase its operating expenses, provided further that such employees shall receive no compensation from the Company for such time off.

4.2 An employee appointed or elected to office in the Union which requires all of the employee's time shall not lose any established seniority with the Company and shall be granted a leave of absence upon application for the period the employee holds office in the Union.

4.3 With the exception of entering Company premises during the term of this Agreement, no employee covered hereunder shall be required as a condition of employment to pass through any picket line recognized by the I.B.E.W., Local 89; except that in the event of an emergency, the employee may be allowed to pass the picket line by special permission of the striking Union. Informational pickets shall not be construed as "recognized" pickets.

4.4 The Company agrees to permit the Union to use a reasonable reserved space for the purpose of posting officially sanctioned Union bulletins and notices upon the bulletin boards which are furnished by the Company. A copy of this Agreement shall be posted on the bulletin boards in all departments of the Company by the Union or its representatives where it may be readily referred to by employees.

ARTICLE 5 EMPLOYEE RIGHTS AND RESPONSIBILITIES

5.1 It is expressly understood and agreed that the services to be performed by the employees covered by this Agreement pertain to and are essential to the operation of a public utility and to the welfare of the public dependent thereon, and in consideration there-of, and of the agreements and conditions herein by the Company to be kept and performed, the Union agrees that its members, covered by this Agreement, or any of them will not be called upon or permitted to cease or abstain from the continuous performance of the duties pertaining to the positions held by them under the Company, in accord with the terms of the Agreement and for the term of this Agreement. It is further agreed by the parties hereto that the Company shall have the right to suspend, without pay, or dismiss any employee guilty of violating the terms of this Contract by individually or collectively participating in any cessation or interruption of work. Such action shall be subject to grievance and arbitration.

5.2 The Union agrees for its members who are covered by this Agreement that they will individually and collectively perform loyal and efficient work and services, that they will use their influence and best efforts to protect the property of the Company and its service to the public, and that they will cooperate in promoting and advancing the welfare of the Company and the protection of its service to the public at all times.

5.3 The Company and the Union agree that in the administration and enforcement of this Agreement they will cooperate to promote harmony and efficiency among all the employees of the Company. Provisions of this Section shall not in themselves be subject to the arbitration proceedings where no other specific terms of the Agreement are alleged to have been violated.

5.4 It is agreed that neither the Company nor the Union will discriminate against any employee because of race, religion, color, age, sex, sexual orientation, handicap, national origin, or veteran's status.

ARTICLE 6 EMPLOYER RIGHTS

6.1 The Company has and will retain the exclusive right and power to manage its business and direct the working forces, including but not limited to the right to hire, classify, grade, suspend, reassign, layoff, discharge, promote, demote, or transfer its employees and to assign or reassign work functions related to changes and revisions of equipment, methods of operation, or services unless otherwise provided within the terms of this Agreement. Nothing in this Agreement is intended to or is to be construed in any way to interfere with the recognized prerogative of the Company to manage and control the business.

ARTICLE 7 DEFINITIONS

7.1 **Employee.** Any person covered by this Agreement, including those classified as Regular or Temporary and excluding contractors.

7.2 **Regular Employee.** An employee selected for continuous employment. A regular employee may be either full-time or part-time status

7.3 **Full-Time Employee.** An employee normally scheduled to work forty (40) hours per week.

7.4 **Temporary Employee.** An employee hired to work for a period of up to 1040 hours to fill a specific requirement, unless the employee is hired for a special project in which case the duration will not exceed one (1) year. Extension of the time frames described herein must be requested in writing and mutually agreed to between the Company and Union. During the temporary employment period the Company may, at its option, transfer or dismiss such employee.

7.4.1 Temporary employees become eligible for wage progression, medical/dental, after 1,040 straight time hours of work and pension credit after 1,000 straight time hours of work. Seniority and all other rights become effective when and if a temporary employee becomes regular without a break in service.

7.5 **Calendar Week.** A consecutive period of seven (7) days, the first of which is Sunday.

7.6 **Shift.** The hours of work on a scheduled workday.

7.7 Permanent Headquarters. The location of the employee's regular reporting location. Each regular employee will be assigned to a permanent headquarters.

7.8 Probationary Period. 90 days of any new employment period for both full-time or part-time employee. During the probationary period the Company may, at its option, transfer, layoff, or dismiss such employee. The probationary period may be extended by the Company with written notification faxed to the Union prior to the end of the probationary period. The Union shall have three (3) working days to respond. During the probationary period (90 days) shifts may be assigned to optimize training opportunities.

ARTICLE 8 DISCIPLINE

8.1 Any supervisor disciplining an employee by a suspension or discharge shall issue a letter giving the reasons for such suspension or discharge and the length of suspension and forward a copy to the respective Union Business Representative. Failure of the supervisor to issue a letter shall not invalidate a suspension or discharge if such letter is provided promptly upon request by the employee or the Union.

8.1.1 Any supervisor writing a disciplinary letter without a suspension or discharge shall send a copy of said letter to the employee records, and the respective Union Representative. After one (1) year has passed without further written disciplinary action being taken, such disciplinary letter shall be removed from the employee's personnel files

8.2 In the matter of suspension, demotion, discharge or of discipline administered, if after hearing witnesses the appeal of the decision is upheld, the employee's record shall be cleared of all letters relating to such charges. Such hearing shall follow the established Grievance and Arbitration (if requested) Procedure.

8.3 In the interest of safety for the public, employees, and the Company, any employee convicted of a sex crime victimizing children shall be terminated and such conviction shall constitute just cause. Conviction, from the date of ratification of this agreement forward, for other serious felonies of a similar magnitude, as defined by like penalties under the Uniform Sentencing Guidelines of federal and/or state criminal codes, may also constitute just cause for termination depending on the circumstances of the case.

8.4 Employer shall have a written drug testing policy.

ARTICLE 9 GRIEVANCES

9.1 Each employee covered by this Agreement shall possess the right of appeal through the grievance procedure when that employee believes the Company or any of its representatives or supervisors has violated or failed to apply any of the specific terms of this Agreement. Each employee may take up a grievance with the Company on his/her own. However, proper representatives of the Union shall have the right to be present when the grievance is settled and the settlement shall not conflict with this Agreement. If, at any step of the grievance procedure, the Union decides to withdraw the grievance, the affected employee shall have seven (7) calendar days to continue the grievance on his/her own up to and including arbitration. The Company and the Union mutually agree to apply the arbitrator's decision without prejudice. It is further understood that the application of such decision will be limited to the instant case on a nonprecedent setting basis.

9.2 **Issue Resolution.** It is in the mutual interest of the Company and the Union to have potential grievances settled prior to the need for a formal grievance. Accordingly, an Issue Resolution Meeting may be requested with the appropriate supervisor within seven (7) days from the date of occurrence of the alleged contract violation to attempt resolution of the issue. Attendance at the Issue Resolution Meeting shall be limited to those individuals actually involved with the issue. Any resolution reached shall be final and shall not be considered precedent setting. In the event no resolution is reached, no record of the meeting shall be made, retained, or used in any ensuing steps of the grievance procedure or arbitration. The subject of any subsequent grievance or arbitration resulting from failure to reach resolution at this meeting shall be limited to the issue addressed in the meeting. If an unresolved issue is to be filed as a grievance, the grievance must be filed within seventeen (17) calendar days from the date of occurrence of the alleged contract violation.

9.3 A grievance is hereby defined as an alleged violation of the contractual relationship between employer and employee, or as an alleged violation of the terms of this Agreement or as any alleged act which unjustly and unlawfully causes an employee to lose his/her job or any of the contractual benefits arising out of the employee's job.

9.4 **Step 1.** An employee or group of employees having a grievance, shall within seventeen (17) calendar days of the date of occurrence of the alleged

contract violation, present the written grievance either in person or through a Shop Steward to the appropriate Manager concerned. The employee(s) or Shop Steward shall prepare and sign the grievance form furnished by the Union and present a copy to the appropriate Manager. The grievance shall contain the names of individual(s) who wish to be included in the grievance unless the issue is at least department wide. Copies of the grievance form shall be distributed to the appropriate Manager, Union Representative. Accordingly, copies of all step responses shall be distributed to the grieving party and/or Shop Steward, Union Representative. The appropriate Manager and Union Representative must meet or if mutually agreed to respond only, within seven (7) calendar days after the Manager's receipt of the grievance form. The Company will furnish a written response on the grievance form within ten (10) calendar days after such discussion. If the grievance is not settled satisfactorily at Step 1, Step 2 may be initiated.

9.5 **Step 2.** If the grievance is not settled at Step 1, the employee(s) or the Union Representative may, within seven (7) calendar days after receipt of the Company's written response to the Step 1 Meeting, submit a request in writing to Management for a Step 2 Meeting. The Department Head or his/her designated representative may also choose to attend. The Step 2 Meeting must be scheduled or take place within seven (7) calendar days from the company's receipt of the Step 2 request. The Company shall provide the Union Representative a written response to the Step 2 Meeting within ten (10) calendar days after the date of the discussion. Time frames for any step of the grievance procedure may be extended with mutual agreement between the parties. The parties may mutually agree to waive steps of the grievance procedure. Such waiver shall be in writing.

9.6 Failure of either party to meet the time limits provided above will result in a default, unless the time limits are extended by mutual agreement. Timeliness concerning written instruments shall be measured from the postmarked date of the properly addressed written instrument, or from verified date of hand delivery. If a default occurs, the grievance will be settled in favor of the non-defaulting party, as to the issue(s) identified and the employee(s) named in the grievance, and the remedy suggested.

9.7 In order to facilitate the proper handling of grievances, including attending an issue resolution meeting, the local Shop Steward, upon prior approval by his/her supervisor and service requirements permitting, will be given reasonable time, without loss of pay during normally scheduled hours, for necessary discussion regarding any grievance pertaining to his/her area of appointment. No other Union business shall be conducted during working time.

ARTICLE 10
ARBITRATION

10.1 There may be differences of opinion as to the interpretation of this Agreement, and it is the desire of the parties hereto to have these addressed as quickly and efficiently as possible. To this end the following rules shall apply:

10.2 All grievances which concern provisions of this Agreement between the Company and the Union not settled through direct negotiations may be submitted to an Arbitrator after all steps in the grievance procedure, as set out in Article 9, have been completed.

10.3 It is mutually agreed between the Company and the Union that prior to a request for an arbitration panel, the Business Manager and Labor Relations Manager and/or their designated representatives will have an undocumented discussion at the request of either party to determine if a potential solution exists.

10.4 The letter of intent to arbitrate shall be in writing and shall be submitted to the other party not more than ten (10) calendar days after the answer to Step Two of the grievance procedure has been received. Any extension of said ten (10) calendar days by mutual agreement must be in writing and signed by the Labor Relations Manager and Business Representative. At any time after receipt of the letter of intent to arbitrate, the responding party may demand that the party seeking arbitration request a panel of arbitrators within ten (10) calendar days of the demand. If, following receipt of the request for arbitration, the parties are unable to agree upon an arbitrator, application shall be made within ten (10) calendar days by the party seeking arbitration to the Federal Mediation and Conciliation Service for a panel of eleven (11) arbitrators. The arbitrator shall be selected from the panel within ten (10) calendar days after receipt of the panel of eleven (11) arbitrators in any manner mutually agreeable to the parties, except that if they cannot agree upon a method, then the arbitrator shall be selected by the party seeking arbitration first striking from the list the name of any arbitrator unacceptable to that party. The other party shall then strike a name and so on alternately until one (1) name remains. The remaining name shall be the name of the arbitrator. The arbitrator thus selected shall be notified in writing within seven (7) calendar days. The time limits provided for in this Section may be extended by mutual agreement.

10.5 The initial meeting before the arbitrator shall take place at the earliest date agreeable to the arbitrator and the parties.

10.6 It is agreed that no lawyer or legal advisor to either party shall be eligible to act as an arbitrator under the terms of this Agreement.

10.7 The arbitrator, who shall function in a judicial and not a legislative capacity, shall have only such jurisdiction and authority as is specifically granted to him/her by this Agreement. The arbitrator shall be limited to determining whether or not the Company (or Union) has violated or failed to apply the specific provision or provisions of this Agreement as initially presented in the grievance. The arbitrator shall have no power to destroy, change, add to, or delete from any of the specific terms of this Agreement. The arbitrator shall be required to provide his/her decision in accordance with the express language of this Agreement. Grievances not processed in accordance with the provisions of this Agreement shall not be subject to arbitration. Any matter coming before the arbitrator which is not within his/her authority, function and jurisdiction, as herein defined, shall be rejected by him/her on that basis without any further decision or recommendation. The arbitrator may not award any relief which imposes any obligation upon the Company (or Union) with respect to any period of time either before the effective date of this Agreement or after the expiration date of this Agreement.

10.7.1 Where an award involves back payment of wages by the Company, the amount awarded shall be less any amount received from other employment, public assistance, or Unemployment Compensation.

10.8 The decision of the arbitrator shall be final and binding upon both parties.

10.9 Failure of the grieving party to refer an unresolved grievance to arbitration or failure of either party to comply with the time provisions of the arbitration procedure, shall be deemed as a recognition of the other party's position and the dispute will be deemed to have been settled in favor of the nondefaulting party, as to the issues identified and the employees named in the grievance, and the suggested remedy.

10.10 Each party shall bear the expense of preparing and presenting its own case. The cost, if any, of the arbitrator and incidental expenses mutually agreed to in advance, shall be borne equally by the parties hereto.

ARTICLE 11 CLASSIFICATION CHANGES

11.1 Regular employee openings in the classifications named in Addendum 1 of this Agreement shall be filled only after each interested employee has been considered in accordance with the job bidding procedure provided in this Article, and the Company agrees to fill such openings with such employees interested whenever they are qualified and eligible.

11.1.1 At no time shall the qualifications for any particular vacancy be designed to fit any one particular individual, and in all cases qualifications and requirements shall be established prior to declaration of the vacancy.

11.2 A temporary job shall not exceed a period of up to 1040 hours to fill a specific requirement, unless the employee is hired for a special project in which case the duration will not exceed one (1) year. Extension of the time frames described herein must be requested in writing and mutually agreed to between the Company and the Union. The Company will notify the Union of any temporary job lasting more than thirty (30) calendar days, within thirty (30) calendar days after such temporary job is filled. Such notification shall identify the employee filling the temporary job, the employee's status, job location, classification, supervisor, and whether the job is being used to accommodate technological or methods changes. If a temporary job becomes regular, the Company shall not give preference to an employee who was temporarily assigned.

ARTICLE 12 REDUCTION OF FORCES

12.1 When the Company determines that conditions require a reduction of forces (defined as a reduction in the number of employees volunteers may be reclassified from full-time to part-time if such change in status would help alleviate the surplus condition. Prior to a force reduction, the Company Agreement. If there are not adequate volunteers or a reduction is still required, the reduction will be conducted in accordance with procedures that follow.

12.2 The Company will endeavor to notify the Union, in writing, prior to any layoff. The notification shall include the names, occupational classification and date of last hire of the employees to be laid off and will simultaneously notify the employee to be laid off.

12.3 Employees having the least seniority in the affected classification and status, shall be laid off first. Except for "KEY" employees.

12.4 The Company reserves the right to retain permanently disabled employees for whom significant job accommodations have been previously made.

12.5 A recall list comprised of laid off individuals will be established by the Company. The Company shall offer re-employment in classifications previously held and for which the individual is presently qualified to perform, before hiring new employees. Recall to temporary assignments may be offered by the Company. If accepted, the waiting period for wage progression, medical, dental, and life

insurance, and pension credit may be waived. The Company's responsibility for offering laid off individuals re-employment shall be limited to one (1) year from the date of layoff. Employees may waive their recall rights by indicating such on their recall form. Such waiver must be signed by the employee and may not be rescinded.

12.5.1 It shall be the responsibility of individuals laid off to keep the Company informed of the address at which they may be reached, and re-employment shall be offered in person or by certified mail addressed to the latest address furnished by the individual. Re-employment shall be in accordance with Seniority, provided that in the judgment of management the individual has incurred no impairment that would prevent the individual from performing the work. When an offer of reemployment has been made, the former employee shall advise the Company of acceptance within twenty-four (24) hours, of the date of delivery of the offer of reemployment. And shall report for duty at the designated work location within forty-eight (48) hours from the receipt of notification by the Company, unless prevented by just cause from reporting within that time. An individual who fails to accept reemployment to a regular position (same status full-time/part-time) when offered by the Company in accordance with provisions of this Section, shall be deemed to have forfeited all rights under this Article

12.5.2 Nothing in this Section shall limit the temporary employment of such individuals.

ARTICLE 13 ACCREDITED SERVICE

13.1 Accredited service means the aggregate of the years and months of active employment in the service of the Company. Accredited service shall include all active employment for which a wage or salary was paid and any additional excused absence time or leave of absence time that has been or will be specifically approved for service credit purposes in accordance with the policy, procedures or published statements established by the Company.

13.2 Regular employees accrue accredited service under this Agreement governed by the most recent date of employment unless adjusted by a break in service or change of status. Temporary employees do not accrue accredited service; however, if a temporary employee becomes a regular employee, the employee's accredited service reflects the total accumulated straight time hours from the most recent date of hire.

13.3 Accredited service established at the time of layoff due to a reduction of force or change in method of operation is reinstated if the employee is rehired within two (2) years.

13.4 Accredited service will be bridged for previous employees who are rehired. Such bridging will take place after the rehired regular employee obtains 1,000 straight-time hours of continuous service from the employee's date of rehire, provided the prior service equaled or exceeded 1,000 hours in a calendar year. The bridged date establishes the length of accredited service with the Company.

13.5 Employees who are rehired following disability will have their accredited service reinstated if they return to work within two (2) years of their termination.

13.6 Accredited service entitles an employee to a specific amount of PTO, retirement benefits, and service awards.

ARTICLE 14 SENIORITY

14.1 Seniority under this Agreement is the length of continuous service as an employee covered by this Agreement or any preceding collective bargaining Agreement between the I.B.E.W. Local 89 and the Company or its predecessors which covers the bargaining unit in Washington and Oregon as presently constituted.

14.1.1 If two (2) or more employees have the same seniority date, the employee with the earliest application for employment date shall be deemed senior. The employee with the lowest social security number will be deemed senior if application dates are identical.

14.2 Regular employees accrue seniority rights under this Agreement governed by the most recent date of hire. Temporary employees do not accrue seniority rights; however, if a Temporary employee becomes a regular employee, the employee's seniority reflects the total accumulated straight time hours from the most recent date of hire.

14.3 Seniority does not accrue during any absence from the bargaining unit other than a leave of absence of one (1) month or less. In any case the employee must directly report to work and continue employment for a period of not less than one (1) month to accrue such seniority.

14.4 **Reinstatement**

1. Seniority established at the time of layoff due to a reduction in force or change in method of operation is reinstated if the individual is rehired within two (2) years.
2. Individuals who are rehired following disability will have their seniority reinstated if they return to work within two (2) years of their termination.

14.5 **Leaves of Absence:** Seniority accrues during all leaves of absence of one (1) month or less.

14.6 **Uses: Seniority**

1. It is understood and agreed that in all cases of transfer, promotion and demotion, consideration shall be given to seniority, knowledge, training, ability, performance, skill, adaptability, and efficiency; and where qualifications are relatively equal, seniority shall govern.
2. Seniority shall apply to the selection of vacation periods as provided in Section 17.4.1
3. Seniority entitles an employee to preferences in the selection of shifts and days off including weeks with a holiday(s).

14.7 The Company shall furnish the Union with a list showing seniority dates and accredited service dates for all employees covered hereunder. The lists will be corrected at six (6) month intervals.

14.7.1 The Company will provide a corrected list every two (2) weeks during periods of Force Reduction.

**ARTICLE 15
ABSENCE FROM DUTY**

15.1 Regular employees may be granted a leave of absence without pay, service requirements permitting, for a period of up to one (1) month without loss of seniority

15.2 Accredited service. Such accredited service and benefits shall not accrue during any other approved leave of absence.

15.3 Regular employees with twelve (12) months or more accredited service will be eligible for a personal leave of absence provided vacation is taken or paid prior to such leave in accordance with Section 19.13.

15.4 No absence shall be authorized for the purpose of the employee pursuing another vocation or accepting gainful employment while on leave of absence, with the exception of approved military, civic, Union business leaves and a leave of absence related to disability in accordance with Section 11.9. Any employee who violates this provision automatically terminates his/her employment. No leave may be granted without assurance from the employee that he or she definitely intends to return.

15.5 An employee desiring to be reinstated from a leave of absence shall give the immediate supervisor at least two (2) weeks advance notice of the date such reinstatement is desired. If an employee fails to report for work on the planned and approved "date of return", such employee will be automatically terminated. Under extenuating circumstances this provision may be waived. A leave of absence may be extended beyond one (1) month only with advance written approval of the appropriate designee.

**ARTICLE 16
PAID TIME OFF (PTO)**

16.1 **Purpose of The Plan:** PTO is paid time off for rest and relaxation, short-term illness or injury, doctor or dentist appointments, to care for family members or other personal business.

16.2 **Eligibility:** Each Regular Full Time Employee

16.3 **Rate of Pay For Paid Time Off:** PTO shall be paid at 100% of the Employee's regular straight-time hourly rate

16.4 **Accrual Schedule:**

Regular Full Time Employees

Years of Service	1 thru 4	5 thru 9	10 thru 14	15 thru 19	20 thru 24	25+
Pay Period Accrual	3.08	4.62	5.39	6.16	6.93	7.7
Annual Accrual	80	120	140	160	180	200
Maximum Paid Time Off Balance	80	120	140	160	180	200

Employees begin their higher accrual rate during the pay period following their Continuous Service Anniversary date (e.g., 5 years, 10 years, 15 years, 20 years, 25 years).

Once an employee reaches their maximum balance, accrual of additional hours is suspended until the employee uses PTO and the balance is reduced below the maximum balance.

Accrued hours may be used in the pay period in which they are accrued.

Employees will accrue PTO for any pay period in which they receive all or a portion of pay for the entire pay period PTO will NOT accrue for any full pay period during which you are on unpaid leave for the entire pay period, layoff status.

16.5 Scheduled PTO: Eligible Employees may be granted scheduled PTO to begin at any time during the year, with specific considerations being given to:

- (a) Minimum interference with the Company's business; and
- (b) Bargaining Unit seniority.

Employees shall make their scheduled PTO requests at least thirty (30) days prior to the beginning date of the requested time off. Bargaining Unit seniority rights in the preferential scheduling of PTO must be exercised prior to March 31 of the year. Each Employee may select only one (1) preferred PTO period, which must be continuous. The date on which such selection process will begin for each section shall be established by mutual agreement between the Company and the Union. If the Employee elects to split their PTO accrual, the remainder may not be scheduled until all Employees with less seniority have been afforded a chance to schedule a preferred PTO period.

The scheduled PTO shall be posted in each operating headquarters.

16.6 Holidays Occurring During PTO: If a holiday is observed under this Agreement during an Employee's PTO, the Employee shall receive only holiday pay for that day

16.7 Unscheduled PTO: PTO not scheduled may be used by an employee provided the request does not create scheduling problems or additional expense to the Company.

In case of unscheduled PTO which is used for a personal illness or injury or family illness or injury the Company may require a physician's verification of disability.

16.8 Notice And Evidence Of Disability: An Employee unable to report to work because of illness or injury shall notify the designated Supervisor of the absence as promptly as available communication allows.

Misrepresentation by an Employee of the facts to any disability for which benefits may be claimed by the Employee shall disqualify the Employee for such benefits and shall be cause for disciplinary action. The Union pledges its cooperation with the Company in preventing abuse of the plan by its members.

In case of Paid Time Off which is used for a personal illness or injury or family illness or injury the Company may require a physician's verification of disability.

Medical evidence of disability may be required by the Company for any absence, and shall be mandatory for any single claimed disability in excess of six (6) calendar days. The expense of such medical evidence shall not be borne by the Company. The Company may require an examination of an Employee absent because of claimed disability either during the period of such claimed disability or upon the Employee's return to work, by a physician to be designated and paid for by the Company.

Medical evidence will be accepted from any physician (medical, osteopath, chiropractic, dental, or psychiatric) licensed by the state in which he practices, or other medical evidence may be accepted as mutually agreed between the Company and the Union.

16.9 Employee Disability: Non-occupational disability-related absences from work are paid from PTO at 100% of base pay for absences up to five (5) consecutive work days (40 hours), or unpaid if no PTO is available.

Intermittent time off up to five (5) work days (40 hours) within a 10 consecutive work day period for the same disability is paid from PTO, or unpaid if no PTO is available

16.10 Employees shall be paid any unused PTO accrual when they retire, terminate, are laid off or resign.

16.11 The Company retains the right to have an employee examined by an appropriate health professional selected by the Company at the Company's expense if there is a reasonable basis to believe that the employee is ill or the employee's physical or mental condition is such that the employee may cause personal harm or endanger other employees. Such examination may also be required in order to comply with Federal and/or State law or regulations.

16.12 Supervision will provide employees with can-be-reached telephone number(s) (which may include message telephones, in-charges, the employee shall endeavor to notify his/her supervisor of his/her impending absence as soon as possible.

16.13 **On-The-Job Injury:** Absence from work because of injuries sustained in the discharge of a regular employee's duty shall be paid from the first day without any waiting period at ninety percent (90%) of the employee's basic wage (the employee shall return to the Company any amounts received from Worker's Compensation) for a period not in excess of ninety (90) days. Said period is to commence not later than ninety (90) calendar days after the accident occurred, except in special circumstances with the approval of the appropriate Manager.

16.14 **Third-Party Compensation:** If an employee receives compensation from a third party or government agency for lost work time for which the employee has been compensated under this Article, the employee shall reimburse the Company for all sums paid by the Company for the lost work time for which such third party or government agency has paid, up to the net amount received from said third party or government agency after deducting all expenses incurred by the employee to collect such lost work time payment. An employee who is eligible for such compensation agrees to exercise reasonable efforts to collect from such third party or government agency. Any compensation received through an employee's individual income protection plan shall be excluded under this Section.

ARTICLE 17 HOLIDAYS

17.1 **Paid holidays** recognized hereunder shall be as follows:

- New Years Day
- Martin Luther King Day
- Memorial Day
- Fourth of July
- Labor Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas day

17.2 All regular employees shall be entitled to recognize holidays after completion of one (1) month of service.

17.3 Each eligible regular employee not scheduled to work on a holiday shall receive pay for eight (8) hours at the base rate, regardless of whether or not such holiday falls within the employee's normally scheduled workweek. When such holiday falls on an employee's day off, such time shall normally precede or follow the holiday.

17.4 Parttime eligible employees shall be entitled to holiday pay on a pro rata basis as described in Section 27.6.

17.5 When a holiday falls in the employee's vacation period, the employee will be given another vacation day off.

17.6 Any work performed on a holiday shall be paid for at the rate of one and onehalf (1-1/2) times the base rate plus incharge differential (if applicable) for each hour worked in addition to the holiday pay received for the same basic hours. Any employee scheduled to work a holiday will not receive another day off during the week.

17.7 Any employee who is scheduled to work the holiday but fails to report for work, shall receive no payment for the holiday unless excused by the Company.

17.8 If a holiday falls on a regular scheduled workday, the holiday is observed on that day. If a holiday falls on a nonscheduled workday, the following shall apply

- a) When the holiday falls on a Saturday or another unscheduled day, the preceding workday shall be observed as the holiday.
- b) When the holiday falls on a Sunday, the following workday shall be observed as the holiday.

ARTICLE 18 BENEFIT PLANS

18.1 **Group Medical Insurance:** The Company will provide comprehensive medical benefits with coverage available for full-time employees upon completion of service according to the plan. The Company agrees to make contributions for the comprehensive medical plan that the Company provides for regular employees. The Company contributions for the total comprehensive medical insurance premium, as now or subsequently determined by the Company, for regular full-time employees shall amount to one hundred percent (100%) of the medical insurance premium rate for regular full-time employees, including family.

18.2 **Group Dental Insurance:** Effective, the Company will provide dental benefits with coverage available for full-time employees upon completion of ninety (90) days. The Company agrees to make contributions for the dental plan that the Company provides for regular employees. The Company contributions for the total dental insurance premium, as now or subsequently determined by the Company, shall amount to one hundred percent (100%) of the insurance premium rate for regular full-time employees.

18.3 The Company will not cancel any medical insurance plan now in effect unless approved by the Union. The Company will provide payroll deductions for any group insurance plan provided for in this Agreement or subsequently in effect for the Company's employees which has been mutually agreed to between the Company and the Union.

18.4 The Company's Comprehensive Medical Plan will be as outlined in "Your Medical Benefits" summary plan description booklet. The dental plan will be as outlined in "Your Dental Benefits" summary plan description booklet.

18.5 Comprehensive Medical Benefits Plan coverage for dependents will be provided at Company expense for up to two (2) years following the death of an employee on the active payroll.

18.6 During the term of this Agreement, the Company agrees to negotiate with the Union any changes in the Plan which would reduce benefits.

18.7 Employees who are laid off shall continue to receive their medical insurance benefits for a three (3) month period.

18.8 Under no circumstances shall any of the provisions of this Agreement pertaining to group insurance, or the S & I Plan be made the subject of an arbitration proceeding, except the determination of accredited service as a basis for eligibility for such group insurance or plans.

ARTICLE 19 SAFETY, TOOLS & EQUIPMENT

19.1 The Company agrees to furnish and the employee agrees to use all necessary equipment and devices necessary to maintain the standard of service required by the Company and to keep in compliance with Federal and State Safety and Health Standards. Such items will be kept in good working condition. The Company shall determine what items to be used by employees, and necessity for replacement. Worn, or broken tools will be replaced by the Company on

presentation of such tools by the employee. Employees will be responsible for loss, theft, and misuse of furnished equipment. Replacement of such will be at the employee's expense.

19.2 There shall be a safety committee in each Serving Area/Department of the Company with equal representation from the craft and management to monitor local safety practices. The Union will name bargaining unit members on the committees as long as no more than one member is selected from each work group. State, Federal, or Municipal laws and regulations affecting safety practices that are in force in the locality in which work is being done shall be complied with at all times. Any employee may submit to his/her supervisor comments and suggestions concerning methods of performing work that will reduce possibilities of accidents or injuries. Opportunity shall be extended to every employee, at least once a month, to discuss safety practices and problems with his/her immediate supervisor and associated working group.

ARTICLE 20 HOURS OF WORK & WORK RULES

20.1 **Regular Workday/Shift.** The regular workday shall consist of eight (8) or ten (10) consecutive hours excluding a lunch period which will not exceed one (1) hour

20.1.1 **Lunch Period Waiver.** Employees may voluntarily choose to waive their unpaid lunch period on a temporary basis. An Employee choosing to waive their unpaid lunch period must submit a written request to their Supervisor and receive their written approval prior to the waiver being in effect. The written waiver shall include the length of time the lunch period is to be waived.

20.2 **Rest Breaks.** One (1) fifteen (15) minute mid-session break will be allowed in each session of a shift. Each fifteen (15) minute break shall be scheduled after the first hour of the session but before the last hour of the session, service requirements permitting. All such breaks shall be considered and paid for as time worked.

20.2.1 **Rest Breaks – Overtime.** Employees working overtime, shall be granted an additional rest break for each additional two (2) hour period, provided that no employee shall be given more than one (1) rest break in any four (4) hour session.

20.3 Regular Workweek Schedule. The workweek begins at 12:00 a.m. Sunday and extends to 11:59 p.m. on Saturday.

The regular workweek shall normally consist of forty (40) hours divided into five (5) consecutive shifts of eight (8) hours each. Days off in a regular workweek shall be scheduled on Sunday/Saturday, Sunday/Monday, or Friday/Saturday.

20.4 Four/Ten Workweeks. The Company may schedule 4/10s to meet customer demands.

Four/Ten Applications. The forty (40) hour workweek scheduled as 4/10s shall not be subject to overtime provisions until scheduled hours have been exceeded. The Company shall schedule two (2) consecutive days off when scheduling 4/10s. The Company will attempt to schedule three (3) consecutive days off, service requirements permitting. PTO compensation, jury duty, funeral absence holidays, vacations, and day-at-a-time vacation are based on ten (10) hours.

20.5 Workweek Schedule – Consecutive Mid-Week Days Off. A workweek consisting of forty (40) hours divided over four (4) or five (5) shifts. Any two (2) consecutive mid-week days may be scheduled off such as Monday/Tuesday, Tuesday/Wednesday, Wednesday/Thursday, or Thursday/Friday.

20.6 The days and hours at which employees shall begin and end their regularly scheduled shifts shall be established from time to time by the Company.

20.7 Regular and flexible scheduled hours of work shall be posted at regular intervals of no more than three (3) months on the bulletin board.

20.8 Shift Changes. When the needs of the service necessitate the changing of the hours, a minimum of fortyeight (48) hours' notice shall be given prior to the beginning of the shift to be changed.

20.9 The Company shall, when possible, give twentyfour (24) hours' notice for employees to work on their regular day or weekend off unless an emergency arises. If twelve (12) hours' notice is not given, the employee will receive meals in accordance with Section 10.

20.10 Regular employees shall not be scheduled for less than two (2) hours on any day.

20.11 When service requirements will permit, employees will be assigned their two (2) days off prior to leaving and on the two (2) days following their full week PTO periods.

20.12 Holiday time, worked or not worked, counts toward the regular workweek. All PTO time, shall be considered as part of the regular workweek. Any time worked in excess of forty (40) hours shall be paid for at the overtime rate.

ARTICLE 21 OVERTIME & PREMIUM PAYMENTS

21.1 Overtime hours will be computed to the nearest quarter hour and will include:

21.1.1 Hours actually worked in excess of eight (8) hours in any one (1) day or in any one (1) shift or ten (10) hours for a four day/ten hour shift.

21.1.2 Hours actually worked in excess of the normal forty (40) hour workweek.

21.1.3 In applying this Article, the only hours counted shall be hours actually worked or PTO time.

21.2 **Premium Payments.** Premium payments are payments in excess of the base rate of pay.

21.3 **Time and one-half** shall be paid for at the rate of one and one-half (1-½) times the base rate, including in-charge differentials (if applicable) for hours worked. For the purpose of paying time and one-half (1-½) the daily/weekly work period shall include PTO, and holidays in accordance with Sections 23.17. Under no circumstance shall an employee receive time and one half (1-½) for time not actually worked. In applying this Article, the only hours counted shall be hours actually worked.

21.3.1 Time worked in excess of 60 hours will be at the double time rate.

21.4 All overtime shall be paid for and no employees will be required to take time off for overtime worked or to be worked for the purpose of leveling off total earnings.

21.4.1 If mutually agreed in advance between the employee and the supervisor, an employee may take time off during the workweek for personal business and may make up such lost time during that workweek. In such cases the overtime clause in Sections 21.1.1 or 21.1.2 of this Agreement shall be considered voluntarily waived by the employee.

21.5 **Sunday Time.** Any time worked on Sunday shall be paid for at the rate of one and one-half (1 1/2) times the base rate plus job differentials but excluding shift premiums for each hour worked.

21.5.1 All time worked on Sunday shall count toward the regular workweek.

21.6 Employees called for duty before their scheduled workday begins shall be paid at the overtime rate for each overtime hour worked.

21.7 It is expected that employees will request relief from duty under conditions of fatigue which would constitute an accident hazard to themselves or fellow employees.

21.7.1 An employee who is fatigued from working overtime which results in not having an eight (8) hour break prior to the start of his/her next regular scheduled shift, upon request, shall have the option to either arrange for a late arrival of his/her regular scheduled shift (which would have fewer hours than a regular shift) or work a portion of his/her shift and receive pay for hours actually worked.

21.8 **Overtime Meals.** An employee, at his/her option, may be reimbursed for a commercially prepared meal that is customary and reasonable for the period involved, provided, however, that the cost for the meal does not exceed twenty dollars (\$20.00) plus tax.

a) **Eight (8) Hour Shifts:** After working eleven (11) consecutive hours (eight [8] hours straight time and three [3] hours overtime) an employee shall be entitled to an overtime meal. Any subsequent overtime meal(s) shall be after every five (5) hours of overtime worked.

b) **Four/Ten Shifts:** Employees working 4/10's shall be entitled to an overtime meal after working thirteen (13) consecutive hours (ten [10] hours straight time and three [3] hours overtime). Any subsequent overtime meal(s) shall be after every five (5) hours of overtime worked.

21.8.1 Meals provided for may only be eaten during regular breaks in a shift or immediately following a shift. In a case where a regular shift begins after 6:00 p.m. and is preceded or extended by a three (3) hour overtime period, the meal must be eaten prior to the end of the day in which the shift ends.

21.8.2 Receipts for meals may be required by supervisors as a condition of payment.

21.9 **Call Outs.** All regular fulltime employees called to work outside of scheduled work hours shall receive a minimum of two (2) hours at the overtime rate except that such minimum will not apply where such work continues into the employee's next regularly assigned shift. Minimum pay shall be one (1) hour if the work is performed remotely from the employee's home.

21.9.1 When an employee is called out, traveling time to and from work shall be considered as paid time. When such employee does not return home prior to commencement of his/her regular shift, only travel time to work will be paid.

ARTICLE 22 COMPENSATION

22.1 Employees shall be paid wage rates in accordance with the provisions of Addendum I of this Agreement. Accredited service for full-time employees does not accrue for wage progression purposes while on a leave of absence.

22.1.1 The Employer may elect to hire/rehire an Employee at any step in the wage schedule, however, progression from the hiring wage step shall commence six (6) months from the date of hire/rehire.

22.2 Job descriptions for all classifications have been established, but said job descriptions describe only general areas of responsibilities and do not delineate every function performed. Said descriptions are only intended to give an outline of the content of each classification. Job descriptions and the duties of any job classification may be revised or new job classifications established by the Company, provided, however, that the position of each new or substantially revised job classification in the wage schedule shall be mutually agreed to by the Company and the Union, and in the event of their failure to agree, the position of the job classification in the wage schedule shall at either party's request be subject to the arbitration procedures of Article 10 of this Agreement.

22.2.1 If an employee has been reclassified, as a result of evaluation of job duties to a lower wage group which more accurately reflects the actual job performed, the employee's job title will be changed and the employee's wage rate will be frozen until the wage rate of the correct wage group matches or exceeds the frozen rate or the employee makes a job change. If an employee is reclassified to a higher wage group, the wage rate will be adjusted upward to the nearest rate on the new schedule. Such rate change shall commence on the effective date of the classification change. Step increases shall date six (6) months from the effective date of the classification change. For lateral changes, the next scheduled increase shall date six (6) months from the date of the employee's last scheduled increase on their former classification.

22.3 The position of new or substantially revised job classifications in the wage schedule shall be determined by considering the relative skill, effort, responsibility

and working conditions of such classifications as compared with other classifications in said wage schedules.

22.4 Shift Premiums. A one dollar (\$1.00) per hour premium will be paid for each regularly scheduled hour worked between the hours of 9:00 p.m. and 6:00 a.m. Such payments shall not be provided to employees who have been granted a shift change at their request.

22.5 Foreman’s Differentials. The Company may specifically appoint an employee Foreman. An employee so appointed may accept or reject such appointment, and if accepted, he or she thereby accepts the additional responsibility of assigning and supervising the work of the employees for whom he or she is responsible. An employee not appointed as Foreman pursuant to this Section does not have the additional responsibility of assigning and supervising the work of other employees, except as provided in the employee’s job description. Foreman differential ends when an employee is no longer assigning and supervising other employees or when his/her regular scheduled shift ends.

- Foreman’s Rate: 125% of top rate of pay

**ADDENDUM I
COMPENSATION**

The following are the job classifications and wage groups for all employees covered by this Agreement:

WAGE GROUP

Group 3

JOB CLASSIFICATION

Assembler
Machine Operator
Shipping/Receiving Clerk

WAGE SCHEDULE

Group 3	Minimum Wage Multiplier	Wage as of 2/17/2024
Start	1.02x	\$16.61
6 months	1.20x	\$19.54
12 months	1.43x	\$23.28
18 months	1.67x	\$27.19

24 months	1.97x	\$32.07
30 months	2.27x	\$36.96
36 months	2.57x	\$41.84

A new wage schedule shall be created each November using the upcoming year's Minimum Wage rate, to go into effect January 1st.

<p style="text-align: center;">LETTER OF UNDERSTANDING SAVINGS AND INVESTMENT PLAN</p>

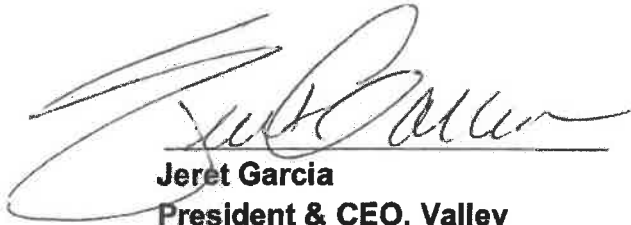
<p style="text-align: center;">The company will provide a savings and investment plan, 401K, per the following:</p>

<p style="text-align: center;">The company will match 50% up to 6% of the employees annual salary.</p>
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SIGNATURE PAGE

This document is the final settlement Agreement between Valley Electric and I.B.E.W Local Union 89.

FOR THE COMPANY

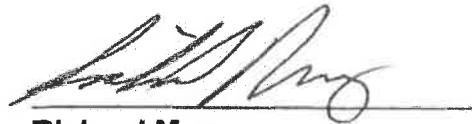


Jeret Garcia
President & CEO, Valley
Electric Co. of Mt Vernon, Inc.
d/b/a Valley Electric

3-28-2024

DATE

FOR THE UNION



Richard Murray
Business Manager/
Financial Secretary
I.B.E.W. LOCAL NO. 89

3/27/2024

DATE



THIS AGREEMENT is subject to the approval of the INTERNATIONAL PRESIDENT OF THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO.