

AGREEMENT
BETWEEN
TEAMSTERS UNION
LOCAL 481



And
WESTSIDE BUILDING MATERIAL
SAN DIEGO, LLC.

November 1, 2023— October 31, 2028

COLLECTIVE BARGAINING AGREEMENT

BETWEEN

PGS WESTSIDE I, INC.

LOCATED IN SAN DIEGO, CA

AND

Building Material, Construction, Industrial, Professional and
Technical Union, TEAMSTERS LOCAL 481

*Affiliated with the
International Brotherhood of Teamsters*

Effective November 1, 2023 - October 31, 2028

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2023-2028

PGS Westside I, Inc., SAN DIEGO

This agreement, made and entered into by and between PGS Westside I, Inc., San Diego, hereinafter known as the Employer, and the Building Material, Construction, Industrial, Professional and Technical Teamsters, Local #481, affiliated with the International Brotherhood of Teamsters, hereinafter referred to as the Union.

Section 1 – Purpose of Agreement:

The purpose of this agreement is to develop a working relationship between the employer and the union in which the rights of both parties are to be mutually recognized and respected, and to maintain harmonious relations and conditions of employment between the employer and its employees on all production, handling, and maintenance work during the life of this agreement.

Section 2 – Union Security:

Pursuant to the terms of Section VII(A)(3) of the Labor Management Relations Act, 1947, as amended, there shall be no limitation of the employer as to whom he shall employ, continue in employment, or discharge, except that every employee listed under Section IV, hereof, not otherwise excluded shall be or shall make application before going to work and within thirty-one (31) days become and remain a member in good standing of the union. Those employees excluded shall be outside salesmen, superintendents, clerical employees, guards, supervisors, laboratory, research and development employees and any employees permanently assigned to facilities outside San Diego County, California as defined in Section II of the Act. Nothing contained herein shall conflict with the laws of the Building Material, Construction, Industrial, Professional and Technical Teamsters, Local #481, affiliated with the International Brotherhood of Teamsters.

Section 3 – Pay Period:

Employees will be paid bi-weekly.

Section 4 – Classification, Compensation and Wages:

Trainers of new employees shall receive \$1.00 per hour premium pay, not to exceed eighty (80) hours per new employee. All entry level classifications will receive:

Job Title	Current Scale	Nov 1, 2023	Nov 1, 2024	Nov 1, 2025	Nov 1, 2026	Nov 1, 2027
Class A Driver	\$27.00	\$31.00 (+\$4.00)	\$31.93	\$32.89	\$33.88	\$34.90
Small Truck Driver	\$22.18	\$23.50 (+\$1.32)	\$24.21	\$24.94	\$25.69	\$26.46
Stock Leadman (3 or more)	\$25.38	\$26.75 (+\$1.37)	\$27.55	\$28.38	\$29.23	\$30.11
Stock Leadman (3 or more) with Class A	\$27.38	\$30.00 (+\$2.62)	\$30.90	\$31.83	\$32.78	\$33.77
Stocker	\$22.18	\$23.50 (+\$1.32)	\$24.21	\$24.94	\$25.69	\$26.46

Stocker with Class A	\$23.18	\$25.75 (+\$2.57)	\$26.52	\$27.32	\$28.14	\$28.98
Warehouse Crew Leader	\$25.21	\$26.50 (+\$1.29)	\$27.30	\$28.12	\$28.96	\$29.83
Warehouse Crew Leader with Class A	\$26.21	\$28.75 (+\$2.54)	\$29.61	\$30.50	\$31.42	\$32.36
Warehouse	\$22.18	\$23.50 (+\$1.32)	\$24.21	\$24.94	\$25.69	\$26.46
Warehouse with Class A	\$23.18	\$25.75 (+\$2.57)	\$26.52	\$27.32	\$28.14	\$28.98
Warehouse Helper (New hire)	\$19.80	\$21.05 (+\$1.25)	\$21.68	\$22.33	\$23.00	\$23.69
Warehouse Helper (New hire) with Class A	\$20.80	\$23.30 (+\$2.50)	\$24.00	\$24.72	\$25.46	\$26.22
Mechanic (with Class A)	\$30.50	\$34.50 (+\$4.00)	\$35.54	\$36.61	\$37.71	\$38.84

Additional pay premium if performing Class A Driver classification work, paid at current Class A Driver pay rate, i.e., \$31.00/hour. If a Warehouse Crew Leader, Warehouseman or Warehouseman Helper is assigned to drive a Class A truck during any part of a workday or whole workday, the employee will receive Class A Driver classification pay for the entire work day whenever asked to drive a truck. Class A Drivers, to be paid at a Class A pay rate, must not have any limitations on their license, must have passed all driving exams, and must be able to perform all requirements of a licensed Class A Driver.

New Wage/Raise Scale:

All above new hires without previous experience in building material business \$6/hour less than scale:

After 30 days	\$5.50/hour less than scale
After 180 days	\$4.50/hour less than scale
After 365 days	\$2.50/hour less than scale
After 545 days	\$1.50/hour less than scale
730 days	top of scale

Profit Sharing Bonus:

WHEREAS, Westside Building Material San Diego, LLC's fiscal year previously ran from January 1 to December 31 each year.

WHEREAS, the fiscal year of PGS Westside I, Inc., the successor of Westside Building Material San Diego, LLC, runs from May 1 to April 30 every year.

WHEREAS, the parties desire to transition to PGS Westside I, Inc.'s fiscal year for Profit-Sharing Bonus purposes while also keeping the employees whole during the transition.

Beginning in 2023, by the 15th of July each year, the Company will pay a profit-sharing bonus to eligible employees provided the Company's San Diego and National City yards have a net pre-tax profit of more than \$500,000 in the prior fiscal year, May 1 through April 30.

Employees are not eligible for profit-sharing if: (1) the employee did not complete his probationary period; (2) the employee quits or is fired during the fiscal year; or (3) the employee works less than 1,000 hours during the fiscal year.

If the Company's San Diego and National City yards do not make a net pre-tax profit of \$500,000, the Company will make a copy of its Federal Income Tax Return and its internally prepared financial statement for the San Diego and National City yards available to verify this fact.

If the net pre-tax profit exceeds \$500,000 but does not exceed the amount necessary to pay a full five percent (5%) bonus to employees, then the amount of the bonus will be determined by the amount of the net pre-tax profit that exceeds \$500,000.

Example: The Company's San Diego and National City yards have a net pre-tax profit of \$520,000. Union Employees' earnings were \$800,000 for the fiscal year. Five percent (5%) of \$800,000 is \$40,000 but pre-tax profit over \$500,000 was \$20,000; therefore, the profit sharing contribution would be \$20,000 or two and one-half percent (2 1/2%) of annual employees' earnings.

For purposes of determining the profit-sharing bonus for employees, there will be no carrying forward or backward of earnings or losses from year to year.

PAGA:

WHEREAS, Governor Jerry Brown signed Assembly Bill 1654 ("AB 1654") on September 19, 2018, which added Section 2699.6 to the Labor Code;

WHEREAS, AB 1654 exempts from the coverage of the Private Attorneys General Act (Part 13 of Division 2 of the Labor Code (commencing with Section 2698)) ("PAGA") any "employee in the construction industry," as that term is defined by Labor Code § 2699.6(d), with respect to work performed under a valid collective bargaining agreement that meets the requirements of AB 1654, in particular, Labor Code § 2699.6(a) ("Exemption");

WHEREAS, the application of that Exemption requires satisfaction of certain conditions set forth in Labor Code § 2699.6(a)(1)-(3), which mandates that a collective bargaining agreement such as the Agreement contain wages, hours of work, and working conditions of employees, premium wage rates for all overtime hours worked and for the employee to receive a regular hourly pay rate of not less than 30 percent more than the state minimum wage rate and the following provisions:

- (1) Prohibits all of the violations of the Labor Code that would be redressable pursuant to PAGA, and provides for a grievance and binding arbitration procedure to redress those violations.
- (2) Expressly waives the requirements of PAGA in clear and unambiguous terms.

(3) Authorizes the arbitrator to award any and all remedies otherwise available under the Labor Code, provided that nothing in this section authorizes the award of penalties under this part that would be payable to the Labor and Workforce Development Agency.

WHEREAS, it is the intent of the Parties that all regular hourly wage rates shall be no less than 130% of the minimum wage for the State of California for all job classifications covered by the Agreement, as set forth in Section 4 "Classification. Compensation and Wages," which the Parties seek to amend though this MOU;

WHEREAS, Section 10 of the Agreement contains provisions authorizing the filing of a grievance which can be pursued to final and binding arbitration, for which the Parties seek to amend through this MOU;

WHEREAS, Section 10 of the Agreement also provides language of the Parties intent to avail themselves of the Exemption set forth in Labor Code §2699.6, for which the Parties seek to amend herein this MOU in order to more fully meet the requirements of the Exemption and avail themselves of this Exemption by agreeing to the terms of this MOU;

WHEREAS, all Recitals shall be deemed Resolutions and all Resolutions shall be deemed Recitals.

RESOLUTIONS:

WHEREFORE, effective immediately, and for the remainder of the year 2021, the regularly hourly wage rate of \$18.00 per hour for Warehouse Helpers, effective as of November 1, 2021, per Section 4 of the Agreement, is superseded and replaced with the regular hourly wage rate of \$18.20 per hour and, effective January 1, 2022, replaced with the regular hourly wage rate of \$19.50 per hour.

WHEREFORE, effective January 1, 2022, the regular hourly wage rate of \$19.00 per hour for Warehouse Helpers with a Class A driver's license, effective as of November 1, 2021, per Section 4 of the Agreement, is superseded and replaced with the regular hourly wage rate of \$19.50 per hour.

WHEREFORE, effective immediately, and for the remainder of the year 2021, the "New Wage/Raise Scale" set forth in Section 4 of the Agreement is amended such that the regular hourly wage rates shall be no less than \$18.20 per hour, at any time during the first 730 days, for any and all new hires without previous experience, in any job classification; and, effective January 1, 2022, shall be no less than \$19.50 per hour at any time during the first 730 days, for any and all new hires without previous experience, in any job classification.

WHEREFORE, for years past 2022, the regular hourly wage rates, pertaining to all job classifications covered by the Agreement, including any and all new hires without previous experience, will automatically increase to no less than 130% of the then-current minimum wage for the State of California.

WHEREFORE, pursuant to California Labor Code Section 2699.6, the Parties hereby expressly and unambiguously waive the provisions of the California Private Attorneys General Act (PAGA), Labor Code Section 2698, *et seq.*, and agree that none of the provisions of that statute apply to any of the employees covered by the collective bargaining agreement between the undersigned Parties (the "Agreement").

WHEREFORE, the Parties further agree that this Agreement expressly prohibits any and all violations of the California Labor Code sections identified in Labor Code §§ 2699.5 and 2699(f) as well as any others that would be redressable by PAGA, and that such claims shall be resolved exclusively through the final and binding arbitration as set forth in Section 10 of the Agreement and shall not be brought in a court of law or before any administrative agency such as the California Labor Commissioner.

WHEREFORE, an arbitrator presiding over an arbitration conducted pursuant to the grievance and arbitration procedure contained in Section 10 to the Agreement shall have the authority to make an award of any and all remedies otherwise available under the California Labor Code, except for an award of penalties that would be payable to the Labor and Workforce Development Agency.

WHEREFORE, all claims or disputes involving alleged violations of the Industrial Welfare Commission Wage Order 16, the California Labor Code, and the Fair Labor Standards Act, and all derivative claims under Cal. Business & Professions Code section 17200, *et seq.*, as well as for associated penalties, shall be subject to final and binding arbitration pursuant to the grievance and arbitration procedure contained in Section 10 of the Agreement. To the extent permitted by law, all such claims or disputes shall be brought by or on behalf of the employee in their individual capacity only and not as a member of any purported class, collective or representative proceeding, and the arbitrator shall not have the authority to fashion a proceeding as a class, collective or representative action or to award relief to a group or class of employees in one arbitration proceeding beyond the traditional application of an award to the bargaining unit covered by this contract.

WHEREFORE, the Agreement, as amended through this MOU, shall apply to any representative PAGA claims and class claims that arise or are pending during the term of the Parties' current Agreement, regardless of when they were filed with any court or administrative agency.

Section 5 – Holidays:

- (A) The following days will be classified as paid holidays:
- New Year's Day
 - Memorial Day
 - Fourth of July
 - Labor Day
 - Thanksgiving Day

Day after Thanksgiving Day
Day before Christmas Day
Christmas Day
Personal Holiday

Each employee will be granted one personal holiday between January 1, and December 31, annually. The personal holiday may be taken only with supervisory approval and one week's notice. Each employee must be on the job the day before and the day after any personal holiday. Personal holiday is granted according to the calendar year. Upon termination, employees are paid for earned but unused personal holiday. **Employees are to be informed on or about December of their accrual status.**

(B) When a holiday falls on a day during the weekend (Saturday or Sunday), the employer at his option, may dedicate that holiday to the Monday after the weekend or the Friday before the weekend. Employees shall be notified at least three (3) working days prior to the day of celebration of the designated day.

(C) All employees covered by this agreement are eligible after completing the introductory period of one hundred fifty (150) days prior to the holiday, and shall receive one day's pay (as defined in Section 6, paragraph A) at their regular straight time rate for the above named holidays when not worked, provided they shall have been in continuous employment of the employer (**i.e. Not on a Leave or Suspension status**). Each employee must be on the job the day before and the day after any holiday unless approved by management.

(D) Any work performed on Christmas and New Year's Day shall be paid for at the rate of two (2) times the regular rate of pay.

Section 6 – Straight and Overtime Work:

(A) Eight (8) hours shall constitute a day's work.

(B) Any time worked in excess of eight (8) hours in a workday shall be paid for as such at the rate of time and one-half (1/2) the regular rate of pay.

(C) Forty (40) hours shall constitute a regular work week from Monday through Friday inclusive.

(D) Any time worked in excess of forty (40) hours in any one week shall be paid for at the rate of time and one-half (1/2) the regular rate of pay.

(E) A Saturday straight time day, or partial day, may be worked as directed by the employer. Employees who have not completed a full forty (40) hour regular work week and who work on Saturday, shall be paid at straight time rates up to the completion of forty (40) hours for that week.

(F) Any work performed on Sunday shall be paid for at the rate of two (2) times the regular rate of pay.

(G) When an employee is called into work and works a shift of non-consecutive hours interrupted by more than two (2) hours, the employee will be compensated for

inconvenience, by being paid a premium of one (\$1.00) dollar per hour for each hour worked after he returns to work for the second part of the shift.

(H) At the option of the Employer(s) and with three (3) day's notice, a guaranteed four day per week, ten (10) hour per day work shift may be established. The regular work week shall be Monday through Friday. Pay for each of these four days shall be ten (10) hours at the straight-time hourly rate.

Section 7 – Meal & Rest Breaks and Other:

(A) An employee's lunch period shall start within the fifth (5th) hour after he starts to work, however, no meal period will be provided if six (6) hours will complete the day's work for the employee. Each employee who works more than six (6) hours in a day shall be provided a thirty (30) minute, unpaid meal period, which shall commence between the end of the third and the end of the fifth hour worked on the shift. If an employee is not provided a thirty (30) minute meal period, the employee will be paid for the meal period. If an employee works more than ten (10) hours in a day, that employee shall be provided a second thirty (30) minute, unpaid meal period, unless the total hours of work is not more than twelve (12) hours, in which case the employee may waive the second meal period. An employee may waive the second meal period only if the employee did not waive the first meal period for that day.

(B) Regular employees are to return to work the following regular work day if not otherwise notified the night before, and shall be considered as ordered to work.

(C) A minimum of one (1) hour's pay will be paid whenever employees are ordered to work and no work is performed.

(D) If an employee elects to leave work before completing a day's work, he will be paid for the hours worked at the wage for the work performed.

(E) The company agrees to notify the union of any new or rehired employees after one (1) week of employment on a form supplied by the union.

(F) The business agent of the union shall be permitted to visit the plant during working hours with the acknowledgment of management.

(G) When trucks are being loaded in the yard, a member of the Teamsters Local No. 481 shall be present at all times to move the truck whenever possible,

(H) Subsistence: When a driver is held overnight away from home, he will be allowed a reasonable amount for expenses.

(I) Drinking Water: As required by the state labor code, every employer shall provide fresh and pure drinking water to his employees during working hours. Access to such drinking water shall be permitted at reasonable and convenient time and places.

(J) If uniforms are required by the employer for certain job classifications, they will be provided. Other employees may wear uniforms at their own expense. The employer reserves the right to approve all uniforms. If provided, uniforms and safety equipment must be worn by the employee as a condition of continued employment.

(K) Physical Examination: When a physical examination is required by the employer or by law, the employer shall bear the cost of such examination.

(L) Rest Periods: All employees shall receive a ten (10) minute rest period twice each day. Such rest period shall be granted as near the middle of the first four (4) hours and the

middle of the second four (4) hours of the shift as possible. All necessary work interruption shall not be prohibited because of these established rest periods.

Section 8 – Seniority:

(A) Seniority shall be as defined in this Section and shall apply to the matters provided in this section. Seniority rights, once established, start from the date of employment by the employer, however, employees will have no seniority rights until after a probationary period of one hundred and fifty (150) days of continuous employment. Seniority shall be terminated upon:

1. resignation of an employee
2. retirement
3. discharge
4. failure to return to work within three (3) days of receipt of a notice to return to work, or
5. if the employee performs no work for the employer within the bargaining unit for a period of twelve (12) months. (Note: Both parties agree that employees currently mid-stream within the twenty-four (24) month window would be allowed the twenty-four (24) month time frame.)

(B) In case of a reduction of force and recall from such reduction, departmental seniority shall control, provided that the senior employee in the judgment of the employer possesses the skill and ability to perform the job.

(C) Employees exercising seniority rights on A1 and A2 must be able to perform the job.

(D) Where practical, the senior employee shall be offered Sunday and holiday work.

(E) In the event of a vacancy in any teamster classification, present employees on the payroll shall be given the opportunity to apply for the position before an outside person is hired for the position. Such notices of vacancies shall be posted for a period of seventy-two (72) hours.

Section 9 – Steward:

The job steward shall be a working employee, selected by the union, who shall, in addition to his regularly assigned work, be permitted to perform during working hours such of his steward's duties which cannot be performed otherwise. The union agrees that such duties shall be performed as expeditiously as possible, and the employer agrees to allow the performance of such duties as herein set forth. The union shall notify the employer, or his representative, in writing, of the appointment of the job steward, and the employer, or his representative, prior to laying off or discharging the job steward for cause will meet with the representative of the union servicing the particular job or project, two (2) full working days prior to such intended layoff or discharge. If, at that time, it is determined it is a justifiable layoff or discharge, the employer, or his representative, will notify the union, in writing, of these results.

Section 10 – Grievance and Arbitration:

In the event of a grievance, as to the meaning or interpretation of alleged violation of a specific provision of this agreement, filed in writing with the company within ten (10) days after the event giving rise to the grievance, the parties hereto shall exercise every amicable means to settle or adjust it. In the event of failure to accomplish the settlement or adjustment thereof within five (5) working days after filing with the company, the union may, by written notice to the company,

refer the matter to arbitration. The parties may, by mutual written consent, extend the time period. The parties shall meet and mutually agree on an arbitrator. If no agreement is reached within ten (10) days, an arbitrator shall be selected from a panel of seven (7) names submitted by the state conciliation service by alternate striking of names until one remains, with the company striking the first name.

Any grievance by either party must be filed within ten (10) days after the event or incident involving an alleged violation or the right to grieve is void.

The arbitrator shall have no power to alter, amend, change, add to, or subtract from, any of the terms of this agreement, but shall determine only whether or not there has been a violation of this agreement in respect as alleged in the grievance. The decision of the arbitrator shall be based solely upon the evidence and arguments presented to him by the respective parties in the presence of each other. The decision of the arbitrator, within the limits herein prescribed, shall be final and binding on the parties to the dispute. The compensation of the arbitration shall be shared equally by the company and the union. The decision shall be made by the impartial arbitrator within thirty (30) days after all briefs have been submitted to him.

In the event either party refuses to submit to arbitration in accordance with the provisions of the agreement, the other party shall thereupon be released from all obligations under section XII of this agreement (strikes and lockouts).

Failure to pay wages, vacation and holiday pay, health & welfare and pensions, shall not be subject to determination by the grievance procedure or interfere with collection by the labor commissioner.

APPLICABILITY OF GRIEVANCE & ARBITRATION PROCEDURE TO EMPLOYMENT DISPUTES:

(A) The parties hereby agree that (i) any employee claims regarding overtime, meal periods, rest periods or any other subject matter covered by any and all applicable wage orders issued by the State of California including Wage Order 16-2001, any applicable Wage Order, and/or Labor Code sections 201-204, 226, 226.7, 510, 512, 1194, 1194.2, or 1197, or any other statutes which recovery is based upon the wage orders and/or Labor Code provisions, above, or (ii) any employee claims that could be asserted under all state and federal anti-discrimination laws, including but not limited to the California Fair Employment and Housing Act, Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Americans with Disabilities Act, the California Family Rights Act, the Family and Medical Leave Act, and the Pregnancy Disability Leave law, will be processed exclusively under and in accordance with the dispute and grievance procedure set forth in this collective bargaining agreement between the parties.

The Union shall determine whether to participate in any grievance asserted under subsection (a). If the Union determines to participate, the Union may pursue the grievance

on behalf of all affected employees, including through arbitration. In the event that the Union determines not to participate in a grievance under subsection (a), the employee may pursue the grievance with a private attorney. In the event that the Union determines not to participate, the grievance shall be brought in an individual capacity only and not as a group, class, or representative proceeding. In such proceedings, the Arbitrator shall not have the authority to fashion a proceeding as a class or collective action or to award relief to a group or class of employees in one arbitration proceeding under this section.

- (B) Pursuant to California Labor Code Section 2699.6, the parties clearly and unambiguously waive the provisions of the California Private Attorney Generals Act (PAGA), Labor Code Section 2698, et. seq, PAGA, and agree that none of the provisions of that statute shall apply to any of the employees covered by this Agreement. The parties further agree that the Union may file a grievance pursuant to this Agreement's Grievance/Arbitration Procedure and such a grievance can assert any and all violations of the Labor Code that are redressable by PAGA, which include those sections enumerated in Labor Code §§ 2699.5 and 2699(f) as well as any others as may be necessary to ensure the arbitrability of PAGA claims.

Section 11 – Strikes and Lockouts:

It is agreed by the parties hereto that there will be no lockouts, strikes, work interruptions, slowdowns, or any other interference with work during the term of this agreement.

Section 12 – Equal Opportunity:

The employer agrees that he will not discriminate against any employee or applicant for employment because of race, color, creed, sex, national origin, or union membership in accordance with existing or subsequently enacted state or federal law.

Section 13 – Management Rights:

It is recognized that the management of the business and the direction of its working force including, but not necessarily limited to, the right to hire, transfer, change assignments, promote, demote, suspend, discharge, discipline and to lay off employees for lack of work or other legitimate reasons, to maintain discipline and efficiency of all employees, to establish work schedules and to make changes therein essential to the efficient operations of the company, are the normal rights of the company.

The company shall be the judge in all matters pertaining to the products to be sold, manufactured, location of plants or operations, production schedules and the methods, processes and means of manufacture and materials to be used, including the right to introduce new and improved methods and facilities, number of employees on a job or machine, level of or quality of work performance.

Section 14 – Split Classification:

The employer reserves the right to work employees in the various classifications, including any classification not listed, in any work agreeable to the employer, employee and the union, at the rate of wages for the work performed.

Section 15 – Extra Shifts:

- (A) If the employer elects to work multiple eight (8) hour shifts, pay will be determined as discussed in section, straight and overtime work. Additional shifts shall be in effect for periods of one or more full work weeks. If shifts are not scheduled consecutively, weather permitting and failing to do so, all time worked by said extra shift will be considered as overtime.
- (B) A shift may consist of one or more workers as the case may require.

Section 16 – Handicapped Workers:

Any employee who has become partially incapacitated by age, or by physical or mental handicaps, or temporary disabilities, or other infirmities, may work at any work agreeable to the employer, the employee, and the union at the rate of wages satisfactory to the parties concerned.

Section 17 – Vacations:

- (A) Each full-time employee shall earn:
1. One weeks' vacation with pay after one year of service with the employer. Vacation pay to be accrued at .77 hours per week paid.
 2. Two weeks' vacation with pay after two years of service with the employer. Vacation pay to be accrued at 1.54 hours per week paid.
 3. Three weeks' vacation with pay after ten years of service with the employer. Vacation pay to be accrued at 2.31 hours per week paid.
 4. Four weeks' vacation with pay after twenty years of service with the employer. Vacation pay to be accrued at 3.08 hours per week paid.
- (B) Vacation pay for each week of vacation shall be computed by multiplying the number of hours in the weighted average of the regularly scheduled work weeks during the qualifying year, by the straight time hourly rate of pay, but shall in no event be more than forty (40) hours pay for each week of vacation.
- (C) Each employee shall be considered as having a year's continuous service and a year's eligibility for vacation for each completed year, starting from the date of his employment, in which he has worked at least twelve hundred (1200) straight time hours for the company.
- (D) Employees must submit vacation requests in writing to their direct supervisor in advance. The vacation schedule shall be posted annually as of November 15th and employees shall exercise their choices by bidding seniority. The list shall be closed as of December 15th (final posting by December 31st). Subsequent vacation requests shall also be made in writing with seniority being the tie breaker should the number of employees requesting vacation exceed the number of available slots. When possible, vacation requests are granted, taking into account operating requirements. If a holiday occurs during an

employee's vacation, it shall not be counted as a vacation day and the employee may take an additional day with prior approval from his supervisor. This approval is to be gained prior to the start of the vacation. If the employee does not schedule the additional day with his supervisor prior to taking his vacation, he will be expected to return to work following his vacation and the holiday missed during the vacation period will be rescheduled to another day by mutual agreement between the employee and his supervisor.

- (E) Employees shall be allowed to carry over paid vacation from the previous year to be used no later than the last day of February of the following year. Any such carried over vacation hours not used by the last day of February shall be paid out annually no later than March 31st. Employees can use the hours so paid to apply to health and welfare eligibility as needed within the year.
- (F) Any eligible employee who is terminated or ceases to work for the employer shall be granted proportional vacation with pay hereunder in the same relation that their number of months of service bears to one year of service. Any employee laid off through reduction of force, or any other reason beyond the employee's control, and re-employed within ninety (90) days, shall be considered as having been continuously employed and accumulate straight time hours worked at the rate of eight (8) hours for each working day during such layoff, as regards vacation rights; however, this shall not apply to transient or casual employees.
- (G) Employee to be advised within two weeks of vacation request.
- (H) Vacation should be taken in minimum increments of one day.
- (I) Upon termination, eligible employees will be paid for accrued but unused vacation.

Section 18 – Health and Welfare/Dental/Prescription/Vision:

The parties hereby agree to participate for the duration of this collective bargaining agreement in a trust known as The San Diego County Teamsters-Employers Insurance Trust for the purpose of dental only, providing the benefits specified herein to regular employees and their eligible dependents. Said trust fund to be administered by the Board of Trustees on which employees and employers are equally represented.

1. The employer agrees to pay forty-six dollars and seventy-five cents (\$46.75) per month to purchase and administer the Dental Plan I.
2. The amounts of the employer contributions for the above named plan may be increased for maintenance of benefits purposes or decreased in the event less money is required to purchase these benefits in accordance with the procedures set forth in the trust agreement.
3. New employees shall become eligible for benefits on the first of the month following two (2) consecutive months in which they have worked a minimum of eighty (80) hours, for the Dental Plan. New employees for Medical, Vision, Prescription and Life shall become eligible for benefits on the first of the month following three (3) consecutive months in which they have worked a minimum of eighty (80) hours.

Effective with January 2020 hours, dental coverage will be billed (beginning with the February 2020 payment) under a three (3) tiered system (single - \$22.50/2-party - \$45.00/family - \$67.50).

The Employer agrees to pay the appropriate rate per employee. (Tiered Rates). The company agrees to cover 100% of the employee's portion and 50% of the Dependent portion of premiums based on the following rates:

Effective October 1, 2016, the employer will contribute \$3.50 for each eligible employee into the Teamsters Death Benefit Trust Fund for an additional \$14,000.00 Life Insurance. Effective December 1, 2016, the Employer will convert the current \$14,000 Life Insurance benefit to a different carrier. The Employer agrees to pay the entire monthly premium for this coverage.

Effective February 1, 2020, Health and Welfare coverage for Medical, Prescription and Vision benefits will transition to the Western Alliance Trust Fund (PacFed Administrators).

Enrollment will take place in mid-January 2020.

The Blue Shield medical option will only be available to current employees at the time of the January 2020 enrollment and those employees will be allowed to maintain such coverage under Blue Shield for the term of the Agreement.

Going forward, all new hire employees (and current employees who elect Kaiser or SIMNSA coverage during the January 2020 enrollment or a subsequent open enrollment) will only have Kaiser or SIMNSA medical options available to them.

Medical coverage under the Western Alliance Trust Fund (PacFed Administrators) provides three (3) medical choices as indicated below:

	<u>Blue Shield</u>	<u>Kaiser</u>	<u>SIMNSA</u>
Single	\$689.50	\$636.00	\$300.50
Single +1	\$1436.00	\$1231.50	\$549.00
Family	\$1897.50	\$1746.50	\$827.00

	<u>Single/2-Party/Family</u>	<u>Single/2-Party/Family</u>	<u>Single/2-Party/Family</u>
Dental	\$22.50/\$45/\$67.50	\$22.50/\$45/\$67.50	\$22.50/\$45/\$67.50
Total	\$712.00/\$1481/\$1965.00	\$658.50/\$1276.50/\$1814	\$323/\$594/\$894.50

	<u>Single/2-Party/Family</u>	<u>Single/2-Party/Family</u>	<u>Single/2-Party/Family</u>
EE - Monthly	\$5/\$387/\$629	\$5/\$311.50/\$580.25	\$5/\$138.00/\$288.25
EE - Biweekly	\$2.31/\$178.62/\$290.31	\$2.31/\$143.77/\$267.81	\$2.31/\$63.69/\$133.04

Increases in employee cost sharing will be calculated based on the cost of the medical option the employee chooses (Blue Shield, Kaiser and SIMNSA) and their dependent status (single, two-party or family).

Effective February 1, 2020, the Employer and the Union agree that the Employer shall, for the term of this collective bargaining agreement ("Agreement"), be a participating employer in the Western Alliance Trust ("Trust Fund"). This Agreement provides for the payment of contributions to Western Alliance Trust for the purpose of providing group health coverage for all eligible full-time employees and for their eligible dependents covered under the terms of this Agreement.

Employee Coverage Effective Date/Definition: The effective date of coverage is the first day of the month following two (2) consecutive months where the employee has worked at least eighty (80) hours per month.

Any employee who is laid off, and who is subsequently rehired within one-year of the date of lay-off, shall be eligible for benefits to resume on the 1st of the month following the date of rehire. Employer will commence contributions beginning with the first month of coverage.

Any employee who is transferred into the bargaining unit, from an employer location which is not covered by this Agreement, will be eligible for benefits using the date of hire with the employer at the prior employer location(s). In the event the employee is eligible for benefits as of the first day of work at the location covered by this Agreement, coverage will begin the first of the month following the transfer date. Employer will commence contributions beginning with the first month of coverage.

Employer Contributions: The Employer agrees to pay to the Trust Fund the contributions provided in this Article for the purpose of providing Medical, Vision, Employee Assistance Program (EAP), Life and Accidental Death & Dismemberment hereinafter referred to as "Health & Welfare Benefits" for all employees covered by this Agreement and their eligible dependents.

The Employer shall report, on a form approved by the Trust Fund, the names of each Employee performing work under this Agreement. The Employer hereby agrees to pay to the Trust Fund the full amount of the contribution required for all Employees and their eligible dependents, unless a Waiver of Benefits which meets all Trust Fund requirements is in effect.

Contributions to the Trust Fund for Health & Welfare benefits are due and payable on or before the 1st day of the month of coverage and shall be deemed delinquent if not received on or before the 10th day of the month for which coverage is provided.

Funding of Health & Welfare Benefits: The parties hereto recognize that because of circumstances beyond their control, premiums for such plans as are provided herein may change from time to time; and inasmuch as it is the intention of the parties that the benefits provided the employees and their dependents shall be maintained through the terms of this Agreement, it is agreed that the amount of monthly payments shall for the term of this Agreement be an amount determined by the Board of Trustees to be necessary to maintain the Western Alliance Trust Fund.

Acceptance of Trust: The Employer hereby agrees to accept, assume and be bound by all of the terms, conditions and obligations imposed by and under the Declaration of Trust Providing for the Western Alliance Trust ("Trust Agreement") as it currently exists, or as it may thereafter be amended or restated, and by this acceptance agrees to become a party to the Trust Agreement. The Employer further agrees that the Employer Trustees named in the Trust, their successors and/or alternate Trustees ("Trustees"), if any, selected in accordance with the provisions of the Trust Agreement, are and shall be the Employer's representative, and the Employer hereby consents to be bound by the acts of said Trustees in accordance with the provisions of the Trust Agreement.

Termination Of Coverage: Anything in the foregoing Sections of this Article or in any other Section of this Agreement, to the contrary notwithstanding, the Employer at any time during the life of this Agreement, may cease contributions to the Trust Fund cited in this Article, provided the Employer and Union are in agreement and written notice is given sixty (60) days prior to the termination date.

Should National or State Legislation in any way affect the benefits of the Health & Welfare, Dental or Retirement Plans, management shall not be obligated to contribute to any combination of plans any monies on a monthly or annual basis more than the amounts established in this negotiated contractual agreement for such plans.

Section 19 – Retirement Fund Contribution

Effective November 1, 2019, the Employer shall pay into the Western Conference of Teamsters Pension Trust on account of each member in the bargaining unit for each straight time hour for which compensation is paid, including paid vacation and paid holidays, to a maximum of one hundred eighty-four (184) hours per calendar month, or a total of two thousand and eighty (2080) hours per calendar year. The hourly contribution rate shall be \$1.20 per straight time hour. Effective November 1, 2023, the hourly contribution rate shall be \$1.45 per straight time hour.

For probationary employees hired on or after August 1, 2013, the Employer shall pay an hourly contribution rate of \$0.10 during the probationary period as defined in Section 8 (A) 1., but in no case for a period longer than 90 calendar days from an employee's first date of hire. Contributions shall be made on the same basis set forth in Section 19 of the Agreement. After the expiration of the probationary period as defined in Section 8 (A) 1., but in no event longer than 90 calendar days from an employee's first date of hire, the contribution shall increase to the full contractual rate.

The parties agree that because the Trustees of the fund will rely on the execution of this agreement to not reduce benefits to retiring employees as indicated above, this section shall survive the terms of this agreement and it may not be modified, terminated or rescinded by the parties, directly or indirectly, without the express written consent of the trustees.

The employer and the union agree to execute the necessary trust documents required by the trustees of the Western Conference of Teamsters Pension Trust as a condition of participation in such trust. The employer hereby accepts, ratifies and becomes bound by the terms of that certain agreement and declaration of trust executed April 26, 1955, as amended the same as though he were signatory thereto.

Section 20 – 401k Retirement Plan:

Bargaining unit members shall be eligible to participate in the Employer's 401k plan. There will be no employer matching.

Section 21 – Sick Leave Pay:

Effective January 1, 2020, all employees will be granted six (6) paid sick days per year which is in compliance with the San Diego Earned Sick Leave and Minimum Wage Ordinance.

Sick leave should be taken in minimum increments of one day.

In order to qualify for sick leave, the employee shall notify the Employer prior to the time to start work on the first day of illness/disability providing that he/she is capable of doing so. Employees may use sick leave in lieu of funeral leave.

The Employer may require a doctor's note or death certificate.

Unused sick leave will not be paid out.

Section 22 – Funeral Leave:

Employees who have completed one (1) year of continuous service will, in the event of death in employee's immediate family (defined as spouse, children, mother, father, brother or sister, step-son, step-daughter, grandparents, mother in law, father in law and grandchildren, domestic partner), be granted two (2) days' funeral leave with full pay, in the event they are working days. Employees will be granted funeral leave without pay for a period of two (2) days for a qualifying out of state funeral. At its discretion, the Company and/or Employer may permit additional unpaid days of funeral leave. Verification may be requested to validate the need for Funeral Leave.

Section 23 – Change of Entity:

If the company changes name or if the business is sold and the owner, or one of the owners, retain any interest in the business, all terms of the agreement shall remain in full force and effect. If the business is sold outright, one of the principal present owners or owner shall notify the union in writing sixty (60) days before the proposed date of sale. The seller will be responsible for any liability due the employee.

Section 24 – Savings Clause:

Should any part hereof or provisions herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation or by any decree of a court of competent

jurisdiction, such invalidation of such part or portion of this agreement shall not invalidate the remaining portions hereof, and they shall remain in full force and effect.

Section 25 – Protection of Rights:

It shall not be a violation of this agreement or cause for disciplinary action in the event an employee refuses to enter upon any other employers property involved in a labor dispute or refuses to go through a picket line at another employer's property if such picket line is sanctioned by Joint Council of Teamsters #42 or the San Diego Building Trades Council.

Section 26 – Dues Check—Off:

Each employee subject to the provisions of this agreement for whom a written authorization is provided, may authorize the employer in writing to deduct union dues, initiation fees, re-initiation fee and/or uniform assessments of the local union.

The employer agrees to deduct from the pay of all employees covered by this agreement the dues, and/or uniform assessments of the local union having jurisdiction over such employees and agrees to remit to said local union all such deductions prior to the fifteenth (15th) day of each month for which the deduction is made.

Where an employee who is on check—off is not on the payroll during the week in which the deduction is to be made or has no earnings or insufficient earnings during that week or is on leave of absence, the employee must make arrangements with the local union to pay such dues in advance.

The union shall indemnify and save the employer harmless against any and all claims, demands, lawsuits or other forms of liability that may arise out of or by reason of action taken by the employer in making payroll deductions of union membership dues as herein above defined.

Section 27 – Duration and Termination:

This agreement shall become effective on the 1st day of November 2023, and remain in full force and effect until October 31, 2028, and shall remain in effect in accordance with the terms set forth in the paragraph following:

This agreement shall continue, to remain in full force and effect from year to year, provided, however, that it shall be subject to change, modification, or termination after the above period by either party upon sixty (60) days notice being served in writing prior to the expiration date upon the other party.

If no such notice is given in writing, this agreement shall then continue to remain in full force and effect from year to year thereafter. If notice is served by either party, negotiations shall commence not later than thirty (30) days after said notice has been received.

In witness hereof, the parties hereto have affixed their signatures to execute this agreement this 1st day of November 2023, and do hereby acknowledge receiving a copy of this document.

PGS Westside I, Inc.
11620 Sorrento Valley Road
San Diego, CA 92121

Teamsters Local Union 481
2840 Adams Avenue, Suite 202
San Diego, CA 92116

By: BP 11/7/23

Bill Peckham
General Manager

By: VT 11/6/23

Victor D. Torres
Secretary-Treasurer

NOTICE TO ALL MEMBERS

IF YOU ARE ON DUES CHECK-OFF WITH YOUR COMPANY, AND DUES ARE NOT DEDUCTED DUE TO YOUR NOT HAVING ENOUGH EARNINGS, IT IS YOUR RESPONSIBILITY TO KEEP YOUR DUES CURRENT IN ORDER TO MAINTAIN GOOD STANDING IN THE LOCAL UNION.

IF YOU BECOME UNEMPLOYED IN THE JURISDICTION OF THE LOCAL UNION, YOU WILL BE ISSUED A WITHDRAWAL CARD UPON REQUEST PROVIDING ALL DUES AND OTHER FINANCIAL OBLIGATIONS ARE PAID TO THE LOCAL UNION, INCLUDING THE DUES FOR THE MONTH IN WHICH THE WITHDRAWAL CARD IS EFFECTIVE.

FOR THIS AND OTHER BUSINESS MATTERS, IT IS IMPERATIVE THAT YOU KEEP YOUR MAILING ADDRESS ON FILE WITH THE LOCAL UP-TO-DATE.

FRATERNALLY,

VICTOR D. TORRES, SECRETARY-TREASURER

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