

Table of Contents

RECOGNITION AND BARGAINING UNIT	1
CONTINUITY OF SERVICE TO THE PUBLIC	2
AUTHORITY PREROGATIVES/MANAGEMENT RIGHTS	3
ARTICLE 1	4
SCHEDULE OF WAGES	4
SECTION A - STARTING RATES	4
Wage Increase	4
SECTION B – SCHEDULE OF WAGES	5
Leader	6
SECTION C - QUARTERLY WAGE ADJUSTMENT	6
SECTION D - SKILL DIFFERENTIAL RATES	6
SECTION E – SPECIAL CLASSIFICATIONS	7
ARTICLE 2	8
SPECIAL WAGE PROVISIONS	8
SECTION A - SHIFT DIFFERENTIAL	8
<i>Shift differentials will be subject to the overtime provisions of Article 3.</i>	8
SECTION B - CALL OUTS - EMERGENCY WORK	8
SECTION C - ON CALL PAY	8
ARTICLE 3	10
OVERTIME	10
SECTION A - REGULAR OVERTIME PROVISION	10
SECTION B - WORK ON DAYS OFF	10
SECTION C - PROVISIONS AGAINST PYRAMIDING	10
SECTION D - EMERGENCY WORK ON DAYS OFF	10
SECTION E - COMPENSATORY TIME OFF (CTO)	11
ARTICLE 4	13
DISTRIBUTION OF OVERTIME	13
SECTION A - ROTATING ROSTER	13
SECTION B - PROTECTION OF SCHEDULE SHIFT DUTIES	13
SECTION C - SELECTING EMPLOYEES FOR OVERTIME WORK	13
ARTICLE 5	14
ISSUANCE OF PAYCHECKS	14
SECTION A - PAY PERIODS AND PAYDAYS	14
SECTION B - VACATION ALLOWANCE	14

SECTION C - SHORTAGES	14
SECTION D - PAYCHECK STUBS.....	14
ARTICLE 6	16
WORK SHIFTS AND WORK WEEK.....	16
SECTION A - GUARANTEE	16
SECTION B - CONSECUTIVE DAYS OFF.....	16
SECTION C - LENGTH OF WORK DAY AND WORK WEEK	16
ARTICLE 7	17
SELECTION OF WORK ASSIGNMENTS AND SHIFTS AND CHOICE OF	
WORKING SCHEDULES.....	17
SECTION A - REGULAR SHIFTS	17
SECTION B - HOLIDAY WORK	17
SECTION C - NORMAL BIDDING CYCLE	17
SECTION D - BIDDING ON LOWER LEVEL ASSIGNMENTS	18
SECTION E - COPY OF SHAKE-UP BIDS TO UNION	19
SECTION F - RETURNING FROM INDEFINITE LEAVE	19
SECTION G - REMOVAL OF EMPLOYEES FROM SECTION	19
SECTION H - REPORTING LOCATION.....	19
SECTION I - RRC - BIDDING.....	19
SECTION J – WARRANTY EQUIPMENT MECHANICS	20
ARTICLE 8	21
VACANCIES AND NEW POSITIONS.....	21
SECTION A - PRE-BID NOTICES	21
SECTION B - POSTING BIDS.....	22
<i>Awards for all jobs posted will be placed on bulletin boards for four (4) working days.....</i>	<i>22</i>
SECTION C - HIRING OF OUTSIDE APPLICANTS	22
SECTION D - REGIONAL REBUILD CENTER	23
SECTION E - TEMPORARY VACANCIES	23
SECTION F - TRAINING PROGRAMS.....	23
SECTION G - PROMOTION.....	24
ARTICLE 9	26
TEMPORARY TRANSFERS.....	26
ARTICLE 10	27
LAYOFFS.....	27
SECTION A - ORDER OF DISPLACEMENT	27
SECTION B - CLASSIFICATION	27
SECTION C - RATES OF PAY WHEN DISPLACING TO LOWER CLASSIFICATION	
.....	27
SECTION D - RIGHT OF QUALIFICATION AND RIGHT TO DISPLACE IN	
DIFFERENT CLASSIFICATIONS	27
SECTION E - PROTECTION OF SENIORITY	28

SECTION F - DETERMINING QUALIFICATIONS	28
SECTION G - REINSTATEMENT	28
SECTION H - NOTICE TO UNION.....	28
ARTICLE 11	29
DISTRIBUTION OF WORK	29
SECTION A - WORK ASSIGNMENTS BY CLASSIFICATION	29
SECTION B - JOB SECURITY	29
SECTION C - GENERAL SUBCONTRACTING.....	30
SECTION D - SIDELETTER SUBCONTRACTING	31
SECTION E - SUBCONTRACTING TO A TRANSPORTATION ZONE	33
ARTICLE 12	34
WORK BY SUPERVISORS AND INSTRUCTORS	34
ARTICLE 13	35
LEADERS.....	35
SECTION A - DUTIES	35
SECTION B - QUALIFICATIONS AND SELECTION	35
SECTION C - AWARD OF POSITION	35
LEADER:	35
RELIEF LEADER:.....	35
SECTION D - NUMBER OF LEADERS	36
ARTICLE 14	37
PROBATIONARY PERIOD	37
SECTION A - LENGTH:	37
SECTION B - FALSIFICATION OF RECORDS	37
SECTION C - ORIENTATION PROGRAM.....	37
ARTICLE 15	38
SENIORITY	38
SECTION A - SCOPE	38
SECTION B - AUTHORITY SENIORITY	38
SECTION C - ATU SENIORITY	38
<i>For purposes of bidding shifts, vacation and holidays, ATU Seniority shall control.</i>	38
SECTION D - DEPARTMENTS	38
<i>Equipment Maintenance</i>	38
SECTION E - POSITION FOR THOSE HIRED THE SAME DAY	38
SECTION F - BLENDING.....	39
SECTION G - PROMOTIONS	39
ARTICLE 16	40
LEAVES OF ABSENCE	40
SECTION A - PERSONAL LEAVE OF ABSENCE	40

SECTION B - LEAVE FOR ELECTED OR APPOINTED UNION OFFICERS	40
SECTION C - WORKING ELSEWHERE WHILE ON LEAVE	40
SECTION D - PREGNANCY	41
SECTION E - MILITARY SERVICE.....	41
SECTION F - BEREAVEMENT	41
ARTICLE 17	42
UNION SECURITY.....	42
SECTION A - UNION SHOP	42
SECTION B - DISCHARGE FOR NON-MEMBERSHIP	42
SECTION C - NOTIFICATION OF ENTERING AND LEAVING	42
SECTION D - PAYROLL DEDUCTION OF DUES	42
SECTION E - INFORMING OF EMPLOYEES.....	43
SECTION F - CONFORMANCE TO LAW	43
ARTICLE 18	44
REPRESENTATION	44
SECTION A - MEETINGS OF AUTHORIZED REPRESENTATIVES.....	44
SECTION B - LIST OF UNION REPRESENTATIVES.....	44
SECTION C - CONDUCTING UNION BUSINESS ON AUTHORITY PROPERTY	44
SECTION D - WORKING STEWARDS.....	44
SECTION E - PERFORMING UNION DUTIES DURING WORKING HOURS.....	44
SECTION F - PROTECTION OF EARNINGS OF WORKING STEWARDS	45
SECTION G - MINIMIZING OF TIME FOR CONDUCTING UNION BUSINESS	45
SECTION H - REQUESTS FOR ADDITIONAL MEETINGS	45
ARTICLE 19	46
GRIEVANCE PROCEDURE.....	46
SECTION A - APPEAL LEVELS AND TIME LIMITS.....	46
SECTION B - STEP ONE:	46
<i>Non Disciplinary Cases.....</i>	46
SECTION C – DISCIPLINARY CASES.....	46
<i>Discipline will be administered only for proper cause.</i>	46
SECTION D – REPRESENTATION AT COUNSELING SESSION	46
SECTION E – PROTECTION OF EMPLOYEE’S RECORD	47
SECTION F – CONSIDERATION OF SERVICE RECORD ITEMS ON ONE YEAR'S STANDING	47
SECTION G – NOTIFICATION TO EMPLOYEE OF IMPENDING DISCIPLINE.....	47
SECTION H – HEARING BEFORE DISCHARGE.....	48
SECTION I – PROTECTION OF EARNINGS	48
SECTION J - STEP TWO GRIEVANCE RESOLUTION COMMITTEE	48
<i>Disciplinary and non-disciplinary cases.</i>	48
SECTION K - THE WRITTEN DECISION SHALL INCLUDE THE FOLLOWING:	49
SECTION L – SUBMISSION TO MEDICAL EXAMINATION	49
SECTION M - TIME LIMITS.....	50

SECTION N - EXCLUSION OF SATURDAYS, SUNDAYS & HOLIDAYS FROM TIME LIMITS	50
ARTICLE 20	51
ARBITRATION	51
SECTION A - PROCEDURE FOR NOTIFICATION.....	51
SECTION B - ISSUES SUBJECT TO ARBITRATION	51
SECTION C - CHOOSING THE ARBITRATION BOARD	51
SECTION D - DETERMINATION OF THIRD ARBITRATION BOARD MEMBER IN CASE OF DISPUTE.....	51
SECTION E - ARBITRATION BOARD PROCEDURES.....	52
SECTION F - MUTUAL CONSENT TO DECISIONS AND CERTAIN EXPENSES.....	52
SECTION G - GRIEVANCES OR DISPUTES NOT SUBJECT TO ARBITRATION.....	52
SECTION H - CALLING OF WITNESSES	52
ARTICLE 21	54
COURT CASES INVOLVING ARBITRATION	54
ARTICLE 22	55
COURT APPEARANCES AND INTERVIEW TIME	55
SECTION A - COURT APPEARANCES FOR LEGAL MATTERS INVOLVING THE AUTHORITY	55
SECTION B - ATTENDING DISCIPLINARY HEARINGS.....	55
SECTION C - JURY DUTY.....	55
ARTICLE 23	57
UNION EMBLEMS	57
ARTICLE 24	58
SAFETY AND SANITATION	58
SECTION A - COMPLIANCE WITH THE LAW	58
SECTION B - HAZARDOUS DUTY	58
SECTION C - SPECIAL SAFETY EQUIPMENT	58
<i>Shoe allowance shall not exceed \$130 for each pair</i>	58
SECTION D - "ROLL-AWAY" TOOL BOXES	59
SECTION E - TOOL INSURANCE	59
SECTION F - TOOL ALLOWANCE	59
<i>Effective January 2002, tool allowance increases by \$40 to \$375</i>	59
ARTICLE 25	60
NOTICES	60
SECTION A - SERVING PROCEDURE	60
SECTION B - EFFECTIVE DATES.....	60
SECTION C - EXCEPTION TO SECTION A OF THIS ARTICLE.....	60
ARTICLE 26	61

BULLETIN BOARDS	61
SECTION A - UNION SECURITY	61
SECTION B - PROHIBITED ITEMS	61
SECTION C - LOCATION AND QUANTITY	61
ARTICLE 27	62
RECORDS	62
SECTION A - ENTRIES IN DISCIPLINARY RECORD	62
SECTION B - ANNUAL RECORD REVIEW	62
<i>The Authority shall schedule an annual record review with each employee.</i>	<i>62</i>
SECTION C - REVIEW BY EMPLOYEE	62
SECTION D - REMOVAL OF ENTRIES	62
SECTION E - DOCUMENTATION	62
ARTICLE 28	63
TRANSPORTATION PRIVILEGES	63
SECTION A - EMPLOYEE AND DEPENDENTS	63
SECTION B - EMPLOYEES TAKING CASH SEVERANCE IN LIEU OF RETIREMENT	63
SECTION C - REPORTING OF LOST PASSES	63
SECTION D - REPLACEMENT OF LOST PASSES	63
SECTION E - TERMINATION OF EMPLOYMENT	63
SECTION F - DEATH PRIOR TO RETIREMENT	64
SECTION G - DEPENDENT CHILDREN DEFINED & DISABLED DEPENDENTS	64
ARTICLE 29	65
SICKNESS AND ACCIDENT	65
SECTION A - ON-DUTY INJURY	65
SECTION B - NOTIFICATION OF SICKNESS OR ACCIDENT	65
SECTION C - MEDICAL RELEASE	65
SECTION D - PROTECTION OF SENIORITY	65
ARTICLE 30	67
PERMITS AND LICENSES	67
SECTION A - REIMBURSEMENT OF FEES PAID	67
SECTION B - PHYSICAL EXAMINATIONS	67
SECTION C - TIME ALLOWANCE	67
ARTICLE 31	68
HOLIDAYS	68
SECTION A - HOLIDAYS DEFINED	68
SECTION B - GUARANTEE	68
SECTION C - PAYMENT FOR WORKING HOLIDAY	69
SECTION D - FLOATING HOLIDAYS	69
SECTION E - SPECIAL PROVISION	70
ARTICLE 32	71

SICK LEAVE ALLOWANCE/PAYMENTS	71
SECTION A - COVERAGE.....	71
<i>Service Requirement Allowable Sick Leave</i>	71
SECTION B - PAYMENT FOR SICK LEAVE	71
SECTION C - WAITING PERIOD.....	72
SECTION D - TERMINATION.....	72
SECTION E – DONATION OF SICK LEAVE.....	72
ARTICLE 33	74
VACATIONS	74
SECTION A - SCHEDULE.....	74
<i>Three (3) weeks vacation after five (5) years of continuous service</i>	74
<i>Four (4) weeks vacation after ten (10) years of continuous service</i>	74
<i>Five (5) weeks vacation after fifteen (15) years of continuous service</i>	74
SECTION B - CONVERSION OF WEEKS TO HOURS	74
SECTION C - VACATION PERIOD	74
SECTION D - RE-EMPLOYED OR REINSTATED EMPLOYEES.....	74
SECTION E - ACCUMULATION	75
SECTION F - AFFECT OF ABSENCE FROM DUTY.....	75
SECTION G - EMPLOYEES WITH LESS THAN ONE YEAR'S SERVICE AT BEGINNING OF VACATION YEAR.....	75
SECTION H - SEVERANCE.....	75
SECTION I - WORKING ON VACATION	76
SECTION J - VACATION PAY IN LIEU OF VACATION.....	76
SECTION K - BIDDING FOR VACATION PERIODS	76
SECTION L - HOLIDAY DURING VACATION	77
SECTION M - SCHEDULE/SHIFT CHANGES.....	77
ARTICLE 34	78
UNIFORMS	78
SECTION A - QUANTITY, COST AND REPLACEMENT.....	78
SECTION B - LAUNDRY SERVICE.....	78
<i>Laundry service of regulation uniforms will be provided for all employees.</i>	78
SECTION C - CONDITION OF EMPLOYMENT.....	78
<i>All employees will be required to wear a regulation uniform while on duty</i>	78
SECTION D - UNIFORM PROBLEMS	78
ARTICLE 35	79
COFFEE BREAKS, CLEAN-UP AND LUNCH PERIOD	79
SECTION A - COFFEE BREAKS.....	79
<i>Each shift shall have two (2) fifteen (15) minute coffee breaks.</i>	79
SECTION B - SMOKING RESTRICTIONS.....	79
<i>Smoking is prohibited except in areas where expressly authorized and posted.</i>	79

SECTION C - CLEAN-UP TIME	79
SECTION D – LUNCH PERIOD.....	79
ARTICLE 36	80
HEALTH BENEFIT FUND.....	80
SECTION A. SCHEDULE OF CONTRIBUTIONS.....	80
SECTION B - EMPLOYEES COVERED	80
SECTION C - PAYMENT DUE -DATE.....	82
SECTION D - EMPLOYEES CHANGING CLASSIFICATION	82
SECTION E - TERMINATION OF EMPLOYMENT.....	83
SECTION F - PART "B" MEDICARE COVERAGE.....	83
SECTION G. BOARD OF TRUSTEES.....	83
ARTICLE 37	85
PENSION PLAN.....	85
SECTION A - INCORPORATE IN AGREEMENT.....	85
SECTION B - IDENTIFICATION OF PLAN AND AMENDMENTS	85
SECTION C - AVAILABILITY OF DISTRIBUTION OF PLAN.....	85
SECTION D - COVERAGE FOR EMPLOYEES SERVING AS UNION REPRESENTATIVES	85
SECTION E – 401K PLAN.....	85
ARTICLE 38	86
GROUP LIFE INSURANCE	86
SECTION A - A CONDITION OF EMPLOYMENT.....	86
SECTION B - PREMIUMS PAID BY THE AUTHORITY AND EMPLOYEES.....	86
SECTION C - PAYMENT OF PREMIUM DURING SICKNESS AND PERIODS OF NO EARNINGS	86
SECTION D - PAYMENT OF PREMIUMS WHEN ON LEAVE OF ABSENCE	86
SECTION E - PAYMENT OF PREMIUM FOR UNION REPRESENTATIVES.....	87
SECTION F - CONVERSION CLAUSE.....	87
SECTION G - PREMIUM RATE FOR RETIRED EMPLOYEE	87
SECTION H - FELONIOUS ASSAULT INSURANCE	87
SECTION I - ADDITIONAL COVERAGE	87
ARTICLE 39	88
DISASTERS - MATTERS NOT COVERED, ETC.	88
SECTION A - DISASTERS	88
SECTION B - BARGAINING ON MATTERS NOT COVERED.....	88
ARTICLE 40	89
QUALIFICATION OF PARTIES.....	89
SECTION A - GUARANTEE OF PERFORMANCE	89
SECTION B - AUTHORITY OF SIGNATORIES	89

SECTION C - SUBSTANCE OF THIS AGREEMENT	89
ARTICLE 41	90
WAIVERS	90
ARTICLE 42	91
ASSIGNABILITY	91
ARTICLE 43	92
RAIL AND METRO RAIL	92
CLASSIFICATION	92
<i>Traction Power Inspector</i>	92
ARTICLE 44	94
DURATION, TERMINATION AND RENEWAL	94
SECTION A - DURATION AND TERMINATION	94
SECTION B - REQUESTS TO MODIFY	94
SECTION C - SUBSEQUENT INTERPRETATIONS.....	94
SIDE LETTER OF AGREEMENT	95
#94-01 - "ASSIGNED LINE"	95
SIDE LETTER OF AGREEMENT	96
#94-04 - ON EPA CERTIFICATION REQUIREMENT.....	96
SIDE LETTER OF AGREEMENT	97
#97-01 - PENSION PLAN.....	97
SIDE LETTER OF AGREEMENT	98
#97-03 - JOINT APPRENTICESHIP COMMITTEE	98
SIDE LETTER OF AGREEMENT	99
#2000-01 - MECHANIC C TRAINING PROGRAM.....	99
SIDE LETTER OF AGREEMENT	100
#2000-02 - PROMOTION REVIEW PANEL.....	100
SIDE LETTER OF AGREEMENT	101
#2000-03 - WORKERS COMPENSATION	101
LABOR MANAGEMENT TRAINING	101
SAFETY COMMITTEE	101
OMBUDSMAN	101
FACILITATOR	102
TREATING PHYSICIAN NETWORK	102
<i>Side letter 2006-001</i>	103
Service Attendant Progression	103

<i>Side letter 2006-002</i>	105
New Engines and Master Mechanic Promotions	105
<i>Side letter 2006-003</i>	106
Changes to the Pension Document	106
<i>Side letter 2006-004</i>	107
Health and Welfare Trust Payment	107
<i>Side letter 2006-005</i>	108
Bus Warranties	108

RECOGNITION AND BARGAINING UNIT

- A. The Authority recognizes the Union as the exclusive representative for the purpose of collective bargaining, with respect to rates of pay, wages, hours of employment and working conditions, for all employees of the Authority within the bargaining unit defined in Paragraph D of this Article.
- B. The parties agree that the term "employee" wherever used herein, whether singular or plural, means and applies only to those employees of the Authority included within said bargaining unit, and that this Agreement covers only said employees. The term "Authority" as used in this contract, refers to the LACMTA when it is acting in its capacity as a transit operator and exercising specific powers, duties, or rights to which the Authority succeeded as a result of the abolition of the SCRTD, pursuant to P.U.C.§J§130051.13. and 130051.16.

This contract applies only to the Authority's operating organizational unit, and only when the Authority is acting as a transit operator and not in any other capacity.

- C. The Authority and the Union agree that no employee shall be discriminated against on account of Union membership, or for any other unlawful reason. This Section of the Agreement shall not be construed to conflict with the employee's qualification provisions appearing elsewhere in this Agreement.
- D. The bargaining unit shall comprise all of the Authority's Non-Operating employees included within the classifications set forth in Article 1 of this Agreement.

CONTINUITY OF SERVICE TO THE PUBLIC

- A. It is recognized that the parties are engaged in rendering a public service and that they will comply with all applicable valid rules, regulations and laws of the governmental authorities; therefore, the parties contract that nothing contained in this Agreement shall be construed to conflict or be inconsistent or incompatible with such rules, regulations or laws. To the extent that any of the terms or provisions of this Agreement shall be in conflict, inconsistent or incompatible with any such rules, regulations or laws presently in effect or to be enacted during the terms of this Agreement, they shall be void and invalid, but all other terms and conditions of this Agreement shall remain in full force and effect. Such invalid terms and provisions will be reconsidered and renegotiated by the parties within seven (7) days of the effective date of any such rules, regulations or laws.
- B. During the term of this Agreement, neither the Union nor its members shall call or engage in any strike. The Authority will not require employees covered by this labor Agreement to cross a picket line which has been legally established by a labor union, whether such picket line is on Authority property or elsewhere.
- C. During the term of this Agreement, the Authority shall not cause or permit any lockout of any of its employees.

AUTHORITY PREROGATIVES/MANAGEMENT RIGHTS

- A. All matters pertaining to the management of operation, including the type and kind of service to be rendered to the public, the equipment used, the maintenance of discipline and efficiency, the hire, promotion and transfer of employees, and their discharge or discipline for proper cause, are the prerogatives of the Authority, subject to such limitations thereon as are set forth elsewhere in this Agreement.
- B. The Union recognizes that willful infractions of the Authority's Rules and Regulations that are necessary for efficient operation will constitute cause for disciplinary action. No rules or regulations at any time promulgated or enforced by the Authority shall be valid if they violate any provisions elsewhere set forth in this Agreement.
- C. The Authority's exercise of any prerogatives of this Agreement may be made the subject of a grievance or dispute.

ARTICLE 1

SCHEDULE OF WAGES

SECTION A - STARTING RATES

All employees entering the bargaining unit on or after July 1, 1994 will receive:

- | | | |
|-----|-------------------------------------|--------------------|
| (1) | First six (6) months of employment | - 80% of base rate |
| (2) | Second six (6) months of employment | - 85% of base rate |
| (3) | Third six (6) months of employment | - 90% of base rate |
| (4) | Fourth six (6) months of employment | - 95% of base rate |
| (5) | Thereafter | Top Rate |

Wage Increase

Effective July 1, 2006	3.00%
Effective July 1, 2007	3.50%
Effective July 1, 2008	4.00%

SECTION B – SCHEDULE OF WAGES

	07/01/06	07/01/07	07/01/08
Air Condition Tech/Property Maintainer	\$26.25	\$27.17	\$28.26
Body Repairer "A"	\$26.25	\$27.17	\$28.26
Cabinet Maker	\$26.25	\$27.17	\$28.26
Camera Operator	\$26.25	\$27.17	\$28.26
Digital Systems Technician	\$28.74	\$29.75	\$30.94
Digital Technician	\$26.25	\$27.17	\$28.26
Electrician	\$26.25	\$27.17	\$28.26
Electrician's Helper*	\$24.60	\$25.46	\$26.48
Electronic Communications Technician	\$27.36	\$28.32	\$29.45
Facilities Systems Technician	\$28.74	\$29.75	\$30.94
Laborer "A"	\$24.27	\$25.12	\$26.12
Laborer "A" (Stops & Zones)	\$24.60	\$25.46	\$26.48
Laborer "B"	\$18.14	\$18.77	\$19.52
Lighting Maintenance Truck Operator	\$26.54	\$27.47	\$28.57
Locksmith	\$26.25	\$27.17	\$28.26
Machinist	\$27.36	\$28.32	\$29.45
Maintenance Specialist	\$28.74	\$29.75	\$30.94
Master Mechanic	\$28.74	\$29.75	\$30.94
Mechanic "AA"	\$26.42	\$27.34	\$28.43
Mechanic "A"	\$26.25	\$27.17	\$28.26
Mechanic "B"	\$25.45	\$26.34	\$27.39
Mechanic "C"	\$24.60	\$25.46	\$26.48
Millwright	\$26.25	\$27.17	\$28.26
Nondestructive Technician	\$26.25	\$27.17	\$28.26
Non-Revenue Rail Equipment Mechanic	\$27.36	\$28.32	\$29.45
Painter "A" (RRC)	\$26.25	\$27.17	\$28.26
Painter (Facilities)	\$25.45	\$26.34	\$27.39
Plumber	\$26.25	\$27.17	\$28.26
Power Yard Sweeper	\$25.45	\$26.34	\$27.39
Property Maintainer "A"	\$26.25	\$27.17	\$28.26
Property Maintainer "B"	\$25.45	\$26.34	\$27.39
Property Maintainer "C"	\$24.60	\$25.46	\$26.48
Rail Body & Paint Repairer	\$27.36	\$28.32	\$29.45
Rail Electronic Communications Inspector	\$28.74	\$29.75	\$30.94
Rail Warranty Equipment Specialist	\$29.77	\$30.81	\$32.04

Road Janitor	\$25.03	\$25.91	\$26.95
Roving Janitor	\$22.07	\$22.84	\$23.75
Senior Service Attendant	\$20.88	\$21.61	\$22.47
Service Attendant	\$15.92	\$16.48	\$17.14
Sheet Metal Worker	\$26.25	\$27.17	\$28.26
Signal Inspector	\$28.74	\$29.75	\$30.94
Systems Electronic Communications Technician	\$28.74	\$29.75	\$30.94
Track Inspector	\$26.25	\$27.17	\$28.26
Traction Power Inspector	\$28.74	\$29.75	\$30.94
Utility "A"	\$24.13	\$24.97	\$25.97
Utility "B"	\$23.79	\$24.62	\$25.60
Warranty and Equipment Mechanic	\$27.36	\$28.32	\$29.45
Welder (RRC)	\$27.36	\$28.32	\$29.45

*Limited to four (4) positions

Leader

The Leader shall be paid an additional one dollar (\$1.00) per hour over the highest paid employee in the Leader's group; the assignment of a Mechanic to a Utility or a Service Attendant Leader's group shall not entitle the Utility or Service Attendant to be paid more than he/she would otherwise be paid. Leaders will retain their Leader rate of pay while on holidays, vacation and sick pay.

The Authority shall determine if and when an ATU-represented employee is assigned to take the place of a supervisor. If the Authority chooses to so assign an ATU-represented employee, it will assign an employee who is working as a Leader on the shift in question. When so assigned, the employee (i.e., the Leader, Relief Leader or Temporary Leader) shall receive an additional five percent (5%) over the regular Leader rate of pay.

SECTION C - QUARTERLY WAGE ADJUSTMENT

There will be an additional pay raise for all classifications on September 1, December 1, March 1 and June 1 of every year of 0.25% (1/4 of 1.0%) based on the pay rate of the highest paid classification in the ATU unit, rounded to the nearest penny. This Quarterly Wage Adjustment provision will remain dormant until June 30, 2009, at which time it will be restored. This will not result in any Quarterly Wage Adjustment during this contract period, July 1, 2006 through June 30, 2009.

SECTION D - SKILL DIFFERENTIAL RATES

1. Any employee while engaged in steam cleaning operations, shall receive forty cents (40¢) additional per hour.
2. Mechanic "A" shall be the minimum classification of an employee assigned to Spray Painting.
3. Service Attendants/Utilities,
 - a. Can be assigned to remove seat inserts or window guards (sacrificial windows);
 - b. The job will be bid like a steamer;
 - c. Any employee performing this work will receive Mechanic "C" wages for the day the work is done; and
 - d. MTA will provide the required tools.

SECTION E – SPECIAL CLASSIFICATIONS

1. The Authority will retain those positions classified as Mechanic "AA", Utility "A", Utility "B", and only so long as occupied by incumbents on the effective date of this Agreement. Vacancies in these classifications will no longer be filled, except for the movement of Utility "B" to Utility "A", if qualified.
2. Service Attendants filling Laborer B positions will not have their pay or progression reduced.
3. The Laborer B positions will be filled from internal ATU applicants only.
4. Laborer B will only serve in the classification to a maximum of two years. If not promoted from position by end of two years, employee will return to previous classification. During this two year period, the employee may choose to voluntarily return to his former classification at any time.
5. Employees performing Regulation 4 work will be paid a premium of \$1.00 per hour. This premium will be paid for a minimum of 8 hours on any day the employee is performing Regulation 4 work.

ARTICLE 2

SPECIAL WAGE PROVISIONS

SECTION A - SHIFT DIFFERENTIAL

For the purpose of the application of shift differential, the work schedule shall be as follows:

First Shift	7:00 a.m. to 5:00 p.m.
Second Shift	3:00 p.m. to 12:00 midnight
Third Shift	11:30 p.m. to 8:00 a.m.

In addition to the basic rates shown in Article 1 of this Agreement, a shift differential of 3% of the regular rate of pay shall be paid to employees working assignments defined as "Second Shift", and 5% of the regular rate of pay shall be paid to those working assignments defined as "Third Shift".

Shift differentials will be subject to the overtime provisions of Article 3.

Employees who are required to work overtime before the beginning of, or at the end of their shift at a division or location that has regularly scheduled second and/or third shifts, will be paid the shift differential, if any, that is paid to other employees normally working those hours. There will, however, be no reduction in shift differential for an employee on the third shift who works over into the first shift.

SECTION B - CALL OUTS - EMERGENCY WORK

An employee who has been called back for work, after having punched out and after having left the Authority property at the end of the regular shift, shall be paid at the regular overtime rate as per Article 3, Section A, with a minimum guarantee of eight (8) hours at the straight time rate of pay and the proper shift differential will be applicable.

SECTION C - ON CALL PAY

1. ON CALL PAY

An employee from any Department as defined in Article 15 who volunteers for on call will be paid two (2) hours pay for each twenty-four (24) hour period on call or for a period until his next work shift.

Outside towing services may only be used if the On Duty Supervisor or the Bus or Rail Dispatcher are unable to contact an On Call Mechanic (as outlined in Article 2 (c) or dispatch a Division Mechanic.

2. **CALL OUT PAY**

An employee from any Department as defined in Article 15 who is on call until the next shift or for a twenty-four (24) hour period and is called out for work shall be guaranteed an additional six (6) hours pay pursuant to Section B above excluding the eight (8) hour guarantee.

Effective immediately, the MTA will follow this "on call" provision for the purpose of performing emergency towing of Non revenue vehicles and other duties as required.

ARTICLE 3 OVERTIME

SECTION A - REGULAR OVERTIME PROVISION

All employees shall be paid one and one-half (1½) times their straight time hours for all work they perform in excess of eight (8) hours per day or forty (40) hours per week, at their regular straight time hourly rate of pay.

SECTION B - WORK ON DAYS OFF

All employees who complete their assignment when working on their regular or assigned days off shall be paid one and one-half (1½) times their straight time hours worked, with a minimum allowance of twelve (12) straight time hours, at their regular straight time hourly rate of pay provided the employee works their regularly scheduled five (5) day forty (40) hour work week.

All employees not completing their assignment when working on their regular or assigned day off shall be paid one and one-half (1½) times their straight time hours worked at their regular straight time hourly rate of pay provided the employee works their regularly scheduled five (5) day forty (40) hour work week.

No employee will be required to work on that employee's regular day off unless there are substantial abnormalities in service requirements; provided, however, this requirement for work will be mutually agreed to in advance between the Authority and the Union and the twelve (12) hour minimum allowance as referred to in the first paragraph of this section shall remain in effect, regardless of whether the employee completes his/her five (5) day, forty (40) hour work week.

SECTION C - PROVISIONS AGAINST PYRAMIDING

Where more than one overtime provision is involved, only that provision which creates the greatest compensation will apply.

SECTION D - EMERGENCY WORK ON DAYS OFF

An emergency work on days off roster will be established for the Facilities Maintenance Department at each shake-up. Employees who sign up are indicating that they will respond when called for emergency work. When an emergency occurs, the Authority will call workers on this roster by seniority order to work the emergency. If no employee

is available or there is no employee on the roster who is within the job classification to do the emergency work, the Authority is free to contract out the emergency work.

SECTION E - COMPENSATORY TIME OFF (CTO)

The Authority will offer a program for compensatory time off (CTO) which shall be available for overtime worked.

The employee shall have the right, on a voluntary basis, to participate in the CTO program.

CTO shall be earned at the rate of one and one-half hours of CTO for each hour of overtime worked within the meaning of this Article. For example, a person who works two overtime hours would earn three hours of CTO. All shift and skill differential payments shall be paid to the employee in the pay period the overtime is worked and the CTO time is credited.

The employee shall request that he/she receive CTO instead of overtime pay at the time the employee performs the overtime work in question. The request shall be in writing submitted to the employee's supervisor.

The maximum amount of CTO that may be earned during the twelve (12) month period between June 1 and May 31 of a given year is eighty (80) hours. If an employee has used the maximum amount of CTO during the twelve (12) month period, any overtime will automatically be paid to the employee consistent with the Authority's present payroll practices.

If an employee has CTO time available to take off, he/she may request a particular day off. CTO may be taken at a minimum of four (4) hours. The employee shall give his/her supervisor at least twenty-four (24) hours notice of a request to use CTO. On days except Saturday or Sunday, one person per classification per work location per shift may take CTO. In addition, if there is an open vacation day or floating holiday available on any day, then CTO may be taken. Otherwise, CTO can only be taken with permission of the supervisor. For purposes of this section, "classification" is as defined in Article 10 Section B. A supervisor's grant of a CTO day off cannot be changed, except with agreement of the employee. Requests to use CTO will be decided on a "first come, first serve" basis. Any current specific practice for allowance of CTO can continue but either party can cancel that practice on thirty days notice and thereafter this provision will apply.

The employee shall have the right, at any time, to cash out any accrued, unused CTO. The employee shall receive his/her base rate of pay for each hour of CTO that is cashed out.

All accrued CTO must be taken by the employee on or before May 31 of each year. Any accrued, unused CTO as of May 31 will be paid to the employee with the second paycheck in June.

ARTICLE 4

DISTRIBUTION OF OVERTIME

SECTION A - ROTATING ROSTER

Overtime beyond the normal working periods shall be distributed equitably among qualified employees in their respective classifications when practicable on a rotation basis. Failure of an employee to accept overtime when offered will have the same effect as if that employee had worked as far as his/her turn in rotation is concerned.

For distribution of overtime worked by an employee on their day off, an individual seven (7) day rotating roster will be maintained for each shift. The individual rosters (one for each day of the week) will list all employees by classification and shift in seniority order. Employees desiring to work on their days off must sign up at least one (1) hour prior to the end of the shift preceding their days off. Failure to do so shall have the same effect as refusing overtime work. Employees selected to work overtime shall be posted no later than thirty (30) minutes before the end of their last regular shift before their scheduled days off. Complete seniority lists for each classification along with the overtime rosters will be posted at each location/division.

When a known vacancy (caused by an employee on vacation, absent, etc.) is to be filled by overtime, it shall be filled, if possible, by an employee on the same shift on his/her regular days off. This method shall also apply to scheduled overtime. Employee is to be notified as soon as is practical in advance of the extra day to work. This shall not prohibit employee from working overtime on an adjacent shift where requirement is not known in sufficient time to comply with the above, or when employee on the same shift is not available.

SECTION B - PROTECTION OF SCHEDULE SHIFT DUTIES

No mechanic will be displaced from his/her shift duties by another mechanic who has been held over, or called in to fill a vacancy in the Utility or Service Attendant group.

SECTION C - SELECTING EMPLOYEES FOR OVERTIME WORK

Shop Stewards, when available, will conduct the selection of employees to participate in overtime work that is required by the Authority.

ARTICLE 5

ISSUANCE OF PAYCHECKS

SECTION A - PAY PERIODS AND PAYDAYS

Pay periods will end every other Saturday night to include all assignments for the last day of the pay period. If possible, paychecks will be issued Thursday night for second shift personnel but not later than the first Friday following the close of the pay period, except in those weeks in which a holiday occurs. Every effort will, nevertheless, be made to issue paychecks during the week when the holiday falls. If unable to issue checks and make delivery on Friday, the checks will be issued not later than the following Monday.

SECTION B - VACATION ALLOWANCE

Paychecks for vacation allowance will be made available to employees in advance of the start of vacation, providing a request is made at least ten (10) working days prior to beginning of vacation.

Paychecks for regular work days will not be made available for persons receiving advance payment for vacation allowance prior to regular paydays.

SECTION C - SHORTAGES

In the event there is a shortage in pay on a regular paycheck, such shortage shall be made up in accordance with the following procedure:

1. A shortage of less than twenty-five dollars (\$25.00) will be included in the next regular paycheck.
2. Shortages between twenty-five dollars (\$25.00) and two hundred dollars (\$200.00) will be paid by a cash advance no later than the day the shortage is discovered.
3. Shortages of two hundred dollars (\$200.00) or more will require the issuance of a special check no later than the next regularly scheduled Payroll Department work day.

SECTION D - PAYCHECK STUBS

All paycheck stubs issued will itemize all daily straight time hours worked and overtime, if any, during the pay period.

ARTICLE 6

WORK SHIFTS AND WORK WEEK

SECTION A - GUARANTEE

All employees covered by this Agreement, who are available and work their assignments, shall be guaranteed eight (8) hours per day, and forty (40) hours per week, except as provided elsewhere in this Agreement.

This guarantee shall not apply to Facilities Maintenance in the event of shortage of material caused by work stoppage of suppliers. Employees of Facilities Maintenance whose assignment may be affected by inclement weather shall be allowed to do other work for which they are qualified.

Employees who are absent from duty and unavailable for work for part of a day, shall receive pay on a minute basis for only the portion of day worked and a minimum allowance of eight (8) hours shall not apply.

SECTION B - CONSECUTIVE DAYS OFF

Work shifts for all employees shall be scheduled so as to provide two (2) consecutive days off and scheduled in such a manner so as to allow as many Saturdays and Sundays off as is practicable, except for standby crews and emergency crews.

SECTION C - LENGTH OF WORK DAY AND WORK WEEK

In all classifications, work shifts shall be set up on a basis of eight (8) hours per day, forty (40) hours per week.

ARTICLE 7

SELECTION OF WORK ASSIGNMENTS AND SHIFTS AND CHOICE OF WORKING SCHEDULES

SECTION A - REGULAR SHIFTS

Employees shall select their work schedules and shifts at their respective locations in accordance with their ATU seniority. The Authority shall determine the number of employees to work in each job classification, as referred to in Article 10 of this Agreement on each shift.

SECTION B - HOLIDAY WORK

The Authority shall determine the number of employees who shall work on holidays in each job classification. Employees at each location may bid for such holiday work on an ATU seniority and rotating basis, giving preference to the employee who would normally work on that day. In the event an insufficient number of employees bid for such work at their respective locations, the Authority shall select employees from the bottom of the ATU Seniority List in such job classifications to complete the necessary quota. Bids are to be posted a minimum of eleven (11) calendar days prior to the holiday and bidding shall be completed a minimum of seven (7) calendar days prior to the holiday.

SECTION C - NORMAL BIDDING CYCLE

In December and June, the Authority shall establish weekly work schedules to be bid in the departments set forth in Article 15 of this agreement. Such schedules shall contain the time of start and finish of each shift, the days of the week to be worked, Leader, Relief Leader, Body Shop, and specialty assignments. Prior to the posting of such schedules, the Union representatives shall have the opportunity to review and discuss these schedules with the department head or designee. Bid sheets cannot be changed after they have been reviewed by the Union without mutual consent between the Union and the Authority.

For the purpose of bidding under this section:

- Mechanics will be one unit;
- Master Mechanics will be one unit;
- Utility A's and Service Attendants will be one unit;
- Utility B's will be one unit;

- E.C.T.'s will be one unit;
- S.E.C.T.'s will be one unit;
- Property Maintainers will be one unit;
- Digital Technicians will be one unit;
- Digital System Technicians will be one unit;
- Laborer A's and B's will be one unit.

Master Mechanic positions will be used at all operating divisions, the RRC (in running repair) and in Non-revenue maintenance. MTA will establish Master Mechanic qualification requirements (PQS - Personnel Qualification Standards) and selection criteria. MTA will forward a copy to the ATU. Master Mechanic shift assignments will be approximately equal on all three shifts, with the first priority being second and third shifts. Assuming an adequate number of qualified applicants are available, 15% of the Mechanic positions at each location will be Master Mechanic positions. The MTA and ATU acknowledge that it will take several years for full implementation of the Master Mechanic positions. As per the applicable provisions of this agreement Master Mechanics will have Leaders and Regular Relief Leaders.

After the close of bidding, each Division Manager or designee shall meet with the Shop Steward for his/her division. The Division Manager shall determine the number of Master Mechanics necessary to meet the above-referenced minimum staffing requirements. The Shop Steward shall provide the Department Manager with the names of the Master Mechanics to be drafted pursuant to this procedure.

Bidding will commence during the first week of October and April, and will be completed no later than November 15 and May 15, respectively. The effective date shall be the first Sunday in December and June. The overtime provisions and the consecutive day off provisions of this Agreement shall not apply to employees in the rescheduling of their shifts.

Bids covering positions normally assigned to day inspection work will be identified as inspection assignments. An employee who bids an inspection assignment may perform other equipment maintenance work when no inspection work is available for that employee, except for Rail. (Rail Inspections are handled according to Article 43).

In the event an employee is not available to bid, or does not bid, when it is time to do so, the Union Steward shall bid for such employee an assignment as close as possible to that presently being held.

Shop Stewards shall work the day shift with Saturday and Sunday off. These positions will not be listed on the bid sheets; however, Stewards will be permitted to exercise their ATU seniority in the selection of work assignments.

SECTION D - BIDDING ON LOWER LEVEL ASSIGNMENTS

Employees will not be permitted to voluntarily bid to a lower classification except in meritorious cases and when mutually agreed upon by the Authority and the Union. It is understood that this section shall not apply to employees who have received benefits pursuant to Labor Code Section 139.5.

SECTION E - COPY OF SHAKE-UP BIDS TO UNION

A copy of each completed shake-up bid will be furnished to the Union as soon as practicable after completion of bid.

SECTION F - RETURNING FROM INDEFINITE LEAVE

In the event an employee returns to work in the same shake-up period during which the employee was placed on indefinite leave, he/she will be placed on the same shift with the same days off as held at the time of the commencement of disability.

In the event an employee returns to work after a subsequent shake-up has been held, such employee will be allowed to bid into the same division with the shift and days off equal to that which the employee's ATU seniority would have permitted had the employee been present to bid at such subsequent shake-up.

SECTION G - REMOVAL OF EMPLOYEES FROM SECTION

Employees will be removed from their section by inverse ATU seniority if there are no volunteers.

SECTION H - REPORTING LOCATION

In Facilities Maintenance, the Authority may at its option assign employees to report directly to the job site if the specific job is scheduled to last more than two days. In such case, employees will be given 24 hours notice, and they will be paid travel pay each day equal to one and one half (1½) hours pay at their straight time rate of pay.

SECTION I - RRC - BIDDING

RRC shall have one (1) shake-up per year to be effective in June. No more than twenty percent (20%) of the positions in the Engine Shop or in the Transmission Section at the Regional Rebuild Center (RRC) may be filled by employees who have less than six (6) months experience in the respective shop/sections.

SECTION J – WARRANTY EQUIPMENT MECHANICS

Warranty Equipment Mechanics (WEM) will bid system wide within their classification, once per year, to be effective in June. WEMs bidding to a section where they have not worked before, will serve a 120-day trial period in that section. If at anytime during the trial period the employee is disqualified, the employee will return to their former section. The disqualified employee is free to grieve the matter. Such grievance will be decided by the Promotion Review Panel.

If the vacancy is to be filled, management will first seek volunteers using the prebid process and if no one volunteers, Article 7, Section G, will apply. When applying the terms of Article 7, Section G, a WEM cannot be forced into a section they were disqualified from.

Vacancies, which occur between shake-ups, shall be filled pursuant to Article 8.

ARTICLE 8

VACANCIES AND NEW POSITIONS

Qualifications being equal, the Authority agrees that it shall fill all vacancies and new positions on an ATU seniority basis, subject to an employee's right to present, through the grievance procedure, any evidence the employee may have to show that he/she has been unjustly discriminated against. The Authority, however, will notify the Union and discuss the bids with the Union representatives before the vacancy is filled. The procedure of filling such vacancies shall be as outlined below:

SECTION A - PRE-BID NOTICES

Employees desiring to change work locations may advise their department head of their desire on a prescribed pre-bid notice, in quadruplicate. One copy will be forwarded to the Department, one to the Union, one to the employee's file, and one to the employee. Such notice shall state the employee's name, badge number, ATU seniority date, classification, present location and location to which he/she desires to move. When a vacancy or new position occurs, the Authority will advise the Union business representative. The Authority and the Union representative will confer to consider applicable pre-bid notice. If there is more than one pre-bid on file, qualification and ATU seniority will govern the selection. If an employee is moved as a result of a pre-bid, all other pre-bids he/she may have on file will be nullified.

Employees accepting a pre-bid may not pre-bid again for a period of one hundred twenty (120) consecutive days.

New employees will not be permitted to change Divisions by pre-bidding prior to the expiration of their probationary period. The acceptance or rejection of a transfer as a result of a pre-bid must be submitted in writing in duplicate; one copy to the Authority and one copy to the Union.

Employees forced to transfer from their division, for operational needs, will have a one-time priority bid (by seniority order) to return to that division when an opening exists in the applicable classification. Then, existing pre-bids will be exercised to fill the remaining vacancies. This does not apply to employees not identified for transfer who volunteer to move or probationary employees at the affected division.

If the vacancy is to be filled, management will first seek volunteers using the prebid process and if no one volunteers, Article 7, Section G, will apply. When applying the

terms of Article 7, Section G, a WEM cannot be forced into a section they were disqualified from.

SECTION B - POSTING BIDS

If the vacant position is not filled by the pre-bid process above, the vacancy shall be posted for bid. The vacancy will be posted for four (4) working days on all bulletin boards throughout the Authority. A copy of such notice shall be furnished to the Union. All vacancies or new positions so posted shall be filled within six (6) calendar days from the close of the posting period, provided a qualified employee applies. In selecting the qualified applicant as a result of the above posting, the appointing department shall make the selection from qualified applicants in the following sequence:

Group 1. ATU employees within the department (as defined in Article 15). If there is a qualified applicant from the ATU-represented employees within the department which has the vacancy, the Authority must select the qualified applicant from this group with the highest ATU seniority.

Group 2. ATU employees in other departments. If there is no qualified applicant in Group 1, and there is a qualified applicant from the ATU-represented employees in the other departments, the Authority must select the qualified applicant with the highest ATU seniority.

Group 3. Other MTA employees. If there is no qualified applicant in Groups 1 and 2, above, the Authority may select qualified applicants who are not represented by the ATU.

Awards for all jobs posted will be placed on bulletin boards for four (4) working days.

SECTION C - HIRING OF OUTSIDE APPLICANTS

If no qualified employee within the MTA applies, the Authority may advertise the vacancy to outside applicants.

For the duration of this Agreement, the Authority will not employ persons from outside the Authority for positions of Mechanic "C" if there are any employees classified as Utility "A", Utility "B", or Service Attendant who are qualified to perform the duties of Mechanic "C".

In the event there are no employees who have the necessary qualifications, the Authority may hire new Mechanic "C's" from outside the Authority. The Authority will not hire Laborer "B's" from outside the bargaining unit.

This in no way restricts the employment of qualified Mechanic "A's" or "B's" by the Authority.

SECTION D - REGIONAL REBUILD CENTER

When positions regularly assigned to a rate above the base rate become open for assignment at the Regional Rebuild Center, they will be posted for bid at the Regional Rebuild Center only. In the event no qualified employee applies for the vacancy, the procedure described in Section B of this Article will be followed. Position will be awarded to the qualified employee. Where qualifications are equal, ATU seniority shall govern.

SECTION E - TEMPORARY VACANCIES

Notice of temporary vacancies shall not be posted provided it is understood that the term "temporary vacancy" refers to a vacancy caused by illness or injury or brief leave of absence, which would not exceed a period of ninety (90) days.

1. If it is determined that additional time is required on temporary vacancy, such extension will be by mutual agreement between the Union representative and the Authority.
2. a) If it is determined that the vacancy is to exceed ninety (90) days, the vacancy will then be open for bid, as provided above.

b) If a surplus exists upon the return of an employee from a leave of absence in excess of ninety (90) days, the least senior employee in the classification within that division shall be the employee displaced.

SECTION F - TRAINING PROGRAMS

The Authority has established a training program for employees in the ATU bargaining unit who desire to avail themselves of possible advancement to a higher classification.

The Authority will conduct two (2) classes during the term of this Agreement. Fourteen students and two alternates will be selected for each class. The alternates will be available to begin the class in the event that one or two of the fourteen selected students is not able to begin the class. A class will begin at least every eighteen months.

Such class(es) will begin concurrently with a shakeup, or such other dates as may be mutually agreed upon. The program will be offered to afford an opportunity for all employees.

Applicants for the program will be tested and interviewed and must demonstrate adequate ability to perform basic arithmetic, (including decimals and fractions), to read and follow work instructions and to comprehend mechanical systems. Applicants must have a good work record for the last three (3) years (or their period of employment, if less than three (3) years), including good attendance and punctuality, getting along with fellow employees, giving full attention to duties and a good driving record as confirmed by the D.M.V. All applicants must be and remain physically qualified to perform the duties of the higher classification for which the training is given. Qualified applicants will be assigned to training in ATU seniority order. Employees may be disqualified from the program if they are not demonstrating the new skills. Disqualifications from the program will be discussed with the ATU before any action is taken. Such disqualification would be subject to the grievance procedure but not to the arbitration procedure. Trainees will receive a written evaluation by the instructor or supervisor, at least, every two months. Evaluations are not subject to grievance or arbitration.

Applications will be reviewed and copies will be forwarded to the Union, along with the final selection of candidates. The Authority agrees to discuss these selections with the Union wherever a question may exist.

The Mechanic C training program is being increased to eighteen months. The training will include after work classroom training which the employee completes on their own time (not to exceed 240 classroom hours). The training will cover all major bus mechanical systems. Upon completion of the training program trainees will bid locations available by seniority. (Reference side letter #2000-01 attached to this CBA.)

The promotion review panel, (referenced in a side letter attached to this CBA) may not be used by employees who have completed the Mechanic C training program until they have been at 100% of the Mechanic C rate for at least one year.

Commencing with class number sixteen (16) the minimum rate of pay for classroom graduates will be eighty-five percent (85%) of Mechanic "C" rate for all "on-the-job" training time, provided that this paragraph of Article 8, Section F shall not be applied so as to reduce the pay rate of any employee.

After successful completion of "on-the-job" training, employees will remain on day shift, Monday through Friday, until the next shake-up.

While driving tow trucks, Utility/Service Attendant trainees will be paid the Mechanic "C" rate of pay.

SECTION G - PROMOTION

The Union shall have the right to appeal refusals of promotions to the Director of Maintenance and to the Chief Operating Officer or his/her designee, whose decision will be final.

Upon request, an unsuccessful applicant for promotion shall have the right to be advised of his/her area(s) of needed improvement on the promotional test by a representative from the appointing department, who will advise the employee of suggested study materials and methods for improvement.

See side letter #2000-02 regarding the creation of Promotion Review Panel.

ARTICLE 9

TEMPORARY TRANSFERS

When an employee is transferred temporarily to a higher rated classification, that employee shall be paid at the regular rate of pay for the classification to which he/she has been temporarily transferred for each hour worked on the higher rated classification. If the temporary transfer is to a lower rated classification, the employee shall retain the original pay rate while filling such temporary vacancy.

An employee shall retain seniority in the former position while filling such temporary vacancy. If an employee fills a higher rated classification for ninety (90) consecutive work days, excluding absences on account of sickness, vacations, etc., such employee shall be considered as having qualified for such higher rate on a permanent basis. This shall not apply to a pre-bid move or a low-seniority forced move to another location.

ARTICLE 10

LAYOFFS

SECTION A - ORDER OF DISPLACEMENT

In the event of layoff in any of the Maintenance Departments, the employee with the least ATU seniority within the classification being reduced shall be the first to be displaced; however, after such employee has been displaced in his/her respective classification, such employee shall have the right to exercise his/her ATU seniority anywhere else where the employee is qualified.

SECTION B - CLASSIFICATION

For the purpose of this rule, the term "classification" refers to job classification as defined in Article 1 of this Agreement with the following exceptions:

1. Mechanics shall be one classification.
2. Property Maintainers shall be one classification.
3. Utility "A", "B" and Service Attendant shall be one classification.
4. Road Janitor, Roving Janitor and Laborer "A" & "B" shall be one classification.

SECTION C - RATES OF PAY WHEN DISPLACING TO LOWER CLASSIFICATION

Senior employees within a classification displacing a junior employee within the same classification shall not have their rates reduced.

Employees in higher classifications displacing employees in lower classifications by the exercising of ATU seniority shall receive the rate of pay for the lower classification.

SECTION D - RIGHT OF QUALIFICATION AND RIGHT TO DISPLACE IN DIFFERENT CLASSIFICATIONS

An employee promoted, changing location, or exercising seniority as a result of reduction of forces shall be considered to have qualified for such job if the Authority allows said employee to remain in the new job for ninety (90) days.

If the employee is displaced and unable to displace in his/her own classification, he/she shall have the right to displace in another classification in which he/she is qualified.

SECTION E - PROTECTION OF SENIORITY

Employees laid off or furloughed shall hold all ATU seniority rights for a period of twenty-four (24) months following layoff or furlough.

SECTION F - DETERMINING QUALIFICATIONS

The Authority will make every possible effort to utilize employees in the Maintenance Departments who are laid off or who are no longer required in their present occupation and location. In order to accomplish this, the Authority and Union will confer, when it is known that such layoff is imminent, for the purpose of determining if employees to be displaced are qualified to perform work in other classifications in Maintenance Departments. When mutual agreement is reached between the Authority and Union that employees involved are qualified for such other work, in another Maintenance Department, such employees will be permitted to displace the junior employees in the classification agreed upon as above. The junior employees being displaced may in turn exercise their full right of ATU seniority choice under this Agreement.

SECTION G - REINSTATEMENT

To be eligible for reinstatement under the provisions of Section E of this Article, laid-off employees must keep the Authority informed of their current address. The Authority's obligation under this Article to offer reinstatement shall be fulfilled by mailing notices to the most recent address supplied by a laid-off employee. To obtain reinstatement, a laid-off employee must notify the Authority within ten (10) days after such reinstatement offer has been mailed by the Authority and report for work within fifteen (15) days after the date of the Authority's offer. Employees shall be offered reinstatement by ATU seniority order within their classifications.

SECTION H - NOTICE TO UNION

The Union will be given fifteen (15) working days notice in case of a layoff caused by a reduction in work force. If such notice is served, it shall automatically expire at the end of thirty (30) days. This notification will not apply if layoff is due to return from leave of absence of senior employees.

ARTICLE 11

DISTRIBUTION OF WORK

SECTION A - WORK ASSIGNMENTS BY CLASSIFICATION

All work usually done by a certain classification shall be given to employees in that particular classification (e.g., machinist, spray painter, etc.) unless impracticable to do so.

SECTION B - JOB SECURITY

Except as authorized in Sections C, D, and E below, the Authority shall not contract out work normally performed by this unit.

1. The following conditions shall apply to the subcontracting authorized by Section C:
 - a) No ATU-represented employee will be on layoff or demotion, or will be laid off or demoted, while any of the subcontracting authorized by Section C is in effect. This paragraph does not apply to demotions, for just cause, based on an employee's job performance.
 - b) The Authority will not subcontract any work if the number of employees represented by the ATU falls below 1500.
 - c) Any employee receiving a skill differential who is required to change jobs because of subcontracting will not lose the skill differential pay unless the employee voluntarily elects to transfer from Regional Rebuild Center (RRC) to an Operating Division.
 - d) Except where noted by an asterisk (*) or otherwise authorized in this Article, no outside subcontractor will be permitted to perform any work on the Authority's premises.
 - e) Except as authorized in this Article, there will be no subcontracting of Utility "A", Utility "B" or Service Attendant work.
 - f) There will be no subcontracting of running repair work at the Operating Divisions.
 - g) There will be no subcontracting of inspection work at the Operating Divisions.

- h) Except as authorized in this Article and except as required by law, property maintenance work presently performed by ATU-represented employees shall not be subcontracted.
2. The following conditions shall apply to the subcontracting authorized by Section D:
- a) No ATU-represented employee shall be laid off or demoted as a result of subcontracting the work authorized by Section D. This paragraph does not apply to demotions, for just cause, based on an employee's job performance.
 - b) The conditions set forth in Sections B(1)(b) through B(1)(h) shall apply to the subcontracting authorized by Section D.

SECTION C - GENERAL SUBCONTRACTING

Subject to compliance with the conditions in Section B(1) above, the Authority may subcontract the work and purchase the items listed below:

1. Any work in emergencies. For purposes of this Section, emergencies shall be construed as acts of God, fire, flood, earthquake, power failure, official government declared emergencies, and unexpected situations requiring immediate action, abnormalities in service requirements, or other conditions beyond the control of management. The Authority's exercise of these emergency rights does not preclude the Union from raising grievances on the issue.
2. Drain plug bushings.
3. The cutting of glass.
4. Operation and maintenance/repair of Emissions Test Facility equipment, except for operational and testing of Authority-owned vehicles.*
5. Offsite Factory Bus Inspections, except for start-up and final inspection activities.
6. Any and all maintenance and repair work when a warranty is in effect. If the work is done at an Authority facility, an ATU-represented employee will be assigned to work with the employees of the subcontractor; in such case, the ATU employee will receive his/her regular rate of pay or the W.E.M. rate of pay, whichever is higher. If the work is not done at an Authority facility, an ATU-represented employee need not be assigned to work with the subcontractor's employees.
7. The installation of equipment in non-revenue vehicles where the equipment installation is included in the purchase price and the non-revenue miles are less than 5,000. This does not apply to revenue vehicles.

8. Initial installation of cellular telephones in non-revenue vehicles.*
9. Bus Stop Cleaning. This work can only be done by persons who do not receive compensation from the Authority directly or indirectly (such as court referrals or community service). Each crew will be assigned an ATU-represented employee who will receive the Leader differential.
10. Off-Site Oil Analysis.
11. Any other activities that the Authority and Union specifically agree, on a case by case basis, may be subcontracted or purchased.

It is not the intent of the Authority to subcontract work or purchase items to avoid hiring new employees in this unit as the workload increases.

The Authority will notify the Union each time work is to be subcontracted or an item is to be purchased pursuant to this Section. Such notification will be both verbally and in writing, and shall be given at least seventy-two (72) hours prior to the start of subcontracting or purchase. The Authority will discuss with the Union each item to be subcontracted or purchased pursuant to this Section prior to the start of subcontracting or purchase, including discussions about the location where any such work is to be performed.

During the life of this agreement, ATU agrees to \$0 in subcontracting under Article 11(C)(11), subject to the condition noted herein. In addition, there will be no shop closures within the Divisions or RRC.

SECTION D - SIDELETTER SUBCONTRACTING

Subject to compliance with the conditions in Section B(2) above, the Authority may continue to subcontract work and purchase items as previously authorized by Sideletter of Agreement #94-03. With the exception of the transport of non-revenue vehicles for allowed maintenance/repair and washing, which the Authority shall no longer have the right to subcontract, it is the intent of the Authority and the Union that the Authority's rights to subcontract work and purchase items pursuant to this Section D shall be the same (except as modified below) as under former Sideletter of Agreement #94-03. The Sideletter subcontracting which the Authority may continue to perform is listed below:

1. Purchase of any new parts or equipment. This applies to both revenue and non-revenue parts and equipment.
2. Purchase of rebuilt non-revenue parts or rebuilt non-revenue equipment, whether or not previously manufactured by the Authority, including situations where the vendor requests or requires a core exchange. This includes, without limitation, the purchase of rebuilt non-revenue engines, transmissions, generators and

starters. The installation of rebuilt non-revenue equipment and components will be performed by the ATU. The purchase of rebuilt equipment as stated above does not preclude the MTA from having ATU personnel rebuild or overhaul equipment or components.

3. Non-revenue body repair, radiator repair, upholstery, paint, and chassis work related to accident repairs. Maintenance and repair work regularly performed by the non-revenue unit will continue to be performed by the ATU and will include brake work (turning drums, rotors, and shoes), smog checks and wheel alignment.
4. Non-Revenue car washing.
5. Maintenance and repair of scrubbers and sweepers. If done on the Authority's property, this work may only be performed at the Authority's South Park facility.
6. Power yard sweeping (bus and rail).*
7. Graffiti removal (rail facilities).*
8. Trash and debris removal.*
9. Rail right of way trash and debris collection and removal.*
10. Rail right of way fence repair.*
11. Excess high-rail repair and certification.*
12. Rail Ticket Vending Machine (TVM) maintenance.*
13. Fire detection system maintenance, except for Los Angeles City fire code regulation 4 testing and certification which will be performed by ATU-represented employees if and when they become certified to perform such testing.*
14. Rail right of way landscape maintenance.*
15. Telephone system maintenance (Pac Tel or replacement contractor) required in addition to work normally performed by MTA ATU-represented employees. *
16. Elevator maintenance.*
17. As needed service for station canopy cleaning, vegetation removal, battery maintenance and track consulting.* (This applies only to Rail)
18. Fabrication of cleaning tools.

19. Coach fumigation.*

20. Rodent and/or pest control.

21. Affixing marketing or advertising displays or materials, other than the Authority's own logos, to revenue or non-revenue vehicles for third parties.* The Authority may have Wrap-A-Bus decals applied by the advertiser, not to exceed 200 buses at any one time. If Wrap-A-Bus applications are done on the Authority's property, such work will not take place in a bus Operating Division or the Regional Rebuild Center.

22. Graffiti removal work on vehicles (other than on rail cars) assigned to, or contracted with the County of Los Angeles or other governmental agencies such as a youth project, probation or sentencing program (community service) or court referral. No more than thirty-five (35) individuals, in the aggregate, may be utilized in these graffiti removal programs on any given day. This work may be done at MTA layover zones. Each crew will be assigned an ATU-represented employee who will receive the Leader differential.

23. Fabrication and repair of bus washer brush shafts.

The Authority will continue its usual practice with regard to rail equipment, which is to remove and replace the equipment with the Authority's employees while having outside vendors actually make the repairs.

It is not the intent of the Authority to subcontract work or purchase items to avoid hiring new employees in this unit as the workload increases.

The Authority will notify the Union each time work is to be subcontracted or an item is to be purchased pursuant to this Section. Such notification will be both verbally and in writing, and shall be given at least seventy-two (72) hours prior to the start of subcontracting or purchase. The Authority will discuss with the Union each item to be subcontracted or purchased pursuant to this Section prior to the start of subcontracting or purchase.

SECTION E – SUBCONTRACTING TO A TRANSPORTATION ZONE

Subcontracting to a transportation zone consistent with the terms of S.B. 1101, as it existed on October 12, 2000, will be allowed. Unless mutually agreed, no other subcontracting to a transportation zone will be allowed, including any subcontracting if the terms of S.B. 1101 are amended. Unless the parties mutually agree otherwise, neither party will seek any amendments to S.B. 1101 and both parties will oppose any amendments to S.B. 1101 proposed by anyone else.

ARTICLE 12

WORK BY SUPERVISORS AND INSTRUCTORS

Employees not in the bargaining unit (except Field Equipment Technicians) will not work with the tools of the trade nor perform any work normally performed by an employee covered by the terms of this Agreement, except in case of emergency, and then only to the extent that he/she does not replace any employee who is temporarily absent or not, with the further exception that he/she may use the tools of the trade for instruction or testing. The MTA agrees not to extend the number of non represented positions in the Field Equipment Technician classification beyond the current fourteen (14) positions and the ATU agrees to recognize the current terms and conditions of the Field Equipment Technicians.

ARTICLE 13

LEADERS

SECTION A - DUTIES

A Leader directs an employee group assigned to his/her responsibility and need not be concerned with the work of any employee not in that Leader's group.

It is the Leader's responsibility to direct the employees in the progress of their work under the supervision of his/her immediate supervisor with whom he/she shall consult in all matters affecting such work.

A Leader has the same responsibility as all employees to report any circumstances affecting the safety of other employees or Authority property and shall exercise best efforts to assure that the employees he/she leads work safely at all times.

SECTION B - QUALIFICATIONS AND SELECTION

Seniority of equally qualified employees shall be the deciding factor in the promotion of an employee to a Leader or a regular Relief Leader position. This shall also apply to the selection of Temporary Leaders.

SECTION C - AWARD OF POSITION

LEADER:

This job is awarded to an individual on a Job Bid according to qualifications and/or seniority. The employee so awarded will retain the title of "Leader" until he/she voluntarily surrenders the job or is removed for cause, and will receive the leader premium defined in Article 1 for all time worked.

RELIEF LEADER:

This job is awarded to an individual on a Job Bid according to qualifications and/or seniority. As in the case of the "Leader", this person will retain the title of "Relief Leader" on the same basis as stated above. He/she is paid the leader premium defined in Article 1 Leader only when acting as "Leader."

NEITHER THE "LEADER" NOR "RELIEF LEADER" JOBS MAY BE TAKEN WITH AN INDIVIDUAL WHO TRANSFERS FROM ONE DIVISION TO ANOTHER.

To keep the position of "Leader" and "Relief Leader" those employees must always bid the "Leader" and "Relief Leader" slots that are posted on the bid sheets. Failure on the part of the individual who has that title to bid that spot will indicate that the individual wishes to give up the position. An individual may also voluntarily give up the position between shake-ups at any time if the employee should so desire. In the event a "Leader" or "Relief Leader" voluntarily surrenders the position at a time other than at the end of a shake-up, the person surrendering the position will assume the days off and shift of his/her successor until the end of that shake-up period. In either of these cases, the position will be promptly posted for bid at the Division affected.

Once a "Leader" or "Relief Leader" is awarded the job, that employee may bid any "Leader" or "Relief Leader" (whichever position is applicable) position that is open on the bid sheets which his/her seniority (as defined in Article 15) will permit, regardless of which shift he/she may have been on when he/she first attained the position.

Leaders in Facility Maintenance can bump each other by seniority if they are qualified to do the job in the section they are bumping into. Leaders at the Regional Rebuild Center (RRC) can bump another leader in the various sections by seniority if they are qualified to do the job in the section they are bumping into.

A "Leader" receives the leader premium defined in Article 1 Leader at all times because he/she holds the title of "Leader." A "Relief Leader", however, receives the leader premium defined in Article 1 Leader only when he/she acts as the "Leader", which is generally when the "Leader" is absent (days off, sick leave, vacations, etc.).

A "Relief Leader" will always act in the "Leader" capacity on the normal days off of the "Leader" -- EVEN IF THE "LEADER" IS BROUGHT IN TO WORK ON OVERTIME ON THOSE DAYS. A "Relief Leader" will also act in the "Leader" capacity when the regular "Leader" is taking the place of an absent Supervisor.

The Leader may be asked to work overtime to perform Leader duties. Any such overtime will be counted as overtime worked on the regular overtime roster.

SECTION D - NUMBER OF LEADERS

Unless there is a reduction in the number of employees in the bargaining unit, it is agreed that during the term of this Agreement, there shall be no reduction in the number of "Leaders" and "Relief Leaders" from that in effect on August 25, 1979. If there is a reduction in the number of employees in the bargaining unit, the number of "Leaders" and "Relief Leaders" will be determined by maintaining the same ratio of "Leaders" to employees that existed in the unit on August 25, 1979.

ARTICLE 14

PROBATIONARY PERIOD

SECTION A - LENGTH:

A new employee shall serve a probationary period of one hundred twenty (120) days. However, in the Rail Divisions, if the standard orientation training for the employee's position includes four hundred (400) hours or more of formal instruction, the probationary period shall be one hundred eighty (180) days, or sixty (60) days after completion of the formal instruction, whichever is shorter. After qualifying for the new position, such employee shall then be given Authority seniority as of date of employment.

SECTION B - FALSIFICATION OF RECORDS

It is understood, however, that evidence of falsification of application for employment shall subject the employee to removal from service, if such evidence is discovered within twelve (12) months of date of employment. If such falsification is discovered after the expiration of the employee's probationary period, the employee shall have the right of investigation and hearing as provided in Article 19 and 20 of this Agreement.

SECTION C - ORIENTATION PROGRAM

New employees shall receive orientation training which shall include approximately one (1) hour of instruction consisting of both Union and Authority presentations on discipline, the Maintenance Guidebook and this Agreement. Employees undergoing this training shall be compensated at their appropriate straight time rate.

ARTICLE 15

SENIORITY

SECTION A - SCOPE

Seniority, within the meaning of this Agreement, may be either Authority Seniority or ATU Seniority.

SECTION B - AUTHORITY SENIORITY

There shall be an Authority Seniority List established in accordance with the original date of the last employment by the Authority or its predecessors.

SECTION C - ATU SENIORITY

There shall be an ATU Seniority List established in accordance with the date of commencing service in an ATU-represented classification.

For purposes of bidding shifts, vacation and holidays, ATU Seniority shall control.

The Authority will post ATU Seniority Lists at the time of shake-up and will provide the Union with a copy of each list.

SECTION D - DEPARTMENTS

For purposes of this Agreement, there shall be three departments:

- Equipment Maintenance
- Facilities Maintenance
- Stops and Zones

SECTION E - POSITION FOR THOSE HIRED THE SAME DAY

When more than one new employee begins working in an ATU-represented classification on the same day, ATU Seniority will be determined by the order in which they passed their physical examinations. In the event that the record of physical examination does not determine date and time such physical was made, the order of position on the seniority list for that date will be in alphabetical order.

SECTION F - BLENDING

If work is transferred to or integrated with work in another department or division, employees may follow the work by seniority choice and will have their ATU seniority blended with seniority in the department or division to which the work is transferred. The number of employees permitted to transfer will be the number required to perform the additional work in the department after the transfer or integration is completed.

SECTION G - PROMOTIONS

Any employee promoted into another classification which is covered by this agreement shall serve a one hundred and twenty (120) day trial period. At any time during this period, the employee may return or be returned to his/her former classification and position/Division. This provision does not apply to promotion within the following classifications: Mechanic (C to B or B to A), Property Maintainer (C to B or B to A) and Laborer (B to A). In addition, this provision does not apply to an employee who is promoted into a new classification after successfully completing an Authority approved training program.

Any employee covered by the terms of this Agreement who is promoted to a position not included within the scope of this Agreement shall, within one hundred eighty (180) days of such promotion, determine if he/she shall continue on such promotion or return to his/her previous job. In the event that the member has continued his/her membership in good standing in the Union, he/she shall be permitted to return to his/her former position without loss of ATU seniority. An employee who elects to remain in such new position or fails to continue his/her membership in good standing shall forfeit all ATU seniority. Provided further, that any employee who is promoted a second time will immediately forfeit all ATU seniority.

See side letter #2000-02 regarding the creation of Promotion Review Panel.

ARTICLE 16

LEAVES OF ABSENCE

SECTION A - PERSONAL LEAVE OF ABSENCE

1. Employees with good cause desiring leave of absence without pay for personal reasons which are not covered by the Family Care and Medical Leave Act for a period not to exceed ninety (90) days, will apply on prescribed form to their Supervisor or Division Manager who will grant such request when reasons warrant, unless impracticable to do so. Employees will be notified of the decision within a reasonable time. Application for leave of absence may be made by employee or the Union representative.
2. Family Care and Medical Leave will be granted in conformance with the applicable federal and state laws. All time spent on Family Care and Medical Leave, will count towards the twelve (12) months of leave provided in Article 29, Section D.
3. Employees requesting Family Care and Medical Leave due to the birth of their child or the placement of a child with the employee for adoption or foster care will be granted up to twelve (12) weeks Family Care and Medical Leave in conformance with the applicable federal and state laws, provided the employee has not taken Family Care and Medical Leave which, when combined with this request, would result in the employee taking more than twelve (12) weeks of Family Care and Medical Leave in the floating twelve (12) month period except as provided in Article 29, Section D. This leave, however, would count toward the twelve (12) months of leave provided in Article 29, Section D.

SECTION B - LEAVE FOR ELECTED OR APPOINTED UNION OFFICERS

An employee's election as an officer or member of the Executive Board of the Union or appointment to act on Union business shall be considered good and sufficient reason for a leave of absence. Any employee elected or appointed to a full-time position in the Union shall be given a leave of absence for the duration of his/her term of office, which period shall be considered as continuous service, and may be extended upon official written request. Upon return from such leave of absence, the employee shall be reinstated without loss of seniority and at the current rate of pay.

SECTION C - WORKING ELSEWHERE WHILE ON LEAVE

Any employee who accepts gainful occupation while on Leave of Absence (including Sick Leave), except as herein specified, terminates employment with the Authority. "Sick Leave" referenced above, will not adversely affect employees who have complied with Rule 3.08 of the Maintenance Guidebook.

SECTION D - PREGNANCY

A leave of absence up to one (1) year shall be granted upon application of a pregnant employee, without seniority being affected nor her job considered a permanent vacancy.

SECTION E - MILITARY SERVICE

Any permanent employee subject to the terms of this Agreement who is called into or enlists in the Armed Forces of the United States or its allies (during a national emergency), shall be given a leave of absence in accordance with the regulations of the National Law affecting military service.

Payment of Military Leave will be in accordance with the applicable State Law for any employee who is called up for short periods of reserve duty for the U.S. Armed Forces or National Guard, e.g., two-week training periods (not including periods such as one-night drills or weekend duty).

SECTION F - BEREAVEMENT

A Bereavement Leave of Absence up to three (3) working days shall be granted employees as a result of death in the immediate family without any reduction in pay. In the event the death occurs outside the state of California, an absence of up to five (5) working days, without any reduction in pay, shall be granted. Verification of death will be required by the Authority within one (1) week of returning to work. The immediate family is considered to be employee's parents (including step-parents or foster parents); grandparents; sisters; brothers; spouse and children; spouse's parents (including step-parents or foster parents); grandparents; sisters and brothers; grandchildren of the employee or the employee's spouse.

Employee may use floating holidays and up to five (5) days vacation in connection with bereavement leave.

ARTICLE 17

UNION SECURITY

SECTION A - UNION SHOP

As a condition of their employment, all present employees coming within the scope of this Agreement shall become and remain members of the Union during the period of this Agreement. All present employees who are not members and all new employees coming within the scope of this Agreement shall, within thirty (30) days after the effective date of this Agreement, or within thirty (30) days after date of employment, whichever is the later, become and remain members of the Union during the period of this Agreement.

SECTION B - DISCHARGE FOR NON-MEMBERSHIP

In the event any employee fails to comply with the requirements of this Article, the Union may give the Authority written notice of this fact, and within five (5) days after receipt of said notice the Authority shall terminate the employment of said employee, except that no person shall be discharged for failure to maintain good standing membership in the Amalgamated Transit Union unless such discharge would be legal under terms of the applicable State and/or Federal regulations.

SECTION C - NOTIFICATION OF ENTERING AND LEAVING

The Authority shall forward to the Union, weekly, the names of all persons covered by this Agreement entering or leaving its employ, together with a designation of the department, division or work unit to which such persons are or were assigned, noting such persons who are leaving for or returning from military service.

SECTION D - PAYROLL DEDUCTION OF DUES

The Authority agrees to make payroll deductions for Union Dues, including payments for the Committee on Political Education payments and contributions for the Amalgamated Transit Union Multiple Sclerosis Fund according to the terms and conditions of the "Authorization for Payroll Deduction" for each employee who executes and maintains such authorization. The Authority will require a new "Authorization for Payroll Deduction" form to be signed by each employee represented by the Union where such payroll deduction is to be made. Such authorization for payroll deduction to be made on the form approved in advance by the Authority. In the event the Authority receives from

an employee written revocation of the employee's check off authorization, the Authority will promptly notify the Union of the receipt of such revocation.

The Union agrees to hold the Authority harmless from any claims on account of any such deductions.

SECTION E - INFORMING OF EMPLOYEES

The Authority shall inform each new employee, at the time of his/her employment, of the existence of this Agreement and shall either furnish said employee with a copy of said Agreement or furnish the employee with the name and address of the Union and refer the employee to the Union where a copy of said Agreement may be obtained.

SECTION F - CONFORMANCE TO LAW

This Article shall not be construed or used in any manner so as to effect a violation of any law or laws.

ARTICLE 18

REPRESENTATION

SECTION A - MEETINGS OF AUTHORIZED REPRESENTATIVES

It is hereby agreed that the duly authorized representatives of the Authority shall meet with duly authorized representatives of the Union and treat all grievances that may arise during the life of this Agreement.

SECTION B - LIST OF UNION REPRESENTATIVES

The list of names of the authorized Union representatives, and the department, area or group of employees each represents shall be given to the Chief Executive Officer of the Authority or the designee and the department head or designee in writing, as well as any change in such lists at least three (3) days prior to the effective date of assuming the duties of such office.

SECTION C - CONDUCTING UNION BUSINESS ON AUTHORITY PROPERTY

Members of the Union's Executive Board will be permitted on the property at any time to conduct business with the Union Stewards and Union members without interference.

SECTION D - WORKING STEWARDS

Stewards and all other authorized Union representatives not on leave of absence are subject to all of the rules and regulations regarding the conduct of employees on the premises of the Authority, and it is understood and agreed that they are employed to perform full time productive work for the Authority, except when performing those duties specified in this Article.

SECTION E - PERFORMING UNION DUTIES DURING WORKING HOURS

A member of the Executive Board or a Steward may leave his/her work during working hours, with the permission of his/her immediate supervisor, for the purpose of performing the following duties for an employee or group of employees in his/her jurisdiction:

1. To present a grievance for adjustment to the aggrieved employee's supervisor or Division Maintenance Manager when so requested by an employee under his/her jurisdiction.
2. To investigate any such grievance so that it can be properly presented to the employee's immediate supervisor, or further processed.

SECTION F - PROTECTION OF EARNINGS OF WORKING STEWARDS

If the duties performed by a member of the Executive Board or a Steward, as described in Section E, above, are performed at his/her regular work location, there will be no loss of pay for the Union representative involved.

SECTION G - MINIMIZING OF TIME FOR CONDUCTING UNION BUSINESS

It is understood and agreed by the parties hereto that each will cooperate with the other in reducing to a minimum the actual time spent by Executive Board Members or Stewards in investigating, presenting and adjusting grievances or disputes.

SECTION H - REQUESTS FOR ADDITIONAL MEETINGS

Should the Union desire to discuss with the Authority any general problems not pertaining to grievances, a meeting shall be arranged upon written request.

ARTICLE 19

GRIEVANCE PROCEDURE

SECTION A - APPEAL LEVELS AND TIME LIMITS

When a grievance or dispute with respect to discipline or the interpretation or application of the terms of this Agreement has been presented to the Authority by an employee or an authorized Union representative, and has not been satisfactorily adjusted by an authorized Authority representative, and the employee or the Union wishes to further prosecute the issue, it shall then be adjusted according to the following:

SECTION B - STEP ONE:

Non Disciplinary Cases

1. Any such grievance or dispute shall be presented, in writing, on the ATU Grievance form, for adjustment immediately but in no event more than two hundred forty (240) hours (ten (10) days) after occurrence.
2. The employee may personally present the grievance or dispute to the employee's Supervisor or Division Manager if he/she so desires.
3. Any employee having a grievance or dispute may present it to the employee's Supervisor or Division Manager through a Union representative. The Supervisor or Division Manager will hold a meeting with the employee and the Union representative to discuss and attempt to adjust the matter – No more than two representatives from Management and two representatives from the Union shall be present. The Supervisor or Division Manager will give a written answer within two hundred forty (240) hours (ten (10) days) after receiving the ATU Grievance Form, which, if denied, shall include the reasons therefore. Every effort will be made by both parties to settle grievances or disputes in this Step One.

SECTION C – DISCIPLINARY CASES

Discipline will be administered only for proper cause.

SECTION D – REPRESENTATION AT COUNSELING SESSION

Whenever employees are called in for the purpose of a disciplinary counseling, the Authority will conduct such counseling with the Union representative present, if the employee so desires.

SECTION E – PROTECTION OF EMPLOYEE’S RECORD

It is mutually agreed that no entry shall be made on the employee’s record of such suspension or discharge if the employee was found to be completely blameless by mutual agreement.

SECTION F – CONSIDERATION OF SERVICE RECORD ITEMS ON ONE YEAR’S STANDING

Notation of one year's standing or more on service record of employee will not be considered in disciplinary cases. This one year time period may be extended by mutual agreement on a case by case basis between MTA and ATU.

SECTION G – NOTIFICATION TO EMPLOYEE OF IMPENDING DISCIPLINE

1. It is intended that resolution by the parties of these claims occur at the lowest possible level of the grievance procedure. Disciplinary hearings will be held on day shift.
2. Discipline hearings shall be held within ten (10) days, excluding Saturdays, Sundays, and Holidays, of the incident or infraction giving rise to the discipline. Any day the employee is off work, due to sickness, injury or bereavement leave shall be excluded from the calculation of the ten (10) days. The employee must be given at least forty-eight (48) hours notice of the time, date, place and subject matter of the hearing. All hearings shall be answered within ten (10) days (240 hours) excluding Saturdays, Sundays and Holidays from the date of the hearing.
3. Before an employee is disciplined as a result of complaints or reports from sources outside the Authority's supervisory force, the employee shall be first given a hearing by the employee's Supervisor or Division Manager or department designee.
4. Before an employee is suspended as a result of an infraction of rules, except in cases such as gross misconduct, insubordination, allegedly being under the influence of narcotics, alcohol or stimulants, or of physical assaults or threats thereof, the employee will be given at least forty-eight (48) hours notification prior to suspension.

SECTION H – HEARING BEFORE DISCHARGE

Before an employee covered by this Agreement is discharged, a hearing shall be set where the employee may present his/her case. The Union will be given notice of the time and place of such hearing and may appear and represent the employee if the Union and/or the employee elects.

SECTION I – PROTECTION OF EARNINGS

If, after a review of a suspension or discharge, it is mutually agreed that an employee who was suspended or discharged was completely blameless as regards to the offense charged, he/she shall be reinstated to his/her former position without loss of seniority and will be paid all the wages he/she would have earned during the period of suspension or discharge up to a maximum period of thirty (30) days. If the suspension or discharge period exceeds thirty (30) days, the wages he/she may have earned in other employment after the thirtieth day, or benefits received through California Unemployment Insurance by reason of unemployment after the thirtieth day, shall be deducted from the total earnings he/she would have earned from the Authority. If, however, after such review it is found that the employee in question was not completely blameless, then the parties may mutually agree upon what, if any, portion of wages he/she would have earned should be restored to the employee.

SECTION J - STEP TWO GRIEVANCE RESOLUTION COMMITTEE

Disciplinary and non-disciplinary cases.

1. Matters not resolved at the Step One or the Initial Disciplinary Hearing level will be referred to Step Two. If the Union is not satisfied with the Decision at Step One or the Initial Disciplinary Hearing, it may appeal the grievance or dispute to the Chief Operating Officer within thirty [30] days from the Step One or Initial Disciplinary Hearing written decision.

Such matters will be referred to the Step Two Grievance Resolution Committee. The Grievance Resolution Committee will consist of three persons appointed by the Chief Operating Officer who will be General Managers or a designee of the Chief Operating Officer and three persons appointed by the Union President. Each appointing authority may change the individual committee members at any time. The Committee will meet monthly on the second Wednesday of each month at 10 am at the RRC Facility. Times and meeting schedule may be changed by mutual agreement. Agendas will be issued by the Union the week prior with specific items to be discussed stating name, badge, division and issues. It will be sent to the C.O.O.

The Authority official who made the decision may appear and present the reasons for their decision. The affected employee and their representative at Step One or the Initial Disciplinary Hearing may appear and present any evidence or testimony they deem appropriate.

Following the presentation of evidence and a review of the Step One or Disciplinary Hearing Decision, the Committee will meet to decide the matter. The committee members appointed by the MTA will cast one vote. The committee members appointed by the Union will cast one vote. If the Committee resolves the dispute, its' decision will be final. If the Committee decision is a deadlock the matter will be set for the arbitration process. No further request by the Union to the MTA for arbitration will be required.

Following the Committee Meeting, its' decision in each case heard will be issued by the Committee as its minutes. The final vote will be noted. One member of the Committee appointed by MTA and one appointed by the Union will sign the minutes. Following the Step Two result the Union President or the Chief Operating Officer may request a meeting. The meeting will be held and either party is free to raise any unresolved issues from Step Two.

2. The grieving employee shall suffer no loss of pay for the Step Two hearings if he/she is in attendance during the hours of their regular shift.

SECTION K - THE WRITTEN DECISION SHALL INCLUDE THE FOLLOWING:

1. Date.
2. Names of those present.
3. Statement of each grievance or dispute discussed.
4. The Union's position with respect to the grievance or dispute.
5. The Authority's position with respect to the grievance or dispute.
6. The Authority's answer to the grievance or dispute.

One copy of this decision with the date and time mailed by Operations noted, will be mailed to the Union. If possible, a copy will also be faxed to the Union office.

SECTION L – SUBMISSION TO MEDICAL EXAMINATION

Any employee charged with being under the influence of alcohol or drugs while on duty, or on Authority property, shall be requested to submit to medical examination before being disciplined. Refusal on the part of the employee to submit immediately to this test and to sign the consent form will constitute acknowledgment by the employee of his/her guilt.

SECTION M - TIME LIMITS

Either party failing to meet the time limits will forfeit its case. Any of the time periods within which any of the acts required in this Article 19 are to be performed may be extended by mutual consent of the parties.

SECTION N - EXCLUSION OF SATURDAYS, SUNDAYS & HOLIDAYS FROM TIME LIMITS

In computing the time limits as fixed in this Article, Saturdays, Sundays and Holidays shall be excluded.

ARTICLE 20

ARBITRATION

SECTION A - PROCEDURE FOR NOTIFICATION

If a grievance or dispute with respect to discipline or the interpretation or application of any terms of this Agreement is not satisfactorily settled at the Step Two – Grievance Resolution Committee level, it will be submitted to arbitration before a Board of Arbitration hereinafter described and referred to as the “Board” and the Authority and the Union shall arbitrate such grievances or disputes. The Union may withdraw the request for arbitration at any time prior to the hearing. If it does so, the Authority’s decision will be final

SECTION B - ISSUES SUBJECT TO ARBITRATION

In cases where the parties have not agreed on the issue(s), the neutral arbitrator will frame the issue to be decided. It shall be mutually understood that the Board shall have no authority to modify, vary, alter, amend, add to or take away from, in whole or in part, any of the terms or provisions of this Agreement.

SECTION C - CHOOSING THE ARBITRATION BOARD

The Board shall consist of three (3) persons; one (1) person chosen by the Union, one (1) chosen by the Authority and the third chosen by those two (2). The Authority and the Union shall submit to each other the names of their respective representatives.

SECTION D - DETERMINATION OF THIRD ARBITRATION BOARD MEMBER IN CASE OF DISPUTE

The parties may mutually agree to select an arbitrator to serve as the third member of the Board. If the parties cannot agree within five (5) days upon a person to act as a third member of the Board, the Authority and the Union will select the third member from the arbitration panel. The parties have selected the following arbitrators who will constitute the arbitration panel. The arbitrators are: Thomas Angelo, Steven Biersmith, Howard Block, Bonnie Bogue, Mark Burstein, R. Douglas Collins, Walter Daughtery, Morris Davis, Joseph Gentile, Fred Horowitz, John Kagel, Michael Prihar, Charles Rehmus, Ken Silbert and Philip Tamoush.

When choosing from the panel, on a case-by-case basis, representatives of the Authority and the Union shall determine by lot the order of elimination from the panel, and thereafter, they shall alternatively eliminate one (1) name until only one (1) name remains. The remaining person shall thereupon be accepted by both the Union and the Authority as the third member of the Board.

The neutral arbitrator selected under this Section shall serve as the Chairperson of the Arbitration Board.

Either party may drop one arbitrator from the list during the term of this agreement by providing a written notice to the other party. An arbitrator dropped from the list may still hear and decide all cases for which he/she was chosen prior to the written notice to drop that arbitrator from the panel.

SECTION E - ARBITRATION BOARD PROCEDURES

The Board shall convene at a date to be determined by the three person Board. The parties further agree that in the conduct of the proceedings, the Board shall follow orderly rules of procedure; first, the issues to be presented to the Board; second, the direct and rebuttal evidence of the parties; third, oral argument by the parties; and fourth, submission and ruling by the Board.

SECTION F - MUTUAL CONSENT TO DECISIONS AND CERTAIN EXPENSES

The parties further agree: (1) that the rulings of a majority of the Board members, with respect to procedure and all objections to the exclusion or inclusion of evidence shall be binding on the parties; (2) that each party shall pay its own arbiter; (3) that all other expenses of arbitration shall be borne equally by the parties, and said expenses may include the making of a verbatim record of the proceedings and a transcript of that record, if it is deemed necessary by the Board; (4) that a written decision or award, by a majority of the Board members, shall be rendered within a time limit which is agreeable to the three person Board.

SECTION G - GRIEVANCES OR DISPUTES NOT SUBJECT TO ARBITRATION

No grievance or dispute shall be presented for arbitration until the employee or the Union has availed itself of the entire Grievance Procedure set forth in Article 19, and all grievances or disputes shall be considered finally settled and not subject to arbitration unless the Step Two Grievance Resolution Committee deadlocks on the dispute .

SECTION H - CALLING OF WITNESSES

The Board, or either party, may call any employee as a witness in any proceedings before the Board, and if the employee is on duty, the Authority agrees to release that employee from duty so that he/she may appear as a witness. If an employee witness is called by either party, the party calling such witness will reimburse the witness for the time lost.

ARTICLE 21

COURT CASES INVOLVING ARBITRATION

Whenever either party refuses to arbitrate or refuses to comply with an arbitration decision under this agreement and a court action follows, the party refusing to arbitrate or refusing to comply with an arbitration decision will pay the court costs and reasonable attorney fees of the other party, unless the court upholds the refusal to arbitrate or refusal to comply with the arbitration award. At the choice of the prevailing party, if there is a dispute as to the amount of the fees and costs to be paid, that can be referred to either the court deciding the issue or a Board of Arbitration selected pursuant to the arbitration article in this collective bargaining agreement.

ARTICLE 22

COURT APPEARANCES AND INTERVIEW TIME

SECTION A - COURT APPEARANCES FOR LEGAL MATTERS INVOLVING THE AUTHORITY

The Authority agrees to compensate any employee at the rate of pay prescribed by the terms of this Agreement, less any other compensation received as a result of such appearance, for all time spent in conjunction with any legal matters involving the Authority directly or indirectly, or for the time spent under subpoena in any criminal proceedings wherein his/her presence is required due to witnessing occurrences while on duty. In no event shall an employee be paid less than the employee would have received had he/she worked the scheduled or assigned work time.

SECTION B - ATTENDING DISCIPLINARY HEARINGS

Should an employee during the employee's hours off, be summoned to the office of his/her Supervisor or Division Manager for alleged violation of Authority rules, and should it be found that the wrong employee has been summoned, said employee shall be allowed the actual time from the time he/she reports to the designated office (time of arrival and departure to be recorded by the Division Manager or Supervisor), until released by the Division Manager or Supervisor, at the regular straight-time rate of pay with a minimum of twenty (20) minutes for reporting.

SECTION C - JURY DUTY

Any employee receiving notice of call to jury duty shall immediately show such notice to such employee's Supervisor when required to appear before the Jury Commissioner. In the event that personal appearance of employee is required, the employee shall be allowed reasonable time for such appearance but not to exceed two (2) hours, if loss of time from work is necessary for such appearance.

Any employee who serves as a juror will be compensated in the following manner:

An employee who is required to serve as a juror on any regular scheduled workday will be excused from work on that day and will be given supplemental pay equal to the difference between the fee received for service as a juror and the regular daily pay, total compensation not to exceed eight (8) hours in any day.

Employees must furnish the Authority with advance notice of service as a juror and submit official records of jury pay received to be eligible for supplemental jury pay.

Such supplemental jury pay shall be paid only for days on which the employee was scheduled to work, but did not work due to service as a juror.

Employees shall report for their regularly scheduled shift on days on which they are not on jury duty and will be paid their regular pay for time worked. When possible, employees on Jury Duty shall be temporarily assigned by their Supervisor to Saturday and Sunday off on their respective shifts.

The "day" for the third shift will be the calendar day in which their shift ends.

ARTICLE 23

UNION EMBLEMS

Union members will not be permitted to wear more than one (1) Union emblem on service uniforms, and it shall be placed so that it does not obscure Authority identification numbers.

ARTICLE 24

SAFETY AND SANITATION

SECTION A - COMPLIANCE WITH THE LAW

The Authority agrees to comply with all applicable city, county, state and federal safety and health rules, regulations and laws. When there is good and sufficient evidence that safety standards are not being complied with, the Union may present such violation to the Authority as a grievance under the grievance procedure set forth in Article 19 of this Agreement.

Employees shall comply with all safety laws and rules and shall use all safety equipment specified for the work they are performing.

SECTION B - HAZARDOUS DUTY

Employees shall not be disciplined for refusing to work under hazardous, dangerous, or unhealthful conditions not normally associated with their occupation provided the employees immediately notify Authority management of the condition.

SECTION C - SPECIAL SAFETY EQUIPMENT

All employees called upon in the course of their usual work to use air hoses in blowing off and/or vacuuming dust or metal filings shall be furnished with nose respirators and goggles by the Authority.

Cloth gloves will be supplied to all spray painters and planks will be maintained on the floor in the Paint Shop at Division 3314.

Full rain gear will be maintained in leak proof condition and will be made available to employees who are required to perform duties in the rain.

Thermal gear, including earmuffs, will be furnished to employees in any classification while engaged in mountain work.

The Authority will provide each employee up to two (2) pairs of regulation safety shoes/boots per contract year.

Shoe allowance shall not exceed \$130 for each pair.

SECTION D - "ROLL-AWAY" TOOL BOXES

The Authority will provide and maintain "roll-away" tool boxes for all mechanics, except bench mechanics, unless the employee elects to provide his/her own.

The Authority will provide carriers equipped with casters for employee's privately-owned "roll-away" tool boxes. Carrier and casters are to remain the property of the Authority and are not to be removed from the Authority's premises. Authority will perform normal maintenance on privately-owned boxes. Painting will be restricted to any one color that the Authority has on hand.

SECTION E - TOOL INSURANCE

The Authority will provide each mechanic with tool insurance in the amount of ten thousand dollars (\$10,000) per tool box with a fifty dollar (\$50) deductible provided, however, that the employee has furnished the Division Manager with an inventory of the tools in the tool box. Insurance premiums to be paid by the Authority. Payment to be made for a total loss or partial loss due to forcible entry providing the employee has immediately reported the incident and the top box was bolted to the roll-away.

SECTION F - TOOL ALLOWANCE

The Authority will provide for a tool allowance to eligible employees as outlined below. Allowance to be paid only to those employees required to have tools. For the term of this Agreement, this payment will be increased as follows for eligible employees:

Effective January 2002, tool allowance increases by \$40 to \$375

This payment will be made in the payroll period closing after January 1 of each year of this Agreement. Any eligible employee who is on the roster on January 1 of each year of this Agreement will be entitled to a tool allowance. Those employees on probation on January 1 will be paid on completion of the probationary period.

The Authority will furnish both standard and metric three-fourth inch and above drive socket sets. Employees will furnish both standard and metric half-inch and below drive socket sets.

It is understood that any employee outside of the eligible group of employees on January 1st of a given year will automatically receive a tool allowance for that year immediately upon his/her transfer (even for a limited length of time) into an eligible classification.

ARTICLE 25

NOTICES

SECTION A - SERVING PROCEDURE

Written notices permitted or required to be served under the terms of the Agreement, unless otherwise specified herein, shall be sufficiently served when mailed, postage prepaid, certified mail, to the Chief Executive Officer of the Los Angeles County Metropolitan Transportation Authority, 1 Gateway Plaza, Los Angeles, California 90012-2932 for service upon the Authority, and similarly mailed to the President of the Amalgamated Transit Union, Local 1277, 3200 Wilshire Boulevard, Suite 1100 North Tower, Los Angeles, California 90010-1302.

SECTION B - EFFECTIVE DATES

The date of the receipt of such notices shall be the effective date for all purposes herein. Either party may give a change in address to the other through written notice.

SECTION C - EXCEPTION TO SECTION A OF THIS ARTICLE

The exception to the above Section A shall be notice permitted or required to be served under the terms of the Agreement when the subject relates to matters within the jurisdiction of the Chief Operations Officer of the Los Angeles County Metropolitan Transportation Authority, One Gateway Plaza, Los Angeles, California 90012-2932.

ARTICLE 26

BULLETIN BOARDS

SECTION A - UNION SECURITY

The Authority will erect glass-encased bulletin boards with locks and keys. The keys will be given to the duly authorized Union representatives. The bulletin boards may be used by the Union for posting Union approved notices.

SECTION B - PROHIBITED ITEMS

Union representatives shall not post or distribute any other notices, pamphlets, advertising, political matters, or any other kind of literature upon Authority property.

SECTION C - LOCATION AND QUANTITY

The number and location of such bulletin boards shall be decided upon by the Authority and the Union.

ARTICLE 27

RECORDS

SECTION A - ENTRIES IN DISCIPLINARY RECORD

All entries made in an employee's disciplinary record, including letters and/or memoranda, will be discussed with the employee at the time the entry is made. Employee may sign that he/she has read the entry; however, the signature on the employee's record is not an admission of guilt, but only acknowledgment that the employee has read the entry. Union representatives may be present at the request of the employee. If the employee refuses to sign that he/she has read the entry, the Union Steward shall sign the entry in lieu of the employee, but only in the presence of the employee.

SECTION B - ANNUAL RECORD REVIEW

The Authority shall schedule an annual record review with each employee.

SECTION C - REVIEW BY EMPLOYEE

Any employee may review his/her own record at a time scheduled by the Department/Division Manager.

SECTION D - REMOVAL OF ENTRIES

Entries made in an employee's record in violation of the provisions of this Article will be removed from the record.

SECTION E - DOCUMENTATION

No negative entries may be entered into an employee's evaluation unless it is substantiated by prior written documentation in the employees record within the previous twelve (12) months.

ARTICLE 28

TRANSPORTATION PRIVILEGES

SECTION A - EMPLOYEE AND DEPENDENTS

Employees will be given transportation privileges at time of employment and spouse after completion of employee's probationary period. Employees' dependent children will be given school transportation privileges after completion of employee's probationary period. Retired employees, in the application of this rule, are considered employees. Upon the death of the retiree, the spouse and dependent children will continue to be granted free transportation for life or until remarriage of the spouse.

A transportation pass subsidy of up to \$102 is allowed for the employee only. It will be administered in accordance with the current MTA Ride Share program. If the MTA Ride Share program increases the amount of the subsidy above \$102, the amount listed above will be increased to the same amount.

SECTION B - EMPLOYEES TAKING CASH SEVERANCE IN LIEU OF RETIREMENT

Employees eligible for retirement but electing to take cash severance benefits in lieu of retirement benefits under the Retirement Income Plan will, effective with those employees taking severance as of May 29, 1969, be considered in the same category as retired employees, in the application of this transportation privileges article.

SECTION C - REPORTING OF LOST PASSES

Lost passes must be immediately reported to the employee's division or department. Failure to report loss of pass, allowing unauthorized person to use said pass, defacing, or destroying or vandalizing Authority property will result in cancellation of pass privilege.

SECTION D - REPLACEMENT OF LOST PASSES

A fifteen dollar (\$15.00) administrative fee will be levied for replacement of lost or stolen employee or dependent passes. This administrative fee shall be three dollars (\$3.00) for retired employees or their dependents. Only one (1) lost or stolen pass will be replaced for each employee or dependent each year.

SECTION E - TERMINATION OF EMPLOYMENT

All passes must be surrendered at the time of termination of employment. Employees who fail to surrender passes will be charged twenty dollars (\$20.00) per month for the balance of the period for which each pass is issued.

SECTION F - DEATH PRIOR TO RETIREMENT

Upon the death of an employee, after the completion of ten (10) years of continuous service, the spouse and dependent children will continue to be granted free transportation for life or until the remarriage of the spouse.

SECTION G - DEPENDENT CHILDREN DEFINED & DISABLED DEPENDENTS

For the purpose of this Section, dependent children will be considered to be eligible to attainment of age nineteen (19), or in the case of a full-time student, to attainment of age twenty two (22).

Bus passes will be issued to dependents deemed totally disabled due to mental or physical handicap.

Dependent children will be considered disabled while incapable of self sustaining employment by reason of mental or physical handicap, during the lifetime of the employee or the employee's spouse, provided written evidence of such incapacity is furnished to the Authority prior to the attainment of age nineteen (19) or twenty two (22). Proof of continued incapacity shall be furnished from time to time at the request of the Authority.

ARTICLE 29

SICKNESS AND ACCIDENT

SECTION A - ON-DUTY INJURY

An employee who loses time due to an injury on-the-job shall be paid in full, at the regular rate of eight (8) hours pay for the day of injury. For those employees working overtime, they will be paid for the time they were scheduled to work.

The Authority shall provide fifty percent (50%) of employee's hourly rate, not chargeable to sick leave, integrated with Workers' Compensation benefits for the first fifteen (15) work days lost due to an on-duty injury, excluding the day of injury for which he/she is paid in full at the regular rate. Sick leave will be integrated with this benefit payment to afford a regular day's wage payment.

SECTION B - NOTIFICATION OF SICKNESS OR ACCIDENT

Employees who are not able to report for work must notify their Supervisor or Division Manager as early as possible.

SECTION C - MEDICAL RELEASE

When so requested by the Authority, any employee returning from a sick leave in excess of two (2) working days duration shall furnish a release from a medical doctor indicating his/her physical fitness to resume duty. Any employee returning from an industrial illness or injury shall furnish a release from the doctor of record indicating the employee is physically fit to resume duty.

SECTION D - PROTECTION OF SENIORITY

1. No employee shall lose seniority due to leave of absence because of illness or injury unless said leave is in excess of twelve (12) months within a sixteen (16) month period. No employee shall lose seniority due to leave of absence because of a Workers' Compensation or Industrial case unless said leave is in excess of twenty-four (24) months.
2. The Authority or the Union may, within thirty (30) days prior to the expiration of the leave as specified in Section D(1) of this Article, request further extension in meritorious cases, where recovery appears probable, where such recommendation is made by the Authority's Medical Director, or by

recommendation of a licensed physician obtained by the employee, and where agreement is reached by the two (2) doctors recommending an extension of the leave. If there is a disagreement as to the propriety of the extension, the parties may select a third physician to adjudicate the disagreement, with the majority decision prevailing. Such costs incidental to obtaining and arriving at a decision from the third physician to be shared equally by the Authority and the Union.

3. Time spent on leave of absence for medical reasons which the employee requests to be taken under Family Care and Medical Leave, will be granted in conformance with applicable federal and state laws. All time spent on Family Care and Medical Leave will count towards the twelve (12) months maximum leave provided in this Article

ARTICLE 30

PERMITS AND LICENSES

SECTION A - REIMBURSEMENT OF FEES PAID

Employees with one or more years of service required to obtain or renew permits, endorsements or Class A Drivers licenses by the Authority or by the federal, state, county or city governments will be reimbursed for the fees paid for such permits, endorsements or Class A Drivers licenses.

SECTION B - PHYSICAL EXAMINATIONS

The Authority will perform necessary physical examination or re-examination required by the Department of Motor Vehicles, Division of Drivers' Licenses, as well as evidence of such examination, without cost to the employee, providing such physical examination or re-examination is performed at the time and location as directed by the Authority. The Authority will schedule the necessary physical examination or re-examination during the employee's regularly scheduled work day. In the event the employee is scheduled for the physical examination or re-examination before or after his/her regularly scheduled work day, the Authority agrees to pay the employee a guarantee of one (1) hour minimum pay at one and one-half (1½) times straight time pay or overtime for the actual time the employee spends at the medical facility if beyond one (1) hour. Treatment for physical ailments or defects found during the examination or re-examination is not covered by this Article.

SECTION C - TIME ALLOWANCE

The Authority agrees to allow a maximum of one and one-half (1½) straight pay time hours for those employees obtaining licenses or permits where they are unable to obtain such permits or licenses without loss of time in securing same. Such time allowance will be determined by the employee's Division Manager and is applicable only to those employees with one (1) or more years of service.

ARTICLE 31

HOLIDAYS

SECTION A - HOLIDAYS DEFINED

1. The following days shall be considered as legal holidays.

New Year's Day	Christmas Day
Memorial Day	Labor Day
Independence Day	Thanksgiving Day

In the event one of these legal holidays falls on a Sunday, and the following day (Monday) is officially declared a legal holiday, then that day only will be considered a holiday within the meaning of this Agreement.

For employees working on the third shift, these holidays will be observed on the night prior to such holiday.

2. The employee shall also be entitled to six (6) floating (casual) Holidays, which includes one in lieu of Dr. Martin Luther King, Jr.'s Birthday, one in lieu of the employee's birthday, and one in lieu of the employee's anniversary date.

SECTION B - GUARANTEE

1. Employees who do not work on a legal holiday as shown in Section A(1) of this Article, will be paid eight (8) hours at their regular straight time rate of pay for the holidays provided such employees complete their work assignment on their last scheduled or assigned work day prior to the holiday, and on their first scheduled or assigned work day after the holiday. This does not apply to Floater (casual) Holidays.
 - a) Employees on leave of absence, absent on account of sickness or who fail to complete their work assignment without excusable reasons on both their last scheduled or assigned work day prior to the holiday and on their first scheduled or assigned work day after the holiday, will not be considered as having worked. In the preceding, "excusable reasons" are as follows:
 - b) Employees who are scheduled to work and are late on the day before or the day after the holiday shall be given the opportunity to make up the time lost on the same day at their regular straight time hourly rate. Employees so doing will be paid the holiday time. Shift differential for working into the next shift will not be applicable in the case of such make-up time. Those employees who

are late one (1) hour for unacceptable reasons will not be considered as having an "excusable reason."

- c) Employees who are scheduled to work and are allowed by the Authority to lay off all or part of their work day before or after the holiday due to the fact that it could be conveniently done.
2. The eight (8) hour allowance referred to in Section B, Subsection (1), above, will not be paid if the employee was scheduled to work on the holiday and did not do so.
3. Employees on vacation when a holiday falls will be governed by the provisions of Article 33, Section (L).

SECTION C - PAYMENT FOR WORKING HOLIDAY

1. All hourly rated employees who work on any of the legal holidays, as shown in Section A of this Article, will be paid two and one-half (2½) times their regular straight time rate of pay for all time worked. Employees completing their assignment on such holidays will be guaranteed a minimum of twenty (20) hours pay time at their regular straight time hourly rate of pay.
2. The Authority shall determine the number of employees who shall work in each job classification on holidays. (See Article 7, Section B, of this Agreement for bidding procedures for holiday work).

SECTION D - FLOATING HOLIDAYS

New employees will not be eligible to take floating holidays until completion of probationary period. New employees who successfully complete their probationary period prior to October first will be entitled to three (3) floating holidays for the vacation year. New employees who successfully complete their probationary period after October first but prior to February first will be entitled to two (2) floating holidays for the vacation year. New employees who successfully complete their probationary period after February first but prior to June first will be entitled to one (1) floating holiday for the vacation year. Floaters may then be taken even though the probationary period ends in the following vacation year. The Authority and the Union shall agree upon a reasonable number of employees who will be permitted to select any one (1) day as a floating holiday. Bidding of floating holidays may take place at the same time as vacation bidding or may be taken on a twenty-four (24) hour notice, first come-first served basis. More than one (1) floating holiday may be bid at once.

No more than two (2) accrued floating holidays may be used within each calendar year, for urgent personal business, provided that twenty-four (24) hours advance notice is given to the Division Manager or Supervisor in charge.

SECTION E - SPECIAL PROVISION

For Equipment Maintenance Department at Regional Rebuild Center (until such time as the implementation of the seven (7) day work week), whenever a holiday falls on a Tuesday or a Thursday, employees will be permitted to work Sunday (during the same payroll period) at the regular straight time rate of pay in exchange for the Monday or the Friday prior or subsequent to such holiday, whichever the case may be.

ARTICLE 32

SICK LEAVE ALLOWANCE/PAYMENTS

SECTION A - COVERAGE

1. Employees with one (1) or more years of continuous service, who are off work due to a bona fide illness or injury and have submitted a verified medical doctor's report to their Division Manager showing nature of illness, date illness commenced, date of treatment, hospitalization, or both, shall be allowed paid sick leave as outlined below. Payment of sick leave will be integrated with Workers' Compensation in the event of an on-duty injury.

Service Requirement Allowable Sick Leave

One	(1) year of continuous service	six (6) days	(48 hours)
Two	(2) years of continuous service	seven (7) days	(56 hours)
Three	(3) years of continuous service	eight (8) days	(64 hours)
Four	(4) years of continuous service	nine (9) days	(72 hours)
Five	(5) years of continuous service	twelve (12) days	(96 hours)

Unused sick leave shall be cumulative to a maximum of 284 days; 2272 hours.

2. An employee attended by a doctor shall secure a "doctor's certificate" at no expense to the Authority. When an employee is sick but does not require the attendance of a doctor, the expense of a "doctor's certificate", if required by the Authority, shall be paid for by the Authority. In such event, the Authority shall have the right to select the doctor for the purpose of such certificate.
3. Payment for earned sick leave shall be made to each employee affected who is absent because of illness. Payment for sick leave to which the employee is entitled will be included in the check due for that period.
4. Employees may use sick leave pay for any leave covered by the Family Medical Leave Act (FMLA).
5. Employees may donate sick leave hours to other employees who may need additional hours due to unique and unusual circumstances. The hours donated will not extend the normal leave period of the employee receiving the donated hours.

SECTION B - PAYMENT FOR SICK LEAVE

1. In cases when S.D.I. is not applicable, sick leave benefits, provided in Section A, shall be computed on the basis of eight (8) straight-time hours for each assigned work day absent on account of sickness.
2. In the event S.D.I. benefits to which an employee is entitled are payable for the same day as contract sick leave, there shall be charged against the employee's sick leave account only that portion of a day's sick leave which, when added to the S.D.I. benefits for such day, totals eight (8) straight-time hours pay.
3. Compensable days of sick leave shall be paid at the rate of pay in effect on the day sick leave is claimed.

SECTION C - WAITING PERIOD

1. Sick leave shall be paid for the first work day, including when any disability results in hospitalization.
2. Sick leave pay will not be allowed for any case of intemperance or use of illegal drugs. Sick leave pay may, however, be used by an employee who is in the Employee Assistance Program (EAP).
3. Any employee who does not work during any fiscal year (June 1st through May 31st) shall not be entitled to sick leave pay in the following year unless he/she returns to work within that following year.
4. The Authority shall maintain a clear and accurate sick leave record for each employee which shall be made available to the employee and/or Union officials for inspection upon request.

SECTION D - TERMINATION

No payment will be paid for sick leave allowance not taken by employee when such employee is terminating from the service of the Authority, except in the event of the death or the retirement of an employee. In this event, one hundred percent (100%) of an employee's unused sick leave will be paid to the employee upon the employee's retirement. One hundred percent (100%) of an employee's unused sick leave will be paid to the beneficiary in the event of death.

SECTION E – DONATION OF SICK LEAVE

Any full time bargaining unit employee who meets the following established guideline is allowed to donate sick leave hours to other MTA employees for absences from work

due to the employee's prolonged injury or illness.

- Any eligible employee who wishes to receive donations must fill out the Request for Sick Leave Donations Form. The form must be signed by the employee and approved by the requesting employee's location manager who will approve such requests in cases of prolonged injury or illness.
- Eligible employees who wish to donate Sick Leave hours to an employee whose request for Sick Leave donations has been approved must complete the authorization for Sick Leave Donations Form. This form must be signed by the donating employee and submitted to the Payroll Department.
- Sick Leave donations are entirely voluntary and are to be donated in whole hour increments. Employees may donate a maximum of 50% of the hours in his/her sick leave bank per employee anniversary year. Sick Leave hours donated to an employee shall not extend the total allowable leave. The donated hours shall be placed in the sick leave bank of the employee to whom it is donated and will be used in accordance with the rules regarding sick leave pay.
- Sick Leave donations are to be converted on a hour for hour basis.
- Any donated Sick Leave time that remains at the end of an employee's illness or injury is for the sole use of the employee to whom the sick leave time was donated.

ARTICLE 33

VACATIONS

Each full-time employee who has a continuous service record of one year or more shall be entitled to an annual vacation with pay under and subject to the conditions in this Article.

SECTION A - SCHEDULE

Vacations will be allowed at straight time rate of pay as follows:

Two (2) weeks vacation after one (1) year of continuous service

Three (3) weeks vacation after five (5) years of continuous service

Four (4) weeks vacation after ten (10) years of continuous service

Five (5) weeks vacation after fifteen (15) years of continuous service

Six (6) weeks vacation after twenty-six (26) years of continuous service

SECTION B - CONVERSION OF WEEKS TO HOURS

For those employees who are on a forty (40) hour week basis, eighty (80) hours shall constitute two (2) weeks vacation; one hundred twenty (120) hours shall constitute three (3) weeks vacation; one hundred sixty (160) hours shall constitute four (4) weeks vacation; two hundred (200) hours shall constitute five (5) weeks vacation; and two hundred forty (240) hours shall constitute six (6) weeks vacation.

SECTION C - VACATION PERIOD

Vacations earned in a current year ending May 31 shall be taken between June 1, and the next ensuing May 31. However, up to 40 hours of vacation pay may be carried over to the next year if notice is given by April 1.

SECTION D - RE-EMPLOYED OR REINSTATED EMPLOYEES

When employees are re-employed by the Authority within one (1) year or two (2) years, whichever is applicable, after involuntary layoff, or are reinstated within ninety (90) days

from the date of their honorable discharge after service in the military forces of the United States, for the purpose of determining their eligibility for the vacation allowances herein provided, they shall be credited for that period of continuous service had with the Authority and accumulated by them since their most recent hiring immediately before such involuntary layoff or immediately before entering such military service. Nothing contained herein shall be construed to mean that time spent during such layoff or such military service shall be credited to continuous service vacation eligibility requirements.

SECTION E - ACCUMULATION

Vacation periods shall not be cumulative. However, up to 40 hours of vacation pay may be carried over to the next year if notice is given by April 1.

SECTION F - AFFECT OF ABSENCE FROM DUTY

Any employee who, by reason of illness, injury, or leave of absence, is absent from duties for eighty-five (85) work days or less during the year's service, will be entitled to a full vacation. Employees absent from their duties for more than eighty-five (85) work days during the year will be entitled to one-twelfth (1/12) of their normal vacation for each month or major fraction thereof, which they worked. Employees absent because of injury sustained while on duty, or because of occupational disease, will not be subject to this provision.

SECTION G - EMPLOYEES WITH LESS THAN ONE YEAR'S SERVICE AT BEGINNING OF VACATION YEAR

To provide for the taking of vacations on the basis of equality of all employees during the year, and to effectuate the provisions of Sections A, B and C of this Article, a new employee, after one (1) year of service, will be entitled to one twelfth (1/12) of his/her normal vacation for each month or major fraction thereof of service between the date of employment and the beginning of the vacation year, which shall be bid after the first anniversary date of employment. A new employee who has earned less than one half ($\frac{1}{2}$) of the normal vacation as of the starting date of the vacation year will be paid in cash for such vacation credit or may elect to bid vacation time off. If such vacation time is less than eight (8) hours, the Authority will allow non-chargeable time off to make up the difference up to eight (8) hours. Such vacation allowances will be taken or paid for after the completion of one (1) year of service. Annual vacations will thereafter be granted as of the vacation year.

SECTION H - SEVERANCE

An employee whose employment is severed shall be paid any accumulated vacation allowance, prorated on the basis of one-twelfth (1/12) of that employee's normal

vacation for each month or major fraction thereof for which the employee has vacation due.

SECTION I - WORKING ON VACATION

An employee may work during that employee's vacation period only in the event of mutual consent on the part of the Authority and the employee. An employee so working shall receive pay for time worked as well as the appropriate vacation allowance.

SECTION J - VACATION PAY IN LIEU OF VACATION

Any employee who has not taken vacation which has been earned under the provisions of this Article, and is off duty because of sickness for a period of thirty (30) days or more, may, during the period of illness, take vacation pay in lieu of vacation. Payment in lieu of vacation shall be at the rate of the last service performed in their regular classification. However, if during this time, the employee draws disability benefits, the employee will not be eligible for vacation pay in lieu of vacation.

SECTION K - BIDDING FOR VACATION PERIODS

1. Except as hereinafter provided, employees in each department entitled to vacation shall select a vacation at the beginning of the vacation year as set forth in Section C of this Article, by their ATU seniority in the unit or division in which they work. Each unit or division shall allow as many vacations as possible and practicable during the summer months.
2. Vacation periods may be split by weekly periods, and it is understood that an employee desiring to split his/her vacation will bid in ATU seniority order and then must wait for all other employees in the unit or division to bid before the employee makes his/her next choice in ATU seniority order. This rotation of bidding will continue until the employee has bid his/her entire amount of vacation. Each bid must be for one (1) or more consecutive weeks.
3. Vacation bidding will commence during the first week in April, and the first round will be completed by May 15. All subsequent rounds of vacation bidding will be completed by July 15. Any employee who is absent during vacation bidding and who has not left a proxy bid with the shop steward may be bypassed. Once the bidding process ends, any employee can change his/her vacation to an open vacation period on a "first come - first serve" basis. Vacation periods will be posted and remain in full view until bidding is completed.
4. Notwithstanding the above, employees with one or more years of service may reserve eighty (80) hours of accrued bid vacation which may be split into

increments of no less than four (4) hours per day. Employees who wish to reserve eighty (80) hours of vacation may bid for one or more consecutive days after the vacation bidding process is complete, as specified in paragraphs one, two and three of this section. Employees may also elect to reserve a portion of the reserved eighty (80) hours and may request this vacation at any time during the vacation year in increments of no less than four (4) hours. Such requests must be made at least twenty-four (24) hours prior to the shift in question and will be subject to the needs and approval of the Authority.

SECTION L - HOLIDAY DURING VACATION

If a holiday falls during an employee's vacation, that employee will receive one extra day's vacation in lieu of the holiday.

SECTION M - SCHEDULE/SHIFT CHANGES

If an employee is bumped from his/her shift he/she shall retain the vacation he/she originally selected.

ARTICLE 34

UNIFORMS

SECTION A - QUANTITY, COST AND REPLACEMENT

The Authority will provide uniforms at no cost to the employee on the following basis:

1. Each employee shall be furnished up to eight (8) uniforms.
 - a) Uniforms must be regulation coveralls, or two-piece uniforms. Employees in some assignments may be required to wear specialized uniforms.
 - b) The existing uniforms may be worn by the employees until replaced as shown in Section A (2) below.
2. In order to obtain replacement of worn or damaged uniforms, the employee must turn in the uniforms that are to be replaced.

SECTION B - LAUNDRY SERVICE

Laundry service of regulation uniforms will be provided for all employees.

SECTION C - CONDITION OF EMPLOYMENT

All employees will be required to wear a regulation uniform while on duty.

SECTION D - UNIFORM PROBLEMS

The Authority agrees to meet with the Union upon request to resolve any uniform problem.

ARTICLE 35

COFFEE BREAKS, CLEAN-UP AND LUNCH PERIOD

SECTION A - COFFEE BREAKS

Each shift shall have two (2) fifteen (15) minute coffee breaks.

SECTION B - SMOKING RESTRICTIONS

Smoking is prohibited except in areas where expressly authorized and posted.

SECTION C - CLEAN-UP TIME

Employees will be permitted to suspend work five (5) minutes before the regular end of their shift for the purpose of cleaning up their work area, bench and tools, and for returning Authority tools to their proper places. Employees engaged in spray painting on a regular basis, and employees who operate certain designated machines involving extremely oily work, will be allowed an additional ten (10) minutes to cleanse their person at the end of their shift.

SECTION D – LUNCH PERIOD

Employees will receive a thirty minute unpaid lunch break per shift. Any employee working through their lunch period approved by the supervisor will have the option of being paid in accordance with Article 3, taking their lunch later or leaving one half hour early.

ARTICLE 36

HEALTH BENEFIT FUND

SECTION A. SCHEDULE OF CONTRIBUTIONS

1. The purpose of the Health Benefit Fund (Fund), as described in Section F, is to provide health and welfare benefits to active employees and eligible retired employees from the bargaining unit. Except as provided in Sections B and C of this Article, the Authority agrees to pay into the Fund according to the schedule set forth in Section A, Subsection 2 below, amounts per month per employee or eligible retiree covered by this agreement, as well as for new employees, beginning with the first day of the calendar month following 60 days of continuous employment. These amounts will be used to defray the costs and authorized expenses of the Fund designed for the benefit of the employees and eligible retirees represented by the Union.
2. The authority shall make the following monthly contributions to the Health Benefit Trust Fund:

	July 1, 2006	July 1, 2007	July 1, 2008
Active Employees	\$956	\$1052	\$1157
Eligible Retiree under age 65	\$586	\$645	\$710
Eligible Retiree age 65 and over	\$197	\$217	\$239

3. The sole obligation of the Authority is to make the monthly payments at the levels set forth in paragraph 2 above. Should the Fund be financially unable to provide or continue health plan coverage at the then current levels, it shall be the obligation of the Fund either to reduce the levels of coverage or seek contributions from employees and/or retirees or sources other than the Authority. The Fund's assets and income are to be used solely to provide health and welfare benefits to those employees, retirees, and their dependents identified above and pay reasonable expenses of administering the Fund.

SECTION B - EMPLOYEES COVERED

The Authority agrees to pay into the Fund the monthly payment referred to in Section A, Subsection 2 of this Article for the following employees:

1. Active employees who have earnings in the current month, provided however, that only one contribution shall be made for each spouse couple where both are active employees in the bargaining unit, in which case the employees shall designate who shall be the primary insured and who shall be the dependent.
2. Employees absent on account of a bona fide illness or injury for a period not to exceed 24 calendar months. These employees may be required by the Authority to submit to a recheck of their physical condition by a designated qualified medical doctor in order to have this benefit continued to them.
3. Amalgamated Transit Union representatives currently representing employees of the Authority.
4. Employees retiring after their attainment of age 62.
5. The Authority will contribute to the Fund on behalf of employees hired before September 7, 1991, and who retire with twenty-three (23) or more years of service and employees retiring on disability until the employee is eligible for Medicare, at which time the contribution shall be reduced to the level applicable to retirees who are 65 or over.
6. Employees absent or on authorized leave of absence, except as provided above, must make their own monthly payment to the Fund.
7. Employees on furlough may be continued in the plan by making their payment directly to the Fund.
8. Notwithstanding the foregoing, for employees hired after September 7, 1991, and who retire with twenty-three (23) or more years of service, the only obligation of the Authority is to pay to the Fund monthly payments as specified below to age 65 or that of Medicare eligibility, whichever is later:

At Age 55+ Authority contributes 100% of the amounts specified in Section A2 to age 65.

less than 55 0% of the amounts specified in Section A2

For employees hired after September 7, 1991, and who retire on disability, the only obligation of the Authority is to pay monthly payments as specified in Section A2 until such employee is eligible for Medicare, but in no event more than 29 months.

9. National Health Coverage

In the event that any of the employees are covered by a health or medical plan

required by governmental legislation adopted after the date of this Agreement (e.g. a National Health Insurance Program) the contributions required of the Authority under this Agreement will be reduced by the amount of contributions which the Authority is required to make to such required health or medical plan, provided and to the extent such governmental program provides benefits which would otherwise be provided by the Health Plan which is the subject of this Article 36, but only if such required health or medical plan is considered the primary plan for the purpose of providing benefits.

10. Eligible retirees who are employed by other than the Authority shall have their employer's health and welfare plan, if the employer has one, to be the primary plan provided this is not in conflict with any current statutes.
11. Eligible retirees on whose behalf the Authority makes contributions to the Fund who become re-employed by the Authority and are entitled to coverage as an active employee under the Authority's own plan or a plan provided under another collective bargaining agreement may select (a) or (b) below, but not both:
 - a) Continued coverage under the MTA-ATU Fund in which the MTA contributions will continue to be made to the MTA-ATU Fund, but will not be made to any other plan, or
 - b) Coverage under the Authority's or other plan in which case MTA contributions to the MTA-ATU Fund and coverage thereunder will be suspended until such time as the retiree is no longer covered by such other plan.

12. Health Coverage for Widows and Orphans

In the event of the death of an eligible Health Plan member, payments may continue for a maximum of 12 months to provide for coverage for the eligible surviving dependents.

SECTION C - PAYMENT DUE -DATE

Estimated payments are to be made by the Authority by the tenth of each month with an adjustment to the exact amount sometime later during the calendar month. This payment will be on the basis of employees working in the classifications covered by this Agreement on the first day of the calendar month.

SECTION D - EMPLOYEES CHANGING CLASSIFICATION

An employee changing classification of work within the Authority, which results in changing from one health and welfare plan to another, will continue participation in the plan covering the former classification until the end of the calendar month. He/she will

then be eligible for coverage in the plan covering the new classification on the first day of the following month.

SECTION E - TERMINATION OF EMPLOYMENT

Employees terminating employment relationship with the Authority shall no longer be entitled to benefits, effective with the date of termination.

SECTION F - PART "B" MEDICARE COVERAGE

The Authority will contribute one-third of the Part "B" Medicare payment for normal retirees who retired on or after June 1, 1974, and who elect Part "B" Medicare.

SECTION G. BOARD OF TRUSTEES

1. The Parties shall appoint three (3) directors each to serve on the Fund's Board of Directors. (The appointments shall be made by the Chief Executive Officer of the Authority and the President of ATU Local 1277.) The Directors shall serve at the pleasure of their respective appointing parties. There shall also be an independent Director, appointed by the other Directors of the Fund. The independent Director shall have no direct or indirect relationship with either of the parties. If the appointed Directors cannot agree on the person to be the independent Director, that person shall be chosen by an arbitrator pursuant to the arbitration provisions of this Agreement. The independent Director shall be compensated by the Fund upon such terms and conditions as the Board shall determine. The independent Director will serve as Chair of the Board and shall serve at the pleasure of the Board. The Board will act by majority vote and will set its own rules of procedure. Each present Director shall have one vote. Each party may appoint one (1) alternate director who may substitute for an absent member of the Board appointed by the same appointing party as the absent Director. A quorum shall consist of, at least, one Director from each party and the Chair. However, if the Chair determines that the absence of a party member is not reasonably justified, the Board may proceed to conduct business.
2. The Board shall have the duty, authority, right and obligation to:
 - a) Determine whether a reserve is necessary and the amount, if any, to be contributed by the Authority to create such reserve, (The Authority shall provide such reserve as directed by the Board, and such reserve to the extent utilized by the Fund shall be credited against the contributions to be made by the Authority hereunder upon such terms as the Authority and the Board shall agree.)
 - b) Determine whether to retain the services of the current insurance

broker/consultant or engage someone else to provide such services.

- c) Provide and select the type and level of medical, dental, vision and other health and welfare benefits.
- d) Establish employee and retiree contribution rates, if necessary to meet costs and funding requirements.
- e) Meet at least twice a year at such time and place as the Board shall determine or the Chair shall direct, or under such other terms and conditions as the Board shall provide.
- f) Retain or replace the current accountant, auditor or other professional services as it deems appropriate.
- g) Permit the Authority to provide all administrative services to the Fund at no cost and expense to the Fund, unless the Board determines after a reasonable period that the Authority is not performing to the Board's satisfaction.
- h) Not take any action which incurs costs and expenses in excess of assets and contributions to be made hereunder.
- i) Exercise all ordinary powers as Directors, including any powers delegated by the Collective Bargaining Agreement.
- j) Be responsible for the filing and maintenance of personnel records necessary for the operation of the Fund, and
- k) Be responsible for the maintenance of all financial records for the operation of the Fund sufficient to support audits in accordance with generally accepted accounting principles.

ARTICLE 37

PENSION PLAN

SECTION A - INCORPORATE IN AGREEMENT

The Pension Plan known as the Los Angeles County Metropolitan Transportation Authority-Maintenance Employees' Retirement Income Plan, is incorporated herein and made a part hereof by reference. This plan covers the employees coming within the terms and provisions of this Labor Agreement.

SECTION B - IDENTIFICATION OF PLAN AND AMENDMENTS

The Pension Plan referred to above is the Plan amended as of July 1, 2000, and approved by the Authority and the Union. The term of this Plan will be as shown in Article 44 hereof.

SECTION C - AVAILABILITY OF DISTRIBUTION OF PLAN

Copies of a booklet describing the Plan referred to herein are on file in the offices of the Authority and Union.

SECTION D - COVERAGE FOR EMPLOYEES SERVING AS UNION REPRESENTATIVES

The Authority will pay the normal cost of contributions for current service for employees of the Authority who are on leave of absence while serving as full-time elected Union representatives of Local 1277 of the Union.

SECTION E - 401K PLAN

The MTA will establish a 401K plan pursuant to IRS Code 415c.3 which will be available to all ATU represented employees.

All contributions shall be made by employees. Contributions will be deducted bi-weekly on a pre-tax basis.

This 401K Plan will be administered by the MTA's Plan Administrator in accordance with IRS regulations.

ARTICLE 38

GROUP LIFE INSURANCE

SECTION A - A CONDITION OF EMPLOYMENT

The Authority shall as a condition of employment, require all employees covered by this Agreement to participate in the Group Life Insurance Program commencing with the first day of the calendar month following ninety (90) days of employment, in the amount of \$30,000.

SECTION B - PREMIUMS PAID BY THE AUTHORITY AND EMPLOYEES

The Authority shall pay the premium for active employees for the first thirty thousand dollars (\$30,000) of their group insurance after completion of two (2) years of continuous service. Each employee, by the prescribed form, shall authorize the Authority to deduct from the employee's earnings the amount of premium other than that to be paid by the Authority as specified above. The premium to be paid by the employee shall be computed at the same rate from time to time paid by the Authority for such insurance.

SECTION C - PAYMENT OF PREMIUM DURING SICKNESS AND PERIODS OF NO EARNINGS

Employees who have no earnings during the payroll period for which deductions are to be made will be required to pay their proportion of the premium direct to the Authority. Employees absent on account of illness or injury in excess of twelve (12) months except for Workers' Compensation and Industrial cases, which shall be twenty-four (24) months, shall be required to pay the entire premium for all of their coverage under the group policy. During the first twelve/twenty-four months of such absence, the Authority shall pay the premium on the first \$30,000 of insurance in the case of any employee who shall have completed two (2) years of continuous service as of the date of commencement of such absence.

SECTION D - PAYMENT OF PREMIUMS WHEN ON LEAVE OF ABSENCE

Employees on leave of absence in excess of twelve (12) months, excluding Union representatives currently representing employees of the Authority, may, by payment of their premium for the extent of their group insurance coverage, continue to be covered by the group insurance policy. Such participation shall be restricted to the period of time specified under Article 16 of this Agreement.

SECTION E - PAYMENT OF PREMIUM FOR UNION REPRESENTATIVES

Union representatives referred to herein participating in the Group Life Insurance Program will have the premium for the first \$30,000 paid for by the Authority.

SECTION F - CONVERSION CLAUSE

The Group Life Insurance Policy shall carry a clause which will allow the employee, should he/she terminate service with the Authority for any reason whatsoever, to convert said policy within thirty (30) days from date of termination, or on retirement, to continue insurance in the amount of fifty percent (50%) of the amount carried prior to retirement.

SECTION G - PREMIUM RATE FOR RETIRED EMPLOYEE

The premium rate for the amount of group insurance carried by the retired employee shall be at the then current premium rate.

SECTION H - FELONIOUS ASSAULT INSURANCE

The Authority shall provide a life insurance policy for each employee covered by this contract in the amount of \$50,000.

SECTION I - ADDITIONAL COVERAGE

In addition to the above coverage, an employee may obtain an additional policy from the ATU at the applicable group rate. The entire premium for such additional coverage shall be paid by the employee and will be deducted from the employee's paycheck by MTA when the employee has completed and signed the proper payroll deduction authorization.

ARTICLE 39

DISASTERS - MATTERS NOT COVERED, ETC.

SECTION A - DISASTERS

All employees shall be paid for their regular scheduled work and shall not lose any time on account of shortage of coaches, breakdowns or any other conditions over which the Authority has control, provided they report and remain on duty during the period of their regular scheduled work.

This section shall not be effective if the provisions of Continuity of Service to the Public, as covered by Page 2 of this Agreement, are violated.

SECTION B - BARGAINING ON MATTERS NOT COVERED

Any new conditions pertaining to wages, hours, or working conditions which may arise during the term of this Agreement, which are not covered or provided for by the terms of this Agreement, shall be subject to negotiations within ten (10) days after receipt of written notice by either party.

ARTICLE 40

QUALIFICATION OF PARTIES

SECTION A - GUARANTEE OF PERFORMANCE

Each of the parties hereto warrants that it is fully qualified and able to completely carry out and perform each and all of the provisions of this Agreement and, further, that it will not take action of any kind which will prevent or impede the complete performance of each and every provision contained herein.

SECTION B - AUTHORITY OF SIGNATORIES

The individuals signing this Agreement in their official capacities hereby warrant that they have full Authority to act for the respective parties.

SECTION C - SUBSTANCE OF THIS AGREEMENT

This Contract contains all of the agreements, stipulations, and provisions agreed upon by the parties hereto. No representative of either party has authority to make, and neither party shall be bound by any statement, representation, agreement, stipulation, or provision made prior to the execution of this Agreement or during negotiations of this Agreement and not set forth herein.

ARTICLE 41

WAIVERS

The waiver of any breach or condition of this Agreement by either party does not constitute a precedent for any subsequent waiver of any breach or condition.

ARTICLE 42

ASSIGNABILITY

This Agreement shall be binding upon the successors and assigns of the parties hereto, and no provisions, terms, or obligations herein contained shall be affected, modified, altered, or changed in any respect whatsoever by the consolidation, merger, sale, transfer, or assignment of either party hereto; affected, modified, altered, or changed in any respect whatsoever by any change of ownership or management of either party; or by any change, geographical or otherwise, in the location or place of business of either party.

ARTICLE 43

RAIL AND METRO RAIL

The Los Angeles County Metropolitan Transportation Authority (MTA) and the Amalgamated Transit Union (ATU) Local 1277 agree that the rail maintenance classifications subject to this Article, based upon the bargaining history of the parties, and the Tamoush award under the 1988-91 contract between the parties, have been historically and inextricably included within the overall long established ATU bargaining unit and are covered by the terms and conditions of this collective bargaining agreement except as specified in this Article. The provisions of this Article supersede all provisions of the collective bargaining agreement in conflict with them, and these provisions apply to all employees working in the covered classifications set forth below in paragraph 1 in rail and Metro Rail operations of the Authority.

1. The classifications covered are those set forth below for employees working in rail and/or Metro Rail with the Basic Rates of pay as specified in Article 1.

CLASSIFICATION

Traction Power Inspector
Signal Inspector
Maintenance Specialist
Rail Electronic Communication Inspector
Track Inspector
Facilities System Technician
Service Attendant
Rail Body & Paint Repairer

2. Employees covered by this Article shall receive the same Quarterly Wage Adjustment and wage increases as outlined in Article 1, provided under the Basic Agreement.
3. Supervisors shall not do bargaining unit work except when training, for instruction, or in emergencies, and in this latter case, then only until the emergency is over or a bargaining unit employee can take over, whichever occurs first.
4. The qualifications for the classifications set forth in paragraph 1 above are those in existence immediately prior to the date hereof.
5. Because of the nature of the required work, employees may be required to work overtime to assist in emergency and major accident situations. If there are insufficient qualified employees in the classification available at work at the

location at the time the overtime is required who wish to volunteer, by ATU seniority order, for the emergency work, the work will be assigned by inverse ATU seniority from among such employees or, if additional employees are necessary, from other such employees at other locations on the line in question or off work.

6. Any employee in a rail classification listed in paragraph 1 of this Article may be assigned to report to work at such locations, on his/her assigned line as determined necessary by the Authority. Additionally, such employees may be assigned to report to work, for short durations, not to exceed two weeks, to any location on any line due to unique circumstances. Employees assigned to locations on any line as specified in this paragraph will not be entitled to travel pay.
7. Inspections on rail can be done on any shift. Effective with the December 1997 shake-up, at least 1/3 of rail inspection slots in each rail division will be on day shift. An employee who bids an inspection shift may perform other equipment maintenance work when no inspection work is available for that employee. Employees who bid inspections will be given inspection assignments.
8. Employees who began a standard orientation training program for a Maintenance Specialist position after January 1, 1997, may not transfer through prebid for a total of eighteen (18) months, including the training period, without the mutual consent of the Authority and the Union.

ARTICLE 44

DURATION, TERMINATION AND RENEWAL

SECTION A - DURATION AND TERMINATION

Except as otherwise provided herein, this Agreement shall be made effective July 1, 2006 and shall remain in full force and effect to and including June 30, 2009, and shall continue in effect thereafter, unless notice in writing of termination has been served by either party upon the other not later than ninety (90) days prior to June 30, 2009. If neither party so serves such notice of termination, this Agreement, after June 30, 2009 may be terminated by either party serving upon the other written notice of termination not later than ninety (90) days prior to the time it is proposed to make such termination.

SECTION B - REQUESTS TO MODIFY

Any requests to modify or change this Agreement, or any portion thereof, shall be made in writing and shall be served on the other party not later than ninety (90) days prior to June 30, 2009, and in the event the Agreement is in effect after such date by reason of the provisions of Section A hereof, not later than ninety (90) days prior to the time it is proposed to make such change or modification.

SECTION C - SUBSEQUENT INTERPRETATIONS

After the effective date of this Agreement, no interpretations of this Agreement will be binding on either party to this Agreement unless it is in writing and signed by the authorized representatives of the parties to this Agreement.

SIDE LETTER OF AGREEMENT

#94-01 - "ASSIGNED LINE"

For the duration of this Agreement, "Assigned Line" as referenced in Article 43, Section 6 (and Side Letter 92-3, Dated 12/3/92) will be modified to indicate that employees bid their work location which will involve either light rail or heavy rail but not both. This will not apply to activation assignments where the employee had bid the assignment and which may include both light and heavy rail work, or work locations (Vernon Yard) where employees normally support all rail lines.

SIDE LETTER OF AGREEMENT

#94-04 - ON EPA CERTIFICATION REQUIREMENT

The Authority may purchase engine overhaul kits which are or may become required to be certified by the EPA or AQMD (or other government regulatory agency) and which the Authority cannot itself certify. If the engine rebuild work to be performed at the RRC requires EPA or other agency certification the Union and Authority will cooperate in obtaining such certification or in meeting any applicable exceptions.

SIDE LETTER OF AGREEMENT

#97-01 - PENSION PLAN

The Pension Plan agrees to pay the reasonable fees for attendance for an ATU designated attorney, representing ATU, at the Pension Committee and Pension Investment Committee meetings.

SIDE LETTER OF AGREEMENT

#97-03 - JOINT APPRENTICESHIP COMMITTEE

The Joint Apprenticeship Committee (“JAC”) will be composed of three members appointed by the MTA Chief Operating Officer and three members appointed by the ATU President. If any committee member is unable or unwilling to serve he will be replaced. As to the MTA appointees, the MTA COO or his designee will name their replacements. As to the ATU appointees, the President of ATU Local 1277 or his designee will name their replacements. The Union appointees shall be Mr. Jim Lindsay, Mr. Art Aguilar, and Mr. Neil Silver. The MTA appointees shall be Mr. Steve Mullaly, Mr. Dave Kubicek, and Mr. Richard Hunt.

The JAC will from time to time modify its own bylaws.

The apprenticeship program will be operated so that no time spent in the program for classroom training and education is compensable either at straight time or overtime or considered time worked for the MTA under federal, state or local laws. Upon graduation from the program, the employee will receive a one-time bonus from the JAC equivalent to 50% of his/her hourly rate times hours spent in the program.

The classification for which training will be offered will be Signal Inspector, Traction Power Inspector, Maintenance Specialist and any other classification deemed appropriate by the committee. MTA commits to at least two classes per contract. The decision as to any additional classes and the number of students per class will be at the sole discretion of MTA.

MTA agrees to provide the JAC necessary funding for the commitments contained herein. It is understood that the MTA commitment for the initial pilot program will not exceed \$70,000.00.

Entrance into the program will be by seniority order among applicants who meet minimum criteria established by the JAC for the particular training. Any disputes concerning whether an individual meets the necessary criteria will be decided by the JAC.

SIDE LETTER OF AGREEMENT

#2000-01 - MECHANIC C TRAINING PROGRAM

The MTA and ATU hereby agree to establish a Mechanic C training program committee consisting of Mr. Jim Lindsay and Mr. Art Aguilar representing the ATU and Mr. Richard Hunt and Mr. Steve Mullaly representing the MTA. The committee will audit the Mechanic C training program which begins April 2001 and use this information to redesign the next class. The committee can change any terms of this provision if done unanimously. If any committee member is unable or unwilling to serve he will be replaced. As to the MTA, the CEO or the Chief Operating Officer will name the replacements. As to the ATU, the President of ATU Local 1277 or his designee will name the replacements.

SIDE LETTER OF AGREEMENT

#2000-02 - PROMOTION REVIEW PANEL

The purpose of the panel is to review and resolve disputes regarding Leader promotions for any classification, Mechanic promotions and Warranty Equipment Mechanic disqualifications (Mechanic C to Mechanic B, and Mechanic B to Mechanic A Leaders and Relief Leaders and WEM and WEM Leaders). These will be the only issues before the panel.

The panel will have three members; one from the Maintenance Department, one from the ATU and a third party chosen by the parties will serve as the third party neutral member. The parties have determined that Mr. Lou Zigman will be the third party, if he agrees.

Promotion from Mechanic C to Mechanic B, and from Mechanic B to Mechanic A will be based on the employee's Ability, Attitude, and Attendance. The Division Manager prior to the panel meeting will judge these criteria and will verify the employee's ability, attitude and attendance within the context of all classification tasks assigned. Seniority of equally qualified employees shall be the deciding factor in the promotion of an employee to a Leader or a regular Relief Leader position. This shall also apply to the selection of Temporary Leaders.

The panel will meet three times a year and review WEM disqualifications and promotion denials which have been processed through the first level and informal meeting steps of the revised grievance procedure. The meetings will be held at the Regional Rebuild Center and will be scheduled during the second week of February, June and October.

The employee and the Division Manager will make presentations to the panel. The panel may ask questions, request written documentation and may have the employee perform task demonstrations. After the presentations, the panel will confer and issue its decision. The decision of the panel will be final and binding on both parties.

The Maintenance Department and the ATU will share the reasonable costs of the neutral panel member if any.

Before any Mechanic C or Mechanic B may use the Promotion Review Panel, they must have one-year experience at MTA in the classification. This side letter is not intended to impact in any way the employee's or the Authority's return rights under Article 15 Section G of the CBA.

This side letter will expire concurrent with the CBA, unless otherwise extended by the parties.

SIDE LETTER OF AGREEMENT

#2000-03 - WORKERS COMPENSATION

The MTA and the ATU agree to jointly implement a Workers' Compensation campaign to improve the quality of administering the benefits of employees, increasing safety for employees, and reducing Workers' Compensation claims and expenses through:

- Training
- Safety Committees
- Ombudsman Program
- Physicians Network
- Workers' Compensation Employee Handbook

LABOR MANAGEMENT TRAINING

The Labor Management Committee will jointly present the training program to employees at orientation, and any other opportunity identified by the Safety Committee.

All supervisors and managers in maintenance divisions will be trained by the committee on methods of managing and assisting employees at the locations in processing claims, following up with an injured employee and assisting an employee in returning to work.

The Safety Committee will present training to the Worker's Compensation Claims Administrator regarding the physical nature of the work performed by employees covered by this agreement.

SAFETY COMMITTEE

A Safety Committee will be established in Bus Maintenance and Rail Maintenance to implement the Workers' Compensation training and oversight program. These safety committees will be charged with developing and implementing the goals set by the committees including the development of a Workers' Compensation Handbook for employees.

OMBUDSMAN

The Ombudsman is an objective third party mutually selected by the Union and the MTA. The Ombudsman, as a neutral party, will facilitate the processing of claims, coordinating questions and responses between the injured employees and the claims handler.

FACILITATOR

The MTA may hire one or more Facilitators mutually selected by the MTA and ATU to perform duties to advance, train and otherwise implement this program.

TREATING PHYSICIAN NETWORK

A Network of Treating Physicians, approved by MTA and the ATU, for Industrial Injuries may be utilized by employees who have filed a Workers' Compensation claim. The physicians who may be included in the Network, must meet the following criteria:

- All physicians are licensed to practice medicine in the State of California.
- All physicians are experienced in the handling and reporting of Workers' Compensation claims and requirements.

Side letter 2006-001
Service Attendant Progression

The parties have agreed to a program whereby certain Service Attendants hired after 7/1/94 will be moved up to the pay rate of Service Attendant hired before 7/1/94. For the purpose of this program, Service Attendants hired before 7/1/94 will be referred to as Senior Service Attendants, and Service Attendants hired after 7/1/94 will remain Service Attendants.

This program has two goals. The first goal is to provide a path for Service Attendants to reach the Senior Service Attendant pay level. The second goal is to improve employee attendance performance. MTA's continued support for this program will be based on improved employee attendance.

To be eligible for this program, a Service Attendant must have not had an attendance policy violation (step I or higher) for 12 months prior to entering the program.

When in the program, the Service Attendant will receive a \$1.00 per hour increase each year for three years and in the fourth year will receive the difference between his/her current rate and the current rate for Senior Service Attendants.

If at the anniversary year, a Service Attendant in the program has had an attendance policy violation (step I or higher), that employee will not receive a program step increase for one year. If that happens, that employee will be again reviewed 12 months later. If after 12 months, the employee has not had an Attendance Policy Violation (step I or higher), he/she will receive the next program step increase. Each year with an attendance policy violation will lead to a one year delay in a program step increase.

On July 15, 2006 the two most senior qualified Service Attendants will begin the program. Thereafter, each time a Senior Service Attendant leaves the position, two additional Service Attendants will be added to the program. A Senior Service Attendant who retires into the "DROP" program but continues to work will not be counted as having left MTA service.

Either party may cancel this side letter with written notice to the other party at any time after July 1, 2008. The agreement will be cancelled 7 days after receipt of the written notice. Notice from the MTA will be directed to the ATU Local 1277 President. Notice from the ATU will be directed to the MTA's Chief Operating Officer. If the program is cancelled, any Service Attendant in the program but not yet at the Senior Service Attendant pay rate will continue to be promoted using the same standards. However, if the agreement is cancelled, no new Service Attendants will be added to the program.

Selection of Service Attendants for this program will be in seniority order among those Service Attendants who have not had an attendance policy violation (step I or higher) within the previous 12 months.

MTA will monitor Service Attendant and Senior Service Attendant attendance on a monthly basis to measure improvement. The data will be provided to the ATU every six months with a review and discussion as necessary.

Side letter 2006-002

New Engines and Master Mechanic Promotions

1. MTA will promote, at least, 100 employees to Master Mechanic
2. After promotion of a minimum of 100 employees to the Master Mechanic classification the Agency will be able to purchase up to 350 new engines (including installation) over the life of this contract.
3. All engines purchased as replacements for the series 50 G's (estimated to be 1521 engines) will have a limited warranty, not to exceed two years or 100,000 miles.
4. Any engines purchased pursuant to paragraph 2 above will have the old engine removed by ATU represented mechanics and the bus transported to the vendor by an ATU represented employee.

Side letter 2006-003
Changes to the Pension Document

MTA and ATU will make the necessary modifications to the pension document to change the pension final salary base from the current high 36 month average to the highest 12 month average. The effective date of this change will be July 1, 2008.

MTA and ATU agree that the pension plan will pay three payments of \$400 to all retirees receiving a pension annuity payment. The first payment of \$400 will be paid on November 15, 2006, the second payment of \$400 will be paid on November 15, 2007, and the final payment of \$400 will be paid on November 15, 2008.

Side letter 2006-004

Health and Welfare Trust Payment

The MTA and the ATU agree that MTA's August 2006 payment to the Health and Welfare Trust will be reduced by \$900,000.

Side letter 2006-005

Bus Warranties

The MTA and ATU agree that MTA will not specify or purchase extended warranties in its future bus or bus parts procurements without mutual agreement. In future bus procurements, MTA will use the current component warranty coverage, listed in the attachment to this agreement, as its standard warranty. This provision will not preclude the MTA from accepting special warranties or warranty extensions (which may include component repairs or replacements) offered to solve or cure bus fleet defects.

Warranty Attachment

Warranty Coverage	Warranty Expiration Timeline (years)	Warranty Expiration by Mileage
Complete Bus	2	100,000
Engine	5	300,000
Transmission	5	300,000
Drive Axle	5	300,000
Brakes (Excluding Linings)	3	150,000
Air Conditioning System	3	150,000
Basic Body Structure	3	150,000
Structural Integrity, Corrosion	12	500,000
Destination Signs	3	150,000
Emission Control System	5	100,000
W/C Ramp	3	150,000
Starter	3	150,000
Alternator/ Video System.	3	150,000
Air Compressor and Dryer	3	150,000
Fire Suppression	3	150,000
Steering Gear Box	3	150,000