

**Jewel Food Stores & Teamsters Local 710
Company Proposals
February 26, 2016**

Warehouse

Proposal to amend the Warehouse Collective Bargaining Agreement between Jewel Food Stores and Teamsters Local 710 dated August 1, 2012 through March 6, 2016

These proposals are offered by Jewel Food Stores in a good faith effort to reach a negotiated successor contract to its current collective bargaining agreement with TEAMSTERS Local 710. The Company reserves the right to add to, subtract from or modify the terms of this proposal until such time as this proposal is ratified by the union membership. Any proposals that are withdrawn by the Company during the course of Negotiations shall not be introduced as evidence or have any effect in any future bargaining grievance or arbitration hearing. An Employer proposal or any withdrawal or modification of a proposal does not constitute a waiver by the Employer or any of its present rights. All proposals are made without prejudice.

THIS PROPOSAL IS CONTINGENT UPON THE PARTIES ENTERING INTO THE ATTACHED EXTENSION AGREEMENT TO THE PARTIES CURRENT LABOR AGREEMENT.

NON-ECONOMIC PROPOSALS

Proposal 1: HOUSEKEEPING

Date of Execution: MODIFY AS FOLLOWS: This Agreement made and entered into by and between JEWEL FOOD STORES, INC., hereinafter referred to as the "Employer", and Highway Drivers, Dockman, Spotters, Rampman, Meat, Packing House and Allied Products Drivers and Helpers, Office Workers and Miscellaneous Employees Local Union No. 710 Affiliated with the International Brotherhood of Teamsters hereinafter referred to as the "Union", this ~~August 1, 2012~~ March 7, 2016.

[PARTIES HAVE REACHED A TENTATIVE AGREEMENT SUBJECT TO AN AGREEMENT ON THE ECONOMIC TERMS]: **Section 1.3 Employee's Job Security:** UPDATE THE AUGUST 1, 2012 THROUGH MARCH 6, 2016 WITH TERM OF NEW LABOR AGREEMENT. [COMPANY PROPOSES A FIVE YEAR AGREEMENT].

Section 9.1A.2: Employees will only be entitled to single coverage after ninety (90) days of service ~~as may be required by PPACA~~ provided they average 28 hours of pay per week and during the semi-annual qualifying periods for each year at which time they are entitled to dependent coverage.

... ~~If allowed by PPACA,~~ the Employer may adopt an annual qualifying process (rather than semi-annual qualifying process) for 20% employees not working 30 or more hours per week.

THE PARTIES HAVE REACHED A TENTATIVE AGREEMENT: Appendix A: Section A.1 Wage Rates DELETE FOLLOWING LANGUAGE: ~~A contract Ratification bonus to \$500 shall be paid to eligible employees who are actively employed with the employer (not on leave) in the payroll week when such payment is made by the Employer.~~

[TENTATIVE AGREEMENT]: Appendix A – 2014 Payroll year Lump Sum Payment: DELETE

Appendix A – Cost of Living Lump Sum Wage Adjustment: THE PARTIES HAVE REACHED AN AGREEMENT TO DELETE

Pgs. 53 – 58 (Letter of Understandings): Update acceptance date to March 7, 2016.

Proposal #4 Section 6.1 – National Holidays

PROPOSAL WITHDRAWN 2/26/16

Proposal #7: Section 7.3(9) Vacation

DELETE PARAGRAPH IN ITS ENTIRETY

Proposal #12: Section 8.11 – Janitor Jobs: Bids, Selections, Duties

MODIFY AS FOLLOWS:

...Daily Weekly bids shall be by seniority at the start of the shift only prior to the first shift of the work week.

Proposal #13: Add New Section 8.14 – 20% Promotional Language

When the need to increase the number of 80% positions exists, 20% Promotional bids will be posted by location and shift. The schedules will be determined by management to satisfy staffing needs at each of these locations, by shift. Only 20% employees will be eligible to bid on the posted positions at their location and shift.

Once the 20% promotional bid process has been completed, the company will review the potential impact it had on the 80% group schedules in each of the location / shifts. If requested by the union steward, the company will have the 80% group within the location / shift re-preference their schedules by seniority.

Proposal #14: Article 14 -Term

Except as the context of a provision shall provide otherwise, this Agreement shall become effective at 12:01 a.m. March 7, 2016 and shall expire 11:59 pm. March 6, 2021.

ECONOMIC PROPOSALS

Proposal #17: Appendix A – Wage Rates – Top of Scale Wage Increase

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Top of Scale Increase

~~Top of scale employees shall receive a \$0.25 per hour wage increase effective the Monday, March 2, 2015 for a contractual duration through Sunday March 6, 2016 at 11:59:59 pm.~~

The following wage increases shall be effective on the dates indicated for those employees at top of scale as of the date noted herein.

<u>March 7, 2016:</u>	<u>\$0.75/hr</u>
<u>March 7, 2017:</u>	<u>\$0.75/hr</u>
<u>March 7, 2018:</u>	<u>\$0.75/hr</u>
<u>March 7, 2019:</u>	<u>\$0.75/hr</u>
<u>March 7, 2020:</u>	<u>\$0.75/hr</u>

Not less than the following straight time hourly wage shall be paid during the term of this Agreement:

Classification

Working Foremen

Effective 8/1/12:	\$26.35
<u>March 7, 2016:</u>	<u>\$27.10</u>
<u>March 7, 2017:</u>	<u>\$27.85</u>
<u>March 7, 2018:</u>	<u>\$28.60</u>
<u>March 7, 2019:</u>	<u>\$29.35</u>
<u>March 7, 2020:</u>	<u>\$30.10</u>

Keyman: Including Loaders, Stock Receivers, Stock Replenishers, General Forklift Operators, Misc. Salvage/Recoup

Effective 8/1/12:	\$26.225
<u>March 7, 2016:</u>	<u>\$26.975</u>
<u>March 7, 2017:</u>	<u>\$27.725</u>
<u>March 7, 2018:</u>	<u>\$28.475</u>
<u>March 7, 2019:</u>	<u>\$29.225</u>
<u>March 7, 2020:</u>	<u>\$29.975</u>

Assemblers

Effective 8/1/12:	\$26.15
<u>March 7, 2016:</u>	<u>\$26.90</u>
<u>March 7, 2017:</u>	<u>\$27.65</u>
<u>March 7, 2018:</u>	<u>\$28.40</u>
<u>March 7, 2019:</u>	<u>\$29.15</u>
<u>March 7, 2020:</u>	<u>\$29.90</u>

Janitors Prior to 4/1/82	
Effective 8/1/12:	\$24.55
March 7, 2016:	\$25.30
March 7, 2017:	\$26.05
March 7, 2018:	\$26.80
March 7, 2019:	\$27.55
March 7, 2020:	\$28.30
Janitors after 4/1/82 after progressing through 54 month schedule below	
Effective 8/1/12:	\$21.831
March 7, 2016:	\$22.581
March 7, 2017:	\$23.331
March 7, 2018:	\$24.081
March 7, 2019:	\$24.831
March 7, 2020:	\$25.581
Janitors after August 1, 2007 after progressing through the 12 month schedule below:	
Effective 8/1/12:	\$17.537
March 7, 2016:	\$18.287
March 7, 2017:	\$19.037
March 7, 2018:	\$19.787
March 7, 2019:	\$20.537
March 7, 2020:	\$21.287
Salvage/Recoup	
Effective 8/1/12:	\$21.831
March 7, 2016:	\$22.581
March 7, 2017:	\$23.331
March 7, 2018:	\$24.081
March 7, 2019:	\$24.831
March 7, 2020:	\$25.581
Trailer Sanitors	
Effective 8/1/12:	\$17.412
March 7, 2016:	\$18.162
March 7, 2017:	\$18.912
March 7, 2018:	\$19.662
March 7, 2019:	\$20.412
March 7, 2020:	\$21.162

Freezer Department: All employees working in the Freezer Department shall receive a \$0.30/hr premium in addition to said employee's wage rate for actual hours worked in the freezer department.

PARTIES HAVE REACHED A TENTATIVE AGREEMENT ON THE FOLLOWING NIGHT CREW PREMIUM

Section 4.6 (E): All Employees who are assigned or scheduled to commence work at any time after 12:01 p.m. prior to 4:00 a.m. shall receive a night shift premium of ~~twenty cents~~ twenty-five cents per hour (\$0.25/hr) in addition to their regular hour rates of pay for all work performed on the night shift. . . .

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Company Proposal #18 – Appendix A – Employees Hired on or after August 1, 2012 Wages Rates:

Employees hired on or after August 1, 2012 shall be paid the following minimum rates:

~~Trailer Sanitors: \$13.00 start, \$.20 increase each 6 full months of completed service up to a \$14.00 maximum rate;~~

~~Janitors and Salvage/Recoup: \$14.00 start, a \$.20 increase each 6 full months of completed service up to \$16.00 maximum rate;~~

~~Assemblers: \$16.00 start, \$.25 increase each 6 full months of completed service up to \$19.00.~~

Effective March 7, 2016 employees hired on or after August 1, 2012 shall have their rate increased from their “3/6/2016 Rate” to the corresponding rate under the heading “Rate on 3/7/2016” as set forth in the applicable job classification tables below and such employees shall be paid the outlined minimum rates and continue to receive the outlined progression increases until they reach the respective maximum rate.

Trailer Sanitors: \$13.60 start, a \$0.40/hr increase after 60 full days of completed service, another \$0.40/hr increase after one full year of completed service, and then an additional \$0.40/hr increase each successive six (6) full months of service up to a \$17.60 maximum rate.

	<u>3/6/2016 Rate</u>		<u>Rate on 3/7/2016</u>
<u>Start rate (0 – 6 months)</u>	<u>\$13.00</u>	<u>(0 – 60 days)</u>	<u>\$13.60</u>
<u>7 – 12 months</u>	<u>\$13.20</u>	<u>(60 days - 12 months)</u>	<u>\$14.00</u>
<u>13 – 18 months</u>	<u>\$13.40</u>		<u>\$14.40</u>
<u>19 – 24 months</u>	<u>\$13.60</u>		<u>\$14.80</u>
<u>25 – 30 months</u>	<u>\$13.80</u>		<u>\$15.20</u>
<u>31 – 36 months</u>	<u>\$14.00 (max rate)</u>		<u>\$15.60</u>
<u>37 – 42 months</u>			<u>\$16.00</u>
<u>43 – 48 months</u>			<u>\$16.40</u>
<u>49 – 54 months</u>			<u>\$16.80</u>
<u>55 – 60 months</u>			<u>\$17.20</u>
<u>61+ months</u>			<u>\$17.60 (max rate)</u>

Effective March 7, 2020, the maximum rate for Trailer Sanitors shall be increased to \$18.35/hr.

Janitors and Salvage/Recoup: \$14.60 start, a \$0.40/hr increase after 60 full days of completed service, another \$0.40/hr increase after one full year of completed service, and then an additional \$0.40/hr increase each successive six (6) full months of service up to a \$18.60 maximum rate.

	<u>3/6/2016 Rate</u>		<u>Rate on 3/7/2016</u>
<u>Start rate (0 – 6 months)</u>	<u>\$14.00</u>	<u>(0 – 60 days)</u>	<u>\$14.60</u>
<u>7 – 12 months</u>	<u>\$14.20</u>	<u>(60 days - 12 months)</u>	<u>\$15.00</u>
<u>13 – 18 months</u>	<u>\$14.40</u>		<u>\$15.40</u>
<u>19 – 24 months</u>	<u>\$14.60</u>		<u>\$15.80</u>

25 – 30 months	\$14.80	\$16.20
31 – 36 months	\$15.00	\$16.60
37 – 42 months	\$15.20	\$17.00
43 – 48 months	\$15.40	\$17.40
49 – 54 months	\$15.60	\$17.80
55 – 60 months	\$15.80	\$18.20
61+ months	\$16.00 (max rate)	\$18.60 (max rate)

Effective March 7, 2020, the maximum rate for Janitors Salvage/Recoup shall be increased to \$19.35/hr.

Assemblers: \$16.60 start, a \$0.50/hr increase after 60 full days of completed service, another \$0.50/hr increase after one full year of completed service, and then an additional \$0.50/hr increase each successive full six months of completed service up to the a \$21.60 maximum rate.

	<u>3/6/2016 Rate</u>		<u>Rate on 3/7/2016</u>
Start rate (0 – 6 months)	\$16.00	(0 – 60 days)	\$16.60
7 – 12 months	\$16.25	(60 days - 12 months)	\$17.10
13 – 18 months	\$16.50		\$17.60
19 – 24 months	\$16.75		\$18.10
25 – 30 months	\$17.00		\$18.60
31 – 36 months	\$17.25		\$19.10
37 – 42 months	\$17.50		\$19.60
43 – 48 months	\$17.75		\$20.10
49 – 54 months	\$18.00		\$20.60
55 – 60 months	\$18.25		\$21.10
61+	\$18.50 (61 – 66 months)		\$21.60 (max rate)
	\$18.75 (67 – 72 months)		
	\$19.00 (max rate) (73+)		

Effective March 7, 2020, the maximum rate for Assemblers shall be increased to \$22.35/hr.

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Company Proposals #19: Article IX – Section 9.1 – Health & Welfare

A. . . . The weekly contribution rates are as follows:

Normal Health Plan	1/1/2015 <u>3/7/2016</u>	<u>1/1/2017</u>	<u>1/1/2018</u>	<u>1/1/2019</u>	<u>1/1/2020</u>
Single Coverage	\$17.50	+\$0.50	+\$0.50	+\$0.50	+\$0.50
Dual Coverage	\$30.00	+\$1.00	+\$1.00	+\$1.00	+\$1.00
Family Coverage	\$42.50	+\$1.50	+\$1.50	+\$1.50	+\$1.50
Dental Plan	1/1/2015 <u>3/7/2016</u>	<u>1/1/2017</u>	<u>1/1/2018</u>	<u>1/1/2019</u>	<u>1/1/2020</u>
Single Coverage	\$1.50	+\$0.10	+Zero	+\$0.10	+Zero
Dual Coverage	\$3.00	+\$0.25	+Zero	+\$0.25	+Zero
Family Coverage	\$4.50	+\$0.50	+Zero	+\$0.50	+Zero
Vision Plan	1/1/2015 <u>3/7/2016</u>	<u>1/1/2017</u>	<u>1/1/2018</u>	<u>1/1/2019</u>	<u>1/1/2020</u>
Single Coverage	\$0.30	+\$0.05	+Zero	+Zero	+\$0.05
Dual Coverage	\$0.60	+\$0.10	+Zero	+Zero	+\$0.10
Family Coverage	\$0.90	+\$0.15	+Zero	+Zero	+\$0.15

The above rates are applicable to employees who participate in and complete health assessment, screening, and improvement activities in the Company's Healthy Pursuits Program. Failure to fully participate in the company's Healthy Pursuits Program will increase employee contributions from \$750.00 (an increase in contributions by \$14.43/week where an employee fails to participate in the program) to \$1,500.00 per-year (an increase in contributions by \$28.86/week where an employee and their spouse fail to participate in the program).

The Company agrees to conduct an annual health fair which includes explaining the Healthy Pursuits program and assisting employees with the completion of the Health Risk Assessment.

COMPANY COUNTER PROPOSALS TO UNION PROPOSALS

1. TENTATIVE AGREEMENT ON UNION HOUSEKEEPING ITEMS AS OUTLINED IN HIGHLIGHTED CONTRACT PRESENTED ON 1/20/2016
2. THE PARTIES HAVE REACHED A TENTATIVE AGREEMENT ON THE FOLLOWING:

Section 4.3(a) Rest Periods for Five – 8 hour shifts ... Any employee required to work greater than nine (9) ~~ten (10)~~ hours or more on any one shift shall be entitled to an additional ten (10) minute rest period for each two hours period of overtime to be taken not later than the end of the eighth (8th) ~~ninth (9th)~~ hour. The employee shall be entitled to additional ten (10) minute breaks for each two hour period of overtime and such breaks shall be taken at the end of the tenth (10th) ~~eleventh~~ hour, and the end of each two (2) hour period thereafter.

3. Company Counter Proposal (Attendance points/No call no show)

PARTIES HAVE REACHED A TENTATIVE AGREEMENT ON THE FOLLOWING

Union withdraws its proposal to increase attendance points and the Company Agrees to modify Appendix B as follows with regards to No Call No Show:

...

A no call/no show incident shall result in discipline in addition to whatever discipline may arise under the point system noted above. The first no call/no show shall result in a written warning. The second no call/no show within twelve (12) months shall result in termination. Attendance points will not be issued for incidents of no call/no show.

4. THE PARTIES HAVE REACHED A TENTATIVE AGREEMENT ON THE FOLLOWING LANGUAGE: ~~Only~~ For production, attendance or time clock punch violations an employee should receive counseling and/or written warning shall be issued within five (5) calendar days excluding Saturday and Sunday of the incident provided the employee is at working following the incident otherwise the time period will be extended by the length of absence. For all other violations, an employee should receive discipline within 14 calendar days of the employer becoming aware of the violation provided the employee is working after the incident and otherwise the time period will be extended by the length of the absence.

5. PARTIES HAVE REACHED A TENTATIVE AGREEMENT ON:

Appendix C – Drug and Alcohol Policy: ...An employee shall be required to provide both urine and blood specimens for laboratory testing for accidents involving damage to property/merchandise of \$500 \$750 or more excluding labor cost, ...

6. PARTIES HAVE REACHED A TENTATIVE AGREEMENT TO ADD THE FOLLOWING TO:

Section 4.1(E) – Four (4) Ten (10) Hour Shifts: The Employer has the right to schedule up to 35% of employees for four (4) ten (10) hour shifts as otherwise outlined in this Agreement, however, any daily overtime for such employees shall be voluntary, and any six (6) day overtime shall be voluntary. The Employer maintains the right to mandatory fifth day overtime as otherwise provided in this Agreement.

7. THE PARTIES HAVE REACHED A TENTATIVE AGREEMENT ON:

Section 7.3(5) Vacation Weeks: All vacation shall be for calendar weeks except as provided in the following paragraph. Seniority shall govern the selection of vacation.

Employees with three (3) or more weeks of vacation in a year may elect to take up to two (2) weeks of vacation on an individual day basis. Employees with two (2) weeks of vacation in a year may elect to take up to one week of vacation on an individual basis.

8. THE PARTIES HAVE REACHED A TENTATIVE AGREEMENT ON THE FOLLOWING LANGAUGE

Section 6.1 National Holidays: To qualify for holiday pay an employee on the active payroll must work his scheduled (if employee arrives less than two hours late, the employee is considered to work his scheduled shift), mandatory or voluntary workday before and after the holiday including his observed holiday if it is scheduled as part of his holiday workweek unless advance approval for the absence has been given in writing by the Employer.

9. The Employer guarantees that 40% of the Jobs in the warehouse shall be scheduled Monday – Friday.

10. THE PARTIES HAVE REACHED A TENTATIVE AGREEMENT ON SECTION 6.1 AS FOLLOWS:

All holidays shall be observed on the legally observed (Federal Holiday) day. (only paying double time for the legally observed holiday, if qualified)

WAREHOUSE
EXTENSION OF AGREEMENT

Teamsters Local Union 710, (the Union) and Jewel Food Stores, Inc., (the Employer) do hereby agree to extend the Collective Bargaining Agreement dated August 1, 2012 through March 6, 2016 covering the Warehouse Employees employed by the Employer at their Melrose Park, Illinois facility.

The parties mutually agree that the contract will remain in full force and effect until the parties complete negotiations of a successor agreement, unless either party cancels this agreement upon twenty one (21) days written notice to the other party of their intention to cancel. Such twenty one (21) days shall start upon receipt of written notice by Certified Mail Return Receipt.

In the event negotiations do not conclude by March 6, 2016, the parties agree that wage increases provided in the new agreement shall be retroactive to March 6, 2016 unless the parties mutually agree to another date.

For the Union

For the Company

BY: _____

BY: _____

DATE: _____

DATE: _____