KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2025-00122
COMMISSION STAFF'S POST-HEARING REQUEST FOR INFORMATION

Witness: Robert Prendergast

12. Refer to the Direct Testimony of Robert Prendergast, pages 4-5. Confirm whether the collective bargaining agreements for the forecasted test period wages for union employees constitute binding contracts.

October 6, 2025 Original Response:

The current collective bargaining agreement ("CBA") for union employees does constitute a binding contract. The current CBA expires October 31, 2025. Negotiations for a new contract will begin on October 13, 2025, with the goal of having a new contract in place as the current contract expires. Having said that, the existence of a new contract in place as soon as the current contract expires is immaterial because forecasted test period wages were projected using the most-recent increase from the current contract. The 3% projected increase to Union wages was the agreed upon annual increase for Union wages since 2022. Utilizing the agreed upon actual wage increase for the last 4 years is a conservative and reasonable method of projecting labor expense for union employees in the future test year.

Additionally, Exhibit RVM-1[1] to Robert Mustich's May 16, 2025 Direct Testimony shows that the compensation of union employees was included as part of Mr. Mustich's analysis. That analysis shows that total remuneration paid to KAW employees is reasonable because it is aligned with (and is in fact less than) national and regional benchmarks.

November 26, 2025 Supplemental Response:

Negotiations with the union were successful and the union ratified a new CBA on November 19, 2025. A redlined version of it comparing it to the previous CBA along with proof of its ratification (see November 19, 2025 e-mail from union representative Alexis Hardesty indicating union ratification) are attached. Note on pages 11 and 15 of the redlined agreement that the agreed-upon wage increases are equal to or greater than the 3% projected increase described above.

[1] See pages 5 and C-2 of Exhibit RVM-1.

From: Brian D Billups
To: Lu-Ann J Glaser; Tammy L Poole
Subject: Fw: Contract Ratified
Date: Tuesday, November 25, 2025 10:44:43 AM
Attachments: Image.png

Please see below.

With thanks and appreciation,

Brian D. Billups
Director of Operations
Indiana American Water
650 Madison Street
Gary, IN 46402

c: [redacted]
e: [redacted]

WE KEEP LIFE FLOWING®

From: Alexis Hardesty <[redacted]>
Sent: Wednesday, November 19, 2025 4:12 PM
To: Brian D Billups <[redacted]>; Bryan Moran <[redacted]>; Josh Warren <[redacted]>; Nathan N Coyle <[redacted]>; Ryan L McFarland <[redacted]>; Joey L Gunnels <[redacted]>
Subject: Contract Ratified

CAUTION: This Message Is from an External Email Address
Verify the sender before responding or opening links or attachments.

Report Suspicious

The contract was ratified by the membership.

Thanks
Alexis

Get Outlook for iOS

FINAL OFFER

FOR A NEW COLLECTIVE BARGAINING AGREEMENT

BETWEEN

KENTUCKY AMERICAN WATER

AND

SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL 32BJ

SUBMITTED TO THE UNION ON NOVEMBER 18, 2025, AT 11:00 AM

Kentucky American Water reserves the right to add to, delete from, or revise these proposals during the course of negotiations and all proposals are without prejudice to the Company's position in any other proceedings. In addition, some of Kentucky American Water's proposals reflect a declaration or more clear statement of the Company's existing rights and any withdrawal or revisions of such proposals during negotiations is without prejudice to and does not diminish those existing rights.

The attached REDLINE CBA (ATTACHMENT A) comprises the complete agreement on the substantial terms and conditions of employment between the Parties listed herein, as a result of negotiations over the agreement that expired on October 31, 2025.

Should this Final Offer be ratified, signed by the Union, and transmitted to the Company, this document and the terms referenced in ATTACHMENT A shall represent the complete agreement on the substantial terms and conditions of employment between the Parties. Following ratification and signing of this Final Offer, the Parties will meet to craft a final document for signature, at which time administrative changes such as formatting, numbering, non-material clean-up, adoption of gender-neutral language, or correction of typographical errors may occur. Any changes in the final document prepared and signed shall be considered administrative in nature and will not affect the binding nature of this contract.

By signature of the Parties below, and ratification as described above, the Agreement described herein and all of its terms shall be effective on the date the Union transmits its signature (i.e., if the signature is transmitted on November 21, 2025, the Agreement will be effective on November 21, 2025, and expire October 31, 2029).

KENTUCKY AMERICAN WATER		SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL 32BJ	
11/18/2025		11/18/25	
William A. Lewis	**Date**	**Alexis Hardesty**	**Date**
Vice President of Operations		Business Representative	

ATTACHMENT A

UNION CONTRACT
EFFECTIVE MARCH 2, 2022

CONTRACT BETWEEN

KENTUCKY - AMERICAN WATER

~~NATIONAL CONFERENCE OF FIREMEN AND OILERS DISTRICT OF~~ 32BJ SEIU

CONTENTS TBD

AGREEMENT

THIS AGREEMENT executed on March 2, 2022, and effective as of March 2, 2022, by and between KENTUCKY ~~-~~AMERICAN WATER of Lexington, Kentucky, ~~p~~Party of the first part, (hereinafter referred to as the "Company~~,~~"), and ~~NCFO DISTRICT OF 32BJ SEIU~~SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL 32BJ, of Louisville, Kentucky, ~~p~~Party of the second part, (hereinafter referred to as the "Union"), (collectively referred to as the "Parties~~;~~").~~"~~

WITNESSETH:

WHEREAS, the Company is engaged in furnishing an essential public service which vitally affects the health, safety, comfort, and general well-being of a large number of people in the communities furnished water service by the Company; and

WHEREAS, the very existence of the Company is conditioned upon carrying out its obligations and responsibilities to the public served; and

WHEREAS, this responsibility to the public is a mutual responsibility of Employees and management which requires that any disputes arising between the Employees and management be settled in an orderly way without interruption of water service; and

WHEREAS, both parties to this Agreement hereby recognize this mutual responsibility of service to the public.

NOW, THEREFORE, in furtherance of harmonious relations among Employees, the Management, and the public, it is mutually agreed by the parties hereto that there shall be no strike or lockout during the term of this Agreement, and this mutually agreed covenant shall continue through the future relations between the parties hereto, and that all matters of dispute pertaining to the interpretation or application of the terms of this Agreement shall be settled by arbitration as hereinafter provided.

It is further agreed as follows:

SECTION 1. RECOGNITION

The Company shall recognize the Union as the sole representative of employees covered by this Agreement except for non-union/non-management and management personnel. The Company agrees to bargain collectively with the properly constituted and proven representatives of the Union on the matters affecting such employees. A Shop Steward shall be present for local Collective Bargaining Agreement negotiations.

SECTION 2. NEW EMPLOYEES

It is recognized by the parties hereto that in the operation of the water works property of the Company on account of the responsibility at all times to furnish a safe and adequate supply of water to the City of Lexington and surrounding territory, there can be no division of this responsibility, and it is agreed that the Company, therefore, must be unhampered in the selection of its employees.

The Company agrees that in the filling of vacancies it will give preference to former qualified employees of the Company whose employment was terminated by layoff. Moreover, the Company agrees that this Section is to be understood as subject to the provisions of this Agreement in regard to seniority, and any differences between the Parties~~Company and the Union~~ under this Section will be subject to the arbitration provisions of this Agreement.

It is agreed that new employees, those still within the probationary period ~~who have less than ninety (90) calendar days of continuous employment~~, shall not be eligible for pay for vacation until after the probationary period has ended.

~~New employees in the bargaining unit that have Company service from other parts of the organization will have this service counted for vacation eligibility and other local benefits~~. As far as the selection of the time off for vacation or bidding, this shall be done based upon the employee's date of hire into this bargaining unit.

Recognizing the Parties' mutual interest in growth through the acquisition of new water and wastewater systems, and the experience that transferred employees from acquired systems may bring, the Parties agree that when the Company, in its sole discretion, determines to include acquisition staffing in this bargaining unit, the initial staffing for work arising from future acquisitions, which involves the integration of new systems and transferred employees into the Lexington, Kentucky bargaining unit, may be established without the need to post such positions

SECTION 3. UNION SECURITY

To the extent permitted by state law, the Company agrees that all present employees of the Company represented by the Bargaining Unit must, as a condition of continued employment, become members of the Union within thirty (30) calendar days from the effective date of this Agreement and remain members in good standing for the duration of this Agreement.

To the extent permitted by state law, the Company further agrees that all new employees eligible for membership in the Bargaining Unit will be required as a condition of continued employment to become members of the Union within thirty (30) calendar days from the date of their employment and remain members in good standing for the duration of this Agreement.

It is further agreed that each new employee shall be granted a probationary period ~~not to exceed~~of ninety (90) calendar days ~~as a probationary period~~ to demonstrate their ability and qualifications to perform the duties for which they were hired. ~~In the event~~The Company may extend the probationary period by mutual agreement with the Union. If a new employee fails to qualify within the ~~ninety (90) calendar day~~probationary period following the date of their employment, they shall be subject to discharge. Probationary employees may be discharged~~.~~ by the Company during this period for any reason, without recourse to the grievance procedure. ~~This provision in no way relieves the employee of joining the Union as provided above.~~

It is agreed between the ~~p~~Parties that seniority rights for ~~the~~a new employee shall not ~~exist~~be recognized until ~~after ninety (90) calendar day's continuous employment by the Company.~~the probationary period has been successfully completed. However, ~~after ninety (90) calendar day's continuous employment~~upon completion of the probationary period, seniority ~~rights~~ shall ~~revert to,~~be retroactively applied and ~~be~~ considered to have been in full force and effect~~, since the beginning of the ninety (90) calendar day's continuous employment. An evaluation~~ from the employee's original date of hire. Evaluations shall be ~~performed~~conducted at interim periods ~~during~~throughout the probationary employment.

SECTION 4. UNION DUES & REQUESTS

Dues shall be deducted bi-weekly by the Company from the wages of each member of the Union who is an employee of the Company, and who requests and authorizes the Company in writing to make such deductions from their wages or salary. Deductions shall be made by the Company every other week and shall be remitted once per month to the Secretary-Treasurer of the Union.

By the tenth (10th) day of each month, the Company will provide the Chief Steward with a file containing the name, most recent position, employee number, hire date, effective date for any new hires, transfers and terminations in the bargaining unit during the preceding month.

Upon the Union's request, the Company shall furnish the Union with a complete list of the names, home addresses, telephone numbers, dates of hire, job locations, rate of pay, shift, and regularly scheduled hours of all employees covered by this Agreement. The Company shall notify the Union of the name, home address, telephone number, date of hire, job location, rate of pay, shift and regularly scheduled hours of each new employee employed by the Company and covered by this Agreement. The Union shall have the right to review and inspect documents and other information contained in employee personnel files that are related to work and disciplinary issues.

SECTION 5. RULES, REGULATIONS, AND GOOD FAITH

The Union agrees that its officers and members will live up to the Company's reasonable rules and regulations in the interest of safety, economy and continuity of service to the public.

The Union and Company agree that they will not engage in subterfuge for the purpose of defeating or evading the provisions of this Agreement.

SECTION 6. SENIORITY

Beginning with the effective date of this contract, the seniority provisions are as follows: It is understood and agreed that in all cases of job bidding and transfer of employees, seniority will govern, for those employees who meet the qualifications of the position. Employees who have not yet completed their probationary period shall retain the right to bid on vacant positions.

The Company will review all relevant information relating to all bidders on any job and has the right to determine which bidder has the qualifications for the position. The only criteria determining the length of continuous service will be bargaining unit seniority. All employees in the Union are divided into two departments:

Production

Employees in the Production Department are classified as follows:

Treatment Plant Operator
Maintenance Technician I
Maintenance Technician II
Treatment Plant Operator - Trainee I
Treatment Plant Operator - Trainee II

Field Operations

The employees in the Field Operations Department are classified as follows:
Crew Leader I
Crew Leader II
Utility Worker I
Utility Worker II
~~Utility III~~
~~Utility IV~~
Utility Water Conservationist
Meter Technician
Field Service Representative
Meter Reader
Temporary Laborer

The employees in the Utility classification may be assigned to either the Field Operations or Production Departments.

~~The evening shift crew/s, if qualified, will be allowed to use the mini-excavator without calling in a Backhoe Operator.~~

~~Whenever a large backhoe is needed, the Crew Leader II must be contacted in accordance with Section 13 and Section 16 of this agreement.~~

In cases of job bidding or transfer or decrease of employees in any particular department, paragraph 1 in this Section shall be interpreted to mean length of continuous service within the bargaining unit.

Seniority shall be in accordance with overall bargaining unit seniority within the union group.

Notice of vacancy in an existing position or a newly created position shall be posted at places accessible to employees affected and also be emailed to the employees covered under this agreement. ~~Shop stewards will communicate that the notice has been posted~~. Notices shall remain posted for a period of four business days (Monday-Friday), within which time applicants eligible and desiring to fill such vacancy shall apply in writing to the official of the Company designated in the notice. Such notice shall set forth title of position to be filled, hours of work, days of relief, rate of pay and outline of duties. Within four consecutive days after the expiration of the posting period, the Company shall have assigned the accepted applicant to such vacancy or newly created position. In the event circumstances exist which will not allow the Company to move the successful bidder, the Company will be granted up to thirty (30) calendar days to move the employee to the duties of the bid position. If at the end of this thirty (30) calendar day period the employee is not actually performing these duties, the rate of pay for the bid position will begin, provided pay scales are not a lower rate of pay.

The decision to apply or not to apply for promotion or transfer to an existing position or a newly created position is entirely within the employee's own option. The Union shall receive a copy of all bids.

When a job vacancy is posted and awarded to the successful bidder in accordance with the provisions of this Agreement, the second successful bidder will be listed on the Notice of Assignment. If the successful bidder who was awarded the position in accordance with this section does not qualify, or within the first fifteen (15) working days voluntarily steps down, the job will be awarded to the second successful bidder on the Notice of Assignment. If the second successful bidder does not qualify, or within the first fifteen (15) working days voluntarily steps down, the job will be reposted. This procedure will be applicable to all job vacancies, which will be affected by such disqualification or voluntary disqualification, within the first fifteen (15) working days, providing the employee, or employees involved have not qualified for the position they presently hold.

In the event a vacancy occurs while an employee is on vacation or sick leave, it is agreed that the ~~Union and~~ Company will ~~jointly~~ notify said employee of the existing vacancy. The Company will send a copy of this notice by email. The notice will be sent to the email address of an employee as listed in the Company files.

In order to be considered for a bid, employees must be actively at work, or~~,~~ if on a leave of absence, give notice of approval to return to work within ninety (90) calendar days from the end of the posting period.

In the event an employee is unable to return to work within ninety (90) calendar days from the end of the posting period, the Company will consider requests to extend this period, based on business needs. These requests should be made in writing and accompany the bid.

~~If the Union and the Company are unable to contact said employee, the employee shall be granted 48 hours at the conclusion of their vacation or sick leave the opportunity to bid on the vacancy.~~

When a job vacancy is posted and awarded to the successful bidder in accordance with the provisions of this Agreement, the second successful bidder will be listed on the Notice of Assignment.

Any employee assigned to a new position shall have up to ninety (90) working days in which to demonstrate their qualifications to perform the duties of that position, as determined by the Company. If any employee is unable to qualify, they may return to the position from which they came without loss of seniority, even if an extension of the ninety (90) working day period has been granted. In such case, the second successful bidder shall be awarded the position. If the second successful bidder fails to qualify under the same terms as above, the job will be reposted.

Voluntary Declining of Bids

- An unqualified successful bidder may voluntarily step down from the new position within the first three (3) calendar weeks of actually performing in the new position and return to their previous position without loss of seniority.
- Except for treatment plant operator positions, a qualified successful bidder who has held the bid position previously may voluntarily step down from the new position within the first seven (7) calendar days of actually performing in the new position and return to their previous position without loss of seniority.
- A qualified or unqualified successful bidder for a treatment plant operator position may voluntarily step down from the new position within the first three (3) calendar weeks of actually performing in the new position and return to their previous position without loss of seniority.

It is understood that the ninety (90) working day qualification period and the timeframes referenced for the voluntary declining of a bid run concurrently.

When a successful bidder fails to qualify or voluntarily steps down or declines a position as described above, they forfeit for six (6) months all rights to bid for any job requiring like skills which may be subsequently posted, except when the shifts are different. When an employee qualifies for their position, their seniority reverts back to the date of the awarding of the job.

When an employee permanently fills a vacancy that requires certification by federal, state or local governmental agencies, they must demonstrate their ability to pass the certification test within ninety (90) calendar days. However, if the employee does not have the required job experience to fulfill the certification requirements of the governmental agency, they may be granted the necessary time to gain the job experience.

The Company reserves the right to temporarily fill any vacancy pending the operation of the procedure described hereinbefore. Temporary layoff shall be considered permanent when the employee has been laid off for twenty-four (24) consecutive months, and any seniority rights established prior to permanent layoff shall, in event of rehiring, be considered nil.

If an employee fails to return to work within ten (10) working days after they have been notified by registered mail to return to work after such layoffs and does not give a satisfactory reason after investigation by the Company and the Union for their failure to return within said ten (10) working days, any seniority record theretofore established shall be broken and such seniority record shall there upon be considered nil.

~~The senior employee in the top ranking classification in each of the shift departments shall have the right to select the shift they are to work and shall have the right to choose their weekly days off; provided, however, that after the choice is made by the senior operator in the Production Department, the other seniors in the department must choose their days and shifts so as not to require a swing shift employee to work sixteen (16) hours per day, or require the services of more than one (1) swing shift employee for operators. The selection, once made, shall be final unless changed under provision of Section 14.~~

It is mutually understood and agreed by all parties hereto that because of the Company's responsibility hereinbefore mentioned, the management must and shall be the judge of any employee's qualifications for promotion. However, should any difference of opinion occur in this regard, such differences shall be settled in accordance with the arbitration provisions of this Agreement.

The Company agrees to post permanently, in a conspicuous place in each department and plant, a bargaining unit seniority list including current position held and such list shall be posted every six (6) months. ~~After the seniority list is posted, the employees will have thirty (30) calendar days during which they may protest the accuracy of the list in writing. Failing to make such protest within the thirty (30) calendar day period shall constitute agreement and the list shall become permanent.~~

In the event an employee is displaced from their classification or department due to a cutback or revision of production or field operations methods, they may exercise their seniority rights in accordance with their overall bargaining unit seniority within the union group.

Employees who are in the bargaining unit and accept a position outside the bargaining unit shall retain their seniority for a maximum of ninety (90) calendar days. Such assignment is made with the consent of the concerned employee and the Company. The Company will notify the Union of such awards. If the employee returns to the bargaining unit within ~~the~~ ninety (90) calendar days they will return to an open position for which they are qualified or, if no such position exists, to the lowest paying position in the department of their prior bargaining unit position.

For all other current American Water employees, together with current employees of American Water's parent and its parent's subsidiaries or affiliates, who are newly hired into the Lexington, Kentucky bargaining unit, these employees will retain their overall American Water length of service credit for purposes of vacation accrual, medical benefits, and 401(k) and Defined Contribution benefit vesting for which they are eligible. Length of service for these employees shall not count towards bargaining unit seniority for purposes of bidding, vacation selection, layoff, or recall.

SECTION 7. RESPONSIBILITY

The shift operators on duty shall be in charge of the normal operation of the Pumping Station. It is agreed by the ~~p~~Parties that the Treatment Plant Operators may be assigned to other non-operator duties within the Plant during emergencies and/or when the ~~p~~Plant is shut down.

It is agreed that employees in the various shift classifications will not be transferred from their normal duties to perform duties normally performed by employees in other classifications when it is necessary to replace this employee, except in cases of emergency.

SECTION 8. TEMPORARY TRANSFERS

Employees may be assigned temporarily to positions on a reverse seniority basis when feasible and practical, provided no senior employee desires the assignment. Employees temporarily assigned shall be returned to their normal positions within a period not to exceed twenty-five (25) calendar days unless an extension be granted by mutual consent between the ~~Company and Union~~ Parties.

When it becomes necessary for the Company to shift an employee temporarily to new assignments, there shall be no change in the rate of pay to the employee so temporarily assigned except when such temporary assignment shifts an employee into a higher classification. In such cases the employee shifted temporarily to a higher classification shall receive for such temporary assignment the basic rate of pay established for the position. Employees transferred temporarily to lower paid positions shall continue to receive their regular rate of pay during such temporary transfer. Employees transferred permanently to other positions shall receive the rate of pay for the position to which they are transferred.

It is mutually agreed that adjustments in pay shall not be made under the provisions of this Section unless the transfer continues in effect for two (2) hours or more, and in no case shall the rate of pay of an employee be changed during any work shift or any work day except that when an employee continues without interruption for two (2) hours or more in such temporary assignment, that employee shall be paid the higher rate of pay for all time worked in the higher paid assignment.

If an employee has worked in a temporary position for more than thirty days, they will receive the higher rate of pay for holiday time, vacation, or sick time where that holiday, vacation, or sick time occurs during the temporary transfer.

SECTION 9. DEMOTION OR DECREASE

When and if it should become necessary to curtail employment in any department employees affected are to be laid off in the inverse order of their employment in accordance with their overall bargaining unit seniority and re-employed in the reverse order. An employee laid off from any department because of lack of work, may exercise their bargaining unit seniority by bumping any less senior employee, provided that they are able to perform the required duties of the new position and meet all the requirements in ~~Section 6~~the Seniority Section of the Agreement. In all such cases the Company agrees to notify the Union ten (10) calendar days in advance where the layoff affects permanent full-time employees, and to seek an agreement as to the application of the seniority rights under this Section and under the Seniority Section of the Agreement. If such an agreement cannot be reached, then the question shall be settled under the arbitration provisions of this Agreement.

SECTION 10. REPRESENTATION AND ARBITRATION

The direct representatives of the Union shall be employees of the Company and shall be known as "Shop Stewards."

The Shop Stewards shall first attempt to handle all grievances before such grievances are referred to an International Representative of the Union. The employee may have a Shop Steward or witness present when conferences are held between employees and supervisors. Supervisors or other management personnel shall offer a Shop Steward or witness be present when conferences are held with employees that could lead to disciplinary action up to and including termination or other issues relating to terms and conditions of employment. The employee may waive their right to representation if they so desire.

Step 1. Should grievances arise over interpretation or application of the items of this Agreement, the Shop Steward ~~aggrieved party~~ must submit their grievance in writing ~~to a Shop Steward whose duty it will be to confer,~~ within ~~three (3)~~ five (5) working days of the occurrence, ~~with~~to the supervisor or a designated representative in an attempt to effect a settlement. The supervisor or a designated representative will have ~~three (3)~~ five (5) working days to respond to the grievance at this first step in writing.

Step 2. Should ~~this~~ the Step 1 procedure not result in a settlement, within five (5) working days of the denial at the first step, the matter shall be referred in writing to the Production or Field Operations Manager or a designated representative who shall give a reply in writing within five (5) working days of the receipt of the grievance at this level.

Step 3. ~~Failing satisfactory settlement through this office~~Should the Step 2 procedure not result in a settlement, within ten (10) working days of the denial at the second step, the matter shall be referred in writing to the senior ranking official or a designated representative and to an International Representative of the Union. Within ten (10) days or upon a mutually agreeable extension, designees from the Company and the Union will meet to attempt to resolve the grievance. The senior ranking official or a designated representative shall give a reply in writing within a period of ten (10) working days of the meeting receipt at this level.

Step 4. Should ~~this~~the Step 3 procedure fail to effect a settlement, the matter shall be referred within five (5) working days, (unless an extension of time is requested by either party, not to exceed fifteen (15) working days), of the denial at the third step, to a mediator who will be selected from the Federal Mediation Conciliation ~~s~~Services (FMCS).

Arbitration. Should the FMCS be unable to provide mediation services, or should ~~this~~the Step 4 procedure fail to effect a settlement, ~~the matter shall be referred within five (5) working days, (unless an extension of time is requested by either party, not to exceed fifteen (15) working days), of the denial at the fourth step, to an arbitration board. T~~the Union may initiate an appeal to arbitration by notifying the Company of its intent ~~will file with the arbitration board within thirty (30) calendar days of the Company's fourth step response for the selection of an arbitrator.~~

~~The moving party~~ and ~~will~~ simultaneously requesting a~~n~~ panel of ~~arbitrator five~~seven (~~5~~7) ~~panel~~arbitrators from the ~~Federal Mediation and Conciliation Services (~~FMCS~~)~~, ~~who would~~to be mutually accepted by the ~~Company and the Union~~Parties. The Union's notice must be provided in writing within thirty (30) calendar days, counted from the date of the Company's Step 3 denial if the FMCS is unable to provide mediation services, or from the date of the Company's response following the mediation meeting if the Step 4 mediation is conducted but fails to effect a settlement.

The Arbitrator so constituted shall render a decision within thirty (30) calendar days after meeting, such decision being final and binding upon both parties to this Agreement.

The expense, if any, of the Arbitrator and rental of meeting facilities, shall be shared equally by the ~~p~~Parties hereto. Both ~~p~~Parties must agree on the location of the meeting facilities.

~~If an employee claims to have been unjustly discharged, they must file a complaint with the Union to this effect within five (5) working days after the effective date of the discharge.~~ The ~~Union and Company~~Parties agree that ~~s~~Steps 1 and 2 of the grievance procedure will be waived for employee discharges and the grievance moved to Step 3~~the 3rd step~~. The ~~3rd s~~Step 3 grievance procedure for employee discharges is that the Union must submit their~~s~~ grievance in writing within fifteen (15) working days of the effective date of the discharge to the senior ranking official of the Company or a designated representative. The senior ranking official or a designated representative shall give a reply in writing within a period of thirty (30) working days of the receipt of the grievance at this level.

No person will be terminated without the chief steward, designee of the chief steward or an international union representative present.

All deadlines for conferences, responses, and filings may be extended by mutual, written agreement of the Parties. No reasonable requests for such an extension shall be denied, which may include an extension request due to the Union's internal appeal process. In the case of an extension of time limit granted for terminations or continuing violations, any backpay shall toll from the original time of the request to the date such grievance is extended.

All time limits stated herein are binding and the Union's failure to file or appeal grievances within the stated time limits shall constitute a waiver of the grievance. Should the Company fail to respond at any step of the grievance procedure, the grievance shall be considered moved to the next step on the date the response was due.

SECTION 11. PERSONAL LEAVE OF ABSENCE

Employees may be granted ninety (90) calendar days leave of absence for good cause but without pay and without prejudice to seniority or other rights and such leave of absence may be renewed for one or more successive ninety (90) calendar day periods by mutual agreement between the Company and the Union. Employees seeking such leave of absence must make a request in writing stating the cause, and must present such request to a joint conference between Shop Stewards and management for consideration. If the Shop Stewards and management fail to agree on the granting or denial of the request for leave of absence, then the questions shall be settled under the arbitration provision of this Agreement. Should such leave of absence be granted as herein provided and the employee is employed by another concern, or should they violate the terms of their leave during such leave of absence, said employee shall forfeit any or all seniority rights herein established.

SECTION 12. WAGES AND HOURS - FIELD OPERATIONS DEPARTMENT

The provisions of this Section shall apply to all employees in the Field Operations Department who are engaged in reading, testing, repairing, removing and resetting meters, discontinuing and restoring service to consumers, engaged in excavation, backfilling, and other work necessary in the construction, operation and maintenance of the system; in installing and maintaining mains, servicing meters, meter installation, hydrants and valves, including pipe joiners' work, cutting and replacing pavements, yarning, caulking, heating and pouring jointing material, operating and using air compressor, using air compressor tools and equipment machinery work, carpenter work, painting work and any other trade work necessary in construction and maintaining of vaults, manholes, any other structure in the system, or installation and maintenance of drainage, bracing or sheathing; in loading and unloading pipe, service material, meters, hydrants, and other equipment or materials necessary in the construction, operation or maintenance of the system; in the operating and maintenance of watershed buildings, equipment or any other property; and in the driving of automobiles or trucks incidental to the performance of the various types of work above mentioned.

~~The Company agrees that present employees of record on November 1, 1982, who are members of the Union shall be assured forty (40) hours of pay per week, provided that the employees are at all times, during such work week, available for work. This assurance will not be applicable to any employee hired after November 1, 1982.~~

Except in cases of emergency, employees performing the classes of work specified in this Section shall not be required to work on Sundays and the following holidays:

New Year's Day	24 hours Personal Floating Holiday
Martin Luther King, Jr. Day	Thanksgiving Day
Good Friday**	Friday after Thanksgiving
Memorial Day	Christmas Eve (December 24th)
Fourth of July	Christmas
Labor Day	

Personal Floating Holidays may be taken with as much notification as possible, with the supervisor's approval. The Company has the final decision to grant the day off as determined by the current workload. Personal Floating Holidays shall be taken within the calendar year January 1 through December 31.

The Inclusion Holiday Swap is available to employees in accordance with the Inclusion Holiday Swap section of the Time, Attendance, and Paid Time Off Policy in effect at the time of the employee's election.

**The Sunday Field Operations crew will substitute Easter Sunday for the Good Friday holiday that is observed by all other bargaining unit employees.

When any of these holidays falls on Sunday, it will be observed on the Monday following, except when a holiday falls on Sunday and is followed on Monday by another holiday. In this case the holidays will be observed on Sunday and Monday. Employees not required to work on either holiday will be assured of eight (8) hours pay at their regular hourly rate for these holidays. Also, any holiday that falls on Saturday will be observed on the preceding Friday, except when such holiday is preceded by a holiday on Friday, the holidays will be observed on Friday and Saturday.

Each employee with ninety (90) calendar days of continuous service covered by provisions of this Section who does not work on a holiday is assured of eight (8) hours pay at their regular hourly rate for these holidays.

If the employee fails to work at least 70% of their last scheduled shift prior to a holiday(s), scheduled shift on a holiday (excluding tardiness), or 70% of their first scheduled shift following the holiday(s) (or the day the holiday(s) is/are observed), the employee shall not be paid for the holiday(s) unless they are absent due to a subpoena, paid jury duty, paid vacation, paid ~~funeral~~bereavement leave, pre-approved floating personal holiday, approved Company-paid medical or personal leave (excluding ordinary sick or sick bank time, unless with valid doctor's statement), or unless otherwise required by federal, state, or municipal law. If the employee is off the entire work week on an occupational injury/sickness or Short-term Disability, they will receive Worker's Compensation or Short-term Disability pay in place of Holiday pay

When a holiday falls on Saturday or Sunday and is observed by the company on Friday or Monday as the case may be, the holiday premium will be paid to shift workers for time actually worked on the Saturday and Sunday that the holiday actually falls on but shall not be paid for time worked by those employees on the Friday or Monday on which the company observes the holiday. An employee required to work on such a holiday shall receive, in addition, one and one-half (1-1/2) times their regular rate of pay for the hours worked up to eight (8) hours per day or forty (40) hours per week and shall be paid double-time for all time worked in excess of eight (8) hours per day on such Holiday. However, employee shall not be paid both daily and weekly overtime for the same hours worked.

Overtime will be paid at one and one half (1 1/2) times their regular hourly rate of pay for all time worked in excess of forty (40) hours per week or eight (8) hours per day. All employees covered by this Section who are required to work on their second scheduled day off shall be paid two (2) times their regular hourly rate of pay. Employees shall not be paid both daily and weekly overtime for the same hours worked.

Employees engaged in programmed inspecting and flushing of fire hydrants shall be paid the regular straight time hourly rate of the Field Service Representative classification and the appropriate shift differential for the hours actually worked as set forth in this contract.

Applications will be received from employees in the Crew Leader and Utility Worker ~~C~~classifications after a notice has been posted by the Company setting forth its intention to inspect and flush fire hydrants.

Selection of the employee for this job shall be in accordance with the Seniority Section of the Agreement~~Section 6 - Seniority~~.

For the employee covered by this Section, the regular hourly rates of pay shall be as follows:

Field Operations Classifications	~~**Adjusted Base**~~	~~**3.0%**~~**3.25%** **Increase Eff. Date** ~~**03/02/2022**~~ **TBD**	~~**3.0%**~~**3.25%** **Increase Eff. Date** ~~**11/01/2022**~~ **11/1/26**	~~**2.5%**~~**3%** **Increase Eff. Date** ~~**11/01/2023**~~ **11/1/27**	~~**2.5%**~~**3%** **Increase Eff. Date** ~~**11/01/2024**~~ **11/1/28**
Crew Leader I	~~$29.31~~	~~$30.19~~$34.57	~~$31.09~~$35.69	~~$31.87~~$36.76	~~$32.67~~$37.86
Crew Leader II	~~$30.69~~	~~$31.61~~$36.19	~~$32.56~~$37.37	~~$33.37~~$38.49	~~$34.21~~$39.64
Utility Worker I	~~$21.38~~	~~$22.02~~$29.38	~~$22.68~~$30.33	~~$23.25~~$31.24	~~$23.83~~$32.18
Utility Worker II	~~$22.54~~	~~$23.22~~$32.84	~~$23.91~~$33.91	~~$24.51~~$34.93	~~$25.12~~$35.98
~~Utility III~~	~~$24.85~~	~~$25.60~~$34.57	~~$26.36~~	~~$27.02~~	~~$27.70~~
~~Utility IV~~	~~$27.82~~	~~$28.65~~	~~$29.51~~	~~$30.25~~	~~$31.01~~
Meter Technician	~~$31.19~~	~~$32.13~~$36.76	~~$33.09~~$37.95	~~$33.92~~$39.09	~~$34.76~~$40.26
FSR	~~$30.69~~	~~$31.61~~$36.19	~~$32.56~~$37.37	~~$33.37~~$38.49	~~$34.21~~$39.64
Meter Reader	~~$27.82~~	~~$28.65~~$32.84	~~$29.51~~$33.91	~~$30.25~~$34.93	~~$31.01~~$35.98
Utility Water Conservationist		$34.57	$35.69	$36.76	$37.86
Temporary Laborer		$24.01	$24.79	$25.53	$26.30

All employees hired or bidding into Field Operations Utility II~~V~~, ~~or~~ Crew Leader I, ~~-~~or Crew Leader II positions~~after November 1, 2021~~, must acquire and maintain a Class A CDL license. The Company may elect to extend the probationary period to one hundred twenty (120) calendar days if a Class A CDL license is not obtained, in order to allow for additional testing opportunities.

New hire employees that already have a Distribution Operators license will start at a higher rate based on the level of license.

Effective November 1, 2017, new employees and existing employee wages will be adjusted to reflect greater than what is allowed under the New Employee rate structure found in Article 12. The hiring manager will confirm specific criteria will be met by candidate to bypass step levels due to the possession of verifiable education, certifications, licenses, and relevant utility experience specific to the job.

Crew Leaders

Effective November 1, 2014, employees hired after that date and who bid into a Crew Leader position must have or be able to obtain a Class IV D Certified Operators license to hold the position. If a Crew Leader vacancy occurs prior to the employee having the time on the job necessary to obtain a Class IV Certification, their assignment to the position is with the understanding that the certification must be obtained. Leading up to obtaining their Class IV License they will be expected to progressively sit for each license, Class I, Class II, Class III at the next available test date upon being eligible in accordance with state law.

Upon being eligible to sit for each level, the employee will be required to enroll in the next available training class, with training cost and time off to be covered by the Company, followed by testing at the next available test date, with training cost and time off to be covered by the Company, to be repeated at each level.

The Company is prepared to pay for no more than two attempts (to include training class and exam) at each license level. If the Crew Leader cannot pass the exam after two attempts, they have one hundred twenty (120) calendar days to successfully gain certification at their own expense or they may bid into any open positions. At the end of one hundred twenty (120) calendar days without successfully passing the exam, they will be demoted to a utility position. The Crew Leader position will re-bid and in the event there are no bidders, the position will be assigned to the least senior, qualified Utility person.

The Company has the right to increase or decrease the number of shifts necessary to perform the work of the Company. A lunch period of thirty minutes will be allowed during each shift. If employees are assigned to shifts other than 7:30 a.m. to 4:00 p.m. or 8:00 a.m. to 4:30 p.m., they will receive shift differential premium rate, when appropriate, including overtime on a continuation basis.

The night shift ~~f~~Field ~~o~~Operations crew~~/~~s will consist of Crew Leader and Utility. This crew will substitute Sunday and Monday for the current listed Saturday and Sunday under Section 12 in regard to holiday observance. Examples of work schedules for the field operations crews are as follows:

Monday—Friday	7:00 a.m.—3:30 p.m.
Monday—Friday	7:30 a.m.—4:00 p.m.
Monday—Friday	12:30 p.m.—9:00 p.m.
Tuesday—Saturday	7:30 a.m.—4:00 p.m.
Sunday—Thursday	7:30 a.m.—4:00 p.m.
Monday—Friday	9:00 a.m.—5:30 p.m.

In the event no employees bid on the open positions in the Field Operations department, the least senior qualified employee in the classification ~~Junior Crew Leader/s and Junior Qualified Utility/s~~ will fill these positions. ~~The night shift Crew Leader position will be bid. If no one bids this relief position, the next Junior Utility Person will be assigned these duties.~~

The Company will make the decision to fill a vacancy due to sickness, personal business, short- term absences, etc. depending on the workload and anticipated duration of the absence.

When any employee covered by the provisions of this Section is directed to report for work they shall receive four (4) hours pay at the rate prescribed in this Agreement, unless notified the night before not to report for work.

There shall be a minimum of ten (10) qualified employees who will be classified as Crew Leader and who shall receive the Crew Leader rate of pay. ~~When a vacancy occurs in the Crew Leader classification it will be bid.~~ Employees in the Crew Leader classification may be assigned to other duties if no Crew Leader work exists during their shift.

If a Utility Worker is assigned to be in charge of any maintenance activity requiring the use of a vehicle, they shall be paid at the Crew Leader rate of pay.

An employee who is called in and reports back to work after having left the Company premises ~~of the Water Company will~~shall be paid a minimum of two (2) hours' pay at one and one-half (1~~-1/2~~.5) times their regular hourly rate for the hours worked, unless ~~called~~ the call-in occurs less than two (2) hours prior to the employee's regularly scheduled start time. In such cases, the employee shall be compensated at their regular ~~scheduled working~~hourly rate ~~hours in which event they shall be paid~~ for the hours worked~~. Call-in~~.

An employee who has committed to report back to work after being called in, but is subsequently instructed by the Company not to return, shall receive two (2) hours' pay ~~is not applicable to those employees awaiting emergency calls or standby duties as covered by Section 13~~at one and one-half (1.5) times their regular hourly rate, unless the call-in and subsequent cancellation occur less than two (2) hours prior to the employee's regularly scheduled start time.

~~If an employee is required to work sixteen (16) hours in a twenty-four (24) hour period, they shall be required to take an eight (8) hour rest period. This rest period will be excused but unpaid by the Company, unless the rest period overlaps the employee's regularly scheduled work hours. The portion of~~

~~the rest period falling within the employee's regularly scheduled shift will be paid at the employee's regular rate of pay.~~

Employees covered by this Section (Hydrant Flushing)~~}~~, and also Section 13 of this contract, who are required to work on either of the two shifts between 4:00 p.m. and 8:00 a.m. will be paid an additional fifty cents ($0.50) per hour for the 4:00 p.m. to 12:00 midnight shift and fifty cents ($0.50) per hour for the 12:00 midnight to 8:00 a.m. shift for those hours actually worked. The Field Service Representative employees working other than the normal day shift will receive the shift differential that is applicable from 4:30 p.m. till 8:00 a.m.

When an employee is assigned to repair AMR meters, the Company agrees to pay for work performed at the F~~f~~ield S~~s~~ervice R~~r~~epresentative rate of pay.

SECTION 13. AWAITING EMERGENCY CALLS

Four (4~~8~~) ~~qualified~~ FSR employees ~~with the greatest continuous length of service in the Field Operations Department will be called upon,~~ one each week, to receive and respond to emergency Field Operations calls. The employees so assigned shall be assured of $35~~0~~ per day ($245~~10~~ per week) on-call pay so long as the on-call person is available for all regularly scheduled shifts and call outs. ~~This rate will increase to $32 per day ($224 per week) in year 3 of this agreement.~~ Work performed on ~~Sunday, or~~ their regular scheduled second day off, will be paid at two (2) times their regular rate of pay. Once these ~~eight~~four (4~~8~~) employees assume this duty they must continue to perform such duties unless they notify the Company in writing sixty (60) calendar days prior to the date they desire to be relieved of such duties. Once a request of this type is received, they will not be eligible for ~~eighteen~~twelve (12~~8~~) months to reassume these duties and then only if there is such a vacancy in existence. When one of these eight four (4~~8~~) employees is on vacation or off for sickness, or any other reason resulting in unavailability and is scheduled for this duty, the next ~~standby~~ person in the FSR classification, in accordance with Section 16 ~~on the scheduled standby roster~~ will be called upon to fill these duties for that standby period.

The bidding process for these positions shall be available first to the FSR classification and subsequently to any qualified bidder in the Field Operations department. If a~~n~~ standby FSR is scheduled to be on-call and unable to fulfill their duties, the open week will be posted and awarded by equalization in accordance with Section 16 with the FSR classification. If no one signs the post, the vacancy shall be filled in accordance with Section 16 on a daily basis.~~next person on the on-call list will be assigned that week.~~ Daily assignments for overtime can be traded with management approval.

Field Operations Maintenance On-Call

One Utility and one Crew Leader in the Field Operations Department will be called upon each week to receive and respond to maintenance related emergency calls. The employees so assigned shall be assured of $35~~0~~ per day ($245~~10~~ per week) on-call pay so long as the on-call person is available for all regularly scheduled shifts and call outs. ~~This rate will increase to $32 per day ($224 per week) in year 3 of this agreement.~~ Work performed on their normal second day off will be paid at two (2) times their regular rate of pay.

The next person in the classification of the absent employee on the standby roster will be called upon to fill these duties for that standby period when one of these employees is sick or on vacation at the time of their scheduled assignment. The absent employee will be reassigned to the next regular standby assignment scheduled for the employee who was assigned to fill in or wherever needed. This make up assignment shall be for the number of hours the employee was absent.

Employees assigned to the crew leader positions and on-call status will be assigned a take-home truck. Company's vehicle policy will apply to take home vehicles. Utility on-call employees will be provided a take-home truck while on-call at the utility rate. If the utility employee has to perform duties associated with the crew leader position, they will be upgraded.

Should an employee be off work for a period extending beyond on rotation of the schedule and there are no volunteers, the assigned week for the absent employee will be filled by employees having worked the least amount of overtime year to date. They will be drawn from the same classification as the absent employee, with each being assigned one day of week. Choice of assigned days will be given in reverse order, starting with those persons having the most overtime YTD.

Employees may, if they so desire, exchange their standby assignments provided the change is agreeable to the Company and the Union. Once the yearly schedule has been posted and at any time assignment changes are desired, it will be the responsibility of the scheduled employee to find their replacement from the classification of which they hold a position. ~~Crew Leaders and Utility persons assigned to Field Service Emergency Standby duty will not be assigned to the yearly Field Operations on Call schedule but may fill vacancies on a volunteer basis provided the change is agreeable with the Company and the Union.~~

SECTION 14. WAGES AND HOURS - PRODUCTION DEPARTMENT

This section shall apply to all employees engaged in the operation and maintenance of the Pumping Station and Filter Plants, pumping and transmitting equipment now maintained at tank sites.

The normal workweek for all employees performing the classes of work specified in this Section shall be forty (40) hours consisting of five (5) consecutive eight (8) hour days. Days off shall be consecutive except in the case of the Treatment Plant Operator - Relief classification. For all time worked in excess of forty (40) hours in any one week or eight (8) hours per day, one and one-half (1-1/2) times the regular hourly rate of pay shall be paid, with the understanding that because of the necessity of continuous operation there shall be no premium pay for work done on Sundays as such. If the employee covered by this Section is required or requested by the Company to perform work on a day which is normally their second day off, they shall in that event be paid two (2) times their regular hourly rate of pay for all time worked on such day.

No daily overtime shall be paid when employees are changing from one shift to another, or when employees at their own request are working extra time in order to get off during regular shifts.

Employees shall not be paid daily and weekly overtime for the same hours worked.

~~The Company agrees that present employees of record on November 1, 1982, who are members of this Union shall be assured forty (40) hours of pay per week, provided that the employees are at all times, during such work week, available for work. This assurance will not be applicable to any employee hired after November 1, 1982.~~

Employees performing classes of work specified in this Section are normally required to work on the following holidays, namely;

New Year's Day	Thanksgiving Day
Martin Luther King, Jr. Day	Friday after Thanksgiving
Good Friday*	Christmas Eve (December 24th)
Memorial Day	Christmas Day
Fourth of July	
Labor Day	

when such holidays fall on what are scheduled working days for the employees.

Production employees are also entitled to twenty-four (24) hours Personal Floating Holiday. Personal Floating Holidays may be taken with as much notification as possible, with the supervisor's approval. The Company has the final decision to grant the day off as determined by the current workload. Personal Floating Holidays shall be taken within the calendar year January 1 through December 31.

The Inclusion Holiday Swap is available to employees in accordance with the Inclusion Holiday Swap section of the Time, Attendance, and Paid Time Off Policy in effect at the time of the employee's election.

If the employee fails to work at least 70% of their last scheduled shift prior to a holiday(s), any time (excluding tardiness) during the scheduled shift on the holiday(s)or at least 70% of the first scheduled shift following the holiday(s) (or the day the holiday(s) is/are observed) when they are scheduled to work, they shall not be paid for the holiday(s) unless they are absent due to a subpoena, paid jury duty, paid vacations, paid funeral leave, pre-approved personal floating holiday, approved Company-paid medical or personal leave (excluding ordinary sick or sick bank time, unless with valid doctor's statement) or unless otherwise required by federal, state, or municipal law. If the employee is off the entire work week on an occupational injury/sickness or Short-term Disability, they will receive Worker's Compensation or Short-term Disability in place of Holiday pay.

When a holiday falls on Saturday or Sunday and is observed by the company on Friday or Monday as the case may be, the holiday premium will be paid to shift workers for time actually worked on the Saturday and Sunday that the holiday actually falls on, but shall not be paid for time worked by those employees on the Friday or Monday on which the company observes the holiday. An employee required to work on such a holiday shall receive, in addition, one and one-half (1-1/2) times their regular rate of pay for the hours worked up to eight (8) hours per day or forty (40) hours per week and shall be paid double-time for all time worked in excess of eight (8) hours per day on such Holiday. However, employees shall not be paid both daily and weekly overtime for the same hours worked.

Employees who are scheduled to work on such holidays, but who are not required to do so shall be paid eight (8) hours pay for each such holiday at regular hourly rates of pay. On a holiday, the employee working the actual holiday will receive the premium pay for that day.

When any of these holidays falls on Sunday, it will be observed on the Monday after, except when a holiday falls on Sunday and is followed on Monday by another holiday. In this case the holiday will be observed on Sunday and Monday. Also, any holiday that falls on Saturday will be observed on the preceding Friday except when such holiday is preceded by a holiday on Friday, the holidays will be observed on Friday and Saturday.

Each employee covered by provisions of this Section who does not work on the observed holiday is assured of eight (8) hours pay at their regular hourly rate for the holiday.

For employees covered by this Section, the regular hourly rate of pay shall be as follows:

Production Classifications	**~~Adjusted Base~~**	**~~3.0%~~3.25% Increase Eff. Date ~~03/02/2022~~ TBD**	**~~3.0%~~3.25% Increase Eff. Date ~~11/01/2022~~ 11/1/26**	**~~2.5%~~3% Increase Eff. Date ~~11/01/2023~~ 11/1/27**	**~~2.5%~~3% Increase Eff. Date ~~11/01/2024~~ 11/1/28**
Treatment Plant Operator (1st Shift)	~~$31.23~~	~~$32.17~~$36.80	~~$33.13~~$38.00	~~$33.96~~$39.14	~~$34.81~~40.31
Treatment Plant Operator (2nd & 3rd Shift)	~~$32.48~~	~~$33.45~~$38.25	~~$34.46~~$39.49	~~$35.32~~$40.67	~~$36.20~~$41.89
Maintenance Technician I	~~$32.99~~	~~$33.98~~$38.85	~~$35.00~~$40.11	~~$35.87~~$41.31	~~$36.77~~$42.55
Maintenance Technician II	~~$31.71~~	~~$32.66~~$37.37	~~$33.64~~$38.58	~~$34.48~~$39.74	~~$35.34~~$40.93
Treatment Plant Operator Trainee I	~~$20.55~~	~~$21.17~~$24.39	~~$21.80~~$25.18	~~$22.35~~$25.94	~~$22.91~~$26.72
Treatment Plant Operator Trainee II	~~$26.01~~	~~$26.79~~$30.74	~~$27.59~~$31.74	~~$28.28~~$32.69	~~$28.99~~$33.67

*a $0.40 per hour shift premium will be paid to employees assigned to 2nd and 3rd shift schedules for hours worked between midnight and 6 a.m. in addition to base rate

Alternative Schedules

The Company and Union agree to incorporate the Memorandum of Understanding regarding 10 and 12 hour shifts for the production department by reference.

Employees on a four (4) day schedule shall work four (4) days of 10 hours each week. Employees in the Operator 12-hour schedules shall work three (3) twelve-hour days for thirty-six (36) hours each week and will be paid an additional four (4) hours of "top off" pay to equal forty (40) hours. Exception: For full weeks of vacation in a single pay week, employees may receive thirty-six (36) hours or forty (40) hours of vacation pay at their choice, with no additional pay (i.e., no additional four (4) hours of "top off" pay to equal forty hours).

If the employee fails to work at least 70% of their scheduled work shift prior to a holiday(s), any time (excluding tardiness) during the scheduled shift on the holiday(s), or at least 70% of the first scheduled work shift following the holiday(s) (or the day the holiday(s) is/are observed) when they are scheduled to work, they shall not be paid for the holiday(s) unless they are absent due to a subpoena, paid jury duty, paid vacations, paid funeral leave, pre-approved personal floating holiday, approved Company-paid medical or personal leave (excluding ordinary sick or sick bank time, unless with valid doctor's statement), or unless otherwise required by federal, state, or municipal law. If the employee is off the entire work week on an occupational injury/sickness or Short-term Disability, they will receive Worker's Compensation or Short-term Disability pay in place of Holiday pay.

When a holiday falls on Saturday or Sunday and is observed by the Company on Friday or Monday, as the case may be, the holiday premium will be paid to shift workers for time actually worked on the Saturday and Sunday that the holiday actually falls on but shall not be paid for time worked by those employees on the Friday or Monday on which the Company observes the holiday. An employee working an alternative schedule as described in this section required to work on such a holiday shall receive holiday pay at the straight time hourly rate for all hours regularly scheduled to work on the holiday as well as one and one-half (1-1/2) times their regular rate of pay for their regularly scheduled hours for that day as well as double-time for all time worked in excess of their regularly scheduled hours for such Holiday. However, employees shall not be paid both daily and weekly overtime for the same hours worked.

Employees who are not scheduled to work on such holidays shall be paid eight (8) hours pay for each such holiday at regular hourly rates of pay.

Employees who are scheduled to work on such holiday but are not required to do so shall receive their regular scheduled hours for such holiday at their regularly scheduled rate.

Holiday observation as otherwise outlined in this Section shall apply.

Trainee Classification

A Trainee I shall be any new hire or internal transfer with less than one (1) year of seniority who does not possess~~ing~~ a Class III~~class III~~ or higher water treatment license. A T~~t~~rainee II shall be an internal candidate with at least one (1) year of seniority, or an external candidate in possession of a Class III~~class III~~ or higher water treatment license. A~~The~~ Trainee I will advance~~transfer~~ to ~~a~~ Trainee II upon ~~the~~ successful completion of the Kentucky Class III~~KY~~ water treatment ~~class III~~ examination or after attaining one (~~gaining~~ 1) year of seniority. For ~~an~~ internal candidates, the first fifteen (15) calendar days in the Trainee position will be dedicated to Treatment Plant Operator duties to allow~~so that~~ the employee to~~can~~ determine whether~~if they wish~~ to continue in the position or return to their former position.

Upon accepting the T~~t~~rainee position, the employee~~trainee~~ shall remain within the T~~t~~rainee classification until earning a Class IV water treatment license, ~~or upon~~ being disqualified (failing to pass treatment exam) from the position, or reaching two (2) years of service in the Trainee position.~~.~~ After earning a ~~a trainee earns their~~ Class IV ~~water treatment~~ license, the Trainee~~they~~ must accept the first open Treatment Plant Operator~~operator~~ position following~~after~~ the traditional bidding process. If no~~a~~ position is ~~not~~ available, the T~~t~~rainee will receive Treatment Plant Operator (1st shift) pay until a position becomes available. Additionally, a Trainee~~They~~ may ~~also~~ bid on any other open positions after two (2) years of service in the Trainee classification, regardless of licensing status~~upon successfully passing the Class IV water treatment exam~~.

The T~~t~~rainee must enroll in the first available water treatment test and pass the exam, as well as any internal progress exams administered by the C~~c~~ompany. If the Trainee does not ~~trainee cannot~~ pass the exam after two (2) attempts, they will have one hundred twenty (120) days to obtain~~successfully gain~~ certification~~,~~ at their own expense. If certification is not obtained within that time frame, the Trainee~~, or they~~ may bid on any open positions. Failure to obtain certification within the allotted time~~At the end of 120 days without successfully passing the exam, their position~~ may result in termination of the Trainee position.~~be terminated.~~

Production Maintenance On-Call

The employees in the Maintenance Technician I & II classifications will be called upon, one each week, to be available at all times to receive and take calls in the Production Department. They will receive during that week two (2) times their regular rate of pay for all hours worked due to being called out for overtime. If they are called out to work overtime on their second day off they will receive two and one half (2 1/2) times their regular rate of pay for those hours worked.

~~If an employee is required to work sixteen (16) hours in a twenty-four hour period, they shall be required to take an eight (8) hour rest period. This rest period will be excused but unpaid by the Company, unless the rest period overlaps the employee's regular scheduled work hours The portion of the rest period falling within the employee's regular schedule shift will be paid at the employee's regular rate of pay.~~

SECTION 15. RIGHT TO CHANGE SHIFTS

Employees may, if they so desire, temporarily exchange their shifts provided the change is agreeable to the Company and the Union and does not interfere with the orderly operation of pumping and filter plants. There will be no change in the employee's normal rate of pay during these exchanges.

Temporary exchanges of shifts may be affected if agreeable to employees directly concerned but must occur during the bi-weekly pay period. Any overtime worked as a result of such exchange shall be paid at the employee's normal rate of pay.

SECTION 16. SHARING OF OVERTIME

All overtime shall be shared equally and alike in each classification insofar as reasonable and practical (Changing the words "class of work" to "classification" will not change the intent or present interpretation in the handling or sharing of overtime.) If overtime must be assigned, it will be assigned to the individual or individuals in each classification with the least amount of documented overtime, year to date, through the most recent payroll period.

SECTION 17. EXTENDED WORK HOURS

It is the Company's intent not to require or permit an employee to work more than sixteen (16) consecutive hours. If an employee is required to work sixteen (16) hours within a twenty-four (24) hour period, upon being released from work the employee shall be entitled to an eight (8) hour rest period before being required to report to work again. To the extent that any portion of the eight (8) hour rest period extends into the employee's next regularly scheduled workday, the employee shall be paid for those hours at the applicable hourly rate.

~~An employee who works sixteen (16) hours in a twenty-four (24) hour period will be required to take an eight (8) hour rest period before returning to work. If the rest period overlaps with the employee's regularly scheduled work hours, the employee will receive pay at the regular straight time rate for the portion of the rest period overlapping regular scheduled hours provided the employee reports to work for the remainder of their shift.~~ In the event there is not at least one (1) hour remaining to work, the employee will not have to report to work for the remainder of the shift and the employee will receive pay at the regular straight time rate for overlapping and non-overlapping hours up to a maximum of eight (8) hours.

In accordance with the Company's intent not to require or permit an employee to work more than sixteen (16) consecutive hours, Treatment Plant Operators shall not be permitted to volunteer for overtime that would result in their inability to work their full regularly scheduled shift due to the required eight (8) hour rest period. The assignment of such overtime shall be at the sole discretion of management. This provision is intended to ensure operational continuity and compliance with rest period requirements.

For standby FSR role when the standby FSR on duty has worked sixteen (16) hours or longer in a twenty- four (24) hour period, ~~the next standby person on the scheduled standby roster will be called upon to fill these duties for the required eight (8) hour rest period. Should that individual be unable to work, the next two persons in the group will be contacted. If none of the three are available~~, the qualified personnel amongst the group of FSRs, Meter Readers, Crew Leaders, ~~Meter Readers~~ and Utility Persons ~~should~~shall be called in order, starting with the person with the least amount of overtime~~.~~

For standby Production Maintenance Technicians - when a standby Technician has worked sixteen (16) hours or longer in a twenty-four (24) hour period, the next standby person on the scheduled standby roster will be called upon to fill these duties for the required eight (8) hour rest period. Should that individual be unable to work, the next person in the group called will be contacted. If that person is not available, the person with the least amount of overtime ~~should~~ shall be called.

This practice will be administered in conjunction with applicable regulations.

SECTION 18. PAY DAYS

The pay week currently runs from Monday at 12:00 a.m. through Sunday at 11:59 p.m. For the purposes of computing overtime pay, days off are recognized sequentially from left to right within each pay week (e.g., for a Tuesday through Saturday workweek, the first day off is Monday, and the second day off is Sunday). All regularly scheduled hours worked shall be counted as “hours worked” on the calendar day the shift begins for pay and overtime purposes. The designated scheduled days shall be determined based on the calendar day in which the start time falls.

All employees shall be paid ~~B~~bi-weekly for work done during the two (2) workweeks ending on the preceding Sunday midnight. All ~~pay will~~employees shall be ~~made by~~paid via direct deposit ~~and will be~~ to the banking account of their choice, with funds available in ~~the employee's~~their financial institution on the Friday following the end of the payroll period. Pay statements will be accessible electronically through the Company’s intranet site. ~~All employees hired will be required to enroll in the I-Pay electronic system in order to view the employee's payroll.~~ In the event that any payday falls on~~pay day should fall upon~~ a banking holiday, pay will be issued on the ~~day~~ preceding business day~~the holiday~~.

The ~~p~~Parties also recognize the Company's ability to implement flexible means of time capture to include, but not limited to, time clocks, mobile applications, computers, quick books, etc.

SECTION ?? ECONOMIC MINIMUM STANDARDS

It is agreed that all economic terms contained in the Agreement are minimum standards only. It is agreed that, at any time during the term of this Agreement, the Company may, at its discretion, increase any economic-related item contained in the Agreement or add any economic-related item for a classification, or the entire bargaining unit in order to remain competitive in the marketplace, retain employee(s), or for any other reason. The Company will notify the union prior to any such adjustment.

SECTION 19. VACATIONS

The vacation year shall be January 1 through December 31. All full-time employees shall be entitled to vacation as listed in the schedule below. ~~Any earned vacation must be used within the current vacation year.~~ Consistent with applicable law, any earned vacation must be used within the current vacation year. However, up to forty (40) hours may be carried over into the following year and must be used within that carryover year; otherwise, any unused balance will be forfeited. Should an illness or injury occur that precludes the employee from taking vacation during the calendar year, the Company will agree to pay the employee up to forty (40) hours of unused vacation.

Employees will be responsible for scheduling vacation when notified by the supervisor to do so. In an extreme situation (i.e., weather condition precludes employees from taking vacation) whereby the Company is unable to accommodate vacation, the Company will agree in those cases only, to pay for unused vacation that cannot be scheduled. Employees must schedule vacation based on available hours. Failure to do so will forfeit vacation with the exception of the aforementioned paragraphs.

Employees who have been continuously in the service of the Company shall be entitled to the following hours of vacation annually:

Vacation Based on Completed Years of Continuous Service

1 year	80 hours	14 years	152 hours
2 year	88 hours	15 years	160 hours
3 years	96 hours	16 years	160 hours
4 years	104 hours	17 years	168 hours
5 years	120 hours	18 years	168 hours
6 years	120 hours	19 years	176 hours
7 years	128 hours	20 years	176 hours
8 years	128 hours	21 years	184 hours
9 years	136 hours	22 years	184 hours
10 years	136 hours	23 years	192 hours
11 years	144 hours	*24 years	192 hours
12 years	144 hours	*25 years plus	200 hours
13 years	152 hours	*30 years plus	240 hours

*NOTE: Any new hires after November 1, 1998, will no longer be able to earn more than the current allowance of 200 hours of vacation for working 24 or more years of service.

For purposes of the annual vacation allotment, it is understood by the parties that one (1) day of vacation is equal to eight (8) hours (ex. 10 days is equal to 80 hours) and one (1) week of vacation is equal to forty (40) hours for all employees covered under this agreement. It is understood that employees scheduled to work more than eight (8) hours per day will take hours equivalent to their scheduled workday.

Effective January 1, 2008, employees hired during the current vacation year will be entitled to eight hours of vacation for each “Completed Month of Continuous Service” up to 80 hours, provided the employee has successfully completed their probationary period. This vacation must be taken before the end of the calendar year, with the approval of the supervisor. The Company will allow an exception to this clause for a new employee who is hired during the last quarter of the year.

Vacation pay shall be equal to the normal weekly wage of the employee, which is forty (40) hours at a regular straight time hourly rate, with the exception of those employees who work from 4:00 p.m. to 12:00 midnight, or 12:00 midnight to 8:00 a.m., and their pay shall be equal to the normal weekly wage plus shift differential. If an employee has worked in a temporary position for more than thirty (30) days, they will receive the higher rate of pay for their vacation time that occurs during the temporary transfer.

The Company will allow employees who have earned up to eighty (80) hours of vacation the option to take two (2) weeks of vacation in increments of one day with as much notification as reasonably possible to their supervisor. The first period will be selected in order of bargaining unit seniority and the second pick selected when an opening exists. The Company has the sole right to determine the number of employees exercising this option at any given time.

The Company agrees to grant vacations at the time most desired by the employees, if possible to do so without interfering with the orderly operation of the business~~plant~~. In order to provide each employee with the most desirable dates to schedule their vacation, it is agreed that the vacation roster listing employees in descending order of the bargaining unit seniority be posted October 1 and removed December 15 of each year. The senior employee shall list their desired date as soon as possible and will post their desired date within 24 hours after being notified by their supervisor to do so. It is further understood that the 24- hour directive will not be given prior to November 5 of each year.

Employees shall be allowed to change their vacation schedule by giving the Company a ten (10) calendar-day notice, provided it does not conflict with another employee's vacation.

In the event an employee vacates their classification in the middle of the year all employees in the classification should be notified of the vacation days available and filled according to bargaining unit seniority.

An employee bidding into different classifications after the vacation schedule has been posted may need to reschedule their vacation unless coverage can be maintained by the Company. All following years, vacation schedules will be made by seniority.

Seniority for vacation purposes shall be divided into five categories as follows:

1. Two employees in the Production Department, at each plant, exclusive of Maintenance Persons, will be permitted to take their vacation at the same time, as long as the plant is at maximum staffing level. In the event that three employees are scheduled off and plant is not at maximum staffing level, the third person to request vacation will be denied regardless of when vacation was scheduled. The senior Treatment Plant Operator-Relief employee would have the right to select the shift they are to relieve, however, once assigned; they shall remain on this shift for the duration of the vacancy.

2. Maintenance Persons. The Maintenance Persons in the Production Department will arrange their vacation schedule with the supervisor of the department.

3. Meter Reader Classification. Two employees in this classification may take their vacations at the same time.

4. Crew Leader and Utility. Three employees in these classifications may take their vacations at the same time.

5. Field Service Representative. Three employees in this classification may take their vacations at the same time.

Additional vacation requests may be considered but the final right to approve such vacations above and beyond the numbers set out in 1-5 above is reserved to the Company in order to ~~i~~ensure the orderly operation of the business.

In the event that a holiday occurs during an employee's vacation, they shall receive eight (8) hours of holiday pay in addition to their vacation pay.

SECTION 20. ~~DEATH IN FAMILY~~BEREAVEMENT

An employee may take up to five (5) days off with pay for the death of an "immediate family member" (employee's parent, spouse (including civil union and/or domestic partner, as defined by local law), child, brother, sister, grandparent or grandchild, whether related by blood, adoption or marriage of the employee's parents (e.g., stepparent or child, legal guardian). Employees may also take two (2) days off with pay to attend the funeral of brother-in-law, sister-in-law, daughter-in-law, son-in-law, niece, nephew, the employee's own aunt or uncle and the employee's spouse's (including civil union and/or domestic partner) parents or grandparents.

SECTION 21. DISABILITY BENEFITS

Leaves of Absence for Sickness or Accident Disability

Employees will be granted leaves of absence for sickness or accident disability for the maximum periods shown below:

Length of Service	Maximum Period of Leave of Absence
Up to six months Six months but less than two years Two years but less than five years Five years and over	Two weeks Twenty-eight weeks One year Two years

Payments During Leaves of Absence for Sickness or Accident Disability

During periods of leave of absence for sickness or accident disability, except for occupational disability incurred while in the employ of another employer or while self-employed, employees will be paid in maximum amounts hereinafter set forth (as referenced in the Group Insurance Summary Plan Description booklet that is supplied by American Water and is in effect during the terms of the contract.

Each employee who is disabled and unable to perform their regular duties as a consequence of illness or accident shall be paid as follows during such disability:

Length of Service	Maximum Number of Weeks in Any "Disability Year" in Which Payment Will Be Made by Company
At least 90 workdays of service	Ten days per calendar year

1. If the employee is entitled to, in any given week, Weekly Sickness and Non-Occupational Benefits under the Group Insurance Plan or Kentucky Workers' Compensation Act, the payment by the Company in such week shall be limited to the difference between the employee's normal weekly earnings and the amount of such benefits.

2. The ~~c~~Company may require a suitable statement from the employee's medical doctor certifying to the disability or may elect to have a medical doctor selected by it examine the employee.
3. The "Disability Year" shall be defined as the twelve-month period between January and December. The disability period will renew in January of each year.

Effective January 1, 2011, employees will be able to establish a one-time sick bank. The sick bank shall be based on the employee's completed years of service as of December 31, 2010 (i.e., one week of sick leave for each year of service). Those employees hired prior to November 1, 2010, who have not completed one year of service, shall have a maximum of five days in their sick bank. Employees hired after November 1, 2010, will not be eligible for a sick bank.

Each full-time employee who has completed ninety (90) workdays of service will be eligible for ten (10) days of sick leave at full pay per calendar year to be used for legitimate illness. Up to three (3) days of the ten (10) days allowed may be used for spouse, child, parent or domestic partner. The Company reserves the right to require proof from the health care provider to certify the need for the medical absence. Employees are required to contact and be approved by the ~~Company's short-term disability provider~~Third-Party Administrator if an absence is expected to ~~continue~~last longer than five (5) consecutive workdays. Employees shall exhaust their allotted annual sick leave ~~time~~ and sick leave bank prior to ~~going onto to~~ taking short-term disability leave.

If an illness ~~continues~~extends from one calendar year into the next~~another~~, the employee will continue to ~~draw~~ receive pay from the ~~c~~Company until they have ~~received~~exhausted the maximum number of weeks available in the year the illness ~~originally~~initially occurred. Thereafter, the employee ~~shall not then be~~ will not be entitled to further payments until they have returned to active employment for at least one day~~,~~. Additionally, ~~nor shall they be entitled to~~ no further payments will be made for the same or a related disability until ~~they have~~the employee has returned to active employment for a minimum of two weeks.

In recognition of the fact that delays ~~sometimes~~may occur~~s~~ in the determining~~ation~~ ~~of~~ benefits payable under the Workers' Compensation Law, the ~~c~~Company agrees, ~~in order to assure~~ solely to ensure the continuity of income ~~to~~for a disabled employee, ~~that it will~~ to pay the employee's normal weekly wages in full for the period indicated ~~to~~ in the schedule above.~~,~~ This is subject to the employee's agreement ~~by the employee~~ that any benefits, currently or subsequently received from the Workers' Compensation Carrier (~~other than~~excluding reimbursement of expenses) ~~with respect to said~~ for the specified period of disability, shall be assigned to the ~~c~~Company.

It is understood that the~~se~~ payments from the Workers' Compensation Carrier to be assigned to the ~~c~~Company include only weekly benefits for temporary disability.

SECTION 22. NATIONAL BENEFITS

During the term of this Agreement, ~~T~~the Company will provide employee benefits in accordance with the National Benefits Agreement incorporated into the agreement by reference herein. The National Benefits Agreement may be amended, modified, renewed, extended, superseded, or terminated only through the national negotiations process. The Company and the Union agree to be bound by any modification to the National Benefits Agreement made via the national negotiations process. Such benefits are not subject to local negotiations.

The Company may also, at their discretion, offer to union employees under this Agreement, the opportunity to participate in other benefits offered company-wide. These additional benefits may be eliminated or modified from time to time at the Company's sole discretion and are not subject to negotiations or the grievance procedure.

SECTION 23. DEPARTMENT HEAD NOT TO PERFORM WORK - EXCEPTION

Except in the case of an actual emergency, the head of a department, ~~or~~ supervisor of employees covered by this Agreement, or department specialists shall not perform ~~any of the~~ work normally ~~performed~~carried out by employees under their supervision. However, they retain ~~, but they shall have~~ the right to demonstrate how they desire ~~to have~~ the work to be performed.

The ~~c~~Company may temporarily assign a trainee to work with ~~one of the~~ a maintenance or construction crew~~s~~ for the purpose of ~~acquainting~~familiarizing the trainee with the various elements of the job, including ~~to be carried out, along with acquainting the trainee with the various~~ the terminology ~~that is~~ used ~~in~~to describe~~ing~~ ~~the~~ materials, ~~used for a particular job, as well as the type of~~ equipment, and procedures relevant to a particular task~~etc~~. ~~that is used. The Company agrees that when this~~ When the trainee is ~~actually~~ performing ~~the~~ duties ~~that would normally be carried out by~~ typically handled by members of the bargaining unit, ~~that a member of the~~ a bargaining unit member will not be required to perform ~~any~~ work, ~~and~~ but will instead ~~simply~~ advise the trainee ~~as to~~ on the procedures necessary ~~to be used~~ to ~~carry out~~complete the ~~particular~~ job.

The Company~~'s~~ ~~intention~~ affirms that the trainee is not intended to ~~not~~ replace any member of the bargaining unit ~~with the trainee~~, but ~~to simply~~ is assigned solely ~~the trainee~~ as an additional person ~~to a particular job~~ for training purposes.

SECTION 24. GUARANTEED WORK-WEEK AND RIGHT TO SUBCONTRACTING

1. The Company may contract for the following:

   A. Installation of mains and new fire hydrants.

   B. Service line renewals which include the tap, the service line, the meter setter and meter box, meter and initiation of service.

   C. All new service lines which includes the tap, the service line, the meter setter and meter box, meter and initiation of service.

   ~~D. Painting of fire hydrants.~~

~~E.~~D. Changing length of service meters.

~~F.~~E. Line locates.

~~Provided, however, that present employees of record on November 1, 1982,~~Unless an employee is on an alternative schedule that provides otherwise, present employees who are members of this ~~u~~Union shall be assured forty (40) hours of pay per week, provided that the employees are at all times, during such work week, available for work. Employees on an alternative schedule will be assured no less than eighty (80) hours of pay per two (2) week period, provided that the employees are at all times, during such two (2) week period, available for work. ~~This assurance will not be applicable to any employee hired after November 1,1982.~~

2. It is further agreed that all maintenance work required, except for the field repair and testing of large (larger than 2") meters in the Meter Repair Program, after the completion of the contracted work referenced in paragraph one of this Section will be performed by members of this Union.

3. It is further understood that members of this Union will perform the installation of other meters, not covered in 1-B, 1-C, and 1-E above.

4. In addition, the Company may by giving a fifteen (15) calendar day written notification to the Union~~, be permitted to utilize contractors to perform union work during peak periods. The notification will include what work is to be performed and the duration of the contracting period.~~ subcontract other work as necessary to meet operational, emergency, regulatory, or scheduling demands, provided that such subcontracting does not violate the guaranteed workweek provisions outlined above.

The Company may contract with temporary employment firms to fulfill summer temporary laborer openings in any Department covered by this contract for periods not to exceed ninety (90) calendar days.

SECTION 25. EQUAL OPPORTUNITY EMPLOYER

The ~~employer and the Union~~Parties agree not to discriminate against any individual with respect to employment matters, including transfer, recruitment, selection for training, discipline, layoff, or rates of pay and other compensation. Further there shall be no discrimination in terms or conditions of employment because of such individual's gender, marital status, race, color, religion, sex, national origin or age, disability, veteran status, sexual orientation or any other characteristic protected by law nor will they limit, segregate or classify employees in any way to deprive any individual employee of employment opportunities because of their race, color, religion, sex, national origin, or age.

SECTION 26. CLOTHING AND SAFETY SHOES

All employees affected by this ~~a~~Agreement will wear safety shoes and these shoes will meet with the current OSHA and ANSI Z41.1 standards. The employees will make all safety shoe purchases and the style of shoe to be purchased will be determined by the ~~c~~Company. These purchases will not be made while on ~~c~~Company time unless necessary and approved. Whenever an employee feels new shoes are needed, they are to check with their immediate supervisor who will issue an authorization form to allow the employee to purchase a new pair of safety shoes. Safety shoe purchases will be made at the one of the approved Shoe Suppliers who will provide a list of approved styles. If the cost of the safety shoes selected exceeds the established dollar limit designated by the Company, ~~(C~~currently $250.00 plus tax~~159.00)~~, the employee will pay any overage at the time of purchase to the shoe supplier.

The Company shall provide an initial set of clothing to new employees in the Field Operations and Production Department. This shall include Company-branded shirts, hats, jackets and coats, rain suits, coveralls and bibs, muck boots, and other similar gear necessary for the performance of job duties. Newly hired employees shall be provided with a minimum of ten (10) shirts and ten (10) pairs of pants.

All employees shall be responsible for cleaning and maintaining their Company-provided clothing to ensure a professional appearance at all times. Any clothing deemed unusable must be returned prior to the issuance of replacement items. Upon termination of employment for any reason, all Company-branded clothing must be returned to the Company.

Company-branded clothing shall be worn exclusively while employees are actively engaged in work for the Company. Employees shall not alter or modify Company-branded clothing, nor substitute personal clothing in place of the required attire.

Employees in the Field Operations and Production Department shall receive an annual clothing credit of five hundred dollars ($500.00), issued each January, for the purchase of additional required clothing throughout the year.

SECTION ?? INCLEMENT WEATHER

Except in cases of emergency, employees shall not be required to work in unusual or extreme weather conditions that pose a direct risk to their safety. In such instances, employees shall perform other duties as assigned, provided those duties offer reasonable protection from the hazardous conditions. It is the intent of the Company to prioritize the safety of all employees, including during emergency situations, and to encourage employees to promptly communicate any safety concerns to their supervisor. The determination of whether weather conditions warrant a limitation of normal operations shall be made by the Vice President of Operations and/or the Manager of Health & Safety.

SECTION 27. SMOKING IN THE WORKPLACE POLICY

Kentucky ~~-~~American Water is dedicated to providing a healthy and safe work environment for its employees. Efforts to maintain clean indoor air, in facilities and vehicles, by minimizing exposure to side-stream or secondary tobacco smoke are consistent with this goal. The Company will reach this goal by prohibiting the smoking or use of tobacco products in any company facility or vehicle. The chewing of tobacco, use of snuff, ~~etc.~~and similar products are prohibited in all Company facilities and vehicles due to concerns about ~~sanitary~~sanitation ~~conditions~~, poor appearance, and ~~reduced~~diminished public image, which ~~is~~ reflect~~ed~~ negatively ~~toward~~on the Company. In addition, these tobacco products will not be ~~allowed~~permitted at any outdoor jobsite ~~if~~where employees are working with or around asbestos cement pipe, underground petroleum tanks, or any chemical storage tanks or areas. The use of e-~~-~~cigarettes, vaping pens, and similar devices is also prohibited in all Company facilities, vehicles, and outdoor jobsites as ~~described~~outlined above.

This policy will use the progressive disciplinary steps as outlined in the Company's Workplace Conduct and Behavior Practice.

SECTION 28. DRUG AND ALCOHOL-FREE WORKPLACE

~~The Union adopts the Drug and Alcohol-Free Workplace Practice as part of the Kentucky local agreement.~~The Company shall maintain reasonable Drug and Alcohol Policies, which may be amended from time to time. The Union has been provided with a copy of the policy(ies) in effect and the Company will provide the Union advanced notice of any substantive changes.

SECTION 29. MEAL ALLOWANCE

Employees who have worked an eight (8) hour shift followed by two (2) hours of unscheduled overtime will be eligible to receive a meal allowance of fifteen dollars ($15.00).~~$10.00~~ Employees will be eligible to receive an additional fifteen dollars ($15.00) ~~$10.00~~ after working an additional four (4) hours of overtime. Meal allowance will be added to wages for the applicable day worked and will be considered taxable income. Employees are not required to purchase a meal or to submit receipts. In the event the Company purchases a meal for an employee, it will not override the payment of eligible meal allowance.

For Treatment Plant Operators in the Production Department, unscheduled overtime is defined as overtime worked by a Treatment Plant Operator who receives less than twelve (12) hours' notice prior to the start of the applicable overtime shift.

SECTION 30. MANAGEMENT OF BUSINESS

The Union recognizes that except as expressly limited by this ~~a~~Agreement, the management of the employees, the direction of the workforce and the operation of the ~~plant~~business are vested in the ~~employer~~Company. The Union further recognizes that as an aspect of such management rights, the ~~employer~~Company may make and enforce such rules as the Company may deem necessary or proper for the conduct of its employees and the operation of the ~~plant~~business, except to the extent that such rules may conflict with the provisions of this ~~a~~Agreement.

The above-mentioned management rights are not to be interpreted as being all-inclusive, but merely indicate the type of rights, which belong to and are inherent to management. It is understood that any of the rights, power or authority the Company had prior to the signing of this ~~a~~Agreement are retained by the Company, except those specifically abridged, granted or delegated to others or modified by this ~~a~~Agreement.

In the interest of safety as well as enhancing customer service and communications, the ~~p~~Parties agree that Management has the right to use monitoring equipment, surveillance equipment, GPS, or similar technology to gather information concerning the operation of Company equipment, as well as data concerning productivity and efficiency, and to use that data at its sole discretion to address productivity concerns; efficiencies, employee behavior, and adherence to Company policies. ~~In the event the Company opts to exercise this right, the Company agrees to install such technology in vehicles and/or equipment of a 2016 or later model year; non-vehicle assets shall not be subject to this restriction.~~

A notice will be placed on any vehicle equipped with surveillance equipment notifying the operator of such device. No audio/video surveillance will be used inside of any bargaining unit vehicle.

With regards to potential discipline which may arise from the data that is gathered from the use of Trimble units or similar technology, the Company states that with the exception of repeat offenses or misconduct deemed by the Company to be significant, employees will be offered the opportunity to correct their behavior, either through counseling or coaching efforts, prior to discipline being assessed.

All employees will be required to provide proof of appropriate licensing upon request to operate any Company vehicle and or may be subject to monitoring of driving records in order to ensure the safety and health of all employees as well as compliance with all driving regulations and policies. Employees whose driver's license(s) are revoked or suspended, or if they have received a citation for which their driver's license(s) may be revoked or suspended, must inform their supervisor immediately, but no later than prior to the start of their next shift. Refusals to comply with these requirements and other Company policies regarding driver safety and operation of Company vehicles may result in disqualification for, and or removal from, a position requiring the operation of Company vehicles and or termination of employment.

SECTION 31. UNION ACCESS

The ~~u~~Union will be provided access to new bargaining unit employees prior to the completion of orientation in order to present information to bargaining unit employees regarding the Union, the ~~c~~Collective ~~b~~Bargaining ~~a~~Agreement, and benefit program available to bargaining unit employees.

Authorized representatives for the Union shall be permitted to visit the ~~Employer's~~Company's facilities for purpose of communicating with employees and management. Such visits shall not interfere with the conduct of the Company's business or with the performance of work by employees during working hours. Union representatives are required to comply will all applicable rules for visitors while on the premises of the Company.

SECTION 32. BULLETIN BOARDS

The ~~Employer~~Company will provide a bulletin board in a mutually agreed~~-~~ upon area ~~used by~~accessible to employees in this bargaining unit. Union notices of the following ~~described~~ types will be posted on ~~such~~ the bulletin board~~s~~ after they ~~notices~~ have been submitted to the Department Manager or their designee ~~in advance of positing, to wit~~ prior to the posting:

- Notices of recreational and social affairs of the Union~~;~~
- Notices of Union elections and appointments~~;~~
- Notices of holding of Union business meetings ~~of the Union.~~

SECTION 33. COMPLETE AGREEMENT

It is the intent of the ~~p~~Parties hereto that the provisions of this ~~a~~Agreement, which supersedes all prior agreements and understandings including past practices, oral or written, expressed or implied, between such ~~p~~Parties, shall govern their entire relationship and shall be the sole source of any and all rights or claims which may be asserted in arbitration hereunder, or otherwise.

The provisions of this ~~a~~Agreement can be amended, supplemented, rescinded or otherwise altered only by mutual agreement in writing hereafter signed by the ~~p~~Parties.

SECTION 34. DURATION OF AGREEMENT

This agreement shall be in effect from 12:01 a.m., March 2, 2022, and continue until 12:00 midnight, October 31, 2025. Notwithstanding, any other provision of this contract, the ~~p~~Parties agree that either ~~p~~Party may, during the sixty (60) calendar period immediately preceding the anniversary date of this contract, give notice, in writing, to the other ~~p~~Party of its desire to renegotiate a revised agreement.

IN WITNESS WHEREOF, the ~~p~~Parties hereto have hereunto set their hands the day and year first above written.