2013-2015

Agreement between
the State of Montana,
Department of Transportation

and the
Public Employees Craft Council

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Labor Agreement
between
State of Montana, Department of Transportation
and
Public Employees Craft Council

THIS AGREEMENT is made and entered into this 1 day of October 2013, by and between the State of Montana, Department of Transportation, hereinafter called the EMPLOYER, and the Public Employees Craft Council, consisting of the Operating Engineers (IUOE), Machinists (IAM), Teamsters (IBT), Laborers (LIU) and Painters (IBPAT), and any Unions of said Council representing Department of Transportation employees, all of which are hereinafter called the UNION, for the purpose of promoting and improving the relations between the Employer, its employees and the UNION, establishing a formal understanding relative to all conditions of employment, and providing a means of amicable and equitable adjustment of any and all differences or grievances which may arise, all of which the parties hereto believe and affirm will insure to the welfare and benefit of the people of the State of Montana;

WITNESSETH:

In consideration of the mutual covenants herein set forth, which have been mutually determined at negotiating conferences, the Employer and the Union agree and shall be bound as follows:

ARTICLE 1
RECOGNITION

Section 1. The Employer recognizes the Union as the sole and exclusive bargaining agent for all maintenance employees of the Montana State Department of Transportation, classified under Addendum "A" attached, and as provided in Sections 2 and 3 of this Article, employed to do highway maintenance work covered by the terms of this Agreement.

Section 2. The Union shall have jurisdiction within a field maintenance area whenever the Union is certified by the Montana Board of Personnel Appeals as exclusive representative via the election procedure provided by the board rules.

Section 3. The recognized jurisdiction of the Union as of December 31, 1980, shall continue unless said recognition is removed through a procedure established by board rule.

Section 4. The Employer recognizes the traditional jurisdictional claims to work of the Laborers in the Butte sections and the Operating Engineers and Teamsters in the Butte, Anaconda, Divide, and Whitehall Sections and will make primary work assignments to employees whose union has jurisdiction of such work. However, the Union agrees that jurisdictional lines may be crossed whenever the Employer has employees who are idle and available to perform the work on an emergency or temporary basis, provided, however, that this does not prevent the hiring of employees in the jurisdiction in which the temporary work is performed. Whenever there is a need to call an employee out for more than one hour, the employees whose union has jurisdiction of the work needed will be called out first as long as they are available.

The ratio of membership between the jurisdictional unions in the Butte, Anaconda, Divide and Whitehall sections shall be maintained. This section shall not apply to mechanics and painters.

ARTICLE 2.
UNION SECURITY

Section 1. To assist the employees covered by this Agreement as a group in meeting the costs of planning, negotiating and administering this Agreement and of protecting and promoting their interests, each employee as a condition of initial and continuing employment shall be required to either maintain membership in, or make payment of a representation fee to be established by the appropriate jurisdictional union.

Section 2. All employees shall have 30 days from the date of signing this Agreement or the date of employment, whichever is greater, to pay the fees properly assessed in Section 1 of this Article. Employees who fail to comply with this provision are subject to discharge within 15 days of receipt of written notice from the Union to the Employer. Such notice shall contain all relevant information regarding the Union's attempts to obtain the employee's compliance.

Section 3. The Employer agrees to accept and honor voluntary written assignments of Union dues from wages or salaries due and owing employees covered by this Agreement provided that such assignments can be grouped and the total made payable to the employee's respective Union.

Section 4. The Public Employees Craft Council will indemnify, defend and hold the Department of Transportation and the State of Montana harmless against any claim made and against any suit instituted against the Department of Transportation, including attorney's fees and costs of defense thereof, on account of any provision of this Article.

ARTICLE 3.
SENIORITY

Section 1. Seniority shall be recognized after three months of continuous service in a field maintenance area and shall include the first three months of employment time from the most recent date of hire. Time as a temporary or permanent seasonal is prorated up to the time they become a full-time permanent employee.

Section 2. Layoffs: For the purpose of layoff, there shall be established and maintained in each field maintenance area two seniority lists. One list consisting of employees working as machinists represented by the machinists union and service combination A and B. The second list shall consist of all other employees represented by the Craft Council within the field maintenance area. Layoffs shall be by seniority within each of these lists, however, Teamsters laid off from one list may bump less senior Teamsters from the other list, provided they meet the minimum qualifications for that classification. In cases involving the same hire dates, the employee with the highest score on the employment test will avoid the layoff. If the test scores are the same, the employee with the highest number in the last four digits of his/her social security number will avoid the layoff.

Section 3. Recall: Permanent employees who have been laid off will be recalled in reverse order of the layoff. Recalled employees must respond within 15 days to a certified letter offering re-employment or forfeit all rights to re-employment.

Section 4. Seniority shall be revoked if an employee: retires or otherwise terminates employment; is discharged for just cause; permanently transfers out of the bargaining unit; or refuses or fails to respond to a recall from layoff, or refuses to return to work on the date requested, as long as the date requested allows an employee who has obtained interim employment to give up to two weeks' notice of termination to the interim employer.

Section 5. Seniority shall continue to accrue for up to a period of 18 months if an employee is on layoff or is granted an authorized leave of absence. All of an employee's seniority shall be revoked if the employee has not been recalled from a layoff by the end of the 18-month period. Also, an employee on an approved leave of absence at the end of the 18-month period shall cease to accrue seniority until his/her return to work or revokes seniority in accordance with Section 4.

Section 6. Any dispute regarding seniority shall be subject to the grievance procedure.

Section 7. Seniority shall not be transferred between unions. However, an employee shall retain accrued seniority earned while a member of another union of the craft council or an employee of the state of Montana which shall be calculated to determine date of hire seniority for computing fringe benefits.

Section 8. When crews of differing jurisdictions (Crafts/AFSCME) are combined, seniority shall prevail for work assignments. No employee will receive differential pay, as outlined in Article 15, because of this provision. Permanent employees shall have seniority over temporary or seasonal employees regardless of jurisdiction.

ARTICLE 4.
NON-DISCRIMINATION

Section 1. The Employer shall grant a reasonable amount of leave without pay, to members duly authorized to represent the Union whenever Union representation is required. Whenever possible leave shall be requested at least two days in advance and such absences shall not interfere with the operation of the Department of Transportation. "Duly Authorized representative" means members of regularly constituted committees or officers of the Union.

Section 2. Each local Union covered by this Agreement shall be allowed shop stewards at each field maintenance area. Employees who are located away from the steward's work place shall contact the steward on their own time at their own expense.

Section 3. No employee shall be discharged or discriminated against by the Employer for upholding Union principles so long as such activity does not interfere with the operations of the Department of Transportation. The parties further agree that each will fully comply with all laws and regulations regarding discrimination for employment or Union membership.

Section 4. Discharge of a non-probationary employee shall be subject to review in accordance with the grievance procedure provided by this contract.

ARTICLE 5.
RULES, REGULATIONS AND POLICIES

Section 1. All existing rules, regulations and policies of the Department of Transportation that are not specifically covered by this Agreement shall remain in full force and effect, provided such rules, regulations and policies are not in conflict with the terms of this Agreement.

Section 2. The Administrator of the Human Resources Division, Department of Transportation, agrees to notify the Union and the Union may discuss with the Administrator, the establishment of new rules, regulations and policies affecting maintenance employees or changes in such rules, regulations or policies prior to placing them in effect. Such changes shall be posted on bulletin boards for a period of ten consecutive work days before becoming effective, except in cases of emergencies requiring immediate action.

Section 3. Employees shall comply with all reasonable rules, regulations and policies that are not in conflict with the terms of this Agreement, provided they are uniformly applied and enforced. Questions concerning the reasonableness of rules will be addressed informally and, if not resolved, will be addressed through the grievance procedure. The union shall notify the Administrator, Human Resources Division, Department of Transportation, when discrepancies in application and enforcement of rules, regulations and policies are discovered. The administrator shall then resolve such discrepancies and notify the union of the resolution.

Section 4. Any unresolved complaints as to the reasonableness of any new or existing rules, regulations or policies, or discrimination in their application, shall be resolved through the grievance procedure.

ARTICLE 6.
MANAGEMENT RIGHTS

Management retains the rights to manage, direct, and control functions in all particulars except as limited by the terms of this Agreement, or state law. Such rights will include but not be limited to:

1. Directing employees.
2. Hiring, promoting, demoting, transferring, assigning, and retaining employees.
3. Relieving employees from duties because of lack of work or funds, or under conditions where continuation of such work would be inefficient or non-productive.
4. Maintaining the efficiency of government operations.
5. Determining the methods, means, job classifications, and personnel by which the employer's operations are to be conducted.
6. Taking whatever actions may be necessary to carry out the missions of the Employer in situations of emergency.
7. Establishing the methods and processes by which work is performed.

The retention of these rights does not preclude any employee, or the Union, from filing a grievance or seeking a review of the exercise of this right in a particular case.

ARTICLE 7
Career Ladder, Vacancies and Requirements

This section provides the system for promoting employees within the maintenance technician series. Employees will be promoted by completing the required time in grade, classroom training, practical experience, and by successfully completing the MDT Maintenance Academy.

Section 1: Career Ladder Advancement

A. The certification board will consist of four members: one AFSCME field representative, one bargaining agent from the Craft Council, and two members from management of the Montana Department of Transportation. Alternate committee members may be substituted when current members are unable to attend. The board will approve certification requirements in the maintenance career ladder program, and resolve any disputes regarding career ladder decisions.

subsection 1. Career Ladder Policy.

A. An Employee will be eligible for promotion when s/he has met the requirements of this provision. The effective date for promotion will be the first pay period after the employee has met all promotion requirements.
B. Promotion to the Maintenance Technician II, Maintenance Technician III and Maintenance Technician IV is allowed without a vacancy provided an employee has met the certification requirements.
C. No differential will be paid for work performed in a higher classification within the maintenance technician series.
D. An employee in the classification outside the Maintenance Technician Career Ladder can be included in this policy provided s/he begins as a Maintenance Technician I after successfully completing the selection process and being selected for the vacancy.

E. All time employed with MDT as a seasonal/temporary maintenance technician will count for promotional purposes (2,080 hours equals one year).
F. This provision supersedes the staffing levels outlined in Section 6 of the addendum to the contract for the maintenance technician series.

subsection 2. Certification Requirements.

A. To be considered for promotion, an employee must meet the time-in-grade requirements, complete the classroom training and practical experience, and obtain a certificate of completion from the MDT Maintenance Academy.
B. An employee classified as Maintenance Technician I will be promoted to a Maintenance Technician II when s/he has completed one year experience as a Maintenance Technician I.
C. An employee classified as Maintenance Technician II will be promoted to a Maintenance Technician III when s/he has completed the following:
   - Forty-two hours of classroom training on the following topics: four hours of advanced traffic control; 16 hours MMS, and computer training, eight hours management and communications training, six hours general math, and eight hours instruction on in-grade equipment. Up to four hours of approved videos by the Certification Board may substitute for the classroom training required by this section.
   - Ninety hours of practical experience on in-grade equipment within the Maintenance Technician III and IV series listed in Addendum A. The 90 hours must include 30 hours of direct supervision and 60 hours of on-the-job training (indirect supervision), with a maximum of 40 hours on one piece of equipment. Training hours at the MDT Maintenance Academy will count toward direct supervision hours.
   - Two years experience as a Maintenance Technician II.
   - Certified completion of the MDT Maintenance Academy.
D. An employee classified as Maintenance Technician III will be promoted to a Maintenance Technician IV when s/he has:
   - Two years experience as a Maintenance Technician III.
   - Certified completion of the MDT Maintenance Academy.
E. Other department-sponsored courses may be required as a condition of employment but are not required for career ladder advancement.

Section 2. VACANCIES

Filling of Openings

A. In Butte area sections, permanent Laborers, Teamsters, and Operators will be given first consideration for vacant positions without regard to craft jurisdictional lines.
B. Permanent full time mechanics and machinists, currently employed and covered by this collective bargaining agreement may bid to fill any vacancy within their classification, at other locations covered by this agreement. Any applicant who chooses to transfer to the location with the vacancy shall be subject to seniority guidelines of Article 3 of this agreement. If there are no applicants from within this classification, then the Employer may hire from whatever source the employer wishes to utilize. This exclusion does not supersede Section 2, A.
C. If there are no permanent full-time applicants or if none of the permanent full-time applicants qualify for the position, the employer shall then fill the position within the seasonal classification of the applicable craft. If there are no seasonal employees signed up for the position, or if none of the seasonal applicants qualify for the position, the employer shall then fill the position from within the temporary classification.
   - Each year of temporary employment as a Maintenance Technician I with MDT will count as one point, with a maximum of ten points for seniority. The point(s) will be added to the total passing score. S/he must also successfully complete a competitive selection process both at

the selection for initial hire and permanent hire. This seniority provision applies only to the selections indicated in this paragraph.

- If no temporary employees signed up for the position, or if none of the temporary applicants qualify for the position, the employer shall fill the position from the other crafts covered by the Public Employees Craft Council. If there are no applicants from within this classification or if none of the applicants qualify, then the employer may hire from whatever source the employer wishes to utilize. Nothing in this provision precludes the employer from exercising other management selection

D. Seniority within the field maintenance area will be the controlling factor for a permanent employee desiring to fill or transfer to a vacant position within the maintenance technician series with the understanding that permanent full-time employees will be considered over seasonal employees.

E. If a maintenance technician position becomes open within 30 days in the a section where a maintenance technician was posted, the next person will be given the opportunity to accept the position, until all previous applicants have declined, then the position will be reposted.

F. The selection of applicants for all other positions outside the Maintenance Technician career ladder will be filled according to MDT policy.

G. Craft Council will be notified by email of Craft specific openings.

The factors used for making selections for equipment upgrades shall be implemented on a fair and equal basis in all areas covered by this bargaining unit Agreement.

Section 3. Definitions and Conditions

A. Vacancies for Maintenance Superintendent, Shop Superintendent. or other equal or higher-rated positions are not covered by this agreement.

B. The existence of this system will not prevent the Employer from using employee testing, physical examinations, or other means of better determining the qualifications and abilities of its maintenance employees.

C. Qualifications for job openings, except for machinists and painters, shall include a requirement that the successful bidder must establish their permanent residence within 30 road miles from the section house within 30 calendar days of the effective date of the appointment. and that the successful bidder must have a telephone or reasonable access to a section house.

For applicants outside the section, qualifications for section person openings shall include a requirement that the successful applicant establish their permanent residence with 20 road miles from the section headquarters within 30 calendar days of the effective date of the appointment, and that the applicant have a telephone or reasonable access to the section headquarters. All permanent employees as of November 21, 2000, who live within a 30-mile radius of any section will be grandfathered and protected from the 20-mile requirement in the event these become section persons in any of those sections.

Employees may request an extension of time to move in accordance with MDT policy.

The factors used for making selections for equipment upgrades shall be implemented on a fair and equal basis in all areas covered by this bargaining unit Agreement.

ARTICLE 8.
PAY AND HOURS

Section 1. Definition of Work Day and Week. A regular work day shall consist of eight hours continuous except for a normal lunch period not to exceed one hour. A regular work week shall consist of 40 hours, five regular work days, Monday through Friday, inclusive. A designated work week shall consist of 40 hours

composed of any five consecutive work days immediately followed by two days off. The schedule for a designated work week will be established by the Employer.

Section 2. Application of Work Day and Week. For routine highway maintenance work the regular work week shall prevail. The assignment of the duties of janitor, serviceman, watchman and similar type work will normally be confined to the classifications of serviceman or combination man on a designated work week basis. Maintenance employees in other classifications may by mutual agreement be assigned to these duties on a designated work week basis in cases of emergency or approved leave. In case mutual agreement cannot be reached with any employee, the employee with the least seniority will be assigned this duty.

Section 3. Start Times.

A. Start times shall be established in each division with one-half hour lunch period. These start times shall not be altered without mutual agreement, except management may alter start times in the months of April and October without mutual agreement.
B. Management has the right to establish morning, afternoon and night shifts when necessary. Employees will be given 24 hours' notice prior to a change of shift.
C. The Employer will provide the union with the established start times for each October.

Section 4. Overtime or compensatory time. All time worked in excess of eight hours in any one work day, or all time worked in excess of 40 hours in any one work week, or on days other than the designated work week, shall be compensated at the rate of one and one-half times the regular rate or one and one-half times compensatory time. If an employee elects to be compensated by time off, the maximum amount of compensatory time s/he may accrue is 60 hours. Any excess hours earned beyond 60 will be compensated at time and one-half pay.

Selection for either option (overtime or comp time) can be made in April and October of each year or upon initial hire or when an employee changes positions.

Work days will commence at midnight except where a designated shift extends through the midnight hour, or where the employee is working on an overtime rate immediately prior to midnight, in which case the overtime rate will continue until the employee is released.

The overtime provisions of the labor agreement are intended to provide a premium for employees working under said provisions. With this understanding, the employees covered by the labor agreement are encouraged to avail themselves to said premium pay in accordance with the employer's needs.

Section 5. The Employer will attempt to equalize overtime between permanent employees including section supervisors in each field maintenance section. Overtime for each permanent employee will be posted in the section headquarters. The Employer will attempt to equalize mechanic/machinist out of shop assignments except when special skills are required.

The period for equalization of overtime shall be from May 1 through April 30 of each year with all employees being considered equal each May 1.

Section 6. If an employee works on any holiday as set forth in Article 9, s/he shall be compensated at two and one-half times his/her regular rate of pay for all hours worked on said holiday. If an employee works on an additional day as set forth in Article 9, s/he shall be compensated at two and one-half times his/her regular rate of pay for all hours worked on said additional day. If, however, an employee works the additional day and receives pay as described herein and the employee also works the actual day of the

holiday, then such work on the actual day of the holiday shall be compensated at one and one-half times pay if such time is in excess of the employee's 40 hour work week.

Section 7. Sunday. Except for Rest Area Caretakers, employees working on a Sunday shall receive one and one-half times the regular rate for all hours worked.

Section 8. Call Out. Call out on regularly scheduled days off, holidays and vacation days, will be for a period of no less than four hours. If call-out time is over four hours, the minimum will be six hours. If the call-out is over six hours, the minimum will be eight hours. All other call outs will be for two and one-half hours. Once the reason for the call out and ancillary duties have been completed, the employee may be relieved. If, for some reason, the employee must return within the same call-out period, it will not be considered a new call out.

Employees called out to work and who continue to work into or past their regular scheduled shift shall receive the full amount of the applicable call-out, up to a maximum of two and one-half hours and also be allowed to complete their regular shift. Employees shall receive one and one-half times the applicable rate for all hours worked in excess of eight hours.

Section Persons A, B & C shall be excluded from call out pay unless: 1) they meet the call out provisions of this section; and 2) they are required to do the work of a subordinate or to compliment a crew.

For callout assignments on an employee's day off, reasonable excuses will be honored, however each employee recognizes it is essential that s/he make a special effort to cooperate with callout requests during winter weather conditions or emergency situations. It is understood that casual or seasonal storm emergency employees may be used to achieve and compliment a proper work force after making an attempt to contact all regular employees. It is further understood that Article 8, Section 5 may not be complied with in the operation of this clause.

Section 9. Shift Differential.

A. For any full shift that starts between the hours of noon and midnight; employees will receive $1.00 per hour shift differential. Shift differential will be paid for all actual hours worked during a full shift.
B. A full shift is working a minimum of eight (8) hours for a full time permanent employee and 4 hours for a part time temporary, or a combination of hours actually worked and approved leave; for any employee. Employees will be paid the appropriate grade differential, if assigned to work in a higher grade, and the shift differential.
C. Shift differential, as outlined in A, will be paid at the rate of one and one-half times the contractual rate of ($1.00) per hour for all hours worked in overtime status.

This section does not apply to the custodial staff in the headquarters building in Helena regarding shift differential.

Section 10. When and employee is scheduled for training, the regular work shift may be changed by the supervisor for that training session, with a 24 hour notice.

ARTICLE 9.
HOLIDAYS AND LEAVES

Section 1. Employees shall be granted all legal holidays as provided by Section 1-1-216, MCA, without loss of pay, as follows:

New Year's Day	1st day of January
Martin Luther King Jr. Day	3rd Monday in January
Lincoln's & Washington's Birthday	3rd Monday in February
Memorial Day	Last Monday in May
Independence Day	4th of July
Labor Day	1st Monday in September
Columbus Day	2nd Monday in October
Veterans' Day	November 11th
Thanksgiving Day	4th Thursday in November
Christmas Day	25th day of December
State General Election Day	1st Tuesday after the 1st Monday in November even numbered years.

Any other day declared a legal holiday for state employees.

Section 2. Should the holiday fall on Sunday, the following Monday shall be the holiday. When a holiday falls on a Saturday, the holiday shall be observed on the preceding Friday, except as provided for in ARM 2.21.620(3).

Section 3. Observance of a holiday falling on an employee's day off (Additional Day Provision). Any employee who is scheduled for a day off on a day which is observed as a legal holiday, except Sundays, shall be entitled to receive a day off either on the day preceding or the day following the holiday, whichever allows a day off in addition to the employee's regularly scheduled day off.

Section 4. There shall be no regular scheduled holiday work except that emergency work may be performed on holidays at time and one-half rate, in addition to holiday pay. (Regular pay plus one and one-half times regular pay).

Section 5. Annual Leave (Vacation)

Subsection 1. Annual leave time shall accrue at the rate established by law as follows:

A. From one full pay period through ten years of employment at the rate of 15 working days per year.
B. After ten years through 15 years of employment at the rate of 18 working days per year.
C. After 15 years through 20 years of employment at the rate of 21 working days per year.
D. After 20 years of employment at the rate of 24 working days per year.

Subsection 2. There shall be no annual leave granted until the employee has worked continuously for a period of six calendar months.

Subsection 3. Part-time employees who work at least 20 hours per week normally shall accrue annual leave credits on a pro-rata basis.

Subsection 4. The amount of annual leave permitted to accrue past the beginning of a new calendar year shall be two times the number of days earned annually.

Subsection 5. Annual leave time earned but not used at the time of termination shall be paid the employee at his/her regular permanent classification and salary grade rate.

Subsection 6. Annual leave time shall be granted at the time requested, insofar as possible, subject to the requirements of maintaining Department of Transportation operations. All leave time requires advance approval of the Maintenance Chief or designee to approve such leave. Requests for leave in excess of three days at a time shall be made at least ten calendar days in advance and the Maintenance Chief or designee shall respond at least five calendar days prior to

the requested time off, except in cases of family death or emergency. Leave requested for three or less may be approved by the Maintenance Chief or designee upon request.

Subsection 7. In instances when it is necessary for an employee to make an early request for annual leave, the employer will respond to the leave request at least 30 days prior to the beginning of the requested leave period. In the event of vacation plans that require monetary obligations or unusual advance preparation, the employer will respond within 30 days of the submission of the leave request. Examples include, but are not limited to, vacations incorporating air or boat travel, weddings or family reunions. Reasons for disapproval will be in writing.

Section 6. Sick leave for employees shall be governed by regulations of the State Department of Administration, subject to any future revisions made by the Department of Administration.

ARTICLE 10.
PENSIONS

Employer agrees to contribute to the various union pension trust funds stipulated amounts in lieu of wages. The amount of each such contribution and the conditions under which such contributions are made shall be established by separate letters of agreement between specific unions of the Craft Council and the Employer.

By a majority vote of the members of a specific craft, the Union shall be allowed to divert wages to pension throughout the term of the contract. This vote can only be made each year of contract and wages shall be diverted each October 1 as outlined in Schedule A of the current contract.

ARTICLE 11
GRIEVANCE AND ARBITRATION PROCEDURE

Any time an employee is suspected of wrong doing in which management is considering formal disciplinary action, management will consider the employee's response prior to issuing the discipline.

A grievance shall be processed in accordance with the following procedure:

Step 1

If informal efforts between the employee and his/her supervisors have failed to resolve a grievance within five (5) working days of the alleged grievance or discovery, the employee may refer the matter to his/her local Union in writing within ten (10) working days of the occurrence of the alleged grievance. If the local Union decides to pursue the grievance, the Union shall, within ten (10) working days, present the grievance in writing stating the nature of the grievance and the remedy sought, and discuss such grievance with the Maintenance Chief (except in the case of the Helena headquarters, to the Equipment Bureau Chief). Within ten (10) working days thereafter, the Maintenance Chief shall submit his/her reply in writing to the local Union.

All reference to "working days" shall consist of the normal workweek (Monday-Friday) and exclude holidays and weekends.

When a grievance has been filed, upon mutual agreement, the parties may bypass any or all of the remaining steps.

Step 2

Should the local Union decide that the reply of the Maintenance Chief is unsatisfactory, the local Union shall submit the grievance, within ten (10) working days after receipt of the Maintenance Chief's decision, to the District Administrator, (except in the case of the Helena headquarters, to the Maintenance Division

Administrator). Within 15 working days thereafter, the District Administrator shall submit his/her reply in writing to the local Union.
Any case pertaining to a discharge: Step 3 will be bypassed and proceed directly to Step 4.

Step 3
Should the local Union decide that the reply of the District Administrator is unsatisfactory, the local Union shall resubmit the grievance to the District Administrator, (except in the case of the Helena headquarters, to the Maintenance Division Administrator), within five working days after receipt of the District Administrator's decision at Step 2. Within 15 days thereafter, a four person fact-finding panel, two persons from the Union, one of whom is not a party to the grievance or been involved in processing the grievance and two persons from management, one of whom is neither involved with the grievance nor supervised by someone involved with the grievance, will be selected to establish facts, hear witness testimony, and determine whether the grievance should be sustained or denied. The fact-finding panel will then hear both parties' case. In non-disciplinary cases, the Union will present their case first. Within 15 calendar days thereafter, the fact-finding panel by a majority decision will submit its findings in writing to both parties. The decision of the arbitration board shall be the final solution to the grievance and shall be binding throughout the field maintenance area: no other recourse shall be available to any party to the grievance except in the case of a deadlocked fact-finding panel.

Step 4
Should the fact-finding panel not resolve the grievance, the Union shall notify the Director of the Department of Transportation of its desire to move the grievance to arbitration. Such notice shall be in writing and mailed within ten days after the fact-finding panel reached deadlock. The Director or his/her designee and the affected Union shall mutually agree upon an arbitrator within ten days of the Director's receipt of notice from the union, or if mutual agreement cannot be reached, then the parties shall jointly request a list of seven possible persons to serve as arbitrator from the Federal Mediation and Conciliation Service or the Board of Personnel Appeals within five days of failing to mutually agree upon an arbitrator. Each party shall be entitled to strike three names from the list in alternate order and the name so remaining shall be the arbitrator. The arbitrator shall consider the grievance and shall render a decision within 30 days of the hearing, and that decision shall be final and binding on all parties to the grievance.

The Department of Transportation and the local Union shall share equally the costs of the impartial arbitrator.
During the processing of any matter under this or the preceding Steps 1, 2, 3, or 4, the Union agrees not to strike, render unfair reports, or cause slowdowns, and the Employer agrees not to lock out employees represented by the Union.

Any failure or refusal to abide by the terms of the above paragraph shall constitute a waiver by the party who breaches the Agreement of the rights and constraints created by the above paragraph.
No arbitrator shall have the power to add to, detract from, or modify the terms of this Agreement.

ARTICLE 12.
HEALTH AND SAFETY

Section 1. The health and safety of employees shall be reasonably protected while in the service of the Employer. The Employer shall carry industrial accident insurance on employees. Both parties to this Agreement hold themselves responsible for mutual cooperative enforcement of safety rules and regulations. Employees shall use all available safety devices and shall cooperate in the enforcement of all safety rules and regulations.

Section 2. As required by the Family Medical Leave Act (FMLA), the Employer agrees to provide individual insurance contributions, as set forth in 2-18-703, MCA, for a period up to12 weeks for bargaining unit employees who are injured and on workers' compensation or otherwise qualify for leave under FMLA. This provision applies only to employees who are injured and become eligible to receive workers' compensation benefits on or after
July 1, 1993.

Section 3. Violations of safety rules and regulations or accidents or damage to property shall be dealt with under the Department of Transportation's discipline handling policy. Any disciplinary action taken under the policy shall be subject to review through the grievance and arbitration procedures. Disciplinary actions taken must comply with the principle that the punishment must "fit the crime," that is, it must be appropriate for the circumstances.

There shall be a safety committee in each district and area office, and in the Helena headquarters, as required by the Montana Safety Culture Act. The safety committee will consist of an equal number of employees and management, including each local union (MPEA, AFSCME and/or Craft Council). The local union will provide a list of three persons to the Maintenance Chief for selection of the union committee representative.

The safety committee will also be responsible for reviewing accidents/incidents in the area to make recommendations to management for their prevention.

The committee shall meet on the Employer's time and conduct their business in a reasonable amount of time. Such meetings shall not be held less than once every four months nor more than once every two months depending on the size of the field maintenance area and the number of employees in the area. It is understood that all decisions of the committee shall be submitted in writing and final approval must be given by the District Administrator.

Section 4. Painters will be notified of scheduled safety meetings and will be allowed to attend such meetings without loss of pay.

ARTICLE 13.
ALLOWABLE PER DIEM EXPENSES

Section 1. Adjustments in salary structures have been made for noon meal allowance, and therefore, employees shall not be entitled to a meal reimbursement for noon meals while they are carrying out work activities within their assigned field maintenance areas.

The only exception to the foregoing rule is when "special travel" has been requested and prior approval for "special travel" has been approved by the Maintenance Chief or his authorized designee. Special travel is defined as travel to meetings, seminars, or other special circumstances.

Employees may be reimbursed for noon meals in situations where they have been assigned to travel outside their regular assigned area. The Maintenance Chief has the discretion to approve or disapprove the reimbursement. Such approval or disapproval will be uniformly applied.

Section 2. Statutory expenses will be allowed employees engaged in regular operations which require overnight stays away from home, traffic line striping, equipment transfers (when not assigned to traveling crews), emergency snow removal, washouts or emergency assignments away from regular headquarters for a duration of time. This expense will be paid by claim in accordance with Section 2-18-501, MCA.

ARTICLE 14.
GENERAL

Section 1. Employer and Union have agreed on the terms of employment as established in the wage and salary schedule attached as Addendum "A."

Section 2.

A. Fringe benefits will be allowed as follows, in accordance with the Employer's practice for all full-time regular monthly employees:
   1. Annual Leave
   2. Sick Leave
   3. Military Leave
   4. Paid Holidays
   5. Public Employees' Retirement System
   6. Social Security
   7. Group Insurance Plan
   8. Longevity (See Addendum "A")

B. Rate of pay for vacation, sick leave, military leave, and paid holidays will be based on the employee's permanent classification and salary grade at the time such leave is taken.

Section 3. In the event an employee is personally sued as a result of performing his/her work duties, the employee will be indemnified and defended by the Employer in accordance with Section 2-9-305, MCA.

Section 4. The Employer will provide training on specified heavy equipment to Maintenance Techs III and IV and on a seniority basis to Maintenance Techs I and II employees. There is no guarantee of the number of employees to be trained under this program. Training will be developed for each specified piece of equipment consisting of classroom instruction with practical experience under close supervision, and up to a maximum of 80 hours of practical experience under limited supervision. Hours of practical experience may vary from one type of equipment to another.

The purpose of this training is to provide employees an opportunity to receive practical experience on equipment, rather than for certification as a qualified equipment operator. The training is for the purpose of providing the employee an opportunity to gather knowledge and experience. The training is not a guarantee the employee will be selected for an upgrade position. Applicants for promotion will be selected on the basis of criteria in Article 7.

When training is offered, employees will be selected for equipment training beginning with the most senior employees in each field maintenance area. If a senior employee does not wish to receive training, then the next most senior employee in the area will be offered the training opportunity. Senior employees who have already received equipment training under this section will not be eligible for the same training. Senior employees who are already Maintenance Technician II's will not be eligible for training under this section until all others have had the opportunity.

It is understood and agreed that employees will not be eligible to receive differential as provided for in Article 15 for operating the equipment during training. This limit on receiving differential shall end upon completion of the training period provided for in this section.

Employees in grades 5, 6 and 7 will be allowed by seniority to be trained on equipment specified in Maintenance Techs II, III and IV after all other Maintenance Techs I, II, III and IV who have elected to obtain the equipment training have completed the equipment training.

Section 5. The Employer will provide up to four (4) hours paid release time per contract term for CDL-required physicals and two (2) hours paid release time per contract term for CDL license renewal.

There must be prior approval by the immediate supervisor for times, dates, and actual hours approved. Employer will pay four (4) hours per contract period for employees traveling over 50 miles from the section site to the closest accredited site to renew their CDL requirement or to get a physical.

Section 6. Letters of caution, consultation, warning, admonishment and reprimand shall be considered temporary contents of the personnel file for an employee and shall be destroyed no later than 24 months after they have been placed in the file unless such items can be used in support of possible disciplinary action arising from more recent employee action or behavior patterns or is applicable to pending legal or quasi-legal proceedings. It will be the employee's responsibility to notify the human resource office, through their supervisor, once the 24-month period has lapsed.

ARTICLE 15.
JOB CLASSIFICATION

Section 1. Employees may be temporarily assigned to do work in or below the level of their permanent classification without a reduction in pay.

Section 2. Differential will be paid to employees who perform work in a higher-grade classification outside the maintenance career ladder. Differential will not be paid to employees who are working within the maintenance career ladder (grades 7, 8 9 or 10 maintenance technicians). The differential paid shall be a minimum of four hours for any accumulated time spent for four hours or less, minimum of six hours for more than four but less than six, minimum of eight for more than six but less than eight, except that any time worked in a higher classification of less than one full hour will not be paid at a differential rate (such time may not be accumulated to add up to one hour). Employees are required to place all activities on the employee's time sheet whether the activity is above or below his/her permanent classification.

Section 3. A Working Shop Foreman will be competitively selected in each field maintenance area that has six or more journeymen mechanics working under the supervision of the area Shop Foreman.

Section 4 If a Section Person A, B or C is absent or out of the division for a shift, an employee will be assigned to temporarily replace the Section Person A, B or C and shall receive the appropriate differential rate for all hours worked.

Section 5.

A. It is agreed that there shall be only one permanently classified Section Person in each highway maintenance section, and that there shall be only one permanently classified Working Shop Foreman in each division shop, except in the Helena shop, where there are two.
B. Whenever more than one of the three supervisors in the Helena shop are absent or on approved leave or unavailable, an employee shall be assigned to temporarily assume the duties of the working shop foreman and shall receive the working shop foreman's differential rate for all hours worked during the agreement.

Section 6. In accordance with Montana law, the Employer must consider purchasing materials and products from Montana State Prison Corrections Industries Program. The Employer will attempt to continue the established work force for those materials and products however in the event the work force is affected, the Employer will afford other work opportunities to the affected employees.

Section 7. The parties will establish a Blue Collar Classification Committee, comprising two Craft Council representatives, two AFSCME representatives, four Department of Transportation representatives, and one representative from the State Labor Relations Bureau. Representatives from other interested bargaining units representing Department of Transportation maintenance employees covered by the Blue Collar matrix

will also be allowed to attend committee meetings. The purpose of the committee is to factor Blue Collar classifications according to the inventory review agreement dated April 7, 1992.

It is also understood and agreed that no changes will be made in a classification that covers employees in another bargaining unit unless the bargaining agent for that unit agrees to such changes.

ARTICLE 16.
MUTUAL AGREEMENT

This Agreement, together with those Addenda which are referred to herein, and which by specific reference, are made a part hereof, constitutes the complete and sole Agreement which exists between the Employer and the Union. It is agreed that neither party will attempt to add to or alter the terms of this Agreement except as provided immediately below. It is further agreed that the acts, practices, or Agreements of the Employer's supervisory employees will not be construed to add to or alter this Agreement.

ARTICLE 17
SAVINGS CLAUSE

If any section, subdivision, paragraph, sentence, clause, phrase, or other part of this Agreement is determined or declared to be contrary to or in violation of any state or federal law, the remainder of this Agreement shall not be affected or invalidated; however, the parties shall negotiate on the affected or invalidated portion of the Agreement, and such negotiations shall be limited to the affected or invalidated portion.

ARTICLE 18.
EFFECTIVE DATE - TERM OF AGREEMENT

This Agreement shall become effective the first day of July 2013, and shall remain in full force and effect through the 30th day of June 2015, and shall remain in effect from year to year thereafter, except that either party shall notify the other in writing at least 60 days prior to the expiration date if they desire to modify this Agreement.

The Union shall have the right to take concerted actions after December 1, 2014, on wages and fringe benefits concerning the 2016-17 biennium.

If the Union gives notice to reopen the Agreement, it shall also notify the Chief of the Labor Relations Bureau in writing of such requested negotiations at the same time such notice is given, to the Employer agency. In the event such notice is given, negotiations shall begin not later than 30 days prior to the expiration date. Every effort will be made by both parties to conclude negotiations before the expiration date of this Agreement.

The Union may request negotiations on applicable economic issues covering the 2016-17 biennium no sooner than five months prior to the convening of the regular 2015 Legislative Session so that there will be sufficient time for adequate negotiations to take place.

IN WITNESS WHEREOF, the parties hereto acting by and through their respective and duly authorized officers or representatives have hereunto set their hands and seals the day and year first above written.

Dated this 1 day of October 2013

FOR: THE STATE OF MONTANA

State Office of Labor Relations

Mike Tooley, Director
Montana Department of Transportation

FOR: CRAFTS COUNCIL

Dan Doogan, President

Kim Rickard, Secretary-Treasurer

Joint Council of Teamsters, No. 3

International Association of Machinists
Local Lodge #88 & #231

International Union of Painters and Allied Trades
District Council 82 Local 260

International Union of Operating
Engineers, Local No. 400

Laborers International Union of North America
Local Union #1686

ADDENDUM A
CLASSIFICATION AND WAGE SCHEDULE

Section 1. The following table represents the blue collar grade levels and classifications activities applicable to this Agreement, and the pay rates for the years covered in the terms of this Agreement.

Class Code	Grade	Classification Title	Journey Wage 2013	Journey Wage 2014
998950	5	**Custodian**	17.377	18.347
998906	6	**Laborer**	17.839	18.809
999101	7	**Service/Combination A**	18.301	19.271
999307		**Maintenance Technician I (Training)**		
998952		**Custodian Crew Leader**		
992205	8	**Stockperson**	18.764	19.734
998918		**Facility Technician**		
999308		**Maintenance Technician II**		
		Single axle trucks (classes 19, 21, 22 or 28); Tar pot (under 1,000 gallons); Pulvi-mixer Push/pull brooms; Crack sealers; Rollers (under 5 tons); Auger-type drills; Recyclers (under 15 TPH)		
999102	9	**Service/Combination B**	19.226	20.196
998403		**Painter**		
999309		**Maintenance Technician III**		
		Loader (under 1.5 cu yd.); Tandem axle trucks (w/plow,sander, flush tanks or tilt trailers); Single axle trucks (FWD), w/sander or small lowboy (class 23 and higher); Striping nurse truck (tandem axle); Power sweepers; Mowers (over 30 HP); Power chip box; Rollers (over 5 ton); Pavers (towed); Screening plant/conveyors; Athey loader; Bucket Truck Post driver (tractor mounted)		
998403	10	**Painter (Sign Shop)**	19.688	20.658
998402		**Painter Foreman**		
998904		**Utility Worker**		
998404		**Striping Machine Operator/Driver**		
999310		**Maintenance Technician IV**		
		Backhoe; Motor patrol; Track mounted dozer/excavator; Distributor (over 1000 gallons); Snooper operator/driver; Rotary plow; Wing plow; Crusher; Hot plant; Recycler (over 15 TPH); Paver (self-propelled); Mobil crane (w/license); Weed spray operator (w/license); Pug mill; Transport driver (tandem tractor); Crack sealing machine; Mobil brooms; Attenuator truck Belly dump or truck and pup		
998510	11	**Vegetation & Noxious Weed Spray Forman**	20.150	21.120
996311	12	**Mechanic/Machinist**	20.612	21.582
998612		**Maintenance Carpenter**		
998405		**Striping Foreman**		
998911		**Permanent Maintenance Crew Leader**		
996307	13	**Working Shop Foreman**	21.074	22.044
471115*	Band 5	**Section Person A**	22.608500	23.738925
		Section Person B	23.799180	24.989139
		Section Person C	24.988830	26.238272
511135*		**Production Supervisor/Manager**	21.263170	22.326328
491115*		**Mechanic MaintenanceSupervisor/Manager**	23.985889	25.185184

*O20 Pay Plan

Section 2. Training assignments for up to one year may be considered when there are no minimally qualified applicants for either the Maintenance Technician I or Section Person A, B or C positions. If job posting is utilized, it should reflect that a training assignment will be considered if there are no qualified applicants. Salary during the training assignment will be at one grade below the classified grade until the employee meets the minimum requirements.

Section 3. Mechanics/Machinists/Service Combination Bs required to provide and maintain a tool chest valued at $1,000.00 or more shall be provided a tool allowance, to be paid bimonthly at the rate of:

FY 2012 and FY 2015 $75.00 per month (Receipts required)

Mechanics/Machinists/Service Combination Bs shall be given the choice (each contract term) to have the $75.00 per month with receipts as a reimbursement for actual expenses incurred, OR to have the allowance paid without receipts, in respect for the wear and tear (depreciation) of the employees tools. It is understood that employees who choose to receive the allowance in a non-receipted process shall receive the allowance with taxes withheld at the employees standard withholding tax rate.

Mechanics/Machinists/Service Combination Bs can be reimbursed for the actual cost of tool replacement up to the above rate by providing receipts to the employer for eligible expenses. Any amount not reimbursed during a quarter can be carried forward during the term of the contract and be reimbursed later by providing receipts for eligible expenses. Tool receipts can be carried forward from year to year. Unused tool allowances may not be carried from one biennium to the next.

Mechanics/Machinists/Service Combination Bs covered by this provision will be responsible to supply their basic hand tools, excluding those tools deemed to be special shop tools, power tools (electric or air) or expendable tools such as hack saw blades, chisels, easy out, drill bits, etc.

Carpenters will be provided all tools including specialty tools, as needed and approved by the Maintenance Chief to efficiently perform job duties

If an employee is off work for more than 90 calendar days on industrial accident, disability leave, or leave without pay, the employee will not be eligible for reimbursement for any tool expenses until the employee returns to work.

Section 4. Employees may elect to purchase safety equipment not provided by the State (coveralls, specialized safety glasses, safety shoes/boots, CDL-required physicals and licensures). Employees will receive $332 at the end of the first year of the contract term to purchase required safety equipment items. If an employee is hired any time after the end of the first year of the contract, the safety allowance will be prorated up to $166 based on the number of months left in the current contract. Seasonal and temporary employees who work full-time are eligible for an allowance of up to $75 per year based on the number of months worked, divided by 12, payable at the time of termination of temporary employment. Seasonal or temporary employees who work less than full time are not eligible for the safety allowance.

The Employer shall continue to provide and pay for safety equipment currently provided.

Mechanics/machinists may utilize the $332 for the purchase of coveralls, safety glasses, safety shoes/boots, etc.

Employees will wear required safety equipment. Failure to do so will be grounds for disciplinary action.

Section 5. Blue Collar Longevity Allowances.

Subsection 1. Longevity pay shall be in addition to an employee's base salary and shall be computed as follows:

Effective the first day of the pay period that includes October 1, 1999, each classified employee who has completed at least five years of uninterrupted state service shall receive 1.5% of the employee's base salary for his/her Blue Collar Grade, multiplied by the number of completed contiguous five-year periods of uninterrupted service s/he has with the State.

Beginning July 7, 2007, in addition to the longevity allowance provided above, each employee who has completed 10 years of interrupted state service or completed 15 years of uninterrupted state service or completed 20 years of uninterrupted state service will receive an additional 0.5% of the employee's base salary for each of those additional five years of uninterrupted service.

Subsection 2. All employees who have earned longevity prior to the effective date of this Agreement at a rate higher than that provided for in Section 1 above shall continue to receive longevity at that higher rate.

Section 6. Crew Sizes and Permanent Classifications.

A. The following permanent classifications will be assigned to maintenance sections depending on the size of the crew of permanent employees:

Crew Size	Permanent Classifications for the Crew
1 person	1 Section Person A
2 person	1 Section Person A
3 person	1 Section Person A
4 person	1 Section Person A
5 person	1 Section Person A
6 person	1 Section Person B
7 person	1 Section Person B
8 person	1 Section Person B

Nine to Seventeen Person Crews

	9	10	11	12	13	14	15	16	17
Section Person C	1	1	1	1	1	1	1	1	1
Crew Leader	1	1	1	1	1	2	2	2	2

B. Crew sizes and classifications are based on permanent employees only. There would be no change in classifications or crew size if temporary, seasonal, Area Headquarters positions, etc. are added to a crew. However, temporary positions will not be used to supplant positions that normally would be permanent positions.

C. Classifications shown for each crew are minimum levels. There may be special circumstances in a section where greater numbers and variety of larger equipment are used which would warrant assigning a higher classification or an equivalent classification of a different title to a crew.

D. Classifications that are not included on section crews but are attached to an Area Headquarters are: Carpenter, Hot Plant Operator, Laborer, Mechanic/Machinist, Painter, Painter Foremen, Service/Combination A, Service/Combination B, Stockman, Stockman with Terminal, Striping Machine Driver, Striping Machine Operator, Transport Drivers, Utility Worker and Working Shop Foreman.

E. No employee shall suffer a downgrade as a result of implementation of this Section. Any positions that could be downgraded will be red-circled.

F. During the assignment of winter shifts, employees assigned to the section will rotate if agreeable among the employees in each section. If no agreement can be reached, the section supervisor will work the day shift. Remaining shifts will be assigned on the basis of seniority.

ADDENDUM B
Economics

Should section 2-18-303 MCA be amended to permit wage increases, the parties agree to negotiate the application of that amendment.

Pay Adjustments

All employees covered by this collective bargaining agreement under the Broadband Pay Plan shall receive a 3% across-the-board increase on the base pay rate effective in the pay period that includes July 1, 2013 and a 5% across-the-board increase on the base pay rate effective in the pay period that includes November 15, 2014.

All employees covered by this collective bargaining agreement under the Blue Collar Pay Plan shall receive a $.92/per hour increase effective in the pay period that includes July 1, 2013 and a $.97/per hour increase effective in the pay period that includes July 1, 2014.

Further, in accordance with Section 2-18-303(a), these adjustments will not be provided to employees until the State receives written notice that the employee's collective bargaining unit has ratified the agreement. If that notice is received after the effective date of the pay adjustment, the above base pay increases will be paid retroactively.

Health Insurance

The Employer's share of the health insurance contribution for each employee shall increase by 10% ($73/month) effective January 1, 2014 and an additional 10% increase ($81/month) effective January 1, 2015. The employee's contribution for employee coverage shall not be subject to an increase until January 1, 2015.

LETTER OF AGREEMENT

TO CONTRACT EFFECTIVE JULY 1, 2013 THROUGH JUNE 30, 2015

by and between

THE STATE OF MONTANA
And

TEAMSTERS JOINT COUNCIL #3
DEPARTMENT OF TRANSPORTATION

This Letter of Agreement, hereinafter referred to as "Agreement", effective July 1, 2013, between the State of Montana, Department of Transportation, hereinafter referred to as "Employer", and Teamsters Union Local #2, hereinafter referred to as "Union", shall be considered as an addendum to and by reference herein, incorporated as part of the Labor Agreement executed by Employer and Union, entitled "Public Employees Craft Council Maintenance Employees". This Agreement applies to the Public Employee Craft Council bargaining unit employees represented by the Teamsters Union in the Great Falls District, Butte District, Missoula District and only those working in Dupuyer from the Havre District.

Effective the first full pay period following execution of the letter of agreement, for as long as this Agreement remains unamended and unterminated, the Employer shall forward to the Western Conference of Teamsters Pension Fund Employer contributions in the amount of $1.40 for the period July 1, 2013 through June 30, 2015 per compensable hour of employment for each Teamster Bargaining Unit employee. This amount shall be distributed by the Pension Trust as $1.31 Basic Pension Rate and $.09 PEER 84 Program.

It is also acknowledged that the PEER rate must always be 6.5% of the basic pension rate and may not be decreased nor discontinued. Also, Peer contributions are not taken into consideration for benefit accrual purposes under the Plan

Contributions forwarded to the Western Conference of Teamsters Pension Fund as set forth in this Agreement, are so forwarded in recognition that the State of Montana and the members of Joint Council #3 affiliated union agree:

The Western Conference of Teamsters Pension Fund asserts that it is a non-contributory plan that will not accept employee contributions.

The statutory law of Montana permits the Employer to make contributions for members of a bargaining unit pursuant to a collective bargaining agreement involving a multiemployer pension plan qualified by the Internal Revenue Service. These Employer contributions are not considered as wages for purposes of computing the Employer or employee contributions to the mandatory Public Employees Retirement System, or for computing gross income for Federal and State Income Tax purposes as long as making such computations in this manner remains lawful.

The State of Montana is a public employer.

The bargaining unit employees have ratified this Agreement, and therefore, as a condition of initial and continued employment, all affected employees must execute any forms required by the Employer in order to participate in the plan. Failure or refusal of the employee to execute any required forms shall be cause for immediate discharge. The Union agrees to indemnify, defend, and hold the Employer harmless against any and all claims, suits, orders, or judgments brought or issued against the Employer as a result of any action taken or not taken by the Employer under this provision. Any employee forms that were prepared pursuant to the Prior Agreement and that are not appropriate under the Agreement shall be considered rescinded.

Nothing contained in this or any other agreement or document precludes or prejudices the rights of the Employer from asserting that it has no liabilities under the provisions the Employee Retirement Income Security Act (ERISA) or other applicable laws, rules or regulations, in the event of a partial or complete withdrawal or termination of the Western Conference of Teamsters Pension Fund or for the insolvency of such fund, including any such assertions that may be made under Section 414(h) of the I.R.S. Code as have been made in the past.

The Employer shall forward contributions for collection periods consisting of each two consecutive payroll periods (four calendar weeks) of the Employer. The total amount due for each collection period shall be remitted in lump sum by the 20th day of the month following the end of each collection period. It is understood and agreed that the calendar year for the collections shall begin with the first day of the first full payroll period of January each year.

In compliance with state or federal laws and regulations, the Employer agrees to sign a pension participation agreement and other forms or documents (as furnished by the Union) that may be necessary to effectuate and continue in existence the pension plan, to abide by such rules as may be established by the trustees of said trust fund to facilitate the determination of the hours for which contributions are due, the prompt and orderly collection of such accounts, and the accurate reporting and recording of such amounts paid on account of such employee of the bargaining unit.

This Agreement is premised on the assumption that it is in compliance with Montana State Statutes and applicable federal pension laws as interpreted by the state or federal courts and the Pension Benefit Guaranty Corporation. If competent legal authority determines that this Agreement is not consonant with such laws, the parties shall attempt to meet to discuss any problems resulting from terminating this Agreement prior to any such termination by the State.

DATED This 1 day of October 2013.

FOR THE EMPLOYER:

State Office of Labor Relations

Tim Reardon, Director
Department of Transportation

FOR THE UNION:

Dan Doogan, Secretary-Treasurer
Joint Council of Teamsters #3

LETTER OF AGREEMENT

TO CONTRACT EFFECTIVE July 1, 2013 THROUGH JUNE 30, 2015

by and between

THE STATE OF MONTANA

and

MONTANA DISTRICT COUNCIL OF LABORERS, LOCAL 1686
DEPARTMENT OF TRANSPORTATION

This Letter of Agreement, hereinafter referred to as "Agreement", effective July 1, 2013, between the State of Montana, Department of Transportation, hereinafter referred to as "Employer", and Montana District Council of Laborers, Local 1686, hereinafter referred to as "Union", shall be considered as an addendum to and by reference herein, incorporated as part of the Labor Agreement executed by Employer and Union, entitled "Public Employees Craft Council Maintenance Employees".

Effective the first full pay period following execution of the letter of agreement, for as long as this Agreement remains unamended and unterminated, the Employer shall forward to the Laborers International Union of North America National (Industrial) Pension Fund Employer contributions in the amount of $.88 (eighty-eight cents) per compensable hour of employment for each Laborer Bargaining Unit employee.

Contributions forwarded to the Laborers International Union of North America National (Industrial) Pension Fund as set forth in this Agreement, are so forwarded in recognition that the State of Montana and the members of the affiliated Union agree:

The Laborers International Union of North American National (Industrial) Pension Fund asserts that it is a non-contributory plan that will not accept employee contributions.

The statutory law of Montana permits the Employer to make contributions for members of a bargaining unit pursuant to a collective bargaining agreement involving a multiemployer pension plan qualified by the Internal Revenue Service. These Employer contributions are not considered as wages for purposes of computing the Employer or employee contributions to the mandatory Public Employees Retirement System, or for computing gross income for Federal and State Income Tax purposes as long as making such computations in this manner remains lawful.

The State of Montana is a public employer.

The bargaining unit employees have ratified this Agreement, and therefore, as a condition of initial and continued employment, all affected employees must execute any forms required by the Employer in order to participate in the plan. Failure or refusal of the employee to execute any required forms shall be cause for immediate discharge. The Union agrees to indemnify, defend, and hold the Employer harmless against any and all claims, suits, orders, or judgments brought or issued against the Employer as a result of any action taken or not taken by the Employer under this provision. Any employee forms that were prepared pursuant to the Prior Agreement and that are not appropriate under the Agreement shall be considered rescinded.

Nothing contained in this or any other agreement or document precludes or prejudices the rights of the Employer from asserting that it has no liabilities under the provisions the Employee Retirement Income Security Act (ERISA) or other applicable laws, rules or regulations, in the

event of a partial or complete withdrawal or termination of the Laborers International Union of North America National (Industrial) Pension Fund or for the insolvency of such fund, including any such assertions that may be made under Section 414(h) of the I.R.S. Code as have been made in the past.

The Employer shall forward contributions for collection periods consisting of each two consecutive payroll periods (four calendar weeks) of the Employer. The total amount due for each collection period shall be remitted in lump sum by the 20th day of the month following the end of each collection period. It is understood and agreed that the calendar year for the collections shall begin with the first day of the first full payroll period of January each year.

In compliance with state or federal laws and regulations, the Employer agrees to sign a pension participation agreement and other forms or documents (as furnished by the Union) that may be necessary to effectuate and continue in existence the pension plan, to abide by such rules as may be established by the trustees of said trust fund to facilitate the determination of the hours for which contributions are due, the prompt and orderly collection of such accounts, and the accurate reporting and recording of such amounts paid on account of such employee of the bargaining unit.

This Agreement is premised on the assumption that it is in compliance with Montana State Statutes and applicable federal pension laws as interpreted by the state or federal courts and the Pension Benefit Guaranty Corporation. If competent legal authority determines that this Agreement is not consonant with such laws, the parties shall attempt to meet to discuss any problems resulting from terminating this Agreement prior to any such termination by the State.

DATED This 1 day of October 2013.

FOR THE EMPLOYER:

State Office of Labor Relations

Mike Tooley, Director
Department of Transportation

FOR THE UNION:

Kim Rickard, Business Manager
Montana District Council of Laborers,
Local 1686

LETTER OF AGREEMENT

TO CONTRACT EFFECTIVE JULY 1, 2013 THROUGH JUNE 30, 2015

by and between

THE STATE OF MONTANA

and

INTERNATIONAL ASSOCIATION OF MACHINISTS, DISTRICT LODGE 86
DEPARTMENT OF TRANSPORTATION

This Letter of Agreement, hereinafter referred to as "Agreement", effective July 1, 2013 between the State of Montana, Department of Transportation, hereinafter referred to as "Employer", and International Association of Machinists, District Lodge 86, hereinafter referred to as "Union", shall be considered as an addendum to and by reference herein, incorporated as part of the Labor Agreement executed by Employer and Union, entitled "Public Employees Craft Council Maintenance Employees".

A. Effective August 10, 2013, and for as long as this Agreement remains unamended and unterminated, the Employer shall forward to the IAM National Pension Fund Employer contributions in the amount of $1.50 (one dollar and Fifty cents) per compensable hour of employment for each Machinist Bargaining Unit employee.

B. Contributions forwarded to the IAM National Pension Fund as set forth in this Agreement, are so forwarded in recognition that the State of Montana and the members of the affiliated Union agree:

1. The IAM National Pension Fund asserts that it is a non-contributory plan that will not accept employee contributions.

2. The statutory law of Montana permits the Employer to make contributions for members of a bargaining unit pursuant to a collective bargaining agreement involving a multiemployer pension plan qualified by the Internal Revenue Service. These Employer contributions are not considered as wages for purposes of computing the Employer or employee contributions to the mandatory Public Employees Retirement System, or for computing gross income for Federal and State Income Tax purposes as long as making such computations in this manner remains lawful.

3. The State of Montana is a public employer.

4. The bargaining unit employees have ratified this Agreement, and therefore, as a condition of initial and continued employment, all affected employees must execute any forms required by the Employer in order to participate in the plan. Failure or refusal of the employee to execute any required forms shall be cause for immediate discharge. The Union agrees to indemnify, defend, and hold the Employer harmless against any and all claims, suits, orders, or judgments brought or issued against the Employer as a result of any action taken or not taken by the Employer under this provision. Any employee forms that were prepared pursuant to the Prior Agreement and that are not appropriate under the Amended Agreement shall be considered rescinded.

5. Nothing contained in this or any other agreement or document precludes or prejudices the rights of the Employer from asserting that it has no liabilities under the provisions the Employee Retirement Income Security Act (ERISA) or other applicable laws, rules or regulations, in the event of a partial or complete withdrawal or termination of the IAM National Pension Fund or for the insolvency of such fund, including any such assertions that may be made under Section 414(h) of the I.R.S. Code as have been made in the past.

C. The Employer shall forward contributions for collection periods consisting of each two consecutive payroll periods (four calendar weeks) of the Employer. The total amount due for each collection period shall be remitted in lump sum by the 20th day of the month following the end of each collection period. It is understood and agreed that the calendar year for the collections shall begin with the first day of the first full payroll period of January each year.

D. In compliance with state or federal laws and regulations, the Employer agrees to sign a pension participation agreement and other forms or documents (as furnished by the Union) that may be necessary to effectuate and continue in existence the pension plan, to abide by such rules as may be established by the trustees of said trust fund to facilitate the determination of the hours for which contributions are due, the prompt and orderly collection of such accounts, and the accurate reporting and recording of such amounts paid on account of such employee of the bargaining unit.

E. This Agreement is premised on the assumption that it is in compliance with Montana State Statutes and applicable federal pension laws as interpreted by the state or federal courts and the Pension Benefit Guaranty Corporation. If competent legal authority determines that this Agreement is not consonant with such laws, the parties shall attempt to meet to discuss any problems resulting from terminating this Agreement prior to any such termination by the State.

DATED: This 30th day of August 2013

FOR THE EMPLOYER:

State Office of Labor Relations

Tim Reardon, Director
Department of Transportation

FOR THE UNION:

Troy Buhl, Field Agent
International Association of Machinists,
District Lodge 86