2025-2027

COLLECTIVE BARGAINING AGREEMENT

between the

STATE OF MONTANA

and the

PUBLIC EMPLOYEES CRAFT COUNCIL

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COLLECTIVE BARGAINING AGREEMENT between the STATE OF MONTANA and the PUBLIC EMPLOYEES CRAFT COUNCIL

PREAMBLE

THIS AGREEMENT is made and entered into this 8/18/2025 , 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.

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

<u>Section 1.</u> 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.

<u>Section 2.</u> 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.

<u>Section 3.</u> 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.

<u>Section 4.</u> The parties to the contract recognize traditionally that the Operators Union has held five positions within the Butte District (Butte, Anaconda, Whitehall, Divide sections only). Jurisdictional lines have been absolved through movement of the Career Ladder. Employees hired in the above-named sections have the choice of the Teamsters Union or Operators Union.

ARTICLE 2. UNION SECURITY

<u>Section 1.</u> All employees are covered by this Agreement and application for membership in the Union shall be in accordance with state and federal law. A Union member will pay to the Union an amount equal to the initiation fee and monthly Union dues as a contribution to assist the employees as a group in meeting the costs of planning, negotiating and administering the Agreement and of protecting and promoting their interests.

<u>Section 2.</u> The Employer will remain neutral on all Union Business and will direct all questions about the Union membership to the Union. Designated union representatives and their local affiliates shall receive ample opportunity to provide membership information to union-represented positions during the employee onboarding process.

<u>Section 3.</u> 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 employees' respective Union.

<u>Section 4.</u> 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

<u>Section 1.</u> Seniority will be recognized after three months of continuous service under this collective bargaining agreement and shall include the first three months of employment time from the most recent date of hire. The field maintenance area will include the equipment shop in that location. Time as a temporary or permanent seasonal is prorated up to the time they become a full-time permanent employee.

<u>Section 2.</u> 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 their social security number will avoid the layoff.

<u>Section 3.</u> 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.

<u>Section 4.</u> 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.

<u>Section 5.</u> 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 they return to work or revokes seniority in accordance with Section 4.

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

<u>Section 7.</u> 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.

<u>Section 8.</u> 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

<u>Section 1.</u> The Employer shall grant a reasonable amount of leave without pay or use of personal leave, 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.

<u>Section 2.</u> 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 workplace shall contact the steward on their own time at their own expense.

<u>Section 3.</u> 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 because of any protected class under the law.

<u>Section 4.</u> 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 & 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.

<u>Section 2.</u> 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 emailed to each employee and will become effective 10 working days after the date sent, except in cases of emergencies requiring immediate action.

<u>Section 3.</u> 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.

<u>Section 4.</u> 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

<u>Section 1.</u> 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.

- 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 & REQUIREMENTS

<u>Section 1.</u> This Article 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. The policy and procedure for the maintenance tech career ladder has been established. The Teamsters will have the opportunity to review and comment prior to implementation.

Section 2. VACANCIES - Filling of Openings

<u>Subsection 1.</u> In Butte area sections (Butte, Anaconda, Whitehall sections only), permanent Teamsters, and Operators will be given first consideration for vacant positions without regard to craft jurisdictional lines.

<u>Subsection 2.</u> 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 Subsection 1.

<u>Subsection 3.</u> 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.

- 1. Each year (2080 hours) of temporary employment as a Maintenance Technician I with MDT will count as one point, with a maximum of 10 points for seniority. The point(s) will be added to the total passing score. They 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.
- 2. 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.

<u>Subsection 4.</u> 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.

<u>Subsection 5.</u> If a maintenance technician position becomes open within 30 days in the 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.

<u>Subsection 6.</u> The selection of applicants for all other positions outside the Maintenance Technician career ladder will be filled according to MDT policy.

Subsection 7. Craft Council will be notified by email of Craft specific openings.

<u>Subsection 8.</u> 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.

<u>Subsection 9.</u> Vacancies may be posted internally and externally concurrently. Preference will be given to union members.

Section 3. Definitions and Conditions

<u>Subsection 1.</u> Vacancies for Maintenance Superintendent, Shop Superintendent. or other equal or higher-rated positions are not covered by this Agreement.

<u>Subsection 2.</u> 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.

<u>Subsection 3.</u> Qualifications for job openings, except for machinists and painters and section persons, shall include a requirement that the successful bidder must

establish their permanent residence within 45 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.

<u>Subsection 4.</u> Qualifications for Section Person openings will include a requirement that the successful applicant establish their permanent residence within 30 road miles from the section house within 30 calendar days of the effective date of appointment and that the applicant have a telephone or reasonable access to the section headquarters.

<u>Subsection 5.</u> Employees may request an extension of time to move in accordance with MDT policy.

<u>Subsection 6.</u> 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.

<u>Subsection 7.</u> If the job description requires a CDL, within 30 calendar days of hire, proof of all CDL requirements under said job description will be required for continued employment. If an employee is unable to acquire the full CDL licensure within 30 days due to testing limitations, the employee must notify the Maintenance Chief, who may grant an extension.

ARTICLE 8. PAY & HOURS

<u>Section 1.</u> Definition of Workday and Week. A regular workday shall consist of eight hours continuous except for a normal lunch period not to exceed one hour. A regular workweek shall consist of 40 hours, five regular workdays, Monday through Friday, inclusive. A designated workweek shall consist of 40 hours composed of any five consecutive workdays, exclusive of Sunday, immediately followed by two days off. The schedule for a designated workweek will be established by the Employer. Alternate work schedules (four 10-hour days) will be discussed and mutually agreed to in writing with the Union prior to implementation.

<u>Subsection 1.</u> Summer Schedule and Flextime: In the spring, members will be given the option to vote on division-level summer alternative schedule: Between Memorial Day and Labor Day, schedules will alternate between five eight-hour shifts and four 10-hour shifts. Start times for all shifts will be 6:00 A.M. Employees will be given 24-hour notice before a change in start time. Mechanics/Maintenance Shop workers will take a separate division-level vote. The Headquarters equipment shop will vote separately from the rest of the division. Motor Pool staff are excluded. The Motor Pool mechanic is included. On an occasional basis throughout the year, and with the approval of Management or their designee, employees may flex their regular daily work schedule. All hours flexed must be made up during the same designated workweek. Flexing hours within a 40-hour workweek will not result in overtime. This Subsection will sunset June 30, 2027.

<u>Section 2.</u> Application of Workday and Week. For routine highway maintenance work the regular workweek shall prevail. The assignment of the duties of janitor, serviceperson, and similar type work will normally be confined to the classifications of service or combination person on a designated workweek basis. Maintenance employees in other classifications may by mutual agreement be assigned to these duties on a designated workweek 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.

<u>Subsection 1.</u> Start times shall be established in each division with one half-hour lunch period. These start times shall not be altered without mutual agreement between the employee and management; except management may alter start times in the months of April and October without mutual agreement.

<u>Subsection 2.</u> 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.

<u>Subsection 3.</u> The Employer will provide the Union with the established start times for April and October established shifts.

<u>Subsection 4.</u> Where special qualifications or experience are not considered essential, seniority shall be factored in selection for any alternate schedule. Whereas, if there is no mutual agreement, the least senior person will be assigned to the alternate schedule.

<u>Subsection 5.</u> During non-emergency events, the Employer will make a reasonable attempt to give employees at least eight hours recovery time between shifts.

<u>Section 4.</u> Overtime or compensatory time. All time worked in excess of eight hours in any one workday, or all time worked in excess of 40 hours in any one workweek, or on days other than the designated workweek, shall be compensated at the rate of one and one-half times the regular rate or one and one-half times compensatory time. Selection for either option can be made on a half-hour-by-half-hour basis. If an employee elects to be compensated by time off, the maximum amount of compensatory time they may accrue is 80 hours. Any excess hours earned beyond 80 will be compensated at time and one-half pay.

<u>Subsection 1.</u> Workdays 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.

<u>Subsection 2.</u> The overtime provisions of this 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.

<u>Section 5.</u> For employees that establish their permanent residence within 30 road miles of the section house the Employer will attempt to equalize overtime between permanent employees including section persons 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 October 1st through September 30th of each year with all employees being considered equal each October 1st.

<u>Section 6.</u> If an employee works on any holiday as set forth in Article 9, they shall be compensated at two and one-half times their 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, they shall be compensated at two and one-half times their regular rate of pay for all hours worked on said additional day. However, if 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 workweek.

<u>Section 7.</u> 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.

<u>Section 8.</u> 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. Compensated time or call-out begins when the employee arrives at the scene or an MDT facility and checks into service. 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.

<u>Subsection 1.</u> 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 and 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.

<u>Subsection 2.</u> 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.

<u>Subsection 3.</u> For callout assignments on an employee's day off, reasonable excuses will be honored; however, each employee recognizes it is essential that they 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 complement a proper work force after making an attempt to contact all permanent 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.

<u>Subsection 1.</u> For any full shift that starts between the hours of 1:00 p.m. and 1:00 a.m., employees will receive \$1.75 per hour shift differential. Shift differential will be paid for all actual hours worked during a full shift.

<u>Subsection 2.</u> A full shift is working a minimum of eight hours for a full-time employee and four hours for a part-time employee, or a combination of hours actually worked and approved leave.. Employees will be paid the appropriate grade differential, if assigned to work in a higher grade, and the shift differential. For employees called out between the hours of 1:00 p.m. and 1:00 a.m., shift differential will be paid for actual hours worked.

<u>Subsection 3.</u> Shift differential, as outlined in Subsection 1, will be paid at the rate of one and one-half times the contractual rate of \$1.75 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.

<u>Section 10.</u> 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.

<u>Section 11.</u> In the event the Employer identifies a need to offer entry-level driver training (ELDT) to the public within a specific division, notification shall be provided to employees via email. Employees interested in serving as a trainer shall express their interest by responding in writing via email. The selection of the trainer shall be at the sole discretion of the Employer. ELDT trainers shall be paid at Grade 12 differential while performing ELDT duties for the public.

ARTICLE 9. HOLIDAYS & LEAVES

Section 1. Employees shall be granted all legal holidays as provided by § 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
Presidents' Day	. 3rd Monday in February
Memorial Day	. Last Monday in May
Independence Day	
Labor Day	. 1st Monday in September
Indigenous Peoples' Day & Columbus Day	. 2nd Monday in October
Veterans' Day	. November 11th
Thanksgiving Day	. 4th Thursday in November
Christmas Day	. 25th day of December
Any other day declared a legal holiday for state employ	yees.

Each full-time employee is entitled to one floating holiday each calendar year. Each part-time employee is entitled to one floating holiday each calendar year that must be calculated proportionately to the floating holiday allowed to a full-time employee. An unused floating holiday leave expires at the end of each calendar year, does not accrue, and is not paid out to employees on termination of employment. Short-term workers or student interns may not receive a floating holiday.

<u>Section 2.</u> 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.

<u>Section 3.</u> 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.

<u>Section 4.</u> 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)

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

- 1. From one full pay period through 10 years of employment at the rate of 15 working days per year.
- 2. After 10 years through 15 years of employment at the rate of 18 working days per year.
- 3. After 15 years through 20 years of employment at the rate of 21 working days per year.
- 4. After 20 years of employment at the rate of 24 working days per year.

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

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

<u>Subsection 4.</u> 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.

<u>Subsection 5.</u> After six months of continual employment, annual leave time earned but not used at the time of termination shall be paid the employee at their regular permanent classification and salary grade rate in accordance with § 2-18-611, MCA.

<u>Subsection 6.</u> 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 10 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.

<u>Subsection 7.</u> 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.

<u>Section 6.</u> 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

<u>Section 1.</u> The 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.

<u>Section 2.</u> 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 1st as outlined in Schedule A of the current contract.

ARTICLE 11. GRIEVANCE & ARBITRATION PROCEDURE

<u>Section 1.</u> Any time an employee is suspected of wrongdoing in which management is considering formal disciplinary action, management will consider the employee's response prior to issuing the discipline.

Section 2. A grievance shall be processed in accordance with the following procedure:

Step 1

If informal efforts between the employee and their supervisors have failed to resolve a grievance within 14 calendar days of the alleged grievance or discovery, the employee may refer the matter to their local Union in writing within 14 calendar days of the occurrence of the alleged grievance. If the local Union decides to pursue the grievance, the Union shall, within 14 calendar 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 14 calendar days thereafter, the Maintenance Chief shall submit their 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 14 calendar 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 14 calendar days thereafter, the District Administrator shall submit their 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 10 working days after receipt of the District Administrator's decision at Step 2. Within 10 working 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 the 10 working 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 14 calendar days after the fact-finding panel reached deadlock. The Director or their designee and the affected Union shall mutually agree upon an arbitrator within 14 calendar 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 14 calendar 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 will consider the grievance and will render a decision. That decision will 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.

Section 3. Alternative Procedures

<u>Subsection 1.</u> As recognized in § 49-2-512, Title 49 of Montana Code Annotated establishes the exclusive remedy for acts constituting an alleged violation of the Montana Human Rights Act. In the event of a grievance based upon an alleged violation of this Act, the statutory procedures of filing a claim with the Human Rights Bureau shall be the exclusive remedy.

<u>Subsection 2.</u> As recognized in § 2-18-1011, Title 2 of Montana Code Annotated establishes the exclusive remedy for an alleged violation of classification or compensation. In the event of a grievance based upon an alleged violation of this provision, the statutory procedures of filing a claim with the Board of Personnel Appeals shall be the exclusive remedy.

ARTICLE 12. HEALTH & SAFETY

<u>Section 1.</u> 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 to 12 weeks for bargaining unit employees who are injured and on workers' compensation or otherwise qualify for leave under FMLA.

<u>Section 3.</u> 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.

<u>Subsection 1.</u> 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 (MFPE, 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.

<u>Subsection 2.</u> The safety committee will also be responsible for reviewing accidents/incidents in the area to make recommendations to management for their prevention.

<u>Subsection 3.</u> 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.

<u>Section 4.</u> 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

<u>Section 1.</u> 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.

<u>Subsection 1.</u> 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 authorized designee. Special travel is defined as travel to meetings, seminars, or other special circumstances.

<u>Subsection 2.</u> Employees may receive per diem 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.

<u>Section 2.</u> 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 § 2-18-501, MCA.

ARTICLE 14. GENERAL

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

<u>Section 2.</u> Fringe benefits will be allowed as follows, in accordance with the Employer's practice for all full-time regular monthly employees:

- Annual Leave
- Sick Leave
- Military Leave
- Paid Holidays
- Public Employees' Retirement System
- Social Security
- Group Insurance Plan
- Longevity (See Addendum "A")

<u>Section 3.</u> 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.

<u>Section 4</u>. In the event an employee is personally sued as a result of performing their work duties, the employee will be indemnified and defended by the Employer in accordance with § 2-9-305, MCA.

<u>Section 5.</u> 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.

<u>Subsection 1.</u> 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.

<u>Subsection 2.</u> 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.

<u>Subsection 3.</u> 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.

<u>Subsection 4.</u> 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.

<u>Section 6.</u> The Employer will provide actual time up to six hours paid release time per year for CDL-required physicals and two 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.

<u>Section 7.</u> 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 quasilegal proceedings. It will be the employee's responsibility to notify the human resource office, through their supervisor, once the 24-month period has lapsed.

<u>Section 8.</u> The Employer will attempt to provide job specific training, when available, to Mechanic/Machinist union members during the term of this contract. When training is provided as described above it will be offered based on seniority. If the senior employee does not wish to receive the training, then the next senior employee will be offered the opportunity. Senior employees who have received the applicable training will not be eligible for that same training again until all other employees have been offered the opportunity to attend the training. There is no guarantee of the number of employees to be trained under this Agreement.

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.

<u>Section 2.</u> 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 their permanent classification.

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

<u>Section 4.</u> 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.

<u>Section 5.</u> 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.

<u>Subsection 1.</u> 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.

<u>Section 6.</u> 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 workforce for those materials and products. However, in the event the workforce is affected, the Employer will afford other work opportunities to the affected employees.

<u>Section 7.</u> 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 current inventory review agreement.

<u>Subsection 1.</u> 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.

<u>Section 8.</u> When hiring employees into the Painter or Sign Shop Painter classification the Employer will give consideration to applicants holding a Completion of Registered Apprenticeship Certificate related to the Painting or Sign and Display Industries.

ARTICLE 16. MUTUAL AGREEMENT

<u>Section 1.</u> 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

<u>Section 1.</u> 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. TERM OF AGREEMENT

This Agreement shall become effective the first day of July 2025 and shall remain in full force and effect through the 30th day of June 2027 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 31, 2026, on wages and fringe benefits concerning the 2027-2029 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 no 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 2027-2029 biennium no sooner than five months prior to the convening of the regular 2027 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.

THIS AGREEMENT is signed and dated this 8/18/2025 _____.

THE STATE OF MONTANA:

—signed by: Karol Onne Davis

Karol Anne Davis, Chief Negotiator State Office of Labor Relations

Signed by:

Christopher Dorrington, Director Department of Transportation

THE CRAFT COUNCIL UNION:

Signed by:

Ray Schonsberg

Ray Schoolsberg, President Public Employees Craft Council Joint Council of Teamsters, No. 3

Signed by:

1A95079EED064EC

Mike Swoboda, Business Manager International Association of Machinists and Aerospace Workers

District Lodge W24

Signed by:

John Johnson, Business Representative International Union of Operating Engineers, Local No. 400

Signed by:

Jeff Stark, BMST International Union of Painters and Allied Trades
District Council 82 Local 1922

ADDENDUM A. CLASSIFICATION & WAGE SCHEDULE Craft Council Agreement Updated 7/1/2025

<u>Section 1.</u> 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	Grade	Classification title Journey		Vage	
Code			7/1/2025	7/1/2026	
998950	5	Custodian	27.097	28.097	
998952	7	Custodian Crew Leader	28.097	29.097	
998905	7	Laborer	28.097	29.097	
999307	8	**Maintenance Technician I (Training)	28.597	29.597	
999101	8	Service/Combination A	28.597	29.597	
998918	9	Facility Technician	29.097	30.097	
992205	9	Materials Coordinator -Stockperson	29.097	30.097	
999308	9	**Maintenance Technician II	29.097	30.097	
999112	9	Motor Pool Crew Leader	29.097	30.097	
999309	10	**Maintenance Technician III	29.597	30.597	
999102	10	Service/Combination B	29.597	30.597	
998403	11	Sign Fabricator (Painter-Sign Shop)	30.097	31.097	
999310	11	**Maintenance Technician IV	30.097	31.097	
998404	11	**Striping Machine Operator/Driver (Level I)	30.097	31.097	
996311	11	*Mechanic/Machinist (Level I)	30.097	31.097	
999311	12	** Maintenance Technician V	30.597	31.597	
998510	12	**Vegetation & Noxious Weed Spray Forman (Level I)	30.597	31.597	
998405	12	**Striping Foreman (Level I)	30.597	31.597	
998406	12	**Striping Machine Operator/Driver (Level II)	30.597	31.597	
996311	12	*Mechanic/Machinist (Level II)	30.597	31.597	
998911	13	**Permanent Maintenance Crew Leader (Level I)	31.097	32.097	
998612	13	Maintenance Carpenter	31.097	32.097	
998511	13	**Vegetation & Noxious Weed Spray Foreman (Level II)	31.097	32.097	
998407	13	**Striping Foreman (Level II)	31.097	32.097	
996311	13	*Mechanic/Machinist (Level III)	31.097	32.097	
996311	14	*Mechanic/Machinist (Level IV) career ladder only	31.597	32.597	
998910	14	**Permanent Maintenance Crew Leader (Level II)	31.597	32.597	
T33012*		Working Shop Foreman/Heavy Equipment Mechanic	32.86435	33.86435	
S11011*		Section Person A	32.49355	33.49355	
S11011*		***Section Person A II	34.118228	35.168228	
S11011*		Section Person B	33.789723	34.789723	
S11011*		***Section Person B II	35.479209	36.529209	
S11011*		Section Person C	35.150704	36.150704	
S11011*		*** Section Person C II	36.908239	37.958239	
U5B01M*		Print Production Supervisor	32.49355	33.49355	
S5221M*		Facilities Supervisor	35.150704	36.150704	

^{*025} Pay Plan

^{*}Mechanic/Machinist Career Ladder is on the intranet policy page: Level I=Grade11; Level II=Grade 12; Level III=Grade 13; Level IV=Grade 14.

^{**}Maintenance Technician/Advanced Maintenance Operations Technician Career Ladder is on the intranet policy page

^{***}Section Person Advancement Procedure (Career Ladder) is on the intranet page policy page.

Section 2. Training assignments for up to one year may be considered when there are no minimally qualified applicants. In an applicant pool, all minimally qualified candidates must be disqualified through the competitive process prior to looking at candidates that may meet conditions of a training assignment. Training assignments may last up to one year, and in that time, the individual in the training assignment must be able to become minimally qualified for the position. If the conditions outlined in the training assignment are not met within that one-year period, then it may be extended for up to one additional year. For positions under the blue collar pay plan, the training assignment pay will be one grade below the classified grade. For positions not in the blue collar pay plan, the training assignment wage will be 10% less than the rate of pay for the position. 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.

<u>Section 3.</u> Mechanics/Machinists/Service Combination B's required to provide and maintain a tool chest valued at \$1,000.00 or more shall be provided a tool allowance, to be paid monthly at the rate of \$125.00 per month.

Mechanics/Machinists/Service Combination B's shall be given the choice (each contract term) to have the \$125.00 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 employee's tools. It is understood that employees who choose to receive the allowance in a non-receipted process shall receive the allowance with taxes withheld.

Mechanics/Machinists/Service Combination B's 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 B's 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.

<u>Section 4.</u> Employees may elect to purchase safety equipment not provided by the State (coveralls, specialized safety glasses, gloves, safety shoes/boots, CDL-required physicals and licensures, etc.). Employees will receive \$300 per year to purchase required safety equipment items, to be paid the first full pay period each July of the contract. If an employee is hired after the first full pay period in July and has not received the allowance, it will be included in their first paycheck. Non-permanent employees are not eligible for the safety allowance. Permanent seasonal employees will receive \$100 per year.

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

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

<u>Section 5.</u> Blue Collar Longevity Allowances.

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

Beginning July 1, 2021,

- 1. Pursuant to § 2-18-304, MCA, each employee who has completed five years of uninterrupted state service must receive 1.5% of the employee's base salary multiplied by the number of completed, contiguous five-year periods of uninterrupted state service.
- 2. In addition to the longevity allowance provided under Subsection 1.1, each employee who has completed 10 years of uninterrupted state service, 15 years of uninterrupted state service, 20 years of uninterrupted state service, or 25 years of uninterrupted state service must receive an additional 0.5% of the employee's base salary for each of those additional five years of uninterrupted service.

<u>Subsection 2.</u> 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.

<u>Subsection 1.</u> 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					ews		
	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

<u>Subsection 2.</u> 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.

<u>Subsection 3.</u> 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.

<u>Subsection 4.</u> 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.

<u>Subsection 5.</u> No employee shall suffer a downgrade as a result of implementation of this Section. Any positions that could be downgraded will be red-circled.

<u>Subsection 6.</u> During the assignment of winter shifts, employees assigned to the section will rotate if agreeable among the employees in each section, excluding the section supervisor and crew leader. If no agreement can be reached, remaining shifts will be assigned on the basis of seniority.

<u>Section 7.</u> The Employer will deduct \$0.05 per each hour worked from each employee working under the jurisdiction of the International Union of Operating Engineers, Local 400. This amount shall be remitted monthly to: Administration Services. 1112 West Cataldo, Suite 220 Spokane Wa 99201-3201.

<u>Section 8.</u> The Mechanic/Machinist classification shall be covered by MDT Policy and Procedure 2.04.051 dated October 22, 2022, establishing a Career Ladder at Level I, II, III, IV. Employees who meet the requirements of the job description will be placed at Level III. The Career Ladder may be amended by mutual agreement between the parties.

ADDENDUM B. ECONOMICS

Section 1. Effective on the first day of the first complete pay period that includes July 1, 2025, the base salary of each employee must be increased by \$1.00 an hour or by 2.5%, whichever is greater. Effective on the first day of the first complete pay period that includes July 1, 2026, the base salary of each employee must be increased by \$1.00 an hour or by 2.5%, whichever is greater.

<u>Section 2.</u> State Benefit Plan Contribution. The monthly Employer contribution for group benefits will increase to \$1080 for the 2026 plan year and \$1107 for the 2027 plan year.

The monthly State of Montana employee contributions will increase for 2026 and 2027 plan years. The tables below break out the monthly increase both before and after the wellness incentive which increased to \$60 per month for the 2026 and 2027 plan years.

The cost of employee-only coverage will be covered by the Employer contribution, after the wellness incentive is applied.

Employee Monthly Contributions Before Wellness Incentive				
Contribution Type	2026 Plan Year Contribution	2027 Plan Year Contribution		
Employee Only	\$60	\$60		
Employee and Spouse	\$318	\$326		
Employee and Children	\$134	\$138		
Employee and Family	\$397	\$407		

Employee Monthly Contributions After Wellness Incentive				
Contribution Type	2026 Plan Year Contributions	2027 Plan Year Contributions		
Employee Only	\$0	\$0		
Employee and Spouse	\$198	\$206		
Employee and Children	\$74	\$78		
Employee and Family	\$277	\$287		

The monthly Tobacco Surcharge will increase to \$60 for the 2026 and 2027 plan year.

The State has the discretion to manage all aspects of the State Health Plan, to include, but not be limited to, deductibles, coinsurance levels, and maximum out-of-pocket levels. Member contributions will only increase beyond the rates established above if the Risk-Based Capital (RBC) level is at or below 300%.