

LABOR AGREEMENT

Between

City of Prineville Railway

And

Oregon, Southern Idaho & Wyoming District Council of Laborers,
Laborers' International Union of North America & Laborers Union Local

121

July 1, 2012 to June 30, 2017

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Preamble

City of Prineville Railway (“Employer”) and the Laborers International Union of North America, Local 121 (“Union”) recognize that it is in their mutual interest to provide the highest level of service possible. Therefore, both parties agree to promote business practices which will further, to the fullest extent possible, the safety of the employees, economy and efficiency of operation, elimination of waste, realization of maximum quantity and quality of output, cleanliness, protection of property, and avoidance of interruptions. The parties will cooperate fully to secure the advancement and achievement of the purpose.

ARTICLE 1 – RECOGNITION

Section 1.1:

This agreement covers the following full time positions: Superintendent, Roadmaster, Track Labor, Track Apprentice, Mechanical Foreman, Mechanic, Engineer, Conductor and Brakeman.

Section 1.2:

The craft of Track Apprentice will be limited to two years. At the end of two years, Track Apprentice will be promoted to Track Labor, performance could warrant a promotion sooner.

ARTICLE 2 – NON-DESCRIMINATION

The Employer and the Union agree not to discriminate against any employee on the basis of race, color, sex, age, national origin, marital status, religion, disability, or union activity or non-union activity.

ARTICLE 3 – SEPARABILITY

In the event that any provision of the Agreement shall at any time be declared invalid by any court of competent jurisdiction or through government regulations or decree, such decision shall not invalidate the entire Agreement, it being the express intention of the parties hereto that all other provisions not declared invalid shall remain in full force and effect.

ARTICLE 4 – SCOPE OF AGREEMENT

This Agreement expressed herein in writing constitutes the entire agreement between the parties. It is understood that the specific provisions of this Agreement shall be the sole source of rights of the Union and the rights of any employee covered by this Agreement, and shall supersede all previous oral and written agreements between the Employer and the employees. The Employer is under no obligation to maintain past practices, existing conditions or historical prior benefits, oral or written.

ARTICLE 5 – MANAGEMENT RIGHTS

Section 5.1:

In order to operate its business, the Employer, in its sole discretion, retains and shall have the following exclusive rights: to determine the number, location and type of facilities; to determine the type and/or quality of services rendered; to determine the methods, techniques and equipment utilized; to hire, supervise, evaluate, discipline, discharge, promote, demote, layoff, transfer and recall the work force; to assign work and change, schedule, combine, create or abolish job classifications and job content; to establish and make known reasonable work rules and safety rules for all employees; to contract; and to determine the number of employees, including the number of employees assigned to any particular operation or shift.

Section 5.2:

Any of the rights, powers, authority and functions the Employer had prior to the negotiation of the Agreement are retained by the Employer and the express provisions of this Agreement constitute the only limitations on the Employer's right to manage its business. The Employer not exercising rights, powers, authority and functions reserved to it, or its exercising them in a particular way, shall not be deemed a waiver of said rights, powers, authority and functions or of its right to exercise them in some other way not in conflict with a specific provision of the Agreement.

Section 5.3:

All other traditional rights of management are also expressly reserved to the Employer. The express provisions of this Agreement constitute the only limitations upon the Employer's right to manage its business as set forth in Article 4.1.

ARTICLE 6 – UNION RIGHTS

Section 6.1 – New Hires

The Employer agrees to provide new hire a copy of this Agreement upon their employment. The Union will provide sufficient copies of the Agreement for this purpose.

Section 6.2 – Check Off & Union Security

All employees covered by the agreement shall be required as a condition of employment to become and maintain membership in the Union within 60 days of employment. The Employer agrees to deduct the uniformly required Union membership dues and other authorized fees or assessments once each month from the pay of the employees.

Section 6.4 – Steward

The local union shall elect a member as the bargaining unit Steward, and in the absence of the authorized representative, he/she shall be authorized to conduct the affairs of the Union as they pertain to this Agreement.

ARTICLE 7 – RIGHT TO CONTRACT

The Employer expressly reserves the right to contract bargaining unit work to non-Employer employees in the event of unforeseeable work loads or for other business reasons. The Employer agrees that it will notify the Union at least 30 days prior to sub-contracting bargaining unit work.

ARTICLE 8 – EMPLOYEE ATTENDANCE

Section 8.1 – Regular Attendance

Regular attendance is important to the efficient operation of the Employer. Employees must make every effort to be on time and come to work every day. Employees are expected to be on the job, on time, every day that they are scheduled to work. Whenever possible, employees should schedule all medical and personal appointments outside of work hours. If this is not an option, employees will make arrangement for any scheduled appointments to be covered.

Section 8.2 – Notification Procedure:

Employees who are unable to report to work must notify their supervisor or designee within 30 minutes of their regular starting time. Employees must call personally and talk directly with the supervisor. If an employee is physically unable to make the telephone call, notification by a friend or relative will satisfy this notification requirement. Employees who will be absent for more than one day or for an indefinite period of time will be required to call their supervisor as directed.

Employees who are absent without giving proper notification to the General Manager or their designated supervisor will receive a warning letter. A second incident of absence without notification may result in disciplinary action. If you fail to report for work or call in for three days in a row, you will be deemed to have abandoned or resigned from your job

.Section 8.3 – Doctor’s Certificate:

Employee may be required to provide their supervisor with a doctor’s certificate (at the employee’s expense) whenever they are absent for more than three consecutive days due to illness or injury. The doctor’s certificate must state the employee is receiving medical care and should indicate the approximate date the employee will return to work.

Section 8.4 – Discipline for Tardiness:

Employees will be counseled about their attendance after their first unexcused incident of tardiness. A warning letter is issued if there is a second unexcused incident of tardiness. An employee who is late a third unexcused time is subject to immediate termination.

ARTICLE 9 – PERSONNEL RECORDS

Section 9.1 – Files

A personnel file is created for each employee by the City of Prineville Human Resources Manager. These files are kept in the Human Resources Manager's office and are locked when the manager is not present. The Railroad Manager has the option of keeping a manager's file on railroad employees, however, the official personnel file will be kept by Human Resources.

Section 9.2 – Changes

In order to keep personnel records current, it is the responsibility of the employee to notify the Employer of changes such as: name and address, telephone number, marital status, an emergency contact, registration, certification, licensure, dependents, beneficiaries, and other pertinent information.

Section 9.3 – Signature Requirement

No information reflecting critically upon employees shall be placed in their personnel file that does not bear their signature, unless the document is a termination notice. Employees shall be required to sign such material to be placed in their personnel file, provided the following disclaimer is attached:

The employee's signature does not necessarily indicate agreement.

If an employee is not available within a reasonable period of time to sign the material, the Employer will mail a copy of the document by certified mail to the employee at his/her address of record.

ARTICLE 10 – HOURS OF WORK

Section 10.1:

All hours of work and work schedules shall be determined by the Employer.

Section 10.2

The official work week for all employees begins at 12:01 a.m. on Sunday and ends at 12:00 midnight the following Saturday.

ARTICLE 11 – BULLETIN NOTICE

Section 11.1:

When it is known fifteen (15) calendar days or more in advance that a position is to be established or that a vacancy of thirty-one (31) calendar days or more is to be open, such position or vacancy will be bulletined at once.

Section 11.2:

Bulletin notice advertising new positions or vacancies will be posted for a period of five (5) working days on all bulletin boards. Employees entitled to consideration in filling the positions may file their applications within fifteen (15) day period following posting with the official whose name appears on the bulletin. Such bulletins will show location, descriptive title, hours of service, and rates of pay of the

positions bulletined. Appointments will be made within forty five (45) calendar days from the date the bulletin is posted. A bulletin of assignment will be posted on all bulletin boards on which bulletin advertising the new positions or vacancy was posted.

Section 11.3:

Temporary positions not to exceed ninety (90) calendar days or less duration may be filled without bulletining.

Section 11.4:

When more than one vacancy or position exists and is bulletined at the same time, employees shall have the right to bid on all, stating preference.

Section 11.5:

An employee on a leave of absence or off on account of force reduction, who makes request in writing to his/her immediate supervisor, will be furnished with copies of bulletins that are issued and may make application for bulletined positions. If such employee is assigned to a bulletined positions, he/she must, unless prevented by sickness or other unavoidable cause, return and accept the same within ten (10) days or forfeit his/her seniority.

ARTICLE 12 – MEAL PERIODS

Section 12.1:

If due to emergency the meal period is not afforded at the agreed time is worked, the meal period shall be paid for a time and one half, and thirty minutes with pay in which to eat shall be afforded at the first opportunity.

Section 12.2:

When a meal period is allowed, it will be fixed between the ending for the fourth (4th) hour and the beginning of the fifth (5th) hour after starting work. The meal period time will be designated at the time the position is bulletined: e.g. 8:00 a.m. to 4:30 p.m. – ½ hour for lunch.

ARTICLE 13 – COMPENSATORY TIME

Section 13.1:

Overtime is intended to meet the Employer's needs only and must be authorized in advance by the Employer. Employees are expected to work overtime when requested. Overtime is defined as time actually worked in excess of eight (8) hours per day. The employee will be paid straight time through eight (8) hours per day, and will receive compensatory time off at the rate of time and one half for those hours worked over eight (8) hours per day.

Section 13.2:

Paid sick leave, vacation time, and any other paid time off will not be considered as time worked for purposes of computing an employee's entitlement to and amount of overtime pay.

ARTICLE 14 – ASSIGNMENT OF PERSONNEL

The decision to hire, schedule, transfer, assign, promote and layoff employees shall be based on skill, ability, qualification, recent experience, training, length of service and work record as determined by the Employer.

ARTICLE 15 – HOLIDAYS

The Employer observes ten regular holidays in a calendar year. The following holidays are to be observed:

New Year's Day	Veteran's Day
President's Day	Thanksgiving Day
Memorial Day	Day after Thanksgiving Day
Independence Day	Christmas Eve Day
Labor Day	Christmas Day

At the employee's option, a floating holiday may be taken for Veteran's Day and President's Day in lieu of overtime compensation approval by General Manager.

In order to receive holiday pay, you must be in an active pay status (either at work or on paid vacation or sick leave) the day before and the day following the holiday. All holidays must be taken or lost; they cannot be forwarded to the next year nor will an untaken floating holiday be paid off in the event of termination of employment.

The Employer will make every reasonable effort not to schedule you to work on a paid holiday. However, if emergency conditions make it necessary for the employee to work on a paid holiday, that employee will receive holiday pay and be credited with 1 ½ floater holidays in addition to the holiday pay.

Paid holidays which occur during vacation or sick leave will be allowed, you will not be charged for vacation or sick leave taken on a paid holiday.

Whenever an approved holiday falls on a Sunday, the following Monday shall be observed as the holiday. Whenever an approved holiday falls on a Saturday, the preceding Friday shall be observed as the holiday.

All paid holidays declared by the President and/or the Governor shall be limited to holiday declared for the purpose of state or national celebration or mourning.

ARTICLE 16 – VACATIONS

Section 16.1:

Full time employees earn vacation leave on a graduated scale basis as follows:

0-1 years	3.33 hours earned per month – 120 basic days to qualify
2-7 years	6.66 hours earned per month
7-15 years	10 hours earned per month
Over 15 years	13.33 hours earned per month

The following vacation accrual caps are placed on all full time employees:

0-1 years	40 hours	(3.33 hrs x 12 months)
2-7 years	80 hours	(6.66 hrs x 12 months)
7-15 years	120 hours	(10 hrs x 12 months)
Over 15 years	160 hours	(13.33 hrs x 12 months)

Section 16.2:

Employees may accrue and maintain up to 1 year of vacation time. The employee shall make every effort, in agreement with management, to take vacation time to adhere to the accrual caps, however, if emergencies or vacation opportunities do not occur, excess vacation over the cap amount will be paid to the employee.

Section 16.3:

Vacations shall be taken between January 1 and December 31. Representatives of the Railway and the employees will cooperate in arranging vacation periods.

Section 16.4:

An employee who quits or is terminated is entitled to payout of vacation accrual provided he/she meets the necessary requirement of 120 basic days.

ARTICLE 17 – SICK LEAVE AND ON THE JOB INJURY

Section 17.1: Sick Leave

- (a) For each month worked, one (1) day sick leave will be earned with pay for up to a total accrual of eighty five⁸⁵ days. Employees with ten (10) or more years of city employment may accumulate sick leave up to a maximum of one hundred (100) working days. It is understood that sick leave will be granted for actual illness or injury off the job, and the employee must furnish a doctor’s certificate if requested.
- (b) Doctors Appointment. An employee may use up to four hours per month for doctor appointments for themselves or their immediate family (as described in Article 19.2 of this document.) This time will not be charged as sick leave. It is fully understood that this privilege shall not be abused. Abuse will be considered as an offence of the gravest nature and the City may require documentation.

Section 17.2: On the Job Injury

Employees are covered under the Federal Employers Liability Act of 1908 (FELA) for on the job injuries.

Employees forced to miss work due to on the job injury or illness will be entitled to full pay until they are able to return to work. Health and accident insurance shall remain in force. On the job injury or illness will not in any way affect sick leave accrual.

Section 17.3:

False or fraudulent claims to obtain benefits under this Article will be a dismissal offense.

Section 17.4:

Employees leaving the employment of the City of Prineville Railway will not be compensated for accrued sick leave.

ARTICLE 18 – SAFETY

Section 18.1:

The Employer and the employee shall comply with all applicable Federal and State laws governing safety. The Employer shall provide any equipment necessary to allow the employee to perform the work required in a safe and comfortable manner.

Section 18.2:

Reasonable comfort shall be provided all employees and work room and furnishings shall be maintained in such a fashion and condition to allow the necessary work to be done with as little distraction and interruption as possible.

Section 18.3:

Employees shall report any unsafe conditions. Employer agrees to address issues in a timely fashion.

ARTICLE 19 – OTHER LEAVES OF ABSENCE

Section 19.1: Leaves of Absence

All leave of absence requests must be in writing and approved by the Management. Except for physical disability, written leaves of absence in excess of ninety (90) calendar days in any twelve (12) month period shall not be granted unless by agreement between the Management, employee, and duly elected Union Representative. Employees may return to serve after giving twenty-four (24) hour notice of their return. Failing to return by the expiration of a leave of absence will result in a loss of seniority, unless an extension has been agreed upon by the Management and the employee. An employee who engages in business or compensated work in outside industry during his/her leave of absence forfeits his/her seniority unless special arrangements have been made between Management and the employee. Any leave of absence or extension will be in writing.

Military leave and FMLA/OFLA leaves of absence are addressed in the Employee Handbook.

Section 19.2: Compassionate Leave

Employees shall be granted not more than four (4) days leave with pay in the event of death in the immediate family to make necessary funeral arrangements or to attend the funeral. Immediate family shall include spouse, parent, children, brother, sister, grandparents, grandchildren and mother-in-law or father-in-law.

Section 19.3: Jury Duty or Court Time

(a) Employees summoned for jury duty and therefore taken away from their normal jobs shall not receive any reduction in normal compensation as a penalty for such service. The Employer shall compensate the employee full salary and the employee shall surrender the court's check to the City.

ARTICLE 20 – HEALTH AND WELFARE

Section 20.1:

Employer shall provide a comprehensive health plan including medical, dental and vision. The City will review the health plan annually and may change to a more efficient and cost-effective plan. Effective July 1, 2011, the City shall pay at no cost to the employee into the Oregon Laborers Employers Health & Welfare Trust Funds, on behalf of each employee, as defined under the scope, who works eighty (80) hours or more per month, the sum of money necessary to maintain the Schedule of Benefits now in existence to purchase Health, Dental and Vision Care Insurance benefits for each eligible employee and his/her eligible dependents in accordance with the terms of the medical insurance plan of the Fund. Payments shall be submitted on behalf of eligible employees for the preceding month to William C Earhart Company, Inc.

In the event the premium rates increase to the level of the City's non-union group insurance plan, the employee will begin splitting the premium increase equally.

In the event the current plans are not available, City will provide a plan that is "substantially equal taken as a whole". If the union disagrees that a replacement plan is substantially equal taken as a whole, the union may grieve the matter to arbitration. The arbitrator will be limited to the following issues:

1. Is the new plan substantially equal to the old plan?
2. If not, what changes are needed to make the new plan substantially equal?

Section 20.2:

Employee shall receive a \$50,000 Accidental Death and Dismemberment Policy as furnished by the City of Prineville Railway. The Employer shall provide a life insurance of \$20,000 for active employees. The employer may provide a life insurance policy as previously provided for of \$2,000 for certain retired employees and \$3,000 for certain retired employees if policies can be purchased.

Section 20.3:

Employer will pay for any medical expense, including chiropractic treatment that is not covered by insurance, provided it is job related and referred by an Employer approved, qualified physician.

Section 20.4:

The City will continue to contribute 10% of the employee gross wages to an agreed upon retirement plan provider for the duration of the agreement. Any employee hired after 7-1-12 will not be subject to receiving this benefit.

The City agrees to review and reconsider the SEP for new employees when the Railway has sustained a business level of 1500 cars or more for a period of 2 years.

ARTICLE 21 – DISCIPLINE

The goal of this article is to outline administration of equitable and consistent discipline for unsatisfactory conduct in the workplace. Disciplinary action may call for any of four steps – verbal warning, written warning, suspension with or without pay or termination of employment depending on the severity of the problem and the number of occurrences. The progressive discipline steps will be followed for similar offenses. There may be instances where one or more steps are by-passed. Progressive discipline means that, with respect to most disciplinary problems, these steps will normally be followed: a first offense may call for a verbal warning; a next offense may be followed by a written warning; another offense may lead to suspension; and, still another offense may then lead to termination of employment. There may be certain types of employee problems that are serious enough to justify either a suspension, or, in extreme situations, termination of employment, without going through the usual progressive discipline steps.

Section 21.1 – Discipline and Discharge

No employee shall be disciplined or discharged except for just cause. Oral warnings are not considered to be discipline and may not be protested through the grievance procedure.

Section 21.2 – Probationary Employees

This Article shall not apply to any employee on probation.

Section 21.3 – Imposition

If a supervisor has reason to discipline an employee, he/she shall make reasonable efforts to impose such discipline in a manner that will not unduly embarrass the employee before other employees or the public.

Section 21.4 Due Process

In the event the Employer believes an employee may be subject to discipline greater than a written reprimand, the following procedural due process shall be followed:

- (a) The Employee shall be notified of the charges or allegations that may subject him/her to discipline.
- (b) The employee shall be notified of the disciplinary sanctions being considered.
- (c) The employee shall be given an opportunity to refute the charges or allegations either in writing or orally in an informal hearing.
- (d) At his/her request, the employee will be entitled to Union representation at the informal hearing.

- (e) The employee will be notified of the final decision and if a grievance is filed, Step 2 of the grievance process can be skipped.

Section 21.5 – Misconduct

For the purpose of this Agreement, misconduct shall be determined in accordance with the following guidelines:

- (a) The employee shall have some warning of the consequences of their conduct, unless the conduct is of such a nature that no prior warning is necessary in the eyes of a reasonable person.
- (b) If breaking a rule or order is the subject of the alleged misconduct, discipline must be reasonable and applied evenhandedly, if appropriate.
- (c) The Employer shall conduct an investigation. The General Manager shall have the authority to file notice and conduct an investigation.
- (d) It must be determined, by a preponderance of evidence, that the employee is guilty of the alleged misconduct.
- (e) The discipline must be appropriate based on the severity of the misconduct or the actual or likely impact the misconduct has or would have on the Employer's operation.
- (f) The employee's past employment record shall be considered, if appropriate, based on the severity of the act.

ARTICLE 22 – SETTLEMENT OF DISPUTES

Section 22.1 – Grievance Procedures

Any dispute concerning a violation of a specific provision of this Agreement shall be resolved in the following manner and sequence:

Step 1:

If after first attempting to resolve the dispute informally the grievance remains unresolved, the affected employee(s), with Union representation, shall present the grievance in writing with ten (10) workdays immediately following the date the employee had or should have had knowledge of the grievance, to the immediate supervisor. The written grievance shall include:

- (1) A statement of the grievance and the factual allegations upon which it is based.
- (2) The section(s) of this contract alleged to have been violated.
- (3) The remedy sought.
- (4) The name and signature(s) of the individual(s) submitting the grievance.

Step 2:

Within ten (10) workdays immediately following the immediate supervisor's receipt of the grievance, a meeting will be scheduled to give the employee/Union an opportunity to discuss their grievance with the General Manager or designee. Within twenty (20) working days of the submission of the grievance at Step 2, the General Manager shall make a decision regarding the status of the grievance and present same in writing to the employee/Union.

Step 3:

If the procedure outlined in Step 2 fails to settle the grievance, either party may submit the matter to the National Mediation Board.

ARTICLE 25 – SENIORITY

Section 25.1:

Seniority shall be established after a 90 day probation from the most recent date of hire and continue to accrue during all paid time in the bargaining unit. In the event two (2) or more employees are hired on the same date, seniority ranking shall be determined by the flip of a coin.

Seniority shall be terminated if an employee:

- (a) Resigns;
- (b) Is discharged for just cause;
- (c) Is laid off and fails to respond to written notice of recall;
- (d) Is laid off work for a period of time greater than 24 months;
- (e) Is retired.

Section 25.2: Retaining Seniority

- A. When an employee is laid off and desires to retain his/her seniority rights, he/she must, within ten (10) days, file his/her name and address in writing with the Railway Manager and immediate supervisor. An acknowledgement of receipt of such written notice will be returned to the employee. The employee must notify the officers to whom notice is given of any change in address. Employees so laid off must annually, on or before the anniversary date of such layoff, file with the Railway Manager and immediate supervisor notice of his/her availability for re-employment and his/her current mailing address. When employees are rehired, an employee will be notified and will return to service within ten (10) days, unless prevented by sickness or other unavoidable cause. Failure to return to service within ten (10) days will result in loss of all seniority rights. If the employee returns to service and has complied with the provisions of this rule, his/her seniority will be cumulated during the period of the layoff.

Employees laid off prior to the date of this contract need file written notices as now required with the Railway Manager and immediate supervisor on future anniversary dates only. Written notice of the new requirement for a dual filing shall be directed by the Railway to all former employees so affected.

- B. If an employee laid off, who has filed his/her name and address in conformity with Section A of the rule, is re-employed temporarily for fifteen (15) days or less, such employee need not again file name and address as provided in Section A, but his/her seniority is protected by the original filing. If, however, such temporary employment extends for more than fifteen (15) days, the employee must again file his/her name and address in order to protect seniority under the provisions of Section A of this rule.

Section 25.3: Layoff

- (a) When employees are permanently laid off, the senior employees in the respective classification will be retained and those affected, either by being laid off or displaced, will have the right to displace employees with less seniority in the next lower classification. Employees may exercise their seniority rights to enable them to hold the highest classification position to which their seniority entitles them. Any employee who exercises bumping rights must qualify in accordance with Article 14, Assignment of Personnel.
- (b) Employees laid off, or who are displaced by senior employees as a result of force reduction must, if they desire to displace junior employees, exercise their seniority within ten (10) working days.
- (c) Employees, within their classification, desiring to exercise their seniority must give the management and immediate supervisor at least forty-eight (48) hours advance notice of such desire. Employees to be displaced will be notified by bulletin.

ARTICLE 26 – AMENDMENTS

Any provision of this Agreement may be amended, modified or supplemented at any time by mutual consent of the parties hereto in writing, without in any way affecting any of the other provisions of this Agreement.

ARTICLE 27 – STRIKES

Section 27.1: No Strike

The Union and its members, as individuals or as a group, will not initiate, cause, participate or join in any strike, work stoppage or slowdown, or any other restrictions of work, at any location of the Employer's during the term of this contract. Disciplinary action, including discharge, may be taken by the Employer against any employee of employees engaged in a violation of this Article.

Section 27.2: Union Obligation

In the event of a strike, work stoppage, slowdown, picketing, observance of a picket line, or other restriction of work in any form, either on the basis of individual choice or collective employee conduct, the Union will immediately, upon notification, attempt to secure an immediate, orderly return to work.

Section 27.3: Lockout

There will be no lockout of employees in the unit by the Employer during the term of this Agreement.

ARTICLE 28 – MISCELLANEOUS

Section 28.1: Working Out of Classification

Employees assigned work in a higher classification will be paid at the higher rate for time actually worked. When temporarily assigned to a lower classification, his/her rate of pay will not be reduced.

Section 28.2: Special Working Conditions – Shop Personnel Only

- (a) Coveralls: The Employer shall furnish coveralls for work uniforms and the laundering and maintaining of such clothing.

(b) Boot allowance: Each July the allowance of \$200 will be included in your paycheck.

Section 28.3: Pay Day

Pay day shall be on the last working day of the month. Employees shall be paid on the job at a mutually convenient location. Employees discharged or terminated by the Employer shall be paid in accordance with the laws of the State of Oregon. All wages shall be paid by check. At such time as the employee is paid, he/she shall be furnished with a personal record showing straight time and overtime hours paid, and all deductions shall be itemized. When daily time and equipment cards are required by the Employer, such cards shall be made out on the job during working hours.

Section 28.4: Physical Examinations

- (a) Should employees coming within the scope of this Agreement be required to take physical examinations, such examinations will not be more frequent than once each year, unless it is apparent that the employee's health or physical condition is such that an examination should be made for the purpose of informing him/her of the disability so that proper treatment can be given.
- (b) Any such physical examination, if required, shall be at the expense of the Employer, less any amount paid by the existing insurance policy. Nevertheless, it shall be taken on Railroad time.

Section 28.5: Failing to Qualify

Employees accepting promotion will be given a fair chance to demonstrate their ability to meet the practical requirements of the position and failing to qualify within thirty (30) calendar days, may return to their former position.

Section 28.6: Official Position

Employees promoted to an official position of the Railway will retain and continue to accumulate the same seniority.

Section 28.7:

- (a) Employees will be reimbursed for necessary expenses incurred while away from their regular headquarters by direction of the Railway.
- (b) Employees shall receive normal compensation while traveling on Railway business.
- (c) Employees shall be compensated at the current IRS rate, when using their own vehicle on Railway business.

Section 28.8: Salary Schedule.

Employees shall be compensated in accordance with the salary schedule attached to this Agreement and marked Appendix A, which is hereby incorporated into and made a part of this Agreement. When any position not listed on the salary schedule is established, the City shall designate a job classification and pay rate for the position. The Union shall be notified and the pay rate established by the City shall be considered tentative until the Union has been afforded an opportunity to meet and discuss the

matter. If the Union does not agree that the pay rate(s) are proper, the Union may submit the issue as a grievance through the grievance procedure.

ARTICLE 29 – DURATION AND TERMINATION

Section 29.1:

This Agreement shall be effective July 1, 2012 and shall remain in full force and effect until June 30, 2017, and annually thereafter, unless either party gives notice to the other party to amend or terminate the Agreement as provided in the Article.

Section 29.2:

If either party hereto desires to modify or amend any of the provisions of this Agreement, it shall give written notice to the other party of at least ninety (90) days, but no more than one hundred twenty (120) days prior to the above-noted expiration date.

Date: _____

Date: _____

City of Prineville Railway

Local 121

Toby VanAltvorst, General Manager

Charles Bowman, Local Representative.

Date: _____

Date: _____

Steve Forrester, City Manager

Date: _____

Jeff Gritz, Business Manager

LIUNA, Local No. 121

Date: _____

Greg Held, Bus. Mgr.
Oregon & Southern Idaho District
Council of Laborers

Date: _____

**City of Prineville Railway
 Appendix A - Wage
 Schedule:**

	2012-13	2013-14	2014-15	2015-16	2016-17
Job Title:	3%	3%	3%	3%	3%
Superintendent	4919	5067	5219	5375	5536
Roadmaster	4458	4592	4730	4872	5018
Track Labor	3693	3804	3918	4035	4156
Track Apprentice	2828	2913	3000	3090	3183
Shop Foreman	4458	4592	4730	4872	5018
Mechanic	3693	3804	3918	4035	4156
Engineer	4592	4729	4871	5017	5168
Conductor	4458	4592	4730	4872	5018
Brakeman	2862	2948	3036	3127	3221