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SP3100-09-R-0013  
Attachment J.5

REGISTER OF WAGE DETERMINATION UNDER  
THE SERVICE CONTRACT ACT  
By direction of the Secretary  
of Labor

U.S. DEPARTMENT OF LABOR  
EMPLOYMENT STANDARDS ADMINISTRATION  
WAGE AND HOUR DIVISION  
WASHINGTON D.C. 20210

William W.Gross                      Division of  
Director                                      Wage Determinations

Wage Determination No.: CBA-2009-2684  
Revision No.: 0  
Date Of Last Revision: 3/24/2009

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State: North Carolina

Area: Craven

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Employed on Defense Distribution Center contract for Distribution Support Services for Defense Distribution Center Cherry Point, North Carolina (DDCN).

Collective Bargaining Agreement between contractor: GENCO Infrastructure Solutions, Inc., and union: International Association of Machinists and Aerospace Workers Local 1859, effective 5/1/2008 through 12/31/2010.

In accordance with Section 2(a) and 4(c) of the Service Contract Act, as amended, employees employed by the contractor(s) in performing services covered by the Collective Bargaining Agreement (s) are to be paid wage rates and fringe benefits set forth in the current collective bargaining agreement and modified extension agreement(s).

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**AGREEMENT**

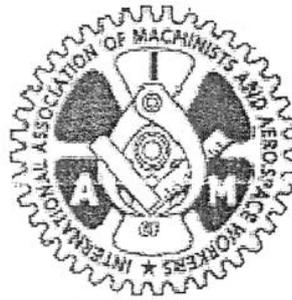
BETWEEN

**GENCO Infrastructure Solutions, Inc. (GENCO)**

AND

**INTERNATIONAL ASSOCIATION OF MACHINISTS  
AND AEROSPACE WORKERS**

**DISTRICT LODGE 110  
LOCAL LODGE 1859**



**Defense Distribution Depot, Cherry Point, NC (DDCN)**

**May 1, 2008 – December 31, 2010**

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## PREAMBLE

The Parties have entered into this Agreement for the purpose of setting forth in writing the understandings they have reached with respect to wages, benefits and working conditions of the employees covered hereby, as well as to the rights of the Company and the Union, and to provide a peaceful means for the settlement of any disputes which may arise with respect to the interpretation or application of their understandings and agreements as set forth herein.

## AGREEMENT

This Agreement is made and entered into this 1<sup>st</sup> day of May 2008 to be effective by and between GENCO Infrastructure Solutions, Inc. (GENCO), (hereinafter referred to as the Company or Employer) and the International Association of Machinists and Aerospace Workers District Lodge 110, Local Lodge 1859, AFL CIO, (hereinafter referred to as "the Union").

This agreement shall remain in effect until midnight on **December 31, 2010** without reopening rights for any purpose by either party except by mutual consent. This agreement shall automatically renew itself from year to year thereafter unless written notice of desire to terminate the Agreement is given by either party at least ninety (90) calendar days prior to any annual expiration date thereafter. If such written notice of desire to terminate is given, the parties may nevertheless mutually agree in writing to extend this Agreement for a specified length of time beyond the expiration.

## ARTICLE 1 RECOGNITION

**Section 1.** The Company hereby recognizes the Union, its designees and representatives, its successor and/or assigns, as the sole and exclusive bargaining representative for all full time and regular part-time GENCO Employees at the Defense Distribution Depot, Cherry Point, NC (hereinafter referred to as "DDCN") as certified by the National Labor Relations Board in Case Number 11 -RC-6677 and such other programs and tasks as may hereafter be added by mutual agreement of the parties hereto. This agreement excludes office clerical employees, professional employees, managerial employees, and supervisors as defined in the act.

All Warehouse Specialist, Material Handler, AEMS, Truck Driver, Production Control Specialist, Rigger, Mechanic, Hazard/RAD Specialist, Warehouse Specialist Lead, and Crane Operator for the purpose of collective bargaining with respect to wages, hours of work and other conditions of employment of employees in the bargaining unit as herein defined, and hereinafter referred to as "Employees."

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## ARTICLE 2 NON-DISCRIMINATION

The Company and the Union separately and jointly recognize their obligation to abide by those state and federal laws relating to Equal Employment Opportunity, OSHA, nondiscrimination on account of veteran status, disability status, Union activity, or other labor laws that may apply to this location. It is understood that wherever in this Agreement employees or jobs are referred to in the male or female gender; it shall be recognized as referring to both male and female employees. The provisions of this agreement and conditions of employment shall be applied among all employees in a fair and equitable manner.

## ARTICLE 3 MANAGEMENT RIGHTS

**Section 1.** Except as specifically limited by this Agreement, the management of the Company and the direction of the work force, including but not limited to the service performed, the location of the work force, the schedules and fair standards of employee performance, the schedules and hours of shifts, the methods, processes, and means of providing services, materials to be purchased, determination of staffing levels, the right to hire, promote, demote, transfer, assign and reclassify employees, the establishment of reasonable rules of conduct, the discharge or discipline of employees for just cause, and the management of efficiency of employees, are the sole and exclusive rights and responsibilities of the Company.

**Section 2.** The Company agrees to meet and confer with the Union prior to the implementation of new policies or changes in the existing policies.

**Section 3.** The Company shall provide all policies pertaining to this site to all employees. This request will be made through the Site Manager. The Company will also provide the Union with a copy of these policies within thirty (30) days of the date of this agreement.

## ARTICLE 4 UNION ACCESS TO OPERATIONS

**Section 1.** The Company agrees that the Grand Lodge Representative and or Business Representative shall be allowed to visit employees while they are on the job in accordance with DDCN security requirements within the Company's operations for the sole purpose of investigating grievances or complaints related to the provisions of this Agreement or insuring the terms and conditions of the Agreement are being complied with. Prior approval will be obtained from the Site Manager or his designee and such visits shall not interfere with production of work being performed. Such approval shall not be unreasonably withheld. The Representative shall notify the Site Manager or his designee when they are arriving and leaving the Company's operations.

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**Section 2.** The Company, if it desires, may have a Company Representative accompany the Union Representative while they are visiting its operations, recognizing that the Union Representative is entitled to private conferences with any represented employee.

## ARTICLE 5 UNION SECURITY

**Section 1. Agency Shop** As a condition of employment, all present bargaining unit employees shall become members of the Union or pay an agency fee to the Union equal to the amount of monthly dues (but not both) within thirty (30) days of execution of this Agreement and all new employees shall become and remain members of the Union or pay an agency fee not later than ninety (90) calendar days of their date of hire or transfer.

**Section 2. Check-off** Upon receipt of a signed authorization of the employee involved, the Company shall deduct from the employee's pay, the initiation fee, if any, and dues payable by him to the Union during the period provided for in said authorization.

Deductions shall be made on account of dues and/or initiation fees, if appropriate, from the first pay check each month of the employee after receipt of the authorization.

The parties agree that check-off authorizations shall be on a form as provided by the Union.

**Section 3.** The sums deducted as stated above shall be forwarded to the designated financial officer of the Union no later than the fifteenth (15th) day of the month following the month in which deductions are made.

**Section 4.** The Union will indemnify and hold the Company harmless from and against any and all claims, demands, charges, complaints or suits instituted against the Company which are based on or arise out of any action taken by the Company in accordance with or arising out of the foregoing provisions of this Article, or in reliance on any list, notice or assessment furnished under any of such provisions.

**Section 5.** The Company shall post the "Beck Decision" in a location where employees gather. The Union shall inform employees of their rights under the Beck Decision.

## ARTICLE 6 ASSIGNMENT OF SHOP STEWARDS

**Section 1.** It is hereby understood and agreed that the Union may assign two (2) Shop Stewards and one (1) Alternate Shop Steward to represent bargaining unit employees. The Union shall notify the Company in writing of the individuals so selected in this capacity.

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**Section 2.** It is agreed that Stewards have job duties to perform as employees and that they shall keep time spent in handling grievances to a minimum. A steward shall notify and obtain permission from their supervisor before leaving their work assignment. If a steward is not released, they shall be notified as to the nature of the delay and the expected time in which they may leave. This time off will be granted without loss of pay. It is the intention of both the union and the employer that the shop steward's time away from the job will be to the minimum necessary to handle the situation.

**Section 3.** The Employer and the Union realize there may be times when it would be mutually beneficial for the Steward to investigate and/or discuss Union business with other employees during working hours. The Employer shall be notified of the need and nature of any such investigation and/or discussion, and the Employer shall determine when such investigation and/or discussion may take place in consideration of the work schedule, etc.

## ARTICLE 7 SUBSTANCE ABUSE POLICY

**Section 1.** The Company and the Union are committed to providing employees with a drug free and alcohol-free workplace. It is the goal of both parties to protect the health and safety of employees and to promote a productive workplace, as well as to protect the reputation of the Company, the Union, and the employees. Consistent with these goals, the Company prohibits the use, possession, distribution, or sale of drugs, drug paraphernalia, or alcohol on Company premises. The Company also prohibits an employee from being under the influence of illegal drugs or alcohol while at work. Bargaining unit employees may be subject to drug and alcohol testing under the Company's substance abuse policy. The Company agrees that any such testing will be conducted in compliance with applicable federal or state regulations. All drug and alcohol testing will be at the expense of the Company unless the employee fails the drug or alcohol test. If the test results are negative, the employees(s) will be compensated for lost time and their seniority time will be reinstated.

**Section 2.** Employees may seek safe harbor prior to submitting a sample for testing. In exercising this option the employee shall enter into and complete a medical treatment program provided for by the Company. The employee may be required to submit to random, regularly scheduled testing after completion of the program for a period of up to twelve months. Failure of the employee to comply with these provisions after seeking safe harbor shall be grounds for termination by the Company.

**Section 3.** Testing shall be done with the split sample method. A copy of all documentation of the testing process shall be provided to the Employee, to include any chain of custody documents.

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## ARTICLE 8 NO STRIKE/NO LOCKOUT

**Section 1.** The Union agrees that neither it nor any of the employees in the bargaining unit, covered by this Agreement will collectively engage in or participate in any strike, slowdown or stoppage of work during the term of the Agreement.

**Section 2.** In the event of any violation of Section 1 of this Article, the Union, within twenty-four (24) hours following written notice from the Company, will take all reasonable steps required to bring an end to such action and advise the employees to return to work.

The Union shall be limited to the performance of the actions as stated above and upon compliance the Union and its officers, agents and members shall have no further liability during the term of the Agreement or thereafter for any damages suffered by the Company arising from or out of any stoppage or strike unless found to be in violation of the law.

**Section 3.** Striking employees may be subject to discipline or discharge by the Company.

**Section 4.** The Company agrees that for the duration of the Agreement there shall be no efforts to lockout or in any way deny access or work for employees covered by the Agreement.

## ARTICLE 9 SECURITY

**Section 1.** The Union recognizes that the Company may now have, or may incur in the future, obligations with respect to the security of information and materials under contract with the Government.

**Section 2.** The Union agrees that nothing contained in this Agreement shall place the Company in violation of security agreements with the Government.

**Section 3.** It is understood by and between the parties hereto that, as a necessary condition of continued employment, employees shall be subject to investigation for security clearance or national agency check and/or unescorted entry authorization under regulations prescribed by the Department of Defense, or other agencies of the United States Government on governmental work, and that denial or withdrawal of such clearance and/or unescorted entry authorization by such governmental agency shall be cause for release from the Company due to inability to meet job requirements. All security clearance and background checks will be at the expense of the company.

**Section 4.** The Company shall reinstate the seniority of an employee who was denied security clearance if reinstated by the Federal Government. Any employee whose seniority is reinstated under this provision will be reinstated in his previously held occupational title.

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**Section 5.** The parties agree to insure the strictest confidence is adhered to concerning the security of any personal information of employees. The Union recognizes that the Company may now have, or may incur in the future, obligations with respect to security and release of employee information.

## ARTICLE 10 NEW JOBS

**Section 1.** When new jobs are required that cannot be properly encompassed within an existing job classification, the Company shall notify the Union in writing of the requirements. The Union shall have thirty (30) days from the date of receipt of notice in which to request collective bargaining regarding the rate of pay and benefits. If necessary, this matter is subject to the grievance procedure up to and including arbitration.

## ARTICLE 11 PROMOTIONS

**Section 1.** The Company shall transfer employees to any open position(s) from within the bargaining unit if employees have the skill and ability necessary to do the work. If two (2) or more employees are eligible and express an interest and qualifications are substantially equal and in consideration of attendance, conduct and performance, the employee with the most seniority will be promoted. If no employee within the bargaining unit possesses the skills and abilities to fulfill the open position, the Company may use other means of filling such vacancies and shall notify the Union of such intent.

**Section 2.** The Company will notify bargaining unit employees of any openings to be filled by posting such openings on Company bulletin boards and via e-mail at least seven (7) calendar days prior to filling such vacancies. The postings shall contain the position(s) open and the method that employees may apply for such openings. The Company shall attempt to notify all employees not present when openings occur in order for those employees not to be bypassed for promotion considerations.

The notice posted declaring that such vacancy or job opening is to be filled shall contain at least the following information:

- a) The date the notice is posted and the date and time the notice will be removed;
- b) The job to be filled and the classification;
- c) Job Specifications and Minimum requirements;
- d) Effective date the job is to be filled.

**Section 3.** Upgraded employees will be considered on probation in the new position for ninety (90) days after upgrading. During this period, the Company may, at its discretion, reclassify the employees to their former occupations (bumping his/her replacement to their

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former position) if it is determined by the Company that the employee is not meeting the minimum performance requirements for that job classification.

**Section 4.** The Company may temporarily upgrade an employee to a higher paid classification. The employee shall receive the pay rate for the classification of work that they are performing for four (4) hours or more. Incidental upgrades of less than four (4) hours will not be compensated at the higher rate. Promotion and Seniority rules apply to all promotions to a higher paid classification. Temporary promotions shall not be used to circumvent promotion to any regularly permanent position and shall not normally be used in excess of thirty (30) days but in no case shall the promotion exceed ninety (90) days.

## ARTICLE 12 SENIORITY

**Section 1. Probationary Period** New employees shall be on probation for ninety (90) calendar days from the start of work date during which time they may be discharged at the sole discretion of the Company and not subject to the grievance provisions of this agreement. If retained after the probationary period, their names shall be placed on the Seniority List as of their start of work date. The Company will provide the employee/employees a copy of the negotiated agreement after the probation period has ended and be introduced to the shop steward within thirty (30) days. The shop steward shall have ten (10) working days to review the negotiated agreement with the employee/employees.

**Section 2. Definitions** Seniority is defined as including the whole span of service with the present contractor, or successor in the performance of work at DDCN. The Company and the Union will meet and confer on the seniority dates of the existing employees in the bargaining unit. Employees hired on or after the date of contract ratification will establish their seniority from start of work date with GENCO at DDCN.

Seniority will not be adjusted for:

- a) Periods of approved absence with leave. Not to exceed (90) ninety days.
- b) Periods of layoff due to lack of work. Not to exceed (12) twelve months.
- c) Periods of absence due to workers compensation injury or illness. Not to exceed (12) twelve months.

When two or more employees are hired on the same day, the last four digits of their Social Security number shall then be used for purposes of lay off, recall and promotion, (i.e., if two employees have the same seniority date, the employee that has the lowest number shall be considered to be the most senior of the employees hired on the same day).

**Section 3. Seniority List** A seniority list will be maintained by the Company and will be made available to the Union upon request. The Company shall also furnish a list to the Union reflecting new hires or rehires, their classification, their start of work date, and termination or

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layoff dates. Employees transferring from other sites within the company on this contract retain their original seniority date for benefit and vacation purposes only.

**Section 4. Personnel Actions** Seniority will not be used as a factor in personnel actions; provided, however, that seniority will be considered by the Company in making layoff, recall and promotion decisions depending on the requirements of the Company's contract with the Government; and if all other, including but not limited to qualification, skills, and ability are equal.

**Section 5. Steward Seniority** Shop stewards shall be given seniority over all employees whom they represent during reduction in forces, provided work in their classification or work in classifications to which they have a displacement right is available, and so long as the official's duties would permit such seniority preference under existing law. A Steward shall not have their shop, shift or other working conditions changed by the Company for any reason unless it is essential to accomplish the mission of the Company.

## ARTICLE 13 LAYOFFS AND RECALL

**Section 1. Layoff Notice** When it becomes necessary to reduce the number of employees at a work site, employees shall be laid off in accordance with their seniority within job classifications. Employees shall be entitled to bump and retreat rights within their job classifications or as job qualifications allow. The Company shall notify the Union and affected employees as soon as the facts are known to the Company of any potential layoffs.

**Section 2. Recall** Employees laid off will be recalled as follows: In accordance with their seniority, the Company shall recall employees who have been laid off. If attempts to contact the employee via telephone are unsuccessful the Company shall send recall notices by certified mail to the employee's last known official address. The notice will instruct laid off employee when to report to work. The employee shall report to work within seven (7) calendar days after receipt of the notice to report to work. If the employee does not report to work within seven (7) calendar days, the employee will be deemed to have abandoned their job and will be removed from the Seniority List. The Company agrees that an employee may request a later return to work date for extenuating circumstances. The Company will notify the shop steward of this situation as soon as possible.

## ARTICLE 14 DISCIPLINE

**Section 1.** The Company shall only initiate disciplinary action for just cause; and any penalty imposed will be consistent with proven offenses, and the principles of progressive discipline shall be adhered to, as set forth below.

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**Section 2.** There shall be a twelve (12) month reckoning period for any disciplinary action taken, after which all reference to the matter shall be removed from the employee's record, provided the employee has not committed any other infraction for which they were disciplined during the reckoning period. In cases involving serious misconduct, such as but not limited to major violations of law, aggravated violence, harassment, sexual harassment, theft, or drug/alcohol abuse etc., the supervisor may suspend the employee immediately and if appropriate, recommend termination of the employee. An investigation of the incidents leading up to the suspension will be conducted to determine what further action, if any, should be taken. Such cases shall permanently remain in employment records.

**Section 3.** For infractions of Company rules, such as, but not limited to, absenteeism, tardiness, and poor work performance, a four (4) step procedure will be followed of verbal reprimand, written reprimand, suspension and finally discharge. However, at the final step of the procedure the Company may elect to enforce another suspension rather than a discharge without prejudice to any other incident.

**Section 4.** Employee(s) shall have the right to Union representation during any interview that may be disciplinary in nature or lead to any discipline. The Steward shall be given the opportunity to attend such interviews.

## ARTICLE 15 GRIEVANCE PROCEDURE

**Section 1.** Grievances or complaints arising between the Company and its employees subject to this Agreement, or the Company and the Union, with respect to the interpretation or application of any of the terms of this Agreement, shall be settled according to the following procedure.

**Section 2. Employee Grievance** All grievances beyond Step 1 below, involving employee claims shall be in writing on grievance forms provided by the Union and shall be signed by all employees claiming rights there under. In an effort to adjust employee grievances by mutual agreement, they shall be presented in the following order and within the following time limits:

**Step 1:** The employee(s), with or without their Steward, shall promptly bring a grievance to their supervisor within five (5) working days following the event or discovery of the event, giving rise to the grievance. In the event an employee is unavoidably absent due to illness or injury, or unavailable due to vacation or other approved reasons, the employee's shop steward may bring the grievance to the supervisor. If a satisfactory decision is not reached within five (5) working days then:

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**Step 2:** Within five (5) working days following the Step 1 decision, a written grievance containing the article or section which is claimed to be violated and the remedy requested, must be signed by the employee and submitted by the Steward and taken up with the Site Manager or designee. A grievance meeting will be scheduled within five (5) working days. Within five (5) working days following the grievance meeting, the Site Manager will reply in writing. If the written reply is not satisfactory then:

**Step 3:** Within five (5) working days of the Step 2 reply, the grievance may be moved to Step 3 by written appeal to the Company's Corporate Human Resources (Teammate Services) Department. A representative from the HR department and the Business Representative or designee of the Union, shall discuss the grievance within five (5) working days after receipt of the grievance being placed into a third step. A written reply from the G.I.S. President will be given to the Union within five (5) working days after the meeting. If no agreement has been reached after the Step 3: meeting, the Union may submit the grievance or dispute to arbitration as covered in the "Arbitration Procedure" Article 16.

**Section 3. Union Grievances** Processing of grievances, which the Union may have against the Company, shall begin at Step 3: Section 2. of this article and shall be limited to matters dealing with the interpretation or application of terms of this Agreement. Such grievance shall be submitted in writing to the designated representative of the Company.

The grievance shall be in writing and signed by the designated representative of the Union and submitted within fifteen (15) working days from the date of the event or discovery of event giving rise to such grievance. The G.I.S. President or designee, and the Business Representative or designee of the Union, shall meet within ten (10) working days after receipt of the grievance into a third step. A written reply from the Company Labor Relations Representative will be given to the Union within ten (10) working days after the meeting. If no agreement has been reached the Union may submit the grievance or dispute to arbitration as covered in the "Arbitration Procedure" Article 16.

**Section 4.** A settlement made with respect to any grievance in the first or second step shall apply to that grievance only and shall not become a binding precedent in the case of other grievances or a precedent, which shall bind the parties as an interpretation of the Agreement. All settlements must be consistent with the terms and conditions of the Agreement.

**Section 5.** Any aggrieved employee and Union representative shall have the right to be present at any stage of the grievance procedure in which the grievance is being considered.

**Section 6.** The Union or its authorized representative shall have the right to examine time sheets and other records pertaining to the computation of compensation of any individual or individuals whose pay is in dispute or other records pertaining to a specific grievance. Compensation will be paid for reasonable time spent (employee & Steward) discussing or investigating grievances during normal work schedules.

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**Section 7.** It is understood that the time limits specified herein may be extended by mutual agreement of the parties hereto.

## ARTICLE 16 ARBITRATION PROCEDURE

**Section 1.** The Union shall give written notice to the Company setting forth the matter to be arbitrated. If said notice is not served within a 10 working day period following the Step 3 decision of the Grievance Procedure, it shall be deemed that the grievance has been satisfactorily adjusted and the right to arbitrate waived.

**Section 2.** In the event the Union submits a grievance to arbitration and the parties cannot mutually agree to the selection of an arbitrator, a panel of seven (7) arbitrators will be requested from the Federal Mediation and Conciliation Service. The parties will meet within fifteen (15) days from receipt of such list in order to strike for an arbitrator. Lot will determine the right to first strike a name; the other party shall then strike a name. This procedure shall continue alternately until one (1) name remains.

**Section 3.** The decision of the arbitrator shall be final and binding on all parties. However, the arbitrator shall not have jurisdiction or authority to add to, subtract from, modify, or in any way change the provisions of this agreement. The fee of the arbitrator shall be borne equally by the Company and the Union. Each party shall pay any and all expenses for their own representative and witnesses. If both parties sign a settlement agreement prior to the hearing date of the arbitration case, each party shall be equally responsible for the arbitrator's fee and expenses.

## ARTICLE 17 HOURS OF WORK

**Section 1.** Full time employees shall be scheduled a forty (40) hour workweek. The employee work schedule will be a continuous shift with an unpaid meal period (normally one-half hour in length).

**Section 2.** The Union agrees that from time to time the work schedules may need to be modified for a temporary basis in order to accommodate the Customers requirements. The Company shall notify Employees and their Steward as to such need as soon as possible but in no case less than twenty-four (24) hours prior to such change.

**Section 3.** Employees shall be scheduled 2 paid rest breaks of fifteen (15) minutes-as authorized by supervision, consisting of one break during the first four (4) hours and the second break during the last four (4) hours of work. During periods of excessive heat the Company will provide additional breaks as necessary. An area providing protection from inclement weather will be provided with tables and chairs for employees during such periods and lunch period.

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**Section 4.** If the Company decides to establish a second and/or third shift, the Company will meet and confer with the Union on the time frames for starting and ending for this/these shifts.

**Section 5.** Employees will be paid a hazardous pay differential of the base wage for each hour of work, when working in hazardous conditions. A 4% differential on the applicable CBA rates will be paid to employees employed in a position that represents a low degree of hazard as outlined in the Hazardous Pay Differential section of the Service Contract Act, Wage Determination No.: 2005-2394.

**Section 6.** There will be a minimum of ten (10) hours between the end of an employee's work shift and the start of an employee's next work shift. This policy may be overridden if required to accommodate high priority or time sensitive schedules. In the event this turnaround is overridden, employees will be paid at one and one half (1 ½) times their regular straight time rate for hours worked until the ten (10) hours is reached. The Union will be notified ASAP when this policy may exist.

## ARTICLE 18 LEAVE OF ABSENCE

**Section 1. Personal Leave** The Company may in its sole discretion approve a leave of absence without pay up to ninety (90) calendar days for personal reasons. The 90-day limit may be extended by agreement of the Company in its sole discretion. Such leave must be requested in writing and approved by the Site Manager through the employee's supervisor. Said request must also state the reason for the unpaid leave. Employees must request such leave at least ten (10) working days prior to the date the leave would commence, except in cases of emergency.

The Employer shall grant eligible employees Family Medical Leave Act (FMLA) leave in accordance with FMLA requirements. This section is incorporated here to comply with the Family Medical Leave Act of 1993. Any modification or amendments affecting the FMLA will be automatically incorporated into the Collective Bargaining Agreement and will result in modification without negotiation. It shall be the responsibility of the employee to request and provide acceptable documentation to support the request for FMLA or intermittent FMLA.

**Section 2. Failure to Return to Work from Leave of Absence** Failure to return from leave of absence on the first scheduled work day following the expiration date of said leave without prior approval, may result in disciplinary action up to and including termination being imposed by the Company.

**Section 3. Military Leave** Employees ordered to active duty for annual training with the National Guard or Reserve component of organized military reserve units, shall be granted a leave of absence not to exceed ten (10) working days each fiscal year. The employee must furnish the Company a copy of their military orders at the time the leave is requested. Employees

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will be paid upon request the difference between their regular base pay and their military pay, provided a Leave and Earnings Statement is submitted.

In the event that a mobilization of an employee's military unit is enacted, or a training regiment is required, their seniority shall continue to accrue. Upon their release from such mobilization the employee shall be reinstated to their previously held occupation and title.

**Section 4. Jury Duty** Employees summoned to serve for selection of, and, or jury duty will receive a maximum of two (2) weeks for Jury Duty. The employee will receive the difference between Jury Duty fees paid by the court, excluding legitimate mileage, and the employee's regular earnings that would have been paid for their shift at the base rate of pay, for each day of service (based on the previous two weeks hours worked). Notice of jury duty must be given to the Company upon receipt of a jury summons, and proof of such service must be submitted to the Company before this Article shall apply.

**Section 5. Union Business** Bargaining unit employees that are required to travel for official Union business or attend official Union functions shall be granted a leave of absence for performing such business. While on such leave, employees shall not lose any benefit of seniority. Employees shall submit such requests for leave accompanied by official Union communication authorizing them to travel or act in such capacity. These requests will normally be made at least fourteen (14) calendar days in advance of such requirement.

Stewards shall have their schedule modified, when requested, in order to attend a minimum of six (6) Local Lodge meetings per calendar year.

## ARTICLE 19 HOLIDAYS

**Section 1.** The following ten (10) holidays will be provided with pay:

New Year's Day	Martin Luther King's Birthday
President's Day	Memorial Day
Independence Day	Labor Day
Columbus Day	Veteran's day
Thanksgiving Day	Christmas Day

**Section 2.** Any holiday falling on a Saturday or Sunday will be observed on the day set by the Federal Government.

**Section 3.** Holiday pay shall be paid in accordance with the employee's normally scheduled work hours (based on the hours worked during the preceding week).

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**Section 4.** In the event that the Federal Government and its authorized departments establishes any new recurring holiday which is incorporated into the Cherry Point, NC contract, it will be conveyed to the employees and be incorporated into this Agreement.

## ARTICLE 20 OVERTIME

**Section 1.** Overtime at one and one-half (1-1/2) times the employees pay rate shall be paid for all hours paid in excess of forty (40) hours in a workweek.

**Section 2.** There shall be no duplication or pyramiding of overtime payments.

**Section 3.** To the greatest extent possible overtime will be equalized among qualified volunteers in order of seniority.

**Section 4.** Any employee who is scheduled to work an overtime day and reports to work as scheduled and there is no longer work available shall be compensated with a minimum of three (3) hours overtime pay.

**Section 5.** Any full time employee who is scheduled to work a normal eight (8) hour workday and there is no longer work available, shall be paid a minimum of three (3) hours pay at their hourly rate of pay.

**Section 6.** Overtime requests shall be posted on official company bulletin boards not later than 24 hours of the day preceding the overtime day, except in cases of unforeseen circumstances.

If employees are required to work the overtime, the Company shall first ask for volunteers starting with the most senior qualified employees. If unable to get enough volunteers the least senior qualified employee shall work the required overtime.

Once the least senior qualified employee has been drafted for overtime, he shall not be drafted for overtime again until each successive senior qualified employee has been drafted.

Employees may be excused from the draft procedure for bona fide reasons; however, no employee will be excused from such overtime more than two (2) consecutive times.

## ARTICLE 21 Paid Time-Off (PTO)

**Section 1.** The PTO year for eligibility and service credit shall be from employee's Company benefit date to Company benefit date. Upon ratification, for the purpose of application of this section the seniority date agreed upon by the Company and the Union will be used as the Company Benefit Date. Paid vacation will be awarded as follows:

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- a) An employee with one (1) year of service will be awarded 104 hours of PTO annually.
- b) An employee with more than five (5) years of service will be awarded 144 hours of PTO annually.
- c) An employee with seventeen (17) or more years of service will be awarded 184 hours of PTO annually.
- d) There will be no pay in lieu of time off for PTO except in cases of extenuating circumstances where an employees PTO requests have been denied for business operations/circumstances. PTO shall be paid at the employees' current rate of pay, inclusive of benefits, at the time the PTO is taken. The employee may choose to cash in the hours in full, inclusive of benefits. All PTO must be used within twelve (12) months of accrual.
- e) PTO time will be accrued and vested from the employee's start of work date at a rate of 1/26 of their entitlement each pay period and reflect the annual rate for each employee.
- f) Part-time employees will accrue PTO based upon hours worked utilizing the same accrual formula as full-time employees.

**Section 2.** PTO requests for vacation time shall normally be made in writing to an employee's supervisor fourteen (14) calendar days prior to the vacation start date. Except for extenuating circumstances in which the seven (7) day requirement will be waived. Employees shall be notified of their vacation request within five (5) days of submitting a request. The Company reserves the right to approve or deny vacation requests based on business operations. If an employee request is denied, the employee shall be notified as to the reason(s) why and be advised when their request can be accommodated. Once an employee's vacation is approved, neither party may alter the vacation without mutual consent from each party. Vacation may be used in increments of no less than four (4) hours unless approved by management. In the event that two or more employees submit vacation requests for the same period that cannot be reasonably accommodated, seniority shall be used as a determining factor.

**Section 3.** In the event the Government contract is not renewed or extended, or the employee resigns or is terminated, any earned/unused PTO leave shall be paid at the termination of employment at regular straight time rates.

**Section 4.** No medical evidence shall be required for any absence due to injury or sickness that doesn't exceed three (3) consecutive working days, unless there is evidence of abuse.

## ARTICLE 22 BEREAVEMENT

**Section 1.** In the event of death of an employee's immediate family, the employee shall be granted up to three (3) consecutive calendar day's bereavement leave with pay and may be granted further leave of choice for extenuating circumstances. Two (2) additional days of unpaid leave may be granted if out-of-town travel is required.

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**Section 2.** "Immediate family" shall be considered as follows: Spouse, children, stepchildren, brother, sister, father, mother, grandfather, grandmother, grandchildren, father-in-law, mother-in-law, sister-in-law, brother-in-law, daughter-in-law, and son-in-law or legal guardian.

**Section 3.** Employees may be required to give proof of attendance to services to include a note from clergy or funeral director, service bulletin or related print.

## ARTICLE 23 WAGE RATE SCHEDULE

**Section 1.** The wage rates, for all bargaining unit classifications, will be effective for the term of this Agreement. Employees shall be compensated at the wage rate for the highest classification of work being performed and at no time shall they be compensated at any rate below the classification that they are normally assigned. Straight time hourly wage rates will be increased annually as designated below. These increases will be effective on the dates indicated in this Agreement.

		10% 8/1/2008	3% 8/1/2009	3% 8/1/2010
Material Handler	\$ 9.47	\$ 10.42	\$ 10.73	\$ 11.05
Warehouse Specialist	\$ 11.13	\$ 12.24	\$ 12.61	\$ 12.99
Warehouse Specialist - AEMS	\$ 13.13	\$ 14.44	\$ 14.88	\$ 15.32
Truck Driver	\$ 14.11	\$ 15.52	\$ 15.99	\$ 16.47
Warehouse Lead	\$ 14.11	\$ 15.52	\$ 15.99	\$ 16.47
Production Control	\$ 16.47	\$ 18.12	\$ 18.66	\$ 19.22
Rigger	\$ 17.10	\$ 18.81	\$ 19.37	\$ 19.96
Hazmat/RAD	\$ 17.48	\$ 19.23	\$ 19.80	\$ 20.40
Maintenance	\$ 18.81	\$ 20.69	\$ 21.31	\$ 21.95
Crane Operator	\$ 21.15	\$ 23.27	\$ 23.96	\$ 24.68

Classification descriptions shall follow those established by the U.S. Department of Labor for the Service Contract Act.

**Section 2. Lead Differential** Lead differential pay of one dollar (\$1.00) will be paid in addition to a lead employee(s) base hourly rate. A lead is defined as an employee who is required to assist the Supervisor in scheduling work, responsible for instructing and aiding a group of employees. The lead may be required to perform evaluations, assist the Supervisor in maintaining a smooth flow of work, and maintain records. The lead may temporarily be called upon to act on behalf of a Supervisor in cases of emergency or absence. The Company will assign the lead employee(s) in accordance with the promotion provisions of the Agreement.

**Section 3. Call Back** If an employee has left the worksite at the end of their scheduled shift and is called back for work, they shall receive a minimum of two (2) hours pay for returning to work.

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## ARTICLE 24 INSURANCE

The Company will provide a benefit as found below for all hours paid, to be used by employees to purchase health and welfare benefits. Any unused monies will remain with the employee, unless otherwise required by law. All issues such as eligibility, enrollment, and claims will be as specified in the plan documents. Employees may use some or all of their pay to purchase health and welfare benefits. Employees eligible for health and welfare benefits may choose to opt out of the company benefits plan, in part or in total, with proof of Tricare supplemental or other group coverage and shall receive the balance paid monthly as a deposit to their payroll. Employees who are not eligible to purchase health and welfare benefits will receive the fringe payment with their regular scheduled payroll.

<u>8/1/2008</u>	<u>8/1/2009</u>	<u>8/1/2010</u>
\$3.16	\$3.16	\$3.16

## ARTICLE 25 TRAVEL

**Section 1.** Employees will be paid in accordance with a) and b) below when they are required to travel more than 25 miles from the normal work place to perform duties for the Company.

a) An employee, while on travel status, will be paid for:

- 1) All actual work time when such work has been assigned and approved in advance; and
- 2) Actual travel time by any conveyance; provided, however, that hours paid under 1) and 2) of this paragraph shall not be duplicative.
- 3) Mileage reimbursement for the use of a personal vehicle as specified by IRS publications or other applicable regulations.

b) On the days of travel to and from a temporary work site, the travel time shall commence when the employee departs home/hotel and ceases when the employee reaches home/hotel. Should travel be necessary outside an employee's normal daily work shift, the employee shall be paid in accordance with overtime rules as though they were at their normal duty location.

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## ARTICLE 26 MISCELLANEOUS PROVISIONS

**Section 1. Safety** The Company and the Union recognize the importance of safety in the workplace. The parties agree to establish a joint Safety committee to address safety concerns of the worksite consisting of bargaining unit employees and non-bargaining unit employees. At no time shall such committee be in or cause a violation of any other part of this agreement.

The Company shall provide to each bargaining unit employee such PPE as required for the site. The Company will pay up to \$85.00 for safety shoes in November of each year for all bargaining unit employees. Within one (1) week of purchase, employees will be required to turn in the original receipt for the purchase of safety shoes to the Business Office for tracking purposes.

Employees will be required to comply with all safety rules, and failure to do so may result in discipline up to and including discharge. The Company agrees to request from the customer any repairs or changes to the workplace if it is not in compliance with applicable safety standards.

**Section 2. Change of Address** Employees are responsible for notifying the Company of their proper mailing address and current telephone number. Laid off employees are also responsible for notifying the Company of their proper mailing address and current telephone number to maintain recall rights. The Company shall be entitled to rely upon its records and shall be held harmless for any action that may arise out of said reliance.

**Section 3. Bulletin Board** The Company shall provide bulletin boards located in warehouse 159 (break area) and 147 (outside Project Management office) and 148 (entry way at door outside of AEMS office). The bulletin board space will be used by the Union solely for the purpose of conveying official information from the Union to bargaining unit employees.

**Section 4. Bargaining Unit Work** Non-bargaining unit employees in job classifications not covered by this Agreement shall not perform work typically performed by employees in the bargaining unit, except in cases of training or emergency. The term "Emergency" is defined to mean an unforeseen combination of circumstances. This Article shall not be construed to prevent employees outside the bargaining unit from performing work normally within their regular duties. The Company agrees that none of the circumstances as listed above will cause a part-time or full-time bargaining unit employee to be laid off or displaced, or excluded from overtime.

**Section 5. Training** Employees shall be provided with the opportunity to receive On the Job Training in order to aid in their advancement potential within the company at the site.

**Section 6. Tools** The Employer agrees to furnish all specialized and expendable tools. The employer further agrees that the tool requirements for each bargaining unit employee will be the minimum considered necessary to perform the normal duties of his/her job rating.

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## ARTICLE 27 EFFECT OF LAW

In the event that now, or hereafter, there is any State or Federal law or any directive, order, rule, or regulations made pursuant thereto, which is in conflict with any provision of this agreement, it is mutually agreed that within thirty (30) calendar days after such provision or provisions become unlawful, the parties shall meet to discuss a modification of such provision or provisions to comply with the law. Any mutually agreed upon modification(s) or change(s) to this Agreement brought about by the above negotiations shall be in writing and signed by the parties. In all other respects the provisions of this Agreement shall continue in full force and effect for the duration of this Agreement.

## ARTICLE 28 SUCCESSORS AND ASSIGNS

The Agreement shall be binding upon and shall inure of the parties hereto, their successors, administrators, executors and assigns until its expiration, or until it is changed by mutual agreement of the parties. It is the expressed intent of the parties that the agreement shall remain in effect for its full term. In the event the Company ceases to perform on the contract as identified in Article 1, the Company shall be released from all future obligations on the project(s) so affected under this Agreement.

## ARTICLE 29 TERM AND NOTICE OF CHANGE OR TERMINATION

This Agreement shall be effective and shall continue in full force and effect through **December 31, 2010** and therefore be automatically renewed from year to year; unless the party desiring termination or modification of the agreement serves written notice, by certified mail, upon the other party at least ninety (90) days prior to the expiration date of the agreement as it may be extended or renewed.

In witness whereof, the parties have caused this Agreement to be executed by their authorized Representatives on this 23<sup>rd</sup> day of April 2008.

## ARTICLE 30 PUBLICIZING THE AGREEMENT

**Section 1.** Within ninety (90) days following the effective date of this agreement, the Union Steward will reproduce and distribute a copy of the agreement to all bargaining unit employees currently assigned to the unit.

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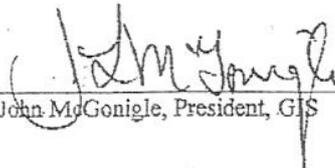
**Section 2** As a part of their orientation, new bargaining unit employees hired in a position will be provided a copy of the agreement and advised of the contractual relationship between the Company and the Union. Newly hired employees will be introduced to the steward of the shop to which they are assigned within thirty (30) days.

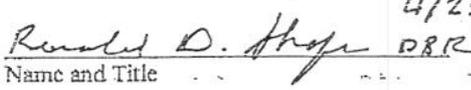
**Section 3.** The Company shall inform all newly hired employees of the "Agency Shop Clause" during employee orientation. The Company shall also allow the Union to participate in new employee orientation and make its presentation to new employees within fifteen (15) calendar days of the employee's hire date during working hours.

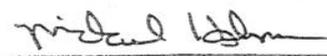
**Section 4.** The Union will provide copies of the Agreement to any new bargaining unit employee.

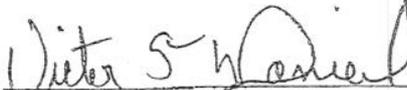
**GENCO Infrastructure Solutions, Inc.**

**International Association of  
Machinists and Aerospace Workers,  
District Lodge 110, Local Lodge 1859**

  
\_\_\_\_\_  
John McGonigle, President, GIS

 4/23/08  
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Name and Title

  
\_\_\_\_\_  
Michael Holmes, Site Manager, DDCN

  
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Name and Title

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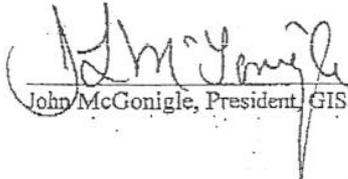
Memorandum of Understanding  
Number 1

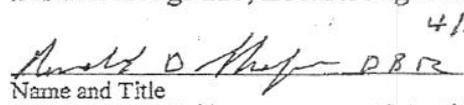
Lead Pay

The company and the union agree that the lead differential should be \$1.00 per hour over the highest classification that they lead. However, both parties agree that the current leads shall be grandfathered at their current rates.

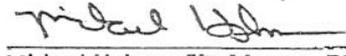
**GENCO Infrastructure Solutions, Inc.**

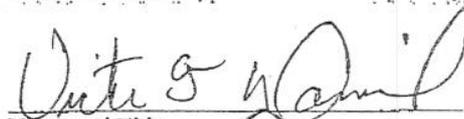
**International Association of  
Machinists and Aerospace Workers,  
District Lodge 110, Local Lodge 2296**

  
\_\_\_\_\_  
John McGonigle, President, GIS

  
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Name and Title

4/23/08

  
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Michael Holmes, Site Manager, DDCN

  
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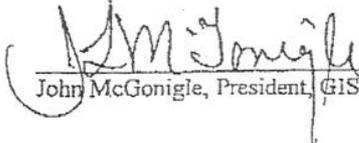
## Memorandum of Understanding Number 2

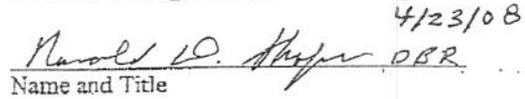
### Economics

The company and the union agree that all Articles of this CBA that reflect an economic increase to GENCO's operations will not become effective until August 1, 2008. All non-economics will become effective on the date of ratification by the union.

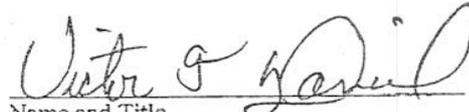
**GENCO Infrastructure Solutions, Inc.**

**International Association of  
Machinists and Aerospace Workers,  
District Lodge 110, Local Lodge 2296**

  
John McGonigle, President, GIS

 4/23/08  
Name and Title DBR

  
Michael Holmes, Site Manager, DDCN

  
Name and Title

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Name and Title

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