

3/27/2015

Collective Bargaining Agreement

Bel Air, MD



UWUA, Local 537 and Maryland American Water

Agreement

Between

**Maryland American Water
Bel Air, MD**

and

**Utility Workers Union of America,
AFL-CIO**

Local Union 537

2015- 2018

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MARYLAND-AMERICAN WATER COMPANY
UNION CONTRACT 2015 – 2018

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CONTRACT

CONTRACT made and entered into as of the 27th day of March 2015 by and between MARYLAND-AMERICAN WATER COMPANY, and its successors in corporate existence, party of the first part, hereinafter usually referred to as the "Company", and SYSTEM LOCAL UNION NO. 537, UTILITY WORKERS UNION OF AMERICA, affiliated with the A.F.L.-C.I.O, party of the second part, hereinafter usually referred to as the "Union" acting for itself and as the representative of employees of the Company in the Bargaining Unit.

WITNESSETH

The Company and the Union, in consideration of the obligations hereinafter set forth by each of the parties to be kept and performed, do hereby agree as follows:

Legal Provision: If any part of this Agreement or any application thereof shall be rendered or declared invalid because of any law, regulation, order or decree of any court or board, then only that part, provision or application rendered or declared invalid shall be considered null and void, and the remainder of this Agreement shall remain in full force and effect according to its original terms; provided, however, that in such event, the parties agree to negotiate in good faith for such modified provisions as will most closely and lawfully effectuate the original intentions of the parties.

SECTION 1 (A) Recognition and Representation

The Union is hereby recognized and accepted by the Company as the sole and executive agency for all the employees of the Company except employees engaged as office workers, clerical workers, foreperson, assistant foreperson, supervisors or executives, and the Company agrees that it will negotiate with accredited representatives of the Union as the representative of employees of the Company in the Bargaining Unit represented.

(B) Management Rights

The Company shall have the right to hire, promote, transfer, discipline and discharge employees for cause, supervise, manage, maintain efficiency of employees, direct and control the work force, its property and operations and shall have the right to determine how many employees it will employ or retain in various capacities, and the size and composition of working forces and to determine and control the location of plants, and the means, methods and processes of operation or production and all other additional rights and authority which the Company had prior to the signing of this agreement. It is the intention of the parties that this section shall not alter or supersede other provisions of this Agreement specifically covering any matter. It is also the intention of the parties that nothing herein contained shall serve to deny, or constitute a waiver of the right of the Company to exercise other normal functions or Management, not enumerated herein.

SECTION 2 No Strike or Lockout

In furtherance of harmonious relations among employees, the management and the public, it is mutually agreed by the parties hereto that there shall be no lockout, strike, work stoppage or intentional slowdown during the term of this agreement. However, there shall be no liability on

the part of the Union for any strike, work stoppage or intentional slowdown when such strike, work stoppage or intentional slowdown is not authorized by the Union, and when in addition duly authorized officers of the Local Union shall within five (5) hours after notification by the Company sign and cause to be posted in prominent places within the offices or plant of the Water Company a notice that the strike, work stoppage or intentional slowdown was not authorized by the Local Union and directing all employees to return to their respective jobs promptly or to cease any action which may adversely affect any operation of the Company. The Company shall have authority to discipline any employee(s) engaged in any unauthorized strike, work stoppage or intentional slowdown, subject to the Union's right to present a grievance as outlined in this Contract.

SECTION 3 Adjustment Procedures

In recognition of the fact that the Company and its employees represented by the Union have a mutual responsibility to the public which requires that disagreements arising between the employees and the management be settled in an orderly way without interruption to water service, it is agreed that differences which may arise between the employees and the management of the nature of those mentioned in the various sections of this paragraph below shall be adjusted in accordance with the provisions of the succeeding sections of this paragraph.

Disagreement Arising Under Contract

Any disagreement, dispute or grievance, which shall arise between the Union or the employees and the Company with respect to the interpretation or application of any of the terms or provisions of this Contract, shall be, during the term of this contract, settled by the following procedure:

- (A) Such disagreement, dispute or grievance with respect to the interpretation or application of any of the terms or provisions of this Contract shall (1) normally be adjusted by direct contact between the employee and his/her immediate superior or through a Union representative. Where such disagreements, disputes or grievances cannot be adjusted in that normal way, they may be taken up by the employee or Union representative, and the Supervisor/Operation Manager in writing. Such written grievance shall be submitted no more than 10 working days after the dispute. The Supervisor/Operations Manager will have 10 working days to respond to the Union. If still not adjusted, the matter shall be submitted to the Labor Relations Manager or Human Resource representative, who will respond to the Union within 10 working days. If not resolved, either party may pursue arbitration as provided in the next paragraph of this Section.
- (B) Any grievance which remains unsettled after being fully processed pursuant to the applicable steps provided for above may be submitted to arbitration before a single neutral arbitrator upon written request of either the Union or the Company. The demand for arbitration shall be filed with the Federal Mediation and Conciliation Service within *thirty* (30) calendar days from the date of the Union's receipt of the Company's response to the third step grievance meeting. An arbitrator shall be selected by the Union and the Company by alternately striking names from a panel of seven (7) names supplied by the Federal Mediation and Conciliation Service (FMCS) within ten (10) days after the receipt of said panel unless otherwise agreed by the parties. Each party may reject one, but not more than one, panel of arbitrators. The arbitrator shall meet with all reasonable dispatch and shall as

promptly as possible render a decision upon the matter(s) submitted to him/her, and such decision shall be final and binding upon both parties to the Contract. Any applicable valid rules, regulations or laws concerning arbitration procedure or the constitution or jurisdiction of the arbitrator, or concerning the final and binding effect of arbitration awards shall be understood as being incorporated herein, and any such valid rule, regulation or law contrary to, or inconsistent with, such provisions of this Section shall be understood as controlling. Each party to the Contract shall bear half of the expenses of the arbitrator. It is expressly understood that the time limitations set forth in this agreement are of the essence and may only be waived in writing signed by a representative of each of the parties. In the event that the Company fails to comply with any time limitations hereunder, the grievance as submitted shall be deemed to have been granted. If the Union or the Employee fails to comply with any time limitations hereunder, the grievance shall be deemed to have been withdrawn.

- (C) When an employee has been suspended or discharged by the Company for cause, the Union may within five (5) days of such suspension or discharge appeal by filing a written grievance to be settled in accordance with Section 3. If an employee is found to have been unjustly suspended or discharged, he/she shall be returned to work with full seniority and compensation for all scheduled time lost.

SECTION 4 Deduction of Dues

The Company agrees to deduct from the wages of employees dues payable to the Union, provided the Company has been authorized to do so by a majority vote of all the employees in the Union taken by secret ballot and has received the written authorization from each employee whose wages are affected. The Financial Secretary of the Union shall notify the Company in writing of any change in the amount to be withheld by the Company from the pay due each member of the Union.

SECTION 5 Union Security

The Company agrees that as a condition of employment all employees in the Bargaining Unit as of the effective date of this Contract who are not members of the Union shall become members of the Union not later than thirty (30) days after said effective date of the Contract. All new employees shall be required to become members of the Union after thirty (30) days from the date of employment. All employees who are or who become members of the Union shall remain members in good standing for the duration of this agreement.

SECTION 6 No Discrimination

The Company agrees that there shall be no interference with the right of employees covered by the terms of this Contract to become members of the Union, and that there shall be no discrimination by the Company or its agents against any employee because of his membership in the Union.

It is the policy of the Company to provide equal opportunities to qualified individuals without regard to race, religion, color, national origin, ancestry, disability, marital status, age, sexual orientation, military or veteran status, gender, gender identity or expression, or any other

characteristics prohibited by law.

SECTION 7 Selection of Employees by Company

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

SECTION 8 Observance of Company Rules

The Company shall have the right at any time to adopt and put into effect reasonable rules and regulations not in conflict with this Contract.

The Union agrees that its officers and members will comply with the Company's rules and regulations relating to safety, economy, continuity of service and efficiency in service to the public. Such rules shall be posted in each department where they may be read by all employees. Any disciplinary action by the Company to which objection is raised by the Union will be subject to the grievance procedure in Section 3.

No employee shall be disciplined for any reason for which another employee is not impartially disciplined.

No disciplinary measures, including discharge, will be imposed except for just cause.

SECTION 9 Union Business

The Union and employees agree that there will be no solicitation, interference with, restraint or coercion of, the Company's employees on the Company's premises or during working hours. However, any authorized representative of the Union, upon permission obtained from the Company's Manager, shall be allowed the right of ingress to, or egress from, the Company's premises during working hours for the purpose of conferring with any employee who is a member of the Union.

For negotiations, the Company will pay the wages of two (2) members of the negotiating committee during their attendance at negotiation sessions with the Company. The Union shall notify the Company prior to the beginning of negotiations of the names of the two (2) employees who will be entitled to reimbursement for wages for attending the negotiating sessions. The two Union members will consist of two (2) representatives of one (1) member from Production and one (1) member from Distribution.

SECTION 10 No Subterfuge

The Union and the Company will not engage in subterfuge for the purpose of defeating or abating the provisions of this agreement.

SECTION 11 Seniority

It is mutually understood and agreed by all parties hereto that because of the Company's responsibility, hereinbefore mentioned, the management must, and shall be, the primary judge of

any employee's qualification for promotion. However, it is understood and agreed that in all cases of promotion, increase, decrease or transfer of employees within the scope of this Contract, length of continuous service and ability to perform the work to be done shall be considered. Where ability to perform work is equal, length of continuous service shall govern.

It is agreed between the parties that seniority rights shall not exist until after one-hundred and twenty (120) days' continuous employment by the Company. However, after one-hundred and twenty (120) days' continuous employment, seniority rights shall revert to and be considered to have been in full force and effect from the beginning of the one-hundred and twenty (120) days' continuous employment period.

It is agreed between the parties that an employee shall lose his/her seniority under the following circumstances:

1. Voluntary termination of his employment;
2. Discharge for cause;
3. Upon failure to return to work, when recalled after layoff, within a period of seventy-two (72) hours after notice by registered or certified mail has been received or refused by the employee as evidenced by the return receipt. Said notice shall be mailed to the employee's last known address.
4. When layoff exceeds the following periods:

<u>If Accrued Seniority Is</u>	<u>Seniority Shall Be Lost After Layoff Exceeding:</u>
Less than six months	One month
Six months but less than one year	Three months
One year but less than two years	Six months
Two years or more	One year

Seniority shall not accumulate during periods of layoff.

When management has approved the filling of a job vacancy, a position vacancy will be posted within one week, at places accessible to employees affected and shall remain posted for a period of five (5) working days within which time applicants eligible and desiring to fill such vacancy shall apply in writing to the official of the Company designated in the notice. Such notice shall set forth the title and position to be filled, hours of work, days of relief, rate of pay and outline of duties. Within five (5) working days after the expiration of the posting period the Company shall have assigned the accepted applicant to such vacancy or newly created position. The decision to apply or not to apply for promotion or transfer to an existing position or a newly created position is entirely within the employee's own option.

Any employee assigned to a new position shall have thirty (30) days in which to demonstrate his/her qualifications to perform the duties of that position. If he/she is unable to qualify, he/she may return to the position from which he/she came without loss of seniority.

Any person hired, awarded or assigned to the Plant Operator's or Head Plant Operator's classification must demonstrate his or her ability to be certified under the Code of Maryland Regulations 26.06.01 for Water Works and Waste System Operators. The person employed as such must achieve Class IV Operator Certification within four (4) years (three years experience

required) and maintain it thereafter. If the said employee does not receive certification within in the above specified time period and does not maintain that certification, he or she shall be removed from the position and given the opportunity to bump in accordance with his or her seniority into another classification, if applicable. Should any regulations require more stringent certification standards in the future, those standards will automatically be adopted by the Company and accepted by the Union.

Any person hired or awarded to the Relief/Utility Worker's classification must demonstrate his or her ability to be certified under the Code of Maryland Regulations 26.06.01 for Water Works and Waste System Operators. The person employed as such must achieve and maintain whatever requirements established by Maryland Department of the Environment for the Class IV Operator Certification within four (4) years (three years experience required). The duties of this classification will include Relief Operator of the water treatment facility. When the employee is not performing relief duties at the water treatment facility, the employee shall assume the duties of a Utility Worker in the Company Distribution/Commercial Department. If the said employee does not receive certification within the above specified time period, he or she shall be removed from the position and given the opportunity to bump in accordance with his or her seniority into another classification, if applicable.

Seniority shall be Company-wide.

The Company reserves the right to temporarily fill any vacancy pending the operation of the procedure described hereinbefore. An employee will be classified as temporary for a period of no more than one-hundred and twenty (120) days. Temporary employees will not be eligible for group insurance, retirement, sick leave or any other benefit entitlement of a regular employee.

SECTION 12 Leaves of Absence

Employees shall be granted leaves of absence for good cause for a period of not more than ninety (90) days without prejudice to seniority or other rights. All leaves of absence shall be requested and issued in writing and shall state the conditions under which such leaves are granted.

SECTION 13 Service in the Armed Forces

Both parties agree to abide by and comply with all applicable Federal and State laws, rules and regulations applying to the reinstatement of employees who enter the Armed Forces of the United States or the United States Merchant Marines.

SECTION 14 Wages and Hours

A schedule setting for the wage rates, hours and related items for the various classifications and occupations covered by this agreement is hereby accepted by the parties hereto and is marked Exhibit A and made a part thereof.

SECTION 15 Premium Pay

1. Overtime

(A) Non-Shift Employees

1. One and one-half (1-1/2) times the regular hourly rate shall be paid for:
 - a. All hours worked on Saturday.
 - b. All hours worked in excess of forty (40) in any on work week.
 - c. All hours worked in excess of eight (8) in any one day.
 - d. All hours worked between the hours of 8:00 p.m. and 6:00 a.m.

Work schedules will be posted by Friday for the next week. Shift differential will be paid for shift beginning after 9:30 a.m. for work after 4:00 p.m.

2. Two (2) times the regular hourly rate shall be paid for all hours worked on 2nd day off.

(B) Shift Employees

1. One and one-fourth (1-1/4) times the regular hourly rate shall be paid for all hours worked on Sunday, except when qualified for other premium pay.
2. One and one-half (1-1/2) times the regular hourly rate shall be paid for:
 - a. All hours worked in excess of forty (40) in any one work week.
 - b. All hours worked in excess of eight (8) in any one (1) day.
 - c. All hours worked on first day off, provided, however, that the employee was paid, under the terms of the Contract, for the five (5) previous work days of employee's regularly scheduled work week.
3. Two (2) times the regular hourly rate shall be paid for all hours worked on the second day of any employees regularly scheduled days off in any work week.
4. No daily overtime shall be paid when employees are changing from one shift to another, or when employees at their own request are working extra time in order to be excused during regular shifts. Employees may be allowed to change shifts by mutual agreement, subject to the approval of the Company, and may work overtime without overtime pay when such overtime is for the convenience of the employee and not the Company, provided such arrangement shall not be in violation of any applicable Federal or State laws, rules or regulations.

(C) No employee shall be paid daily and weekly overtime for the same hours worked.

(D) Time for which overtime rates are paid under any provision of this agreement shall not be counted in determining eligibility for overtime under any other provision.

(E) Extended Overtime

1. An employee shall not be required to take time off during his/her scheduled working hours for overtime worked or to be worked, unless, in emergencies, he/she is required to work overtime to such an extent as to be unable to obtain sufficient rest before the start of his/her regular working period.
2. The Company agrees that when any employee remains at work after completion of his regular work day, he/she shall be entitled to meal allowance at the following intervals:

One (1) meal at the end of the first two (2) hours of overtime.

One (1) meal at the end of each five (5) hour interval thereafter during such overtime work.
3. The Company agrees that when an employee is called out after leaving for the day, or is called out on his/her days off (except with prior notice), he/she shall be entitled to meal allowance at the following intervals:

One (1) meal at the end of the first four (4) hours of call-out time, or at his/her next regular eating time, whichever is earlier, and at five (5) hour intervals thereafter during such overtime work.
4. The meal allowance provided in this section is fixed at \$7.00. The meal allowance will be included in the employee's normal bi-weekly paycheck.
5. Whenever an employee has been required by the Company to work in excess of sixteen (16) hours, within a 24 hour period, the employee shall be entitled to an eight (8) hour rest period before returning to work. If the rest period extends into the employee's regular scheduled shift, the employee shall be excused with pay at the straight time rate for that part of the regular scheduled shift necessary to make up eight hours rest period. If the employee works hours related to his or her rest period, the hours worked during the rest period will be paid at a rate of two times the regular rate of pay.

2. Holidays

The following holidays will be recognized for the purpose set forth in the subsequent paragraphs of this Section:

New Years Day

Labor Day

President's Day
Good Friday
Memorial Day
Independence Day

Thanksgiving Day
Day After Thanksgiving Day
Christmas Eve Day
Christmas Day

The Company agrees to grant such regular employee two (2) personal holidays (other than a scheduled holiday as set forth in this Contract) with pay for eight (8) hours at his/her regular hourly rate for each, and said employee will request said personal holidays off at least one (1) week in advance, thus to permit the Company to schedule its work program. The Company reserves the right to limit the number of employees absent at one time.

When any holiday falls on Saturday, it will be observed on the preceding Friday, and when any holiday falls on Sunday, it will be observed on the following Monday.

- (A) When not required to work on any of the foregoing holidays, every regular employee covered by this Contract shall be paid a holiday bonus equal to eight (8) hours at his/her regular hourly rate which, in the case of a shift employee, shall be construed to mean the rate applicable to the day-time shift.
- (B) Each non-shift employee will normally not be required to work on any of the foregoing holidays, but when required to work, will be paid the holiday bonus described in the immediately preceding paragraph in addition to one and one-half (1-1/2) times his/her regular hourly rate during all hours which would otherwise be normal working hours, and two (2) times the regular hourly rate for all other hours worked that day.
- (C) Each shift employee will normally be required to work when any holiday falls on one of his/her regularly scheduled work days. When so required to work, he/she will be paid the holiday bonus described in paragraph (1) and in addition, he/she will be paid at one and one-half (1-1/2) times his/her regular hourly rate for the first eight (8) hours worked and two (2) times his/her regular hourly rate for all other hours worked that day.
- (D) When a holiday occurs on a scheduled working day during a vacation period, all regular employees covered by this Contract shall be allowed an extra day's vacation to be taken at such time as work requirements will permit or, at the option of the employee, shall receive an extra normal day's pay at regular hourly rates.

SECTION I6 Other Terms of Employment

Probationary Period

Any new employee after one hundred and twenty (120) work days of continuous employment shall thereafter be entitled to all the benefits with respect to holidays and sick leave specifically granted by this Contract to "regular employees."

Jury Duty and Death in Family

The Company guarantees normal pay to employees on jury duty by paying the difference between normal pay and the amount received for jury duty.

Regular employees shall be granted a maximum of four (4) days' absence with pay in the event of death of father, mother, brother, sister, spouse, child, step-child, mother-in-law, father-in-law, grandparent, grandchild, brother-in-law or sister-in-law.

Regular employees shall be granted a maximum of one (1) days' absence with pay for the purpose of attending the funeral of their step-mother, step-father, step-brother, step-sister, aunt, or uncle.

It is agreed, however, that where distance permits, employees will return to work on the day following the funeral.

Temporary Transfer

If regular employees are temporarily transferred from the department in which they employee regularly to another department paying a lower wage, there shall be no reduction in wages; and if employees are temporarily transferred to other jobs or departments paying a higher hourly rate, they shall receive such higher rates while so employed.

Call-Out Pay

Employees called out to perform short time duties shall receive a minimum time allowance of three (3) hours.

Minimum Time and Guaranteed Work Week

Employees engaged in classes of work specified in Exhibit A, non-shift employees, who commence work and who are obliged to stop work during the day for any reason will be paid one-half (1/2) of one (1) day's wages if they are forced to stop during the forenoon; or a full day's wages will be paid if they are forced to stop work during the afternoon.

All regular employees who commence work on the first day of any regular work week as established for his/her particular job, shall be guaranteed forty (40) hours of work, provided the employee is at all times, during that work week, available for work.

Inclement Weather

Except in cases of emergency, employees shall not be required to work in weather so inclement as to jeopardize their health or cause extreme discomfort. It is the intent of both parties to work together in applying this rule in a reasonable manner.

Clothing

All employees must wear proper clothing as deemed appropriate for their job. The Company will provide six (6) pairs of work pants, including blue jeans that are listed in American Water Uniform Vendor's catalog as provided to the employees, and six (6) work shirts per contract year. Half of the work pants and work shirts shall be provided in April and the remaining half shall be provided in October. Employees will receive a jacket and coveralls as needed.

Safety shoes will be worn by all employees covered by this agreement and these shoes will meet the current OSHA standards. All safety shoe purchases will be made by the employees, and the style to be purchased will be approved by the Company. These purchases will not be made while on Company time. Employees will receive \$175.00 per year for the purchase of safety shoes. This payment will be made with the last pay in January of each year. The company may require a receipt proving shoes were actually purchased.

Education Expenses

The Company agrees to advance employees for expenses incurred for continuing education unit courses required for recertification subject to the terms and conditions of the Corporate Tuition Assistance Policy. Courses and programs outside of the recertification requirements will be advanced or reimbursed per the corporate Tuition Assistance Policy.

SECTION 17 Work by Supervisors

Except in cases of emergency, the Company agrees that a foreperson, superintendent, supervisor or executive in charge shall not perform any work covered by employees in Exhibit A which normally is performed by the employees under their supervision other than to demonstrate how they desire the work to be done.

SECTION 18 Contracting of Work

The company agrees that no regular employee shall be laid off, or no regular employee who is laid off shall remain off, while any of the following work is being done by outside contractors:

1. Installation of service lines.
2. Installation of fire hydrants on existing mains.
3. Main line connections to existing mains.
4. Maintenance of existing distribution systems.

Except this section shall be inoperative if:

- (a) In an emergency the Company makes a bona fide effort to call employees to work and cannot reach them.
- (b) Excavating or other mechanical equipment not owned by the Company must be hired, together with the operator of such equipment.

SECTION 19 Vacation

The vacation year shall, in all cases, be the calendar year beginning January 1 and ending

December 31. Entitlement to vacation is earned both through the accumulation of service with the company during periods prior to the calendar year and through service to the Company during the current year as further defined below.

- (A) Each employee who has completed twenty-two (22) years or more in service of the Company shall be entitled to five weeks' vacation within each calendar year.
- (B) Each employee who has completed fourteen (14) years or more in the service of the Company shall be entitled to four (4) weeks' vacation within each calendar year
- (C) Each employee who has completed seven (7) years or more in the service of the Company shall be entitled to three (3) weeks' vacation within each calendar year.
- (D) Each employee who has completed six (6) months but less than seven (7) years of service shall be entitled to one day's vacation for each two (2) months of service up to a maximum vacation of two (2) weeks within each calendar year.
- (E) For each full week of vacation to which an employee is entitled he/she shall be paid an amount equal to his/her normal weekly wage. For vacations of less than one (1) week, the employee shall be paid for each day of such vacation an amount equal to eight (8) times his/her regular basic hourly rate of pay.
- (F) The Company agrees that the employees' wishes will be considered in setting up the vacation schedule and, wherever possible to do so without interfering with the orderly and continuous operation of the plant, employees shall be permitted to take their vacations at the times desired by them, subject to management having the right, to be reasonably exercised, to limit the number of employees approved for time off. When an employee requests vacation time, said request shall be deemed approved unless management disapproves the request by the earlier of five (5) calendar days after it is requested or five (5) calendar days prior to the commencement of the requested vacation. However, all earned and accrued vacation must be taken prior to retirement unless approved by the Company.
- (G) Employees entitled to vacation are allowed to take up to two (2) weeks of their allotted vacation in one (1) day increments, but the remaining vacation must be taken in one (1) week increments at a time. Five (5) calendar days notice will be required in advance of one (1) week of vacation or more, and with regard to vacation taken in one (1) day increments, after the first five (5) one (1) day increments are taken, five (5) calendar days notice will be required in advance for any further one (1) day increments.
- (H) The vacation to which an employee is entitled in any calendar year may be taken at any time during that year subject to the following conditions:
 - 1. The provisions of subparagraph F above.
 - 2. The right of the Company to deny an employee the privilege of taking any part of his/her vacation which is unearned at the time such vacation is scheduled.

3. The stipulation that any vacation to which an employee is entitled in any calendar year will be forfeited if not taken in that year, unless the failure of the employee to take his/her vacation is the result of specific request by Management. If any employee has been required by Management to forego all or any part of his/her vacation, and substitute periods cannot be arranged before December 31st, he/she shall be paid for each day of vacation so lost, an amount equal to eight (8) hours at his/her regular hourly rate. The Company, upon request of the employee, will pay him/her in advance for the period of his vacation.

(I) Upon termination of service for any cause other than retirement on pension, the employee shall be paid at the time such termination for all unused earned and pro rata accrued vacation then due. Pro rata accrued vacation will be determined based on the service performed prior to termination in the year in which employment is terminated.

SECTION 20 Pay Days - Direct Deposit Program

For pay days after January 1, 2002, all employees of the Company shall be paid every other Friday for work done during the two (2) week period ending at midnight of the preceding Sunday.

At the employee's option, the employee may participate in the Company's Direct Deposit program.

SECTION 21 Disability Benefits and Life Insurance

(A) Leaves of Absence for Sickness or Accident Disability

Except as provided in Section 21, employees will be granted leaves of absence for sickness and accident disability for the maximum periods shown below:

<u>Length of Service</u>	<u>Maximum Period of Leave of Absence</u>
Sixty (60) days but less than six (6) months	Six (6) weeks
Six (6) months but less than one (1) year	Twenty-eight (28) weeks
One (1) year but less than two (2) years	One (1) year
Two (2) years but less than five (5) years	Two (2) years
Five (5) years and over	Three (3) years

Upon receipt of competent medical certification that he/she is physically and mentally able to perform his/her duties without jeopardy to himself/herself or others, an employee who has been disabled by occupational accident or disease incurred in the course of his/her employment by the Company, and who has exceeded the maximum period of leave of absence applicable to his/her length of service at the date such disability commenced, shall be rehired in accordance with his/her accrued seniority at the time such leaves of absence terminated.

(B) Payment During Leaves of Absence for Sickness or Accident Disability

During periods of leave of absence for sickness or accident disability employees will be paid in the maximum amounts hereinafter set forth:

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

<u>Length of Service</u>	<u>Maximum Number of Weeks in any "Disability Year" in which Payments will be made by the Company</u>
At least six (6) months but less than one (1) year	One (1) week
Over one (1) year	One (1) week for each completed year of service with a minimum of two (2) weeks

1. If the employee is entitled to, in any given week, Weekly Sickness and Non-Occupational Accident Benefits under the Group Insurance Plan or Temporary Total Disability Benefits under the Maryland Workmen's Compensation Act, the payment by the Company in such week shall be limited to the difference between the employee's normal weekly earnings and the amount of such benefits.
2. The Company may require a suitable statement from the employee's physician, certifying to the disability or may elect to have a physician selected by it to examine the employee.
3. The employee's anniversary date of employment shall be used to determine the maximum benefits to which he/she is entitled.
4. Effective January 1, 2002, the "Disability Year" shall begin on January 1 of each year thereafter and end on December 31, provided that the employee is actively at work on December 31. If a period of disability continues beyond December 31, the employee shall continue to draw such pay from the Company until he/she has received the maximum number of weeks to which he/she would have been entitled to in the prior "Disability Year." He/She shall not then be entitled to further payments until he/she returns to active employment for at least one (1) day, nor shall he/she be entitled to further payments for the same or related disability until he/she has returned to active employment for two (2) weeks.
It is understood that these payments from the Compensation Carrier to be assigned to the Company include only weekly benefits for temporary disability.

(C) ALL EMPLOYEES – are required to contact the Company's Short Term Disability Provider if an absence is expected to last longer than five (5) consecutive work days to be certified for Disability Leave.

SECTION 22 – Group Insurance, Pension, and 401(k) Savings Plans

With respect to health, dental, prescription drug, life, voluntary life, employee assistance, flexible spending account and short-term disability benefits, as well as pension benefits provided through the Pension Plan for Employees of American Water Works Company, Inc. and Its Designated Subsidiaries and the 401(k) benefits provided through the Savings Plan for

Employees of American Water Works Company, Inc. and Its Designated Subsidiaries, the company and the union agree to the provisions of the American Water Works Benefits Negotiations Memorandum of Agreement that are in effect until July 31, 2010. The company and the union further agree to be bound by this Memorandum of Agreement, which is attached to this agreement. The aforementioned benefits shall not be subject to any local negotiations.

SECTION 23 Duration of Contract

This Contract shall be binding on the parties hereto, their successors and assigns, from March 27th, 2015 to October 31, 2018, both dates inclusive, and year to year thereafter unless at least sixty (60) days before October 31, 2018 or any succeeding October 31st, the Company or the Union serves written notice on the other party of its desire to change or terminate the Contract.

Signed this _____ day of _____, _____.

MARYLAND-AMERICAN WATER COMPANY

UTILITY WORKERS UNION OF AMERICA,
A.F.L. - C.I.O, SYSTEM LOCAL NO. 537.

***LOCAL NO. 527, UTILITY WORKERS
UNION OF AMERICAN, AFL-CIO***

By _____
Elizabeth V. Branch, HRBP

By _____
J. Kevin Booth, System President

By _____
Lauren S. Sufleta, Director of Operations

By _____
Jason P. DeCarlo, District President

By _____
William R. Walsh, President VA/MD AW

By _____
Greg R. Lanham, System Vice President

By _____
James L. Sray, Manager Labor Relations MAD

By _____
David A. Rowland, Recording Secretary

By _____
Michael D. Springer, HR Director MAD

By _____
Darla Opel, Treasurer

By _____
James Lewis, National Representative

Signatures On File

MARYLAND-AMERICAN WATER COMPANY

EXHIBIT A

SECTION 1 Wages and Hours - Non-Shift Employees

Position	<u>Regular Hourly Rate</u>				
	Effective 04/14/14	11/01/14	11/01/15	11/01/16	11/01/17
Working Leader	26.89	27.43	27.97	28.53	29.10
Utility Worker	26.07	26.60	27.13	27.67	28.22
Meter Reader and Service Person	26.07	26.60	27.13	27.67	28.22
Laborer*	25.51	26.02	26.54	27.07	27.61

*Laborers who have two (2) or more years of service will be re-classified as Utility Worker.

The normal work week for all employees performing classes of work in this section shall be forty (40) hours composed of five (5) 8-hour working days, Monday through Friday inclusive.

Monday through Friday, inclusive, for those days scheduled that shift starts after 9:30 a.m., a shift premium will be paid for hours worked after 4:00 p.m.

Effective	04/14/14	11/01/14	11/01/15	11/01/16	11/01/17
	0.50	0.50	0.50	0.50	0.50

All employees covered by this section who possess or acquire a State of Maryland water distribution license shall receive a premium of \$0.25 per hour. Distribution employees who have permanent State of Maryland Class IV license shall receive a premium of \$1.00 per hour for all hours worked. Such employees will be required to work in the plant as needed. The Company will provide distribution employees seeking a Maryland Class IV license operating time in the plant towards obtaining and maintaining said license. However, their primary job is in distribution. It is agreed that this language shall not be used to displace a bid plant operator.

SECTION 2 Wages and Hours - Shift Employees

Position	<u>Regular Hourly Rate</u>				
	Effective 04/14/14	11/01/14	11/01/15	11/01/16	11/01/17
Head Plant Operator	26.89	27.43	27.97	28.53	29.10
Plant Operator	26.07	26.60	27.13	27.67	28.22
Relief/Utility Worker	26.07	26.60	27.13	27.67	28.22

In addition to the foregoing hourly rates, employees performing classes of work in this section shall be paid the following shift premiums:

For all work done between 3:00 p.m. and 7:00 a.m.

Effective					
04/14/14	11/01/14	11/01/15	11/01/16	11/01/17	
0.50	0.50	0.50	0.50	0.50	

All employees covered by this section or who are filling one of the classifications described in this section who possess or acquire a State of Maryland Class IV or higher plant operator license shall receive a premium of \$1.00 per hour and all employees covered by this section or who are filling one of the classifications described in this section who possess or acquire a State of Maryland water distribution license shall receive a premium of \$0.25 per hour. However, no employee shall be paid for both licenses. If an employee covered by this section or filling one of the classifications described in this section possesses both licenses, he/she shall be paid a premium of \$1.00 per hour.

The normal work week for all employees performing the classes of work in this section shall be forty (40) hours composed of five (5) consecutive 8-hour days followed by two (2) consecutive days off.

Bonus Incentive

Recognizing the fact that the position of Plant Operator and Relief Operator requires certification by regulatory agencies, it is agreed by the Company and Union that any employee who receives a permanent Plant Operator's Certificate after October 1, 1989, issued by the State of Maryland Board of Waterworks and Waste Systems Operators or other agencies authorized to issue such certificates confirming his ability to operate a water plant, shall receive a one-time-only bonus of \$100.00.

SECTION 3 New Employees

All employees hired or rehired by the Company as referred to in Section 1 - Wages and Hours - Non-Shift Employees shall receive \$4.00 less per hour than the regular hourly rate of pay for all job classifications referred to in Section 1 held by such employees during their first year of employment with the Company, \$3.00 less during their second year of employment with the Company, \$2.00 less during their third year of employment with the Company, and \$1.00 less during their fourth year of employment with the Company. After the fourth year of employment, the hourly rate will be the same as wages set forth in Section I of Exhibit A. In the event that any such employee transfers to fill a permanent job vacancy as referred to in Section 2 - Wages and Hours - Shift Employees, such employee shall be subject to reduced wage rates, if applicable, based upon his Company seniority in accordance with the paragraph below.

All employees hired or rehired by the Company as referred to in Section 2 - Wages and Hours - Shift Employees shall receive \$2.00 less per hour than the regular hourly rate of pay for all job classifications referred to in Section 2 held by such employees during their first year of employment, and \$1.00 less during their second year of employment with the Company. After the second year of employment, the hourly rate will be the same as wages set forth in Section II of Exhibit A. In the event that any such employee transfers to fill a permanent job vacancy as referred to in Section 1 - Wages and Hours - Non-Shift Employees, such employee shall be subject to reduced wage rates, if applicable, based upon his/her Company seniority in accordance with the paragraph above.