

# LABOR AGREEMENT

UNITED TRANSPORTATION UNION  
LOCAL 1741

AND

LIDLAW EDUCATION SERVICES

AUGUST 1, 1999 - JULY 31, 2004

San Francisco Coach Cleaners, Yardmen, Tiremen  
and Lubrication Employees

A G R E E M E N T

BETWEEN

LIDLAW EDUCATION SERVICES

AND

UNITED TRANSPORTATION UNION

LOCAL 1741

COVERING

WAGES, RULES AND REGULATIONS

FOR

COACH CLEANERS, YARDMEN, TIREMEN AND

LUBRICATION EMPLOYEES

EFFECTIVE AUGUST 1, 1999 - JULY 31, 2004

SAN FRANCISCO DIVISION #307

T A B L E O F C O N T E N T S

ARTICLE NO.

PAGE NO.

9	DISCIPLINE . . . . .	5-7
26	DURATION OF AGREEMENT. . . . .	17
2	EXAMINATION . . . . .	3
15	FUNERAL LEAVE. . . . .	10
10	GRIEVANCE PROCEDURE. . . . .	8-9
3	HIRING . . . . .	3
14	JURY DUTY. . . . .	10
6	LEAVES OF ABSENCE. . . . .	4
20	MANAGEMENT'S RIGHTS. . . . .	12
23	NO IMPLIED WAIVER. . . . .	16
24	NON-DISCRIMINATION . . . . .	16
11	NO STRIKE - NO LOCKOUT . . . . .	9
21	NOTICE OF LAYOFF . . . . .	13
18	PAID HOLIDAYS. . . . .	12
8	PERSONNEL RECORDS. . . . .	5
	PREAMBLE . . . . .	1
17	RATES OF PAY . . . . .	11
	RECOGNITION. . . . .	1
5	REDUCTION IN FORCE . . . . .	4
25	SAFETY . . . . .	16
4	SENIORITY. . . . .	3
16	SEPARABILITY OF SECTIONS AND AMENDMENTS. . . . .	10-11
22	SICK LEAVE, LIFE INSURANCE, HEALTH COVERAGE . . . . .	13-16
13	SUPPLIES . . . . .	10
12	TOOL INSURANCE . . . . .	9
1	UNION MEMBERSHIP . . . . .	2
19	VACATIONS. . . . .	12
7	WORK WEEK. . . . .	4-5
	MEMORANDUM OF AGREEMENT - ARBITRATION . . . . .	17-19
	MEMORANDUM OF UNDERSTANDING . . . . .	20
	MEMORANDUM OF AGREEMENT - 401-K PLAN . . . . .	21-22
	COMPANY/UNION SIGNATURE BLOCK . . . . .	23-24

## PREAMBLE

The employee organization is affiliated as Local 1741 of the United Transportation Union. If, during the term of this Agreement, such employee organization wishes to change its affiliation, it may do so provided such change is effected in accordance with all relevant labor law and provided further that only one (1) such change in affiliation shall be permitted during the term of this Agreement.

This Agreement therefore is entered into by the employee organization of the bargaining unit referred to in this Agreement as Local 1741 affiliated with the United Transportation Union and Laidlaw Education Services, and its successors and assigns.

Laidlaw Education Services, agrees to recognize the United Transportation Union, Local 1741, as the duly designated and sole collective bargaining agent of all their Coach Cleaners, Yardmen, Tiremen and Lubrication Employees, for the purpose of collective bargaining with respect to wages, hours, and working conditions covered herein. The Company agrees to meet as mutually agreed upon with the duly elected and accredited officers and members of the Local Committee of Adjustments established in accordance with the Union's International Constitution on all questions related to this Agreement including all grievances and disputes and controversies arising between the Company and its Coach Cleaners, Yardmen, Tiremen and Lubrication Employees.

## RECOGNITION

Laidlaw Education Services agrees to recognize the United Transportation Union, Local 1741 as the duly designated and sole collective bargaining unit of the employees for the purpose of collective bargaining with respect to wages, hours and working conditions covered herein, and the Company agrees to meet with the duly accredited officers and committeemen of the Union on all questions related there to.

UNION MEMBERSHIP

ARTICLE 1.

Section 1. All the employees within the scope of this Agreement shall become members of the Union not later than the thirty-first (31st) day following the beginning of employment, or not later than the thirty-first (31st) day following the effective date of this contract whichever is later, and remain members in good standing as a condition precedent to continued employment with the Company.

Section 2. All new employees within the scope of this Agreement shall, after their probationary period of thirty (30) days, become members of the Union, and shall thereafter remain a member in good standing as a condition precedent to continued employment with the Company.

Section 3. The Company agrees to notify the Union having work jurisdiction along with other employment sources of job openings in any work classifications covered by this Agreement after job openings or apprenticeship have been posted for bid by current personnel. The Union may refer applicants for such job openings and the Company will not discriminate against any applicant referred by the Union.

Section 4. The Company shall not discharge or discriminate against an employee for any activity on behalf of the Union or any organization with which it is affiliated; for upholding Union principles, for serving on any committee of the Union or for performing any work with which the Union is concerned.

Section 5. The duly authorized representative of the Union may visit the establishment of the Company for the purpose of carrying out and enforcing the terms of this Agreement provided, however, that such activity on the part of the representative shall not interfere with the normal and regular operations. The Union shall notify the Company in writing of the names of the duly authorized Union representatives.

Section 6. Each employee shall be provided with a complete handbook of Company rules.

Section 7. Check Off: The Company agrees to check off all dues and assessments levied by the Union on its members, and will deduct from the employees wages, all dues and assessments and remit same to the Secretary Treasurer of the Local, provided that each employee must sign an authorization card requesting the Company to make such deductions.

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## EXAMINATION

### ARTICLE 2.

Section 1. Employees will not be required to bear the expense of any physical, medical or other examinations required by the Company. In the application of this section, the Company shall designate the examining physician.

## HIRING

### ARTICLE 3.

Section 1. All new employees shall be on a probationary period for thirty (30) days. Upon completion of the thirty (30) days probationary period, the employee shall be considered regularly employed. The first sixty (60) days the employee will be paid thirty cents (30¢) per hour less the regular rate of pay in his job classification.

Section 2. The Company reserves the right to terminate new employees at its discretion during the probationary period without being required to prove just cause.

## SENIORITY

### ARTICLE 4.

Section 1. The right to preference of work, shifts and assignments shall be governed by seniority. Subject to required qualifications and rules governing the type of service performed. The employee's right to shift preference by seniority shall be exercised only in June, September, December and the month in which Spring vacation occurs or when the Employer changes the proper complement in any class or any shift or when vacancies occur. The Company reserves the right to establish the proper complement of employees in any class or any shift.

Section 2. All employees covered by this Agreement entering the employ of the Company shall be placed on a probationary basis for a period of thirty (30) calendar days. During this probationary period, such persons shall not accrue seniority under the terms of this Agreement. If such employees are retained in employment after the probationary period specified above, their seniority will be retroactive from the date on which they were hired and began work.

Section 3. The Company shall post a current seniority roster every ninety (90) days. Any protest in seniority must be made within thirty (30) days from the date of posting, otherwise the roster shall be accepted as correct.

REDUCTION IN FORCE

ARTICLE 5.

Section 1. All employees will be given a two-week notice of layoff or pay in lieu thereof. In the event of change of more than one hour in the sign-on time, the Company will provide one week's notice, except in cases of emergencies and unforeseen operational needs. In the event of scheduled overtime, the Company will notify the employee by the end of the shift of the previous workday.

Section 2. When an employee is laid off, seniority shall accumulate and an employee on this status will be maintained on the seniority roster for one (1) year.

Section 3. Qualified employees will be recalled in seniority order until the last employee has been recalled.

LEAVES OF ABSENCE

ARTICLE 6.

Section 1. An employee shall be granted a leave of absence without loss of seniority. This will be limited to a maximum of three (3) months cumulative in any twelve (12) month period, provided the employee makes written application to the Company for such leave of absence.

Section 2. Leaves of absence due to sickness or disability will not be limited under this rule, nor will seniority be affected in such cases, an employee on leave due to sickness or disability must furnish the Company with a written Medical report at least every sixty (60) days, otherwise his/her leave will be subject to cancellation.

Section 3. The Employer and the Union agree to be bound by the Federal Family Medical Leave Act. The employee will be granted a leave of absence pursuant to the eligibility requirements provided in the Act.

WORK WEEK

ARTICLE 7.

Section 1. Weekly hours of service shall be forty (40) hours consisting of five (5) consecutive eight (8) hour days, except as mutually agreed between the employee and the Company. All times in excess of eight (8) hours per day or forty (40) hours per week shall be compensated at the rate of time and one-half the employee's regular rate of pay. All times worked in excess of twelve (12) hours in any one (1) day shall be paid at two (2) times the employee's regular rate of pay. All hours worked on Sunday shall be paid at two (2) times the employee's regular rate of pay. There shall be no pyramiding or duplication of overtime hours or pay. When called to work overtime on weekends, employees will be guaranteed a minimum of four (4) hours of work, or pay in lieu thereof.

ARTICLE 7, WORK WEEK (Continued)

Section 2. Employees called to work on their regular day or days off shall be paid time and one-half the regular rate of pay, with a minimum of eight (8) hours work. Any exception to Section 1 as mutually agreed upon by the Company and the employee shall be held exempt from this section.

Section 3. All employees under the scope of this Agreement shall be paid weekly.

PERSONNEL RECORDS

ARTICLE 8.

Section 1. Upon request by an employee, authorization will be granted for the employee, at a time convenient to the employee and the Company, to examine her/his personnel record.

Section 2. At the time an item is placed in an employee's file, regardless of its nature, the employee will be notified in writing that the item will be inserted in her/his personnel record. The employee will initial receipt of acknowledgement.

Section 3. Items in the employee's record more than one (1) year old shall not be used in grievance or disciplinary matters against the employee.

Section 4. Upon review of personnel records by an employee, an item not comprehensible to the employee will be explained.

DISCIPLINE

ARTICLE 9.

Section 1. No employee covered by this Agreement will be dismissed or suspended from the service of the Company without sufficient cause and before responsibility has been established by the holding of a fair and impartial hearing provided, however, that in cases of insubordination, intoxication, serious accident or breach of trust, an employee may be dismissed from service or suspended, with the understanding that the employee has the right of appeal as provided for by the Grievance Section in the event the Employee considers his or her removal from service unjust.



ARTICLE 9, DISCIPLINE (Continued)

Section 2. Discipline by record may be assessed against an employee within seven (7) days after the General Manager of the Company has received information concerning any matter for which discipline may be assessed, with the understanding that the employee will be accorded a hearing upon request within fifteen (15) days of the employee and the LCOA receiving notification of discipline for the purpose of determining his or her responsibility. The employee or the Local Committee of Adjustment may request such a hearing. In case of protest, discipline will be withheld until a decision is reached through the hearing, except as provided in Section 1 of this Article.

Section 3. Prior to the disciplinary suspension or discharge of any employee for reasons other than those stated in Section 1 of this Article, the Company will issue at least one (1) verbal and one (1) written warning notice. Copies of such written warning notice to be placed in the employee's personnel file with copies to the affected employee and the Local Committee of Adjustment. The Company shall follow the principle of progressive discipline.

Section 4. Such written warning notices will be signed by the affected employee prior to their being placed in the employee's personnel file. Such acknowledgement shall not indicate acceptance of charges. An employee protesting such warning notice shall file a grievance within fifteen (15) days of the date that the warning notice was issued, otherwise the discipline will stand against the employee's record.

Section 5. When an employee has committed an act which in the judgement of the General Manager warrants a formal hearing and the General Manager schedules a hearing, such employee and the LCOA will be given a written notice of the hearing and the subject to be investigated, together with the time and place it is to be held; also, a copy shall be furnished to the Local Chairperson of the Union. Such hearings shall normally be conducted on the day of the regularly scheduled Grievance meeting between the Company and the Union.

The General Manager will give the employee a hearing within seven (7) days after he/she has received information concerning any matters they may desire to investigate. In the event hearing is held as a result of reports received from persons not in the employ of the Company making charges against the employee, their names and addresses together with the date charges were made will be furnished the employee and the Local Chairperson of the Union two (2) days prior to the hearing.

ARTICLE 9, DISCIPLINE, SECTION 5 (Continued)

In cases dealing with written warning, suspensions, or discharge, such charging witnesses may be requested to attend the discipline hearing by the employee or the Union. Should a charging witness fail to attend a discipline hearing, the charge shall be dropped unless prompt and satisfactory explanations are furnished by the witness for his/her failure to attend. Should an employee fail to attend a hearing when so notified, the employee may be dismissed or otherwise disciplined unless prompt and satisfactory explanations are furnished for his or her failure to attend.

Section 6. In all hearings an employee shall be permitted to have her or his authorized Union representative present, and have witnesses appear in her or his behalf; also, submit signed statements by others not present and interrogate any witness giving testimony at the hearing. Copy of any verbatim transcript of hearing taken by one party shall be furnished to the other party.

Section 7. The General Manager shall render a written decision within six (6) days from the date of the hearing or the date the hearing is concluded. If, after review of a suspension, discharge or disqualification, it is mutually agreed that an employee who was suspended, discharged or disqualified, was completely blameless of charges regarding the offense, he/she shall be reinstated to his/her former position without loss of seniority and will be paid wages lost as though he/she had not been suspended or discharged. It is mutually agreed that not entry shall be made on the employee's record of such suspension, discharge or disqualification, if by mutual agreement the employee was found to be completely blameless. If, however, after such a review, it is found that the employee in question was not completely blameless, then the parties may mutually agree upon a reduction of the penalty and upon what, if any portion of the wages he/she would have earned should be restored to her/him.

Section 8. If the employee or the Union finds any decision made under this Article unjust, the employee or the Union has the right to protest it through the Grievance Procedure.

Section 9. In the application of any of the above sections, if the Union and the Company mutually agree, discipline shall be withheld until the appeal step of the Grievance Procedure has been completed, in cases of protest, except as provided in Section 1 above.

GRIEVANCE PROCEDURE

ARTICLE 10.

Section 1. Scope and Procedure: Any grievance or dispute which an employee or the Union may have with the Company arising out of the application or interpretation of a specific clause or clauses of this Agreement or any bonafide dispute shall be adjusted according to the following procedure:

Step 1. The Union or an employee, through the LCOA shall present the grievance, in writing, to the General Manager on or before the date of the next regularly scheduled weekly grievance meeting. The General Manager and the Union shall discuss the grievance at such meeting and the Company's answer shall be given in writing to the Union and the grievant within six (6) days after the meeting at which the grievance was discussed. Nothing in this section shall prevent the Company and the Union from working out day-to-day problems outside the regular grievance meetings, however, whenever possible, all matters shall be dealt with at the regular weekly meetings. Written grievance shall contain the grievant's name, the date that the grievance was filed, the nature of the grievance and the specific article which is in dispute.

Step 2. If the employee or the Union is dissatisfied with the Step 1 answer, the Union may, within seven (7) days of receipt of such answer appeal such decision in writing to the Area President or his/her designate. The Area President or his/her designate shall hold an appeal hearing within seven (7) days following receipt of request for such hearing and render a decision in writing within ten (10) days of such hearing.

Step 3. Mediation: If a grievance or dispute which has been processed in conformance with the procedure set forth in this Agreement is not satisfactorily settled by the written answer of the Area President or her/his designate as provided in this section, the Union may submit the matter to Mediation by sending notice to the Company within thirty (30) days of receipt of the Area President's answer to said grievance that the Union desires the matter submitted to Mediation. Within two (2) days from the date of notice by the Union to the Company for Mediation, the Company and the LCOA shall jointly request the Federal Mediation and Conciliation Service to mediate the grievance or dispute. The jurisdiction and authority of the Mediator of the grievance or dispute and any opinion and/or award shall be confined exclusively to the interpretation of the explicit provision(s) of this Agreement or issue between the Union and the Company and shall not be binding on either party.

ARTICLE 10, GRIEVANCE PROCEDURE (Continued)

Section 2. Time Limits: Grievances shall be deemed timely only if they are filed in writing within a reasonable time of the occurrence or omission that gave rise to the grievance or within a reasonable time of the time that the grievant and the Union should reasonably have had knowledge of said occurrence or omission. Time limits as set forth in the above grievance procedure may be extended by mutual agreement of the Company and the Union. Any of the above steps of Grievance Procedure may be bypassed upon agreement of the Union and the Company.

Section 3. Information: In the processing of any particular grievance or dispute the Company will make available for inspection in its own office, pertinent call sheets or dispatch sheets, time slips and personnel records of concerned employees to any authorized representative of the Union.

Section 4. Should the Federal Mediation and Conciliation Service Mediator fail to effect an accepted settlement, she/he shall within ten (10) days from the hearing, issue a recommended settlement of the grievance or dispute which shall be issued to the parties in writing.

NO STRIKE - NO LOCKOUT

ARTICLE 11.

Section 1. The Union agrees that as long as this Agreement is in effect, none of its members who are employees of the Company, will participate in any strike called for any purpose whatsoever, except for a refusal of the Company to use the Grievance Procedure or refusal of the Company to honor an Arbitrator's award. The Company agrees that during the life of this Agreement, there shall be no lockout.

Section 2. No disciplinary action may be taken against an employee for honoring any picket lines or like action against this Company, other Companies or the San Francisco Unified School District.

TOOL INSURANCE

ARTICLE 12.

Section 1. The Employer shall be responsible for the reasonable value of an employee's tool box and contents stolen from the premises of the employer as a result of breaking and entering of such premises while closed for business, or when the employee is off duty and his tool box and contents were properly secured and locked up in an area designated by the employer. The employee shall maintain a current inventory of his tools as a matter of record with the Company. Such inventory shall be updated periodically. In the case of such loss as specified above, it shall be the employee's responsibility to make and submit a written theft report to the police department.

## SUPPLIES

### ARTICLE 13.

Section 1. The Company agrees to furnish rubber boots and waterproof aprons for bus washers and steam cleaners. Employees will also be furnished with rain gear, gloves, eye and face protection, respirators. Respirators shall be available to any employee wishing to use one. The Company shall provide brooms, mops, and all other such tools needed for general upkeep. All tiremen tools and supplies shall be provided and replaced as needed by the Company.

## JURY DUTY

### ARTICLE 14.

Section 1. The Company shall pay the employee for any time lost while on jury duty, including jury selection and witness duty, so long as the employee is appearing under subpoena and is not testifying against the Company or a fellow employee, provided that the employee shall turn in the court appearance certificate and jury fee, if any, before the Company will compensate the employee for the time lost, regardless of the length of time the employee is required to serve on jury duty. All holidays for which the employee is otherwise eligible shall also be compensated.

## FUNERAL LEAVE

### ARTICLE 15.

Section 1. When it is necessary for an employee to be absent from work because of the funeral of the employee's parent (including step-parent), spouse, children (including step-children), siblings (step-siblings), son-in-law, daughter-in-law, parent-in-law, grandparent, or grandchildren, the employer will grant three (3) full days of Funeral Leave with straight time pay.

## SEPARABILITY OF SECTIONS AND AMENDMENTS

### ARTICLE 16.

Section 1. It is understood and agreed that the provisions of this Agreement shall be subordinate to any present or subsequent Federal, State or Municipal Law or Regulations to the extent that any portion hereof is in conflict therewith, and nothing herein shall require the Company to do anything inconsistent with charters, franchises, indeterminant permits, certificates of convenience and necessity, or laws which it may from time to time operate or exist, nor anything inconsistent with the order or regulations of any governmental authority having jurisdiction to issue same.

ARTICLE 16, SEPARABILITY OF SECTIONS AND AMENDMENTS (Continued)

Section 2. If during the life of this contract between Laidlaw Education Services and United Transportation Union, Local 1741, any section, provision or amendment is declared void by a present law or a law enacted after the signing of this contract, all sections, provisions, and amendments not affected by these laws will remain valid and binding on all parties of this contract. The Company will agree to meet with the Union to negotiate resolutions of any conflicts caused by any such unforeseen events. Unresolved disputes shall be subject to the Grievance Procedure.

RATES OF PAY

ARTICLE 17.

Section 1. Effective August 1, 1999 the following rates of pay shall be applied to employees in the following classifications:

	8/1/99	8/1/00	8/1/01	8/1/02	8/1/03
Coach Cleaner/Yardmen (Sweeper) - Day	17.81	18.54 (COLA)	COLA	COLA	COLA
Coach Cleaner/Yardmen (Sweeper) - Night	0.14	0.14	0.14	0.14	0.14
<hr/>					
COACH CLEANER					
Fueler/Washer - Day	21.24	22.11 (COLA)	COLA	COLA	COLA
Fueler/Washer - Night	0.14	0.14	0.14	0.14	0.14
Lubricators/Tiremen - Day	21.24	22.11 (COLA)	COLA	COLA	COLA
Lubricators/Tiremen - Night	0.14	0.14	0.14	0.14	0.14

The cost of living adjustment shall be calculated based on the percentage of increase in the twelve (12) month Urban Wage Earners and Clerical Workers (New Series) (CPI) for the San Francisco-Oakland Metropolitan Area, as reported by the U.S. Department of Labor for the June to June period immediately preceding the adjustment date. All new employees will receive thirty cents (30¢) per hour less for the first sixty (60) days of employment.

Section 2. Shift Differential: A premium of fourteen cents (14¢) per hour shall be paid for the entire eight (8) hour shift to all employees whose regular eight (8) hour shift ends or begins between the hours of 6:00 PM and 6:00 AM.

PAID HOLIDAYS

ARTICLE 18.

Section 1. After two (2) months service, employees shall be entitled to the following paid holidays:

Christmas Day	Labor Day
Thanksgiving Day	Memorial Day
New Year's Day	Washington's Birthday
July 4th	Employee's Birthday
Veterans Day	(1) Floating Holiday

The floating holiday will be scheduled by mutual agreement between the Company and the employee. If more than one employee desires the same floating holiday, seniority shall prevail.

Section 2. Employees required to work on these days shall be compensated at double the rate of his/her regular pay.

VACATIONS

ARTICLE 19.

Section 1. All employees within the scope of this Agreement shall, after one (1) year's service be entitled to the annual vacation pay, predicated upon the length of service with the Company as follows:

After one (1) year	-	five (5) days
After two (2) years	-	ten (10) days
After six (6) years	-	fifteen (15) days

Employees will take vacation each year. Vacation accrual shall not exceed 35 days at any time. Upon ratification, a pay out will be made to all yardmen who have over 35 days.

MANAGEMENT'S RIGHTS

ARTICLE 20.

Section 1. The Management of the business and the direction of the employees subject to the terms of this Agreement including, but not limited to; the right to hire, promote, assign work, discipline and discharge, schedule working hours, overtime and working days, make and impose reasonable work rules are vested exclusively in the Company except as expressly limited and set forth in writing in this Agreement.

NOTICE OF LAYOFF

ARTICLE 21.

Section 1. Employees desiring to layoff because of sickness, shall notify the Company as far in advance as possible of their inability to render service, for other reasons, employees shall give a minimum of eight (8) hours notice to the Company.

Section 2. This Article shall not govern circumstances beyond the employee's control.

SICK LEAVE, LIFE INSURANCE, HEALTH COVERAGE

ARTICLE 22.

Section 1. Employees who are on the Seniority roster effective August 1, 1985, shall be credited with ten (10) days and shall be paid their regular days wages (eight (8) hours at prevailing rate) for each day of illness or non-occupational accident up to the maximum allowance for that year. Such payment to be granted for bonafide illness or non-occupational accident only. This sick leave is predicated upon the individual employee earning one (1) day of sick leave according to the following:

One (1) day of sick leave for each twenty-four (24) days worked during the year.

Employees who "overdraw" on their sick leave accrual shall have such overdrawn amounts (days) deducted from their final paycheck if their employment with the Company does not equal the twenty-four (24) qualifying factor outlined above. Unused sick leave can be accrued and carried over from the previous contract and from school year to school year or an employee will be paid for unused sick leave at the end of the month of November of each year at the employee's option. Sick leave pay will be equivalent to the employee's regular daily wages, eight (8) hours times their then prevailing hourly rate of pay. Upon termination, employees will be paid for all unused sick leave accrued at their then prevailing hourly rate of pay.

Employees who gain seniority status after the opening of school will accrue sick leave on the basis of the following:

One (1) day of sick leave for each twenty-four (24) days worked during the year. Only whole days may be accrued and paid under this Article. The employee must apply in writing for sick leave pay.

1. Sick leave may be used for emergency or personal purposes with the approval of the General Manager.
2. Employees requesting to layoff because of sickness shall notify the Company as far in advance as possible.



ARTICLE 22, SICK LEAVE, LIFE INSURANCE, HEALTH COVERAGE (Continued)

Section 1b. When an employee is in treatment for a job-related injury, he/she is to be compensated for all lost time; provided however that the employee will work with the Company to attempt to schedule therapy outside of the employee's normal work hours.

Section 2. All benefits in this Agreement shall be extended in full to all eligible employees covered by this Agreement. In the event that health coverage is not in force, an eligible employee may use the Company Doctor at the Company's expense.

Section 3. The Company shall maintain medical and Life Insurance payments whenever an employee is on a work-related disability or Union leave. Such payments shall be maintained by the Company for a period of eighteen (18) months whenever an employee is on a sick, maternity or disability leave which is non-work related. Such payments shall be maintained by the Company for a period of nine (9) months whenever an employee is on a child care leave.

Section 4. Life Insurance - The Company shall provide \$25,000 of Life Insurance for each employee for the life of this Agreement. This coverage shall be on a twelve (12) month basis. This Life Insurance cost will be borne entirely by the Company and the Life Insurance coverage will extend through furlough, holidays, vacations, as well as during the school term. Furlough is defined for the purpose of this section as a temporary layoff of a known duration corresponding to regular school closing for Christmas and Summer vacation.

Section 5. Health - Employees performing service will have the following option concerning group health insurance. Dental coverage shall be provided for the employee only.

1. Medical Insurance
  - a. Kaiser V - Group #7614, or;
  - b. Blue Cross of California
2. Dental Insurance
  - a. Blue Cross Prudent Buyer Dental Plan 5000, or;
  - b. Dental Net Plan 550.

This coverage shall be on a twelve (12) month basis and will extend through furlough, normal season layoffs and holidays, as well as the school term. The employee will choose the desired plan at the beginning of the school year and the choice will remain in effect until the next school year provided the employee remains eligible.

ARTICLE 22, SICK LEAVE, LIFE INSURANCE, HEALTH COVERAGE, SECT. 5 (Continued)

For the contract year effective August 1, 2000, the employee monthly contribution towards the premium will be as follows:

	<u>Emp. Only 8/1/00</u>	<u>Emp. + Spouse/Child 8/1/00</u>	<u>Emp. + Family 8/1/00</u>
Kaiser	\$18.00	\$29.00	\$35.00
Blue Cross	\$15.00	\$24.00	\$30.00

In the event the premium for Prudent Buyer Plan 1 is increased in a subsequent year, it is agreed that the Company will increase its premium payment up to a maximum of the percent increase in the CPI referred to in Section 28, G of this Agreement; any premium increase above the CPI maximum Company contribution will be paid by the employee. The employee monthly contribution towards the premium for employees electing Kaiser "V" will remain the same for the term of this Agreement. It is further agreed that for the term of this Agreement the Company will pay the entire premium for the employee and eligible dependents coverage for employees electing Blue Cross of California, Prudent Buyer Dental Plan 5000, or Dental Net Plan 550. Employees may elect to make the required contributions with pre-tax dollars if and as provided by Section 125 of the Internal Revenue Code. The Company will administer the program.

New Employees - upon beginning employment, the Company will provide the applicable premium per month per employee as outlined above, towards Group Medical Insurance under the following eligibility rule: If employees enter employment on or prior to the 15th of any month, they will be covered the month following, if employed after the 16th of the month, they will be covered the second month following their employment. Terminating employees will be covered the month of termination. Eligibility for Health Benefits - Employees recalled from indefinite layoff, and employees returning from personal leaves of absence of more than one calendar month shall be provided Group Health Insurance as outlined above upon returning to service. The following eligibility rules shall apply:

If employees begin working on or prior to the tenth (10th) of any month, they will be covered for that month; if they begin after the tenth (10th), they will be covered the month following.

Employees leaving the service of the Company because of: Termination, indefinite layoff, or personal leaves of absence of more than one calendar month will be covered for the month in which they leave service. However, any employee laid off indefinitely in the month of June, will be covered for July and August. The Company will notify the Union and any affected drivers, in writing, of its intention to discontinue payment of a Bus Driver's health and life insurance premiums before coverage is actually terminated. In the event a dispute arises over a driver's eligibility, the company will continue coverage until the matter is settled through the Grievance Procedure.

ARTICLE 22, SICK LEAVE, LIFE INSURANCE, HEALTH COVERAGE, SECT. 5 (Continued)

All such grievances will go directly to the appeals stage and the time limits for initial presentation shall be waived. If determined that employee is not eligible, the employee will refund the payment to the Company.

The Company agrees to allow the Union access to all records and other pertinent information regarding Health and Welfare Benefits.

NO IMPLIED WAIVER

ARTICLE 23.

Section 1. If at any time the UTU or the Company shall elect not to assert it's right under any provision of this Agreement in the event of a breach hereof, such lack of action in this respect shall not be construed as a continual waiver of any right under the provision of this Agreement.

NON DISCRIMINATION

ARTICLE 24.

Section 1. There shall be no discrimination, harassment, interference or coercion of any applicant, trainee, employee or rehire, active or non-active for any reason prohibited by applicable Local, State or Federal Law including age, citizenship, color, race, national origin, political or religious beliefs, sex, union affiliation or union related activities.

SAFETY

ARTICLE 25.

Section 1. All employees shall be required to wear safety glasses and safety shoes at all times while on duty. The Employer shall provide such safety equipment as follows:

Safety Shoes: Once per year, the Employer will pay for and select the choices for the purchase of OSHA-approved safety shoes. No receipts are required, but safety shoes must be worn at all times.

Safety Glasses: Regular safety glasses are provided at no charge to all employees. Those employee requiring prescription safety lenses will be reimbursed for reasonable needs provided appropriate receipts are furnished.

Employees not complying with this policy will be subject to discipline up to and including discharge.

DURATION OF AGREEMENT

ARTICLE 26.

Section 1. This Agreement shall be in full force and effect from August 1, 1999, until and including July 31, 2004, and shall continue in force thereafter from year to year unless either party shall have given sixty (60) days written notice to the other of its desire that same terminate or be amended on July 31st succeeding such notice.

MEMORANDUM OF AGREEMENT

ARBITRATION

A. Should either the Company or the LCOA refuse to accept the FMCS Mediator's recommendation(s), then the grievance or dispute may, within thirty (30) days from the date of the Mediator's recommendation be referred to Arbitration by either party. The Party not abiding by the recommendation(s) of the Mediator shall be considered the moving party under this Memorandum of Agreement even though the other party initiates the Arbitration Procedure to secure the Mediator's recommendation(s).

B. The Arbitrator shall have no authority to add to, detract from, alter, amend, or modify any provisions of this Agreement or impose on any party hereto a limitation or obligation not explicitly provided for in this Agreement or to alter any wage rate or wage structure.

Memorandum of Agreement - Arbitration, (cont.)

C. In the event the Union and the Company cannot agree within five (5) days upon a person to act as the Arbitrator, the Union and the Company shall immediately thereafter jointly request the Federal Mediation and Conciliation Service to submit to them a list of five (5) qualified and available Arbitrators. It shall be stated on the request that no person submitted on the list by the Federal Mediation and Conciliation Service shall have any official, financial or other connection with, or interest in the Company or the Union. Within five (5) days after the receipt of said list, the Union and the Company shall each strike an equal number of names from it in the following manner:

The Company and the Union shall determine by lot the order of elimination and thereafter each shall, in that order, eliminate an equal number of names from said list. The losing party shall eliminate a name from the list first. The remaining name shall thereupon be accepted by both the Company and the Union as the Arbitrator. The Union and the Company shall immediately thereafter notify the Federal Mediation and Conciliation Service and the Arbitrator of their joint selection. The Arbitrator shall within five (5) days from the date of his/her selection set the date for the hearing.

D. If by the time of hearing the parties have been unable to agree upon written submission agreement defining the issue, then the Arbitrator shall determine the issue to be arbitrated from the written grievance, answer and appeals from each step of the Grievance Procedure.

E. It is understood that the expense of the Arbitration shall include the fees and expenses of the Arbitrator, and, if requested by the Arbitrator, an official transcript of the Arbitration hearing and the cost thereof which are allocable to the copy received by the Arbitrator. These and all other necessary fees and expenses decided by the Arbitrator necessary for complete and full hearing shall be borne by the moving party. Should the moving party request a transcript on its own behalf, a copy of such transcript will be made available to the other party at no expense to the other party. Each party shall bear the expense for the preparation and presentation of its own case, including any fees or expenses necessary to produce witnesses in support of its contentions. The Arbitrator may call said witnesses and if they are employed by the Company, the Company agrees to release witnesses from work if they are on duty. If called by the Company, the Company will reimburse her/him for time lost.

Memorandum of Agreement - Arbitration, (cont.)

F. The Arbitrator shall attempt to expeditiously decide the matter submitted. The decision of the Arbitrator shall be in writing, and when issued, shall be final and binding. At the conclusion of the hearing and upon request of either party oral agreement or written brief, or both, will be submitted on such terms as to time as the Arbitrator directs. The Arbitrator's decision shall be rendered within thirty (30) days of the date required briefs are filed, or if no briefs are required, within thirty (30) days of the close of the Arbitration hearing.

G. All grievances and disputes involving the interpretation, application or breach of this Agreement which arise as the result of an occurrence during the life of this Agreement shall, after the expiration of same continue to be governed by the terms hereof, and shall be presented and adjusted in accordance with the provisions of this section.

MEMORANDUM OF UNDERSTANDING

The parties undersigned agree that classification seniority as stipulated in Article 5, Reduction in Force, Section 1, shall be defined as the length of service accumulated in any given classification covered by this Agreement. Its effect will be as shown in the following:

For example, assume that there are three Lubricators:

Employee X was hired into the Lubricator position on October 1, 1968.

Employee Y was hired as a Yardman on February 1, 1968, and promoted to the Lubricator position on February 1, 1969.

Employee Z who was hired as a Yardman on February 1, 1968, and promoted to the Lubricator position on October 1, 1968.

The seniority order in the Lubricator Classification would be:

- 1 - Z
- 2 - X
- 3 - Y

Any reduction in force within the Lubricator classification would be applied accordingly.

MEMORANDUM OF AGREEMENT

401-K PLAN

Section 1

1. Eligible employees shall be defined as employees at least twenty-one (21) years of age with at least one year of service (at least one thousand hours of work) within the bargaining units covered by the Coach Cleaners, Yardmen, Tiremen, and Lubrication Employees.
2. The Plan shall become effective January 1, 1995 with Company contributions and employee payroll deductions beginning on that date.
3. The Company shall pay for the administration of the Plan.
4. Participants shall be defined as those eligible employees who have made a contribution to the Plan.
5. Entry into the Plan shall be permitted on the first day of the calendar quarter after completing one year of service.
6. Plan Funding: The Plan will permit employee pre-tax deferrals and Company matching on a monthly basis as follows:

Employee Contribution	Company Contribution
1%	0.5%
2%	1%
3%	1.5%
4%	2%
5%	2.5%
6% +	3%

7. The Plan will permit rollover contributions.
8. The Plan shall permit Company lump sum contributions. The Company shall make such lump sum contribution of \$300.00 on behalf of each participating employee who qualifies under Section 1, 1. of this Memorandum of Agreement and beginning on July 31, 1995 and continuing on each subsequent July 31<sup>st</sup> for the life of the Collective Bargaining Agreement.
9. Vesting: The Company matching contributions are subject to the following vesting schedule.

Years of Service:	1	2	3	4	5
Percent Vested:	20%	40%	60%	80%	100%
10. Forfeitures will be used to reduce Company contributions.
11. Hardship withdrawals are permitted utilizing IRS guidelines.



MEMORANDUM OF AGREEMENT


401-K PLAN

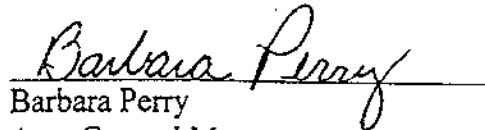
Section 1 (Cont.)

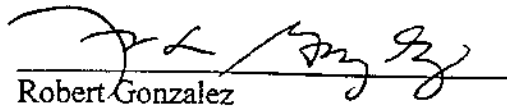
12. In-Service withdrawals are permitted only after age 59 ½.
13. Distributions: Distributions must begin no later than the April 1 following the year the employee attains age 70 ½. If a participant receives a taxable distribution (including a withdrawal) of any part of their vested account, the distribution may be subject to a 10% penalty tax.
14. The Company shall fund the matching contributions to the Plan on a monthly basis.
15. The Company shall have absolutely no obligation to make any contributions to the Plan or to provide any funds to the Plan or to any employee or to participate in any fashion in the administration of the Plan at any time after it no longer provides school bus service to the San Francisco Unified School District under its current or a successor revenue contract.

ACCEPTED AND AGREED:

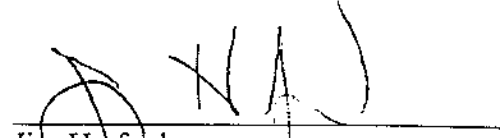
FOR THE COMPANY:

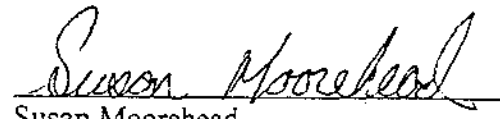
  
Ronn English  
Director, Human Resources

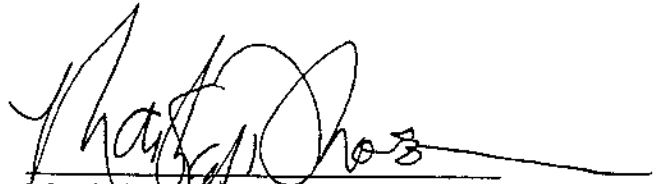
  
Barbara Perry  
Area General Manager

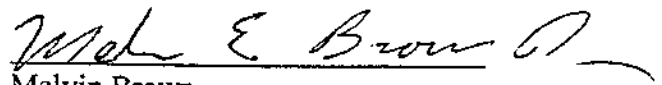
  
Robert Gonzalez  
District Manager

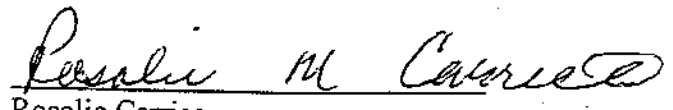
FOR THE UNION:

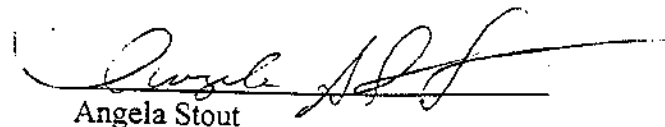
  
Jim Harford  
Chairman, LCOA

  
Susan Moorehead  
President, LCOA

  
Marshall Thompson  
Secretary/Treasurer, LCOA

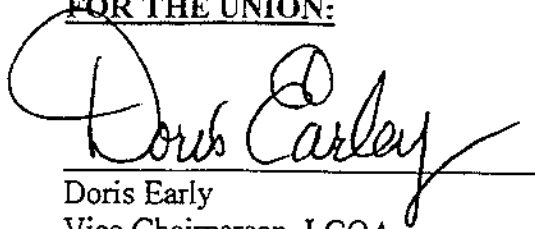
  
Melvin Brown  
Vice Chairperson, LCOA

  
Rosalie Carrico  
Vice Chairperson, LCOA

  
Angela Stout  
Vice Chairperson, LCOA

ACCEPTED AND AGREED (Continued)

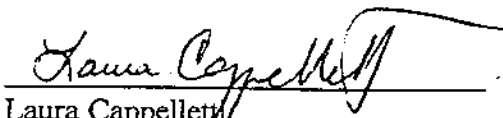
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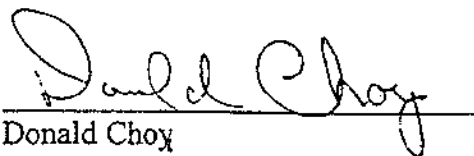
Doris Early  
Vice Chairperson, LCOA



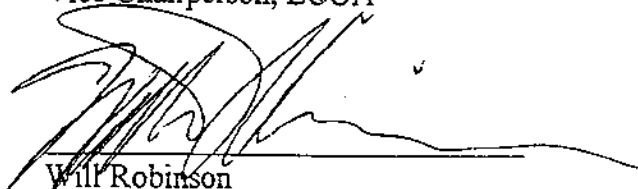
Kristen Prather  
Vice Chairperson, LCOA



Laura Cappelletti  
Vice Chairperson, LCOA



Donald Choy  
Vice Chairperson, LCOA



Will Robinson  
Vice Chairperson, LCOA