AGREEMENT

BETWEEN

UNITED FARM WORKERS ORGANIZING
COMMITTEE AFL-CIO

AND

DI GIORGIO FRUIT CORPORATION
(SIERRA VISTA RANCH, DELANO, CALIFORNIA;
EGO SPRINGS RANCH, BORREGO SPRINGS, CALIFORNIA;
DI GIORGIO FARMS, ARVIN, CALIFORNIA)

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EFFECTIVE APRIL 3, 1967
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AGREEMENT

This Agreement is made and entered into by and between the UNITED FARM WORKERS ORGANIZING COMMITTEE, AFL-CIO (hereinafter referred to as Union) and DI GIORGIO FRUIT CORPORATION (hereinafter referred to as Employer).

(Note: Sections marked with asterisks are provisions awarded in arbitration case; all other sections are provisions agreed to between the parties prior to the arbitration)

Section 1 - Union Recognition

(a) The Employer recognizes the Union as the sole and exclusive representative for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment and other conditions of employment of all field workers, irrigators, tractor drivers excluding truck drivers, swampers, shed workers, kitchen employees, maintenance workers or pipeline repairmen of the Employer as certified by the American Arbitration Association on September 2, 1966 employed on all agricultural fields leased, owned or rented by the Employer at Sierra Vista Ranch, Delano, California, and Borrego Springs Ranch, Borrego Springs, California, and for all of the employees at Company's DiGiorgio Farms, at Arvin, California, as certified by the California State Conciliation Service on November 4, 1966, excluding however at all locations supervisory employees who have the right to hire or fire or effectively to recommend same, and office clerical employees.

(b) The Employer further recognizes the rights and obligations of the Union to negotiate wages, hours, and conditions of employment, and to administer this Agreement on behalf of all covered employees.

(c) The Employer and its representatives will not undermine the Union or promote or finance any competing labor organization.

(d) The Employer and its representatives will not interfere with the right of any employee to join and assist the Union, and will make known to all employees that they will secure no advantage, more favorable consideration, or any form of special privilege because of non-membership in the Union.

(e) The Employer and its representatives will make known to all employees, supervisors and officers, its policies and commitments as set forth above with respect to recognition of the Union and that employees in the bargaining units should give the utmost consideration to supporting and participating in collective bargaining and contract administration functions.

(f) All agricultural operations of the Employer, and those that may be hereafter established or purchased, leased or rented, within the intentions of the September 2, 1966 American Arbitration Association Certification, or the Certification of November 4, 1966, shall automatically be brought under this agreement.

Section 2 - Management Rights

(a) Employer retains any and all rights and prerogatives of management it enjoyed prior to the execution of...
this contract except as specifically and expressly limited or modified by the provisions of this contract.

**Section 3 - Maintenance of Standards**

(a) The Employer agrees that all conditions of employment relating to wages, hours of work and general working conditions shall be maintained at no less than the highest standards in effect at those ranches at the time of the signing of this Agreement and conditions of employment shall be improved wherever specific provisions for improvement are made elsewhere in this agreement.

**Section 4 - No Discrimination**

(a) In accord with the past and present policies of the Employer and of the Union, it is agreed that neither party will discriminate against any Employee on the basis of race, creed, color, religion or national origin.

**** Section 5 - Interchange ****

(a) The parties hereto are cognizant that the recognition conferred by this Agreement as to the Sierra Vista Ranch and Borrego Springs Ranch resulted from an election held August 30, 1966, and that also as a result of this election Employer will execute another contract with the Teamsters Farm Workers Union. Because of the particular circumstances which gave rise to this election, the employees voting in the election were split into two voting units, the so-called white unit and the so-called green unit.

(b) The parties agree that the creation of the green and white units will not in any way limit or condition the continuation of past practice of free and complete interchange by and at the discretion of the Employer of duties and assignments of employee back and forth among job categories, irrespective of whether such interchange involves job assignments from the white to the green unit, or vice versa.

(c) All employees who were employed as of January 18, 1967 shall be covered by the Agreement applicable to the unit in which they voted, or would have been eligible to vote in, i.e., the white unit, Farm Workers; the green unit, Teamsters.

(d) As of January 18, 1967 and thereafter any hires whether new or rehires shall be covered by the Agreement within whose jurisdiction such employee works for a majority of the time of his first ten days of employment.

(e) If an employee is transferred on a permanent basis from the jurisdiction of the Farm Workers Agreement to the Teamsters Agreement or vice versa, then such employee shall thereafter be covered by all the terms of the applicable Agreement applying to the unit into which he was transferred. Any dispute as to whether a transfer is permanent or not shall be processed by and settled through the Interchange Committee hereinafter created.

(f) An Interchange Committee consisting of one representative of the United Farm Workers Organizing Committee, one representative of the Teamsters Farm Workers Union and one representative from the Employer shall be set up forthwith. This Committee shall consider and process and decide on a unanimous basis all matters pertaining to interchangeability within the Sierra Vista Ranch, and as between Sierra Vista Ranch, Borrego Springs...
Ranch and DiGiorgio Farms. Matters not settled unanimously may be referred by any of the parties to the Arbitrator provided for under the grievance procedure whose decision shall be final and binding on all the parties.

(g) The union security, checkoff and interchange provisions as they are set forth in this Agreement shall be agreed to by the Employer and Teamster's Farm Workers Union and made a part of that Agreement. This is in accord with the Agreement reached on this matter between all the parties at the Delano hearing held on January 18, 1967.

(Ttr. p 171-177)

**** Section 6 - Application of Agreement

(a) If the Employer leases, rents or transfers by any other arrangement, other than by a bona fide sale for value, land which is within the coverage of this Agreement and upon which agricultural operations are or can be carried on, then this Agreement shall apply to such land and operations. The Employer shall accordingly provide in any such lease, rental or transfer by any other arrangement, other than by a bona fide sale for value that this Agreement and any succeeding agreement shall apply to agricultural operations if and when carried on the land involved in such transaction.

(b) If after April 3, 1967 any land coming within the terms of this Agreement is sold and the Employer agrees to manage and farm such land for the new owner, then this Agreement and succeeding agreements as long as Employer farms such land shall apply, and the Employer shall make this a condition of his managing or farming such land.

**** Section 7 - Supervisors and Bargaining Unit Work

(a) Supervisors outside of the bargaining unit shall not perform work regularly performed by employees in the bargaining unit except as they have performed such work in accordance with past practice at Sierra Vista Ranch, Borrego Springs Ranch and DiGiorgio Farms. When they perform such work such supervisors shall be subject to all of the provisions of this Agreement except that as to Section 13, Union Security, paragraphs (b), (c) and (d) only shall apply.

**** Section 8 - New Job Classifications

(a) New job classifications and applicable wage rates may be established and made effective by the Employer in accordance with the following procedure:

(b) The Employer shall notify the Union of its intended action in writing.

(c) The Employer, if it questions the Employer's action, shall do so in writing within five days of Employer's notice, and the parties shall meet with the Employer within five days of such written notice for the purpose of arriving at an agreement on the intended action. Fifteen (15) days after Employer's written notice if no agreement has been reached earlier then the Employer may make the job classification and the rate effective.

(d) If the Union thereafter still objects to the Employer's action it may submit in writing within 10 days of the Employer's action the matter to the Arbitrator provided for in the grievance procedure who shall decide the dispute.
(e) The scope of such arbitration shall be the establishment of the job classification, the job content and the job wage rate.

(f) The Employer shall not change or modify any present job so as to remove it from the bargaining unit.

Section 9 - Subcontracting

(a) The parties understand and agree that the hazards of agriculture are such that subcontracting by Employer is necessary and proper, but also understand and agree that Employer should not subcontract to the detriment of the Union. They consequently agree that Employer shall have the right to subcontract as it has in the past, viz., for crop-dusting, barley planting and harvesting, potato harvesting, plumbing, electrical work and the like. The foregoing are examples only and are not intended as limitations on the Employer's right to subcontract. On the other hand, the Employer shall not utilize the services of any labor contractor to supply field or packing house personnel within Union jurisdiction unless Employer first requests Union to supply such personnel and Union is unable to do so within 72 hours of such request.

Section 10 - Discharge

(a) The Employer shall have the sole right to discipline and discharge employees for just cause provided that in the exercise of this right it will not act in violation of the terms of this Agreement.

(b) Prior to any discharge, the Employer shall notify a steward and/or a Union official and such Union steward shall be present when formal charges are made.

Section 11 - No Strike or Lockout

(a) During the term of this Agreement there shall be no cessation of work, whether by strike, walkout or lockout, and there shall likewise be no boycott or other interference by the Union, within the control of the Union, or with the Union's consent or approval, with the sale or distribution of any product or products sold, distributed or
marketed by DiGiorgio Corporation, including products of any of said corporation's divisions or subsidiaries.

(b) If any violation of the foregoing is charged, the parties will proceed forthwith to final and binding arbitration, and in no event will either party violate the provisions of this Section during or after the arbitration. The arbitrator will be Sam Kagel, or, if he cannot so act, the arbitrator shall be chosen in the manner provided in Section 37 (e) hereof, but no other provision of Section 37 shall be applicable to any arbitration under this Section.

**** Section 12 - Picket Lines

(a) Refusal to cross a legitimate and bona fide picket line as defined in this Section shall not be deemed a violation of this Agreement. Such a picket line is one established and maintained by a Union, acting independently of the Union party to this Agreement at or about the premises of an employer with whom it is engaged in a bona fide dispute over wages, hours or working conditions of employees of said Employer, a majority of which employees it represents as their collective bargaining agency. Collusive picket lines, jurisdictional picket lines, hot cargo picket lines, secondary boycott picket lines, and informational picket lines, demonstration picket lines are not legitimate and bona fide picket lines within the meaning of this Agreement. Any alleged violation of this provision shall proceed forthwith to final and binding arbitration as provided in Section 11 (b).

Section 13 - Union Security and Check-Off.

(a) Employees within the bargaining unit who are members of the Union or who have authorized the Union in writing to represent them shall maintain such membership during the term of this agreement. All employees hired after January 23, 1967, shall not later than the 10th day following commencement of their employment, become and remain members of the Union in good standing. The Union shall be the sole judge of the good standing of its members. Any of the above-mentioned employees who fail to become a member of the Union within the time limit set forth herein, or who fail to pay the required initiation fees, periodic dues and regularly authorized assessments as prescribed by the Union shall be immediately discharged upon written notice from the Union to the Employer.

(b) All employees within the bargaining unit who are not members of the Union, shall, as a condition of continued employment after January 23, 1967, pay to the Union each month a service charge as a contribution toward the administration of this Agreement. The service charge shall be in an amount equal to the Union's regular initiation fee and monthly dues.

(c) The Employer agrees to deduct such initiation fees, dues and service charges and remit the monies to the Union not later than the 15th day of the following month. Vacation pay is subject to such deduction.

(d) The Union shall provide Employer with written authorization forms authorizing the above deductions, and Employer shall use its best efforts, in cooperation with Union, to assure that employees within the bargaining unit execute such authorizations. Said authorizations shall be valid for the term of this Agreement. Employer shall not be required to make any deductions from the wages of employees who have not executed authorizations, but deliberate refusal to execute such an authorization shall be reason for
discharge, as above provided.

(e) The Employer agrees to furnish the Union in writing, the names of employees, addresses, Social Security numbers and type of job classifications on a quarterly basis.

****Section 14 - Hiring Hall

(a) Whenever employees are needed by Employer to perform any work covered by this Agreement, Employer shall notify the Union in writing stating the number of employees needed, the type of work to be performed, the starting date of the work and the approximate duration of the job or jobs.

(b) Upon receipt of such notice, the Union shall immediately use its best efforts to furnish the requested employees. If the Union does not furnish such employees within 72 hours, or on the date of the beginning of the work (whichever date is later), the Employer shall be free to procure needed employees not furnished by the Union from any other source. The Employer shall, in such event, notify the Union in writing within 48 hours of the names and addresses of all employees so hired by Employer.

(c) Union shall not refuse to register and refer for employment under this Section, any person who is not at the time of registration or referral a Union member in accordance with Section 13.

(d) Preference in referral shall be given to persons coming within the terms of Section 15, the Seniority provision, and Section 16, the Work Opportunity provision.

(c) Employer shall have the unqualified right to refuse to employ any person offered by the Union if on or after April 5, 1957 that person has been discharged for cause by Employer, and the discharge was sustained on appeal, or if such discharge was not appealed.

Section 15 - Seniority

(a) Whenever vacancies or making promotions, transfers, reclassifications or demotions, Employer will give preference to employees with the greatest length of continuous service, provided that qualifications and ability are equal.

(b) Seasonal Layoffs shall not constitute a break in the continuity of service. Layoffs and re-employment after layoffs shall be on the basis of continuous service.

(c) Employer shall furnish an up to date list of all employees on a quarterly basis. Seniority shall begin after 15 days worked and shall be retroactive to date of hire.

Section 16 - Work Opportunity

(a) If less than the normal work opportunity is available, preference shall be given to employees of the regular full-time work force.

Section 17 - Safety Committee

(a) A joint safety committee consisting of equal numbers of employee representatives selected by the Union and representatives selected by the Employer shall be established at each farm.
(b) The safety committee shall consider existing practices and rules relating to safety, formulate suggested changes in existing practices and rules, and make recommendations to local management with respect to the adoption of new rules and practices.

Section 1A - Health and Safety

(a) Sanitary Facilities: There shall be adequate toilet facilities in the field readily accessible to employees, that will be maintained in a clean and sanitary manner. These may be portable facilities and shall be maintained at a rate of one for every 35 employees, as far as possible.

(b) Drinking Water: Each place where work is being performed, shall be provided with suitable cool, potable drinking water convenient to employees. Individual paper drinking cups shall be provided.

(c) First Aid: Adequate first aid supplies shall be provided and kept clean and sanitary in a dust proof container; safe-keeping of same during work hours shall be the responsibility of the foreman, who may delegate such responsibility.

**** Section 1B - Protective Garments, etc.

(a) Protective garments, tools and equipment necessary to safeguard the health of or to prevent injury to an employee's person shall be provided, maintained and paid for by the Employer.

(b) It is understood that the Employer shall furnish protective equipment for sprayers, umbrellas for tractor drivers and hooks or jacks ladders for pipemen when going into large pipes.

Section 20 - Camp Housing

(a) Rentals to employees of available camp housing on the Employer's premises shall continue to be made to employees on a non-discriminatory basis and without favoritism; the factors of race, color, creed, religion or national origin shall continue not to be considered in the distribution of available rentals.

**** Section 21 - Operation of Camps

(a) Camps and meal service when operated by the Employer shall be operated on a non-profit basis.

(b) Where the Employer presently provides free sleeping accommodations in its camps, it shall continue to do so.

**** Section 22 - Leaves of Absence; Jury Pay

(a) A leave of absence shall be granted to employees on the seniority list for any of the following reasons without loss of seniority:

1. For jury duty or when subpoenaed as a witness;

2. Up to one (1) year in the event of his illness or injury. The Employer may extend the period of such leave.

16.
(3) Such employee shall, while serving on jury duty, receive from the Employer the difference in pay between his jury pay and his regular wages for the duration of such jury service.

Section 23 - Leaves of Absence for Union Business

(a) Any employee elected or appointed to an office or position in the Union shall be granted a leave of absence for a period of continuous service with the Union. Fifteen (15) days' notice must be given the Employer before the employee taking leave to accept such office or position or chooses to return to work. Such leave of absence will be without pay. (Seniority shall not be broken or suspended by reason of such leave).

(b) A leave of absence shall also be granted for temporary leave to attend Union business provided five (5) days' notice is given.

Section 24 - Military Leave

(a) In the event an employee of the Employer serves in the armed forces pursuant to selective service act he shall not lose any seniority job rights or other benefits. Upon their discharge from the military, they shall be granted a job equal to that which they would have had with the Employer had they remained in continual employment of the Employer.

Section 25 - Right of Access to Employer Property

(a) Employer agrees to admit to Sierra Vista Ranch, Borrego Springs Ranch and DiGiorgio Farms the authorized representatives of the Union for the purposes of collecting dues, observing the application of this Agreement, and adjusting grievances. Union representatives shall advise Employer of such visits in advance by notifying the Ranch Supervisor or Director of Personnel.

Section 26 - Bulletin Boards

(a) The Employer will provide bulletin boards placed at such central locations as the Union may designate, subject to approval of the Employer, upon which the Union may post its formal notices.

Section 27 - Tax Withholding

(a) Employer shall deduct federal income tax in accordance with standard practices, with scaled dependent deductions, for employees agreeing in writing to such withholding.

***Section 28 - Credit Union Withholding

(a) Upon proper written employee authorization deductions as provided in such authorization shall be made by the Employer for the Farm Workers Credit Union, and such monies forwarded to that organization.

*** Section 29 - Wages

(a) Wages from April 3, 1967 until April 2, 1968: All hourly rated employees shall receive a twenty-five cent (25¢) per hour wage increase effective April 3, 1967, and all wage rates shall be raised twenty-five cents (25¢). The basic minimum hourly rate shall be $1.65 per hour.
(b) All piece work or incentive rates shall be adjusted to reflect a twenty-five cent (25¢) per hour increase effective April 3, 1967. Piece workers shall have guaranteed earnings of not less than the basic minimum hourly rate.

(c) Establishing Appendix A: The parties shall forthwith agree to a schedule of wage rates in accordance with paragraphs (a) and (b) above and such schedule shall be marked Appendix A attached to this Agreement and be considered a part hereof. This schedule shall set forth the classifications and applicable hourly rates. It shall also set forth the piece rates and tonnage rates. Any differences between the parties relative to formulating Appendix A shall be referred for decision to the Arbitrator provided for in the grievance procedure, Section 17.

(d) Wages as of April 3, 1968: Effective April 3, 1968 the hourly wage rates set forth in Appendix A shall be increased five cents (5¢) per hour and all hourly workers shall receive five cents (5¢) per hour increase. The basic minimum hourly rate shall be $1.70 per hour. All piece work rates set forth in Appendix A shall be adjusted to reflect a five cent (5¢) per hour wage increase, and piece workers shall have guaranteed earnings of not less than the basic minimum hourly rate.

(e) Retroactivity: All employees who worked at any time during the period from September 2, 1966 to April 2, 1967 at Sierra Vista Ranch and Borrego Springs Ranch and/or worked at any time from November 4, 1966 to April 2, 1967 at DiGiorgio Farms shall receive fifteen cents (15¢) per hour for each hour worked as back pay. Such payments shall be made regardless of whether the employee worked on an hourly basis or piece work basis.

(f) The Employer shall within ninety (90) days from April 3, 1967 supply the Union with a list showing the names of persons and last known address who are entitled to receive such back pay together with the amount due each person. Such list shall also be posted at each of the locations covered by this Agreement.

(g) Any monies which remain unclaimed as of April 3, 1968 by the persons named on the list shall be paid by the Employer into the Special Benefit Fund provided for in Section 35, and the Employer shall not in any manner thereafter be liable for monies to any person whose name was on the list but who did not claim such monies as of April 3, 1968.

Section 30 - Hours

(a) Relief Periods: Farm workers are entitled to reasonable and necessary time off for relief. Relief periods shall be fifteen (15) minutes for every four (4) hours worked, falling around the mid-point of the work involved, provided that relief not taken by the employee shall not be compensable time, and further provided that relief time not taken in any forenoon by choice of the worker may be cumulated and taken in the afternoon of the same day.

(b) Meal Time: Lunch time shall be one (1) hour.

(c) Day of Rest: Each farm worker shall be entitled to one (1) full day (24 hours) off without pay each payroll week as follows: as far as possible, the work shall be arranged so that each worker will have Sunday off.
Section 31 - Reporting and Standby Time

(a) An employee paid on an hourly or piecework basis who is required to report for work and does report and is furnished no work or less than four hours of work for reasons other than an Act of God shall be paid at least four hours for that day at the employee's hourly rate of pay, or the employee's average hourly piece rate earnings.

Section 32 - Records and Pay Periods

(a) Full and accurate records shall be kept, including total hours worked, piece rate or incentive records, total wages and total deductions. Employees shall be furnished a copy of the itemized wages and itemized deductions each pay day which shall include the employee's daily wage and hour record.

(b) The Union shall have the right to examine time sheets, work production or other records that pertain to employee's compensation, in case of a dispute as to pay.

Section 33 - Vacations

(a) Employees who work a total of 1600 hours in either the calendar year preceding the vacation or 12 months immediately preceding the vacation at Sierra Vista Ranch or Borrego Springs Ranch or DiGiorgio Farms or at all such locations, shall receive one week of paid vacation per year. Such vacation pay to be equal to 1/52 of the employee's earnings for the 12 months preceding the vacation.

(b) Employees who have worked such total of 1600 hours at either Sierra Vista Ranch or DiGiorgio Farms or at all such locations in each year (calendar year or 12 months immediately preceding annual vacation) of three consecutive years shall receive two (2) weeks paid vacation, such vacation pay to be equal to 2/52 of the employee's earnings for the 12 months preceding the vacation.

(c) If an employee's vacation period includes one of the holidays set forth in Section 34 his vacation period shall be extended to include such holiday, but without pay for that day.

(d) Vacation schedules shall be mutually agreed upon except if more employees in the judgment of the Employer want a particular vacation period than can be reasonably spared, the worker with the highest seniority shall have first preference for the vacation period.

(e) If an employee is entitled to a paid vacation and requests the pay to due him prior to taking the vacation he shall be paid the sum of money he is entitled to.

Section 34 - Holidays

(a) Time worked on holidays hereinafter enumerated shall be at one and one-half times the regular rate of pay for work performed.

(b) The following days shall be the holidays referred to in (a) above:
   - New Year's Day
   - Labor Day
   - Good Friday
   - Thanksgiving Day
   - Fourth of July
   - Christmas Day

22.
Section 35 - Special Benefits Fund

(a) Purpose of Fund: The purpose of this Fund is to provide for health and welfare benefits and/or life insurance benefits and/or pensions as agreed upon by the parties. The parties shall agree upon the final purpose or purposes for which the monies accumulated shall be used and all of the conditions applicable to such use on or before sixty (60) days prior to April 3, 1968. If the parties are unable to so agree by that date then all disputes and differences shall be submitted for final and binding arbitration to Sam Kagel and Ronald Haughton, or if both of them cannot serve, then to an arbitrator selected from a list of five names submitted to the parties by the California State Conciliation Service.

(b) Accumulation of Funds: The Employer as retroactive payments for the period from the dates of certification to December 31, 1966 shall pay into such fund the sum of Twenty-Five Thousand Dollars ($25,000.00). Then commencing as of January 1, 1967 the Employer shall contribute five cents ($0.05) per hour for each hour worked by all employees covered by this Agreement to this Fund.

(c) The Trust Fund and Trust Agreement: The monies to be contributed hereunder shall be paid into a trust which shall forthwith be established by an equal number of representatives of the Employer and the Union for the sole and exclusive benefit of the employees of such Employer, and their families and dependents (or of such employees, families, and dependents jointly with the employees of other employers making similar payments, and their families and dependents): Provided that (A), such payments shall be held in trust for the purpose of paying, either from principal or income or both, for the benefit of employees, their families and dependents, for medical, dental, or hospital care, pension or retirement of employees or life insurance or insurance to provide any of the foregoing; (B), the detailed basis on which such payments are to be made shall be specified in a written agreement with the Employer, and employees and Employer are equally represented in the administration of such fund. In the event the Employer and Employee trustees deadlock on the administration of such fund Sam Kagel shall, acting as arbitrator, decide such dispute and his decision shall be final and binding. If Sam Kagel is unable to serve then an arbitrator shall be selected from a list of five names supplied by the California State Conciliation Service.

The Agreement between the parties shall also provide for an annual audit of the trust fund by a Certified Public Accountant, a statement of the results of which shall be available for inspection by interested persons at the principal office of the Trust Fund. If payments are intended to be used for the purpose of providing pensions for employees then such payments shall be made to a separate trust which provides that the funds held therein cannot be used for any purpose other than paying such pensions.

Section 36 - Unemployment Insurance

(a) The Employer, to the extent that he is not covered by the compulsory provisions of the California Unemployment Insurance Act, shall file with the California Employment Commission a written election that all employment in the units covered by this Agreement shall be deemed to be employment for all of the purposes of the Act and upon
approval by the Commission of such election the Employer will make payments and deductions provided for under the Act.

(b) If the California Employment Commission does not approve the coverage requested then the amount of the Employer’s monthly contribution which would be payable initially under the Act for each covered employee shall be paid monthly into the Special Benefits Fund provided for in Section 35, and such payments shall be retroactive to and commence as of April 3, 1967.

Section 37 - Grievance Procedure

(a) The parties to this Agreement agree that as to all differences, misunderstandings, or disputes which arise between the Employer and the Union out of the interpretation or application of this Agreement, including but not limited to discharges, and wages, an earnest effort shall be made to settle same immediately, as follows:

(b) First Step: Within 24 hours of notice from one party to the other, the matter shall be taken up between the immediate supervisor, representing the Company and the Union steward, and they shall use their best good faith efforts to resolve the grievance.

(c) Second Step: In the event they are unable to adjust the dispute within one work day, the matter shall then be taken up by an official of the Union and the Branch Personnel Manager of the Employer.

(d) Third Step: If there be no settlement between the above-mentioned parties within two work days, the matter shall be taken up by the Employer’s district or local Personnel Manager and a District Officer of the Union.

(e) Fourth Step: In the event that these parties cannot resolve the dispute within five working days, the matter shall be submitted to an impartial arbitrator for a decision which shall be final and binding on all parties. The said impartial arbitrator shall be Sam Kagel. In the event that Sam Kagel shall not be available, then an arbitrator shall be selected from a list of five persons submitted to the parties by the California Conciliation Service.

(f) Grievance Committee: A grievance committee of five (5) workers shall be established by the Union which may participate in any step of the grievance.

(g) Harmonious Working Relations: Any claim by Union that action on the job or by non-bargaining unit employee is disrupting harmonious working relations may be taken up as a grievance.

(h) Failure to file the grievance within thirty (30) days from the date that such grievance came to the notice of the movimg party shall constitute a waiver of such grievance, provided, however, that a grievance or a discharge shall be filed within five (5) days from the date that it comes to the attention of the Union, and failure to file such a grievance within five (5) days shall constitute a waiver thereof. In computing time under this section, Sundays and Holidays will be excluded.

(i) Union Security or Hiring Disputes: Disputes arising between the Union and the Employer under recognition, Union Security or Hiring shall be taken up directly by the District Personnel Manager and the District Union
Officer and shall proceed immediately to arbitration if said persons cannot resolve the dispute within five (5) days.

(i) Arbitration Procedures: All testimony taken at arbitration hearings shall be taken under oath, recorded and transcribed. The expenses and fees of the arbitrator and reporter, and the cost if any, of a hearing room shall be shared equally between the Employer and the Union. All other expenses incident to arbitration shall be borne by the party incurring them.

(k) Arbitrators Authority: The impartial arbitrator shall not modify any provision or provisions of this Agreement.

Section 38 - Modification.

(a) No provision or term of this Agreement may be amended, modified, changed, altered or waived except by the parties hereto.

Section 39 - Waiver

(a) The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement. Therefore, the Employer and the Union, for the life of this Agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter referred to, or covered in this Agreement, or with respect to any subject or matter not specifically referred to or covered in this Agreement, even though such subject or matter may not have been within the knowledge or contemplation of either or both of the parties at the time that they negotiated or signed this Agreement, provided, however, that this waiver shall not be applicable to the creation of new jobs, changes in existing jobs, classification or changes in existing practices with respect to hours or conditions of work.

Section 40 - Savings Clause

(a) In the event any portion of this Agreement shall become ineffective as the result of any applicable local, state or federal law, only that portion of the Agreement so affected shall be ineffective; in no event shall the fact that a portion of this Agreement be not applicable or illegal in accordance with such laws render the remainder of the Agreement ineffective or work a termination.

****Section 41 - Effective Date, Annual Reviews, and Duration of Agreement

(a) Except as different effective dates are specifically stated in particular Sections of the Agreement, this Agreement shall be effective April 3, 1967.

(b) Not later than ninety (90) days prior to April 3, 1969 either party may propose to the other in writing, modifications or amendments to the following sections of the Agreement: Section 29, and Appendix A: Wages; Section 30, Hours; Section 33, Vacations; Section 34, Holidays; Section 35, Special Benefit Funds,
including those provisions negotiated or settled by arbitration as provided in Section 35 (a) and Employer contributions; and Section 36, Unemployment Insurance. The parties shall negotiate on such proposals and whatever remains unsettled between them shall be submitted to final and binding arbitration thirty (30 days) prior to April 3, 1969. The parties by mutual agreement may extend the period for negotiation and extend the date for arbitration, but any negotiated settlements or arbitration awards, whenever made, shall be for the full year April 3, 1969 to April 3, 1970. The arbitrators shall be Sam Korgel and Ronald Haughton, or if both of them cannot serve then either of them who might be available shall be the arbitrator; and if neither of them are available then the arbitrator shall be selected by the parties from a list of five (5) names submitted by the California State Conciliation Service.

(c) This Agreement shall remain in full force and effect until April 3, 1970 and shall be automatically renewed from year to year thereafter unless either party gives written notice of a desire to modify, amend or terminate this Agreement, at least ninety (90) days prior to April 3, 1970 or any subsequent April 3. Negotiations concerning modifications or amendments of this Agreement under this paragraph of the Agreement shall begin not later than thirty (30) days after receipt of the written notice to modify or amend. During negotiations beyond April 3, 1970 this Agreement shall remain in full force and effect unless either party thereafter gives the other party twenty (20) days notice in writing terminating the Agreement.

(d) Notifications provided for in this Section shall be made by certified or registered mail.

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