

2014 Kowalski's Companies UFCW 1189 Contract Proposals
March 24, 2014

These proposals are offered by Kowalski's Companies in a good faith effort to reach a negotiated successor contract to our respective collective bargaining agreement with UFCW Local 1189. We are bargaining together with other industry employers as a matter of convenience only and reserve the right to separately add to, subtract from or modify the terms of these proposals throughout the course of negotiations, regardless of the positions taken by other retailers. Any proposals that are withdrawn by our or any Company during the course of negotiations shall not be introduced as evidence or have any effect in any future bargaining, grievances, or arbitration hearings. A Company proposal or any withdrawal or modification of a proposal does not constitute a waiver by our Company of any of its present rights. We reserve the right to add to, modify or delete proposals at any time. Any agreement as to a specific proposal is considered to be a tentative agreement subject to final agreement between us and the Union concerning all matters related to these negotiations.

- 1) Term of contract - Open
- 2) Section 1.1 A – Change to all stores can have up to 3 employees outside of the bargaining unit who can do bargaining unit work, including the store manager.
- 3) Section 1.5 A. 4) – Add:
 - Prime Time Part Time
 - PT and PTPT can prepare value added meat and seafood products.
- 4) Section 2.6 C: Delete the second sentence, old dates that do not apply.
- 5) Section 2.7 A – Add: Employee may be scheduled 3 hours if by mutual agreement.
B – Add: Employee may be scheduled less than 15 hours if by mutual agreement.
- 6) Section 4.2 E: Job posting, change to: Will post all open FT positions.
- 7) Section 4.3 E – Modify language so that any Retail Specialists can be transferred at the employer's discretion with a 2 weeks' notice.
- 8) Section 6.6: Change to max of 30%. No Tuesday restriction. Same in the small store agreement. (Letter of agreement #6)
- 9) Section 7.1 – Add: Part-time employees hired after April 5, 2014 capped at 3 weeks' vacation.
- 10) Section 8.2 B - Change from 3 years to 1 year max on extensions.
- 11) Section 8.7: S.P.U.R. Add: With at least a 2 week notice.
- 12) Article 19 - Health and Welfare –
 - Discuss cost savings and other options that can address the current Health care plans shortfall in addition to the ACA impacts to the Health care plan.
 - Keep employer contributions the same.
 - o \$145.88 per week on FT
 - o \$50.23 per week on RPT
 - If cost savings can't maintain the existing benefits then give the employees the options of contribution sharing or reducing benefits to maintain 6 months of reserves.
 - Individual coverage only for RPT employees who work, on average, more than thirty (30) but less than thirty-nine (39) hours per week.
 - i. Such employees may add dependent health insurance coverage at full cost to the employee.
 - ii. Spousal coverage not available.
 - Spousal coverage not available for either FT or PT employees if spouse has health insurance coverage available from another employer.
- 13) Article 20 - Retirement Plan – No changes. Keep same contribution levels into the Defined Contribution Plan.
- 14) Article 21 A: Change to: Such relief employees are guaranteed a minimum of forty (40) hours of work per week for up to 12 weeks during the May 1 – January 1 period .

15) Appendix A – Wages –

- Kowalski's Companies is interested in increases for top rated and over scale FT, PT, Utility and Prime time employees.
- Add the following progression steps.
 - i. Senior Retail Specialists – add \$20.22 between \$18.10 and \$22.33
 - ii. Retail Specialists – add \$15.10 between \$14.05 and \$16.15
 - iii. Full Time Maintenance – add \$15.93 between \$14.08 and \$17.78
 - iv. Regular Part-Time – add \$12.63 between \$11.50 and \$13.75