

Proposed ARGA Settlement for Ratification **on Wednesday May 8, 2019**

This proposed settlement comes with 100% recommendation from the Union Negotiating Committee to vote YES.

Highlights

- Increased Wages and Wage Scales (See Pages 3-6)
- Part-time progression increases every 1040 hours instead of 1560
- Improved Pension Funding (.20/hr)
- Increased Employer Contribution to Health Care Plan (small increase for employees)
- Improved Funeral Leave Benefits
- Vacation Benefits for part-time non-food handlers

Add to Article 3.3:

The Union shall indemnify the Employer and hold it harmless from any and all claims, demands, and liabilities that shall arise out of or by reason of any action taken by the Employer for the purpose of complying with the foregoing provisions of this Section, or in reliance on any lists, notice or authorization that shall have been furnished the Employer under any such provisions.

Amend 14.1C:

Any dispute, difference, or grievance relative to the interpretation of or adherence to the terms of the Agreement which has not been resolved in Steps A or B above, will be reduced to writing within ten (10) days of the meeting in Steps A or B above. Once reduced to writing, representatives of the Union and the Company will meet in an effort to resolve the grievance. **The Company HR Department shall issue a written response within 10 calendar days of the meeting.**

Modify paragraph 12.3 (Employment Termination) to add the following language:

The Employer may assess a lesser penalty on an individual Employee where discharge without warning notice is appropriate based upon the Employee's culpability, involvement, responsibility, mitigating special circumstances, or other relevant criteria. The lesser level of discipline short of immediate termination of employment based on individual employee mitigating circumstances shall not establish any precedent or past practice.

Amend Section 4.7 to read:

All Employees shall have the opportunity prior to the posting of the schedule to request of the Company, in writing, a particular day or days off. Written day-off requests must be received no later than **five (5) ~~three (3)~~** days prior to the time the work schedule is posted.

Add the following new language to Article 19 (Leaves of Absence):

19.9 Duluth ESST. Employer will comply with Chapter 29E of the Duluth City Code pertaining to earned sick and safe time for all stores located in Duluth.

Amend Article 18: Funeral Leave:

Amend Funeral Leave to include **up to 3 days for son-in-law or daughter-in-law and 1 day for current sister-in-law and brother-in-law.**

New VACATION for Part-time non-food handling employees:

Part-time non-food handling employees hired after 5/1/2005 will be eligible for one (1) week of paid vacation after 3 years of employment and two (2) weeks of paid vacation after 5 years of employment.

Health & Welfare

Increase monthly contribution rates for family coverage as follows:

<u>Current Rate</u>	<u>1/1/2020</u>	<u>1/1/2021</u>
\$1,625	\$1,650	\$1,675

Increase monthly contribution rates for *Grandfathered Part-Time Employees* and *ThirtyPlus Employees* for single coverage as follows:

<u>Current Rate</u>	<u>1/1/2020</u>	<u>1/1/2021</u>
\$650	\$670	\$690

Premium Share. Pre 10/1/14 Employees. Weekly Premium Share (first 4 weeks of each month):

<u>Current</u>	<u>1/1/2020</u>	<u>1/1/2021</u>
\$7/week	\$8/week	\$9/week

Premium Share. Post 10/1/14 Employees. Weekly Premium Share (first 4 weeks of each month):

<u>Current</u>	<u>1/1/2020</u>	<u>1/1/2021</u>
\$27.08/week	\$29/week	\$30/week

Premium Share. Transitional Employees. Weekly Premium Share (first 4 weeks of each month):

<u>Current</u>	<u>1/1/2020</u>	<u>1/1/2021</u>
\$43.75/week	\$45/week	\$46/week

Pension (improve pension funding)

Increase non-benefited pension contribution described in paragraph 15.33 (Additional Contribution) from 16¢/hour to 36¢/hour effective January 1, 2020. The new **20¢** non-benefited pension contribution will be converted to benefited contribution in accordance with the rehabilitation plan to be adopted by the Pension Fund Trustees.

Term: Contract expires April 23, 2022

Wages

Wage adjustments and new wage scale – see attached revised wage schedules (Appendix A)

Unless otherwise specifically noted, individual wage adjustments for employees within the wage progressions shall be to the wage rate closest to the employee’s current wage rate when implementing the revised wage schedules. In no event, however, will an employee’s hourly wage be reduced as a result of implementing the wage adjustments and new wage scales.

As in the past, “top and over scale” wage increases are not cumulative.

Employee moves to the next higher wage rate on the completion of each Step progression.

APPENDIX A

Food Handling Department Managers Including Bakery / Deli Managers

	<u>Current</u>	<u>DOR</u>	<u>4/26/20</u>	<u>4/25/2021</u>
Start (12 months)	\$17.60	\$18.13	\$18.13	\$18.13
Step 1 (12 months)	\$18.13	\$18.67	\$18.67	\$18.67
Step 2 (12 months)	\$18.67	\$19.62	\$19.62	\$19.62
Step 3 (12 months)	\$19.62	\$20.20	\$20.20	\$20.20
Step 4(12 months)	\$20.20	\$20.60	\$20.60	\$20.60
Step 5 (12 months)	\$20.60	\$20.90	\$20.90	\$20.90
Step 6 (12 months)	\$20.90	\$21.20	\$21.20	\$21.20
Step 7 (12 months)	\$21.20	\$21.50	\$21.50	\$21.50
Step 8 (12 months)	\$21.50	\$21.80	\$21.80	\$21.80
Step 9 (12 months)	\$21.80	\$22.10	\$22.10	\$22.10
Step 10 (12 months)	\$22.10	\$22.55	\$22.55	\$22.55
Top and over scale		45¢	50¢	50¢

- Newly appointed Department Manager enters wage progression on next higher wage rate above his/her current wage rate.
- Assistant Store Managers receive additional 50¢/hour over applicable rate.

Full Time Food Handling Employees:

	Current	DOR	4/26/2020	4/25/2021
Start (12 months)	\$13.58	\$14.14	\$14.14	\$14.14
Step 1 (12 months)	\$14.14	\$15.00	\$15.00	\$15.00
Step 2 (12 months)	\$15.00	\$16.07	\$16.07	\$16.07
Step 3 (12 months)	\$16.07	\$16.37	\$16.37	\$16.37
Step 4 (12 months)	\$16.37	\$16.67	\$16.67	\$16.67
Step 5 (12 months)	\$16.67	\$16.92	\$16.92	\$16.92
Step 6 (12 months)	\$16.92	\$17.22	\$17.22	\$17.22
Step 7 (12 months)	\$17.22	\$17.52	\$17.52	\$17.52
Step 8 (12 months)	\$17.52	\$17.82	\$17.82	\$17.82
Step 9 (12 months)	\$17.82	\$18.22	\$18.22	\$18.22
Top and over scale:		+35¢	+40¢	+40¢

Full Time Bakery Deli, includes FT Decorators, and Full-time Meat Handlers

	Current	DOR	4/26/2020	4/25/2021
Start (12 months)	\$13.20	\$13.55	\$13.65	\$13.95
Step 1 (12 months)	\$13.48	\$13.83	\$13.95	\$14.30
Step 2 (12 months)	\$14.00	\$14.35	\$14.75	\$15.00
Step 3 (12 months)	\$14.50	\$14.85	\$15.05	\$15.35
Step 4 (12 months)	\$14.75	\$15.10	\$15.40	\$15.70
Step 5 (12 months)	\$15.05	\$15.40	\$15.70	\$16.00
Step 6 (12 months)	\$15.35	\$15.70	\$16.00	\$16.30
Step 7 (12 months)	\$15.65	\$16.00	\$16.30	\$16.55
Step 8 (12 months)	\$15.95	\$16.30	\$16.60	\$16.85
Step 9 (12 months)	\$16.25	\$16.65	\$16.90	\$17.25
Top and over scale:		+35¢	+40¢	+40¢

Part Time Grocery, *ThirtyPlus* Food Handling Employees, and Part-time Meat Handlers

	Current		DOR	4/26/2020	4/25/2021
Start	\$9.70		\$10.55	\$11.50	\$11.90
Step 1 +1560 Hours	\$10.00	Step 1 +1040 Hours	\$11.05	\$11.90	\$12.15
Step 2 +1560 Hours	\$10.55	Step 2 +1040 Hours	\$11.50	\$12.15	\$12.40
Step 3 +1560 Hours	\$11.05	Step 3 +1040 Hours	\$11.90	\$12.40	\$12.75
Step 4 +1560 Hours	\$11.50	Step 4 +1040 Hours	\$12.15	\$12.75	\$13.10
Step 5 +1560 Hours	\$11.90	Step 5 +1040 Hours	\$12.40	\$13.10	\$13.45
Step 6 +1560 Hours	\$12.15	Step 6 +1040 Hours	\$12.75	\$13.45	\$13.70
		Step 7 +1040 Hours	\$13.10	\$13.70	\$13.95
		Step 8 +1040 Hours	\$13.45	\$13.95	\$14.20
		Step 9 +1040 Hours	\$13.95	\$14.20	\$14.50
Top and over scale:			+30¢	+35¢	+35¢

*** On DOR employee will move to the next higher wage rate and progress forward through the steps (example: Step 4 on current wage rate of \$11.50 moves to Step 3 rate of \$11.90 on DOR).**

**** Over scale employees on DOR will immediately move to the next higher wage rate on the DOR scale and progress forward through the steps.**

Non Food Handling Employees

	<u>Current</u>	<u>DOR</u>	<u>4/26/2020</u>	<u>4/25/2021</u>
	\$9.70	\$10.25	\$10.55	\$10.85
Top and over scale:		+30¢	+35¢	+35¢

Start rate will always be not less than 10¢ above minimum wage.

“DOR” (Date of Ratification) means first day of the work week (Sunday) following contract ratification.

APPENDIX A
Wage Rates All Areas
[Meat Unit: Heat Meat Cutter, Journeyman, Apprentice]

	<u>Current</u>	<u>DOR</u>	<u>4/26/2020</u>	<u>4/25/2021</u>
Head Meat Cutter	\$23.55	\$24.00	\$24.50	\$25.00
Journeyman hired before 10/1/14	\$22.18	\$22.53	\$22.93	\$23.33

Journeyman hired after 9/30/14

Hourly “Catch up” adjusted rate based on the following increases:

DOR	+50¢ (35¢ + 15¢)
10/1/2019	+15¢
4/26/2020	+55¢ (40¢ + 15¢)
10/1/2020	+15¢
4/25/2021	\$23.33

Journeyman covered by the Catch up scale will continue to receive catch up adjustments until the employee’s hourly wage rate matches that of Journeyman meatcutters hired before 10/1/2014 and thereafter shall move to the pre-10/1/2014 Journeyman scale.

Apprentice Meat Cutter

	<u>DOR</u>	<u>4/26/2020</u>	<u>4/25/2021</u>
Start	\$13.15	\$13.15	\$13.15
Step 1 (+1040 hrs)	\$13.70	\$13.70	\$13.70
Step 2 (+1040 hrs)	\$14.54	\$14.54	\$14.54
Step 3 (+1040 hrs)	\$16.26	\$16.26	\$16.26
Step 4 (+1040 hrs)	\$16.53	\$16.53	\$16.53
Step 5 (+1040 hrs)	\$16.95	\$16.95	\$16.95
Step 6 (+1040 hrs)	\$17.60	\$17.60	\$17.60
Step 7 (+1040 hrs)	\$20.03	\$20.03	\$20.03

Employees promoted to apprentice (or any other wage scale, i.e. full-time grocery) will be moved to the next higher rate and progress from there.

APPENDIX B
Transition Agreements

The Transition Agreement dated April 30, 2012 between Miner's Incorporated and UFCW Local 1189 pertaining to the 2012 sale and acquisition of the Pike Lake Super One Foods store is incorporated herein by reference.

The Transition Agreement dated March 14, 2017 between Miner's Incorporated and UFCW Local 1189 pertaining to the 2012 sale and acquisition of the Grand Rapids South Super One Foods store is incorporated herein by reference.

The Transition Agreement dated May 19, 2017 between Miner's Incorporated and UFCW Local 1189 pertaining to the 2012 sale and acquisition of the Grand Rapids North Super One Foods store is incorporated herein by reference.

This proposal was made by the Employers on the basis that it is a fully recommended proposal. It is understood by the parties that should the offer be rejected, it is withdrawn, and both parties will be back to their last proposals.