

COLLECTIVE BARGAINING AGREEMENT

BETWEEN

AMERICAN WATER WORKS SERVICE COMPANY, INC.

AND

UTILITY WORKERS UNION OF AMERICA, AFL-CIO, LOCAL 640

ALTON, IL

October 12, 2015- October 11, 2019

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SCOPE OF AGREEMENT

This Agreement has been entered into October 12, 2015, by and between American Water Works Service Company, Inc., hereinafter referred to as the "Employer" or the "Company," and the Utility Workers Union of America, AFL-CIO, Local 640, hereinafter referred to as the "Union."

PREAMBLE

The Company is engaged in furnishing an essential public service which vitally affects the health, safety, comfort and general well-being of a large number of people in the communities furnished water service by the Company.

The Company and the Union agree that the existence of the Company is conditioned upon it carrying out its responsibilities and obligations to the public served.

The parties agree further that the responsibility to the public is a mutual responsibility of employees and management that requires that any disputes arising between them shall be settled in an orderly manner without interruption of water service.

The Union is in agreement with the objectives of achieving the highest level of service to the public, the highest level of employee performance and efficiency consistent with safety, good health and sustained effort.

ARTICLE 1

RECOGNITION

Section 1.1

The Company recognizes the Union, and its successors, as the exclusive collective bargaining representative in matters of wages, hours, working and other conditions of employment for all customer service representatives as listed in Attachment A, employed at the Company's Alton, Illinois facility, excluding office clerical and professional employees, guards and supervisors as defined in the Act.

Section 1.2

It is recognized by the parties hereto that based upon the Company's responsibilities and obligations to the public to at all times furnish a safe and adequate water supply, there can be no division of responsibility. It is agreed, therefore, that the Company must be

unhampered in its selection of employees to meet its operational needs. It is further agreed that the Company may assign employees from outside the bargaining unit to perform work covered by this collective bargaining agreement, so long as such assignment is for training and development or is temporary (no more than ninety (90) days) to efficiently perform the necessary work.

Section 1.3 Temporary Transfers and Step-Up Pay

Nothing in this Agreement shall prevent the temporary transfer of bargaining unit employees to non-bargaining unit work or to work in any lower classification to promote efficiency, facilitate training or fill up their time. Employees will receive their regular hourly rate of pay for all such work. For all time actually worked in excess of one hour in a higher classification at the direction of the Company, the employee will receive the greater of Seventy-Five Cents (\$.75) per hour or the respective hourly rate of pay for the higher union classification.

Section 1.4 Use of Part-time & Temporary Employees

Nothing in this Agreement shall limit the right of the Company to employ part-time, seasonal or temporary employees including employees from temporary labor services. It is agreed that the number of regular part-time employees utilized by the Company will not exceed twenty-seven percent (27%) of the total number of employees employed and that once each month, upon request, the Company will verify to the Union that it is in compliance with this restriction. Part-time employees will not be scheduled to work in such a way that, individually or collectively, they are regularly scheduled to work the equivalent hours that one full-time employee would work in a normal straight time week; however, part-time employees shall be permitted to work scheduled or call-out overtime if no qualified full time employees accept said overtime and said hours shall not be counted toward working the equivalent hours that one or several full-time employees would work in a normal straight time week. In the event the Company regularly schedules part-time employees to work the equivalent hours that one full-time employee would work in a normal straight time week, the Company agrees to hire a full-time employee in lieu of the part-time employee(s). If the Company determines that a full-time vacancy exists, it will consider qualified regular part-time employees for the opening(s) before recruiting from outside the Company. Part-time, seasonal and temporary employees will not be eligible for any benefits of any kind unless specifically set forth in this Agreement. Regular part-time employees are those who are regularly scheduled more than sixteen (16) but less than twenty eight (28) hours in a

workweek. No seasonal or temporary employee will be retained for more than ninety (90) days without a break in employment. No seasonal or temporary employee will be retained when a member of the bargaining unit is qualified to perform the same work is being laid off. Employment through a temporary employment service shall not be considered to be employment by or service with the Company for any purpose under this Agreement. The Company shall notify the Local 640 President in writing within 7 days of employment of any seasonal or temporary employees including employees from temporary labor services. That notification shall include the name and specific start dates and type of work being performed; for each seasonal or temporary employee including employees from temporary labor services employed by the Alton Call Center.

Section 1.5 Part Time Benefits

Part-time employees will earn twenty-five (25) vacation hours per calendar year. These employees will be included in the vacation bid in order of seniority as outlined in Article 7. Part-time employees will earn fifteen (15) sick hours per calendar year. The Company will consider on a case-by-case basis any full-time employee with need to go to part time.

Section 1.6

The Company is committed to maintaining more than one (1) Customer Service Center for the foreseeable future. If during the term of this Agreement, the Company elects to close the Customer Service Center covered by this Agreement, all affected employees will be given an opportunity for continued employment at the new location.

ARTICLE 2

NON DISCRIMINATION

Section 2.1

The Company and the Union agree that they will not discriminate against any employee or applicant for employment for or on account of, or because of sex, creed, race, color, religion, age, marital status, national origin, union activity, or handicap to the extent covered by law provided the employee is capable of performing his job. It is understood that wherever in this Agreement employees or jobs are referred to in the masculine gender, it shall be recognized as referring to both male and female.

ARTICLE 3

UNION SECURITY

Section 3.1 Conditions of Employment

As a condition of continued employment, all employees included in the collective bargaining unit shall, prior to ninety-one (91) days after the start of their employment with the Company, or the effective date of this Agreement, whichever is later, become members of the Union and pay to the Union the periodic monthly dues and initiation fees uniformly required of all Union members. The Union shall certify to the Company the amount that constitutes periodic monthly dues.

Section 3.2 Discharge of Non-members

The failure of any person to become or remain a member of the Union at such required time by paying initiation fees and regular monthly dues uniformly required as a condition of membership shall obligate the Company, upon written notice from the Union to such effect and to the further effect that Union membership was available to such person on the same terms and conditions generally available to other members, to discharge such individual within ten (10) working days following the receipt of such notice.

Section 3.3 Hold Harmless

The Union recognizes and accepts sole responsibility for any action arising out of any Union demand for the discharge of any employee pursuant to the terms of this Agreement. In any and all cases where the Company complies with the Union demand in reliance upon a written notice respecting membership in the Union, the Union shall indemnify and hold the Company harmless for any resulting liability, including, but not limited to, back pay, lost benefits, other damages, interest, costs, expenses, and reasonable attorney's fees.

ARTICLE 4

CHECK-OFF

Section 4.1 Bi-weekly Deduction

When individually authorized in writing by an employee, the Company agrees to deduct on a bi-weekly basis from the pay of the employee an amount equal to the dues and initiation fees as required from all employees in the bargaining unit. All amounts so deducted shall be remitted on or before the last day of the same month to the Union. A list showing all employees from whom deductions were made will accompany the remittance of money collected.

Section 4.2 Hold Harmless

The Union agrees to hold the Company harmless for any action or actions growing

out of these deductions commenced by an employee against the Company, and assumes full responsibility for the disposition of the funds so deducted, once the money is in the hand of the Union. Errors made by the Company in making deductions and remitting same shall not be considered a violation of this provision, but correction of any errors shall be made within a reasonable time.

Section 4.3 Successor Clause

It is agreed that in the event the Employer during the term of the Agreement shall transfer the control and/or operation of the facility to another corporation, person or firm by assignment, lease, sale or other transfer, the Employer will require the transferee to assume the obligations of this Agreement for a twelve (12) month period after the transfer by specific provision in the agreement of transfer and upon the assumption of this Agreement by such transferee all obligations to be performed hereunder on the part the Employer shall cease and be terminated.

ARTICLE 5

NO STRIKE OR LOCKOUTS

Section 5.1

During the term of this Agreement, the Union agrees on behalf of itself and each of its members that it and they shall not engage in, participate in or encourage any stoppage of work, strike, sitdown, slowdown, picketing, sympathy strike, safety strike, boycott, strike in protest of any unfair labor practices or any other form of concerted or improper interference of any kind with the business or operations of the Company or its service to the public.

Section 5.2

If an employee or group of employees engaged in violation of Section 1, above, the Union will give written notice to the Company as soon as possible, in no event more than two (2) hours after notification by the Company, copies of which notice by the Union shall be posted immediately by the Union on the bulletin boards, that it has not authorized the stoppage, slowdown, or suspension of work.

Section 5.3

Any employee engaging in, participating in, or encouraging a violation of Section 5.1 may be disciplined or discharged by the Company in its discretion, subject to the grievance procedure on the sole issue of whether or not the employee or employees so disciplined or discharged in fact engaged in conduct in violation of this Article.

Section 5.4

The Company agrees that during the term of this Agreement it will not cause or call any lockout of its employees.

ARTICLE 6

MANAGEMENT RIGHTS

Section 6.1

Except as limited by a specific provision of this Agreement, the Company retains and shall continue to have the sole and exclusive right to manage its business and direct the working forces, including, but not limited to, the right to plan, direct and control operations, the right to hire or to suspend, discipline, demote, or discharge for just cause, the right to maintain order and efficiency, transfer or promote, or to relieve employees from active duty because of lack of work or other legitimate reasons, the right to study, determine and regulate the methods, quantity and quality of work, and the sources and kinds of merchandise, materials, parts, facilities and equipment used, handled or sold, the right to schedule and reschedule work hours, work shifts, shift hours and overtime requirements and the assignments thereto, the right to select customers, the right to extend, limit or curtail operations or any part thereof when and in such manner as it deems advisable to do so, the right to establish, modify, publish and enforce reasonable rules and regulations for discipline, dress, safety and any other business-related concerns, the right to close, sell, liquidate or move, relocate or transfer the business in its entirety or any part thereof, the right to expand, reduce, alter, combine, move, transfer, relocate or terminate any job, job content, department, operation or service, and to subcontract any work, maintenance or otherwise, and the right to determine the number, location and operation of its facilities as well as the right to make decisions to do any of the foregoing. Provided, further, that any of the rights the Company had prior to the execution of the Agreement are retained exclusively by the Company, except as may be limited by the terms and provisions of this Agreement or Supplemental Agreements hereto after agreed to. The Company Agrees to notify the Union leadership prior to any general announcement.

Section 6.2

Due to the nature of the Company's business and its responsibility to furnish a safe and adequate water supply to its customers at all times, supervisors employed by the Company may perform work that is normally performed by employees covered by this Agreement. It is not the Company's intention to use supervisors to displace or replace bargaining unit employees. No employee will be laid off as a direct result of a supervisor

performing bargaining unit work.

Section 6.3

The Company does not by this Agreement waive any rights, legal or equitable, which it would otherwise have except as specifically defined and provided in this Agreement which sets forth all understandings and agreements arrived at by the parties.

ARTICLE 7

SENIORITY

Section 7.1

The term seniority as used in this Agreement shall mean length of continuous service as an employee of American Water;

Unless specifically set forth in this Agreement, in all cases involving the principle of seniority including, but not limited to, layoff, recall, promotion, transfer and job assignment, an employee's demonstrated skill, competency and ability to perform the assigned duties required will govern. An employee's demonstrated skill, competency and ability shall include, but not be limited to, performance evaluations and counselings or more severe discipline. When the Company determines that two or more employees have relatively equal skill, competency and ability to perform the assigned duties required, seniority will govern. When two or more employees have identical seniority will be determined by lottery consistent with the Memorandum of Agreement between the parties on this issue.

Section 7.2

The Company reserves the right to temporarily fill any vacancy consistent with the provisions of Article 1, Section 4 of this Agreement.

Section 7.3 Part-time Seniority

Part-time employees will be given credit for all time worked for the Company on the basis of one (1) hour for every two (2) hours worked. Part-time seniority will be computed and adjusted on a quarterly basis.

Section 7.4 Probationary Employment

During their first ninety (90) days of continuous service with the Company, full-time employees shall be considered to be probationary employees and shall not be entitled, except as otherwise expressly provided, to any benefits conferred by this Agreement; and such employees may be discharged or disciplined at the discretion of the Company for any reason without recourse by the Union. Regular part-time employees must successfully complete a ninety (90) day probationary period. After completion of such probationary

period, the length of service date of such employees shall be deemed to commence from the date upon which they entered the service of the Company.

Section 7.5 Length of Service List

A list of employees in the bargaining unit with their date of hire shall be posted on the bulletin board with a copy sent to the Union. The Company will furnish to the Union a revised seniority list monthly.

Section 7.6 Layoff and Recall

If the Company determines that it is necessary to lay off employees, regular, full-time employees will be given preference in accordance with Section 7.1. Employees shall be recalled in reverse order of layoff.

When an employee who would otherwise be laid off has a greater length of service and that senior employee is immediately capable of efficiently performing the work expected to be available, then such employee shall be offered the opportunity to replace the less senior employee and perform the work at the appropriate rate for the position. There shall be no up-grading in a layoff or recall. Employees shall be recalled in accordance with their seniority as defined in Section 1, above.

Section 7.7 Termination of Seniority

The employment relationship and length of continuous service of an employee shall be considered terminated, and subsequent reemployment shall be deemed new employment in the following events:

- (a) Voluntary quit or retirement;
- (b) Discharge for cause;
- (c) Absence in excess of a leave of absence;
- (d) Failure to come to work or to call and speak to the Absence Supervisor for three (3) consecutive days of work unless good cause is shown to the satisfaction of the Company;
- (e) Failure to return to work from a layoff within five (5) work days following the receipt of notice to return to work sent by registered or certified mail to the employee's last known address or following the date of telephone notice to him. It shall be the sole responsibility of an employee to keep the Company advised as to his current address and telephone number provided that if he should fail to do so, then the five (5) work days shall be deemed to have commenced from the sending of the registered or certified mail or from the date of attempted telephone notice to him;
- (f) Working for another employer during a leave of absence without specific written permission from the Company in advance;
- (g) Not performing any work for the Company for any reason for a period of Fifteen (15) months. Any individual on Long-Term Disability (LTD) prior to ratification of this Agreement will be "grandfathered" into LTD

- benefits.
- (h) When a layoff exceeds the following periods:
- | | |
|--|--|
| If Accrued Seniority is: | Seniority shall be lost if Layoff exceeds: |
| Less than 1 year | 6 Months |
| More than 1 year but less than 5 years | 12 Months |
| More than 5 years | 18 Months |

It is further agreed, that under no circumstances will an employee's recall rights exceed their actual length of employment.

Section 7.8 Job Bidding

All full-time job vacancies shall be posted for bid for a period of seven (7) calendar days. Such posting shall contain the job opening and the shift involved. Employees shall be entitled to bid on such vacancy and the opening(s) shall be awarded based on seniority as defined in Section 7.1, above. If no employees bid on the vacancy, the Company may fill the vacancy with a new employee. An employee awarded an opening shall be given a fair trial for a period not to exceed ninety (90) days. If at the end of the trial period the Company decides that such employee has not successfully performed the duties of the new position, he or she shall be returned to his or her former position. If at any time within sixty (60) work days in the new position the employee decides that they do not like their new position, the employee can return to their former position. A regular employee who accepts an opening cannot bid on another position for 6 months after their start date in the new position, unless they have been involuntarily returned to their former position by management. Probationary employees may not bid on a job for 6 months after successfully completing their probationary period.

Section 7.9 Shift Bids

When a vacancy occurs within a work group other than general Call Handling the vacant position will be filled based on length of service of the employees in the work group where the vacancy occurs. The Company agrees to hold shift bids twice annually (in April and October) in all applicable work groups (i.e., those with multiple shifts). These dates can be modified and additional shift bids can be conducted by mutual agreement between the Company and the Union. The Company also has the right to hold shift bids more often based on business needs upon 30 days' notice to the Local Union.

Section 7.10

It is agreed that for the purpose of layoff and recall only, the Local's President, Vice-President, Secretary-Treasurer, Chief Steward, and Recording Secretary will be granted super-seniority.

ARTICLE 8

HOURS OF WORK

Section 8.1

Employees who are regularly scheduled to work forty (40) hours per week are considered to be full-time employees. Because of the nature of the work being performed, the Company cannot guarantee any of its employees any standard number of hours of work per day or per week or amount of earnings per day or per week. Employees will be provided with at least one (1) week notice of a change in their work schedule.

Section 8.2

The normal workweek shall start Monday morning at 12:00 a.m. and run through Sunday at 11:59 p.m. Employees may be scheduled for staggered starting times. The Company agrees not to utilize split shifts without the consent of the employee(s) affected. Employees will be given as much notice of changes in their starting time as is reasonably practicable under the circumstances.

Section 8.3 Overtime Rate

All hours actually worked in excess of forty (40) hours per week shall be considered overtime and shall be paid for at the rate of time and one-half the employee's regular, basic straight-time rate. Time paid but not worked will not count toward the computation of weekly overtime except for vacation, holiday, jury duty, and personal time. When an employee actually works 48 hours in a period of six (6) consecutive days, the employee will be paid double time for all hours actually worked on the seventh (7th) consecutive day. Company-paid union time (e.g., grievance meetings, labor-management meetings and shift bid observation) shall count as hours worked when calculating weekly overtime.

Section 8.4 Lunch Periods

There shall be an unpaid lunch period not to exceed thirty (30) minutes each day. Any employee required by the Company to work during lunch will be paid for all time worked.

Section 8.5 Rest Breaks

There shall be a paid rest break of fifteen (15) minutes for every four (4) hours of consecutive work scheduled.

Section 8.6 Overtime

Overtime may be required when in the Company's judgment it is necessary. Daily overtime assignments required to finish work assigned for that day will be performed by the employee(s) assigned such work during regular shift time. When other overtime situations

occur, the Company will canvass qualified and available employees in order of length of service to determine if the employee(s) desires to the work the needed overtime. If all qualified and available employees refuse, the employee(s) with the least length of continuous service who is both qualified and available will be required to work the overtime assignment. Employees shall not be mandated to work one of their two regularly designated days off. When using any pre-approved time off in conjunction with a regular day off, employees will not be required to work overtime from the end of their regularly scheduled shift prior to the days off through the start of the next regularly scheduled shift. Employees who have a prescheduled doctor's appointment shall not be required to work overtime during the time of that prescheduled doctor's appointment. Employees shall be given at least eight (8) hours of uninterrupted rest time.

For the purposes of this provision of the contract only, employees mean both full-time and part-time employees. When Call Handler overtime is required by the Company, Call Handling employees will be required to work overtime, up to 15% of their scheduled work week hours. Call Handling employees, who do not volunteer for overtime, can be mandated, as set forth above, up to the maximum requirement set forth above. At no time can a part-time employee work more than twenty eight (28) hours per week. If all Call Handling employees have completed the overtime requirement as stated above, and the Company requires additional overtime, Call Handling employees can be required to work additional overtime up to, an additional 10% of their scheduled work week in additional overtime. Voluntary overtime must be cancelled twenty-four (24) hours prior to the start of the scheduled time for overtime. All full-time Call Handling employees that are required to work beyond the agreed upon limits of the required overtime will be paid double time for all time worked.

Section 8.7 Moonlighting

No employee in the bargaining unit shall work on any other job for any other employer, including himself, who is in competition with one of the Company's businesses or if such work interferes with his performance of Company's work due to fatigue, unavailability for overtime when pre-arranged and/or mandatory. Violation of this provision may subject such employee to immediate discharge if for working for a competitor and to discharge after one (1) written warning if due to interference with his performance of Company's work.

Section 8.8 Absenteeism

No employee, except in cases of authorized illness or injury, shall be absent without prior written permission from their supervisor. In case of illness or injury, the employee must call the designated office prior to the employee's starting time unless the employee can establish they are incapacitated and therefore unable to call. The employee will not be paid for time lost, absent unusual circumstances, unless the Company is properly notified prior to the employee's starting time and the employee provides notice to the FMLA Absence administrator if the absence is FMLA related. An absent employee, whose job requires relief by another employee will make every effort to give the Company at least eight (8) hours notice of his/her intent to return to work.

Section 8.9 Call-In

Employees who are called to report to work outside of their normal schedule will be guaranteed two (2) hours of work or pay. The Company will maintain a call-in list of employees, listed by length of continuous service, who volunteer to be called in. The list will be updated on a quarterly basis. When a call-in situation occurs, the Company will first attempt to call-in qualified employees on the list. If the Company is unable to satisfy its needs from the individuals listed, then the Company will require the least senior available qualified employee(s) to come in and perform the work.

Section 8.10 Releasing of Employees

During times of slack work, the Company may elect to send employees home early or rearrange the existing schedule. In these situations, the Company will first seek volunteers in order of length of continuous service in the affected work groups as long as the employees remaining are qualified to perform the work necessary. Affected employees can be paid for any previously scheduled time lost to any paid time off they have available other than sick leave.

ARTICLE 9

GRIEVANCE PROCEDURE

Section 9.1 Grievance Steps

A grievance is defined as any dispute that reasonably concerns the application, interpretation or violation of any express or specific provision of this Agreement.

The Union agrees to present and appeal any grievance within the time limits set out in the respective steps of the grievance procedure, unless a mutual extension of time limits is agreed to. The Employer agrees that it will meet with an employee and union representative and subsequently respond within the time limits set out in the respected steps of the

grievance procedure. If the union does not process the grievance within the time limits, the grievance shall not be entitled to consideration. Should the Company's representative fail to answer any grievance within the allotted time as specified in the specific step, the Company shall forfeit said grievance in favor of the Union. Any grievance arising over the application or interpretation of the provisions of this Agreement shall be settled as soon as possible in the following manner:

Step 1. An employee having a grievance shall submit a written grievance specifying the specific provisions of this Agreement that the employee believes has been violated to his/her immediate supervisor within fifteen (15) work days of the date on which the Local Union and/or the affected employee(s) knew or should have known of the occurrence of the incident giving rise to the grievance. The supervisor shall answer the grievance within ten (10) work days of receipt thereof.

Step 2. Either party shall have the right to submit the grievance to arbitration. Any party wishing to submit a grievance to arbitration must file for arbitration with FMCS within ninety (90) days after the Company's response in Step 1.

Section 9.2 Individual Grievances

Nothing contained herein shall be construed to circumvent the right of an employee to take a grievance up with the Company and have the same settled without the intervention of the Union; provided the settlement is not inconsistent with any of the provisions of this Agreement, and further provided the Union has been given the opportunity to have a representative present at the time of the settlement.

ARTICLE 10

ARBITRATION PROCEDURE

Section 10.1

If the Employer and the Union agree on a single arbitrator, the grievance shall be presented to the arbitrator. Should the Employer and the Union fail to agree on a single arbitrator, they shall immediately request that the Federal Mediation and Conciliation Service submit a panel of seven (7) arbitrators. Either party may reject one (1) panel in which case a new panel shall be requested. Each party shall alternatively strike one (1) name from the list, and the one (1) remaining name shall be the arbitrator. The decision of the Arbitrator shall

be final and binding on both parties.

Section 10.2

The Arbitrator shall not have the power to add to, subtract from, or modify in any way the terms of this Agreement or to substitute her or his discretion for that of the Company in matters of discipline and its penalties (including discharge), or to require a burden of proof on any issue greater than a preponderance of the evidence. The Arbitrator shall have no power to establish new jobs, to change existing wage rates, to set work methods or standards, to waive the time limits of this grievance and arbitration procedure. The Arbitrator shall be limited in jurisdiction to the application and interpretation of the specific provisions of this Agreement. Each party shall bear one-half (1/2) the fee of the Arbitrator and any other expenses jointly incurred incident to the arbitration hearing. All other expenses shall be borne by the party incurring them, and neither party shall be responsible for the expenses of witnesses called by the other party.

Section 10.3

It is agreed that the individual grievant and one (1) Local Union Representative will not lose scheduled paid work time in order to attend the actual arbitration hearing.

ARTICLE 11

MISCELLANEOUS

Section 11.1 Health and Safety

The Company will continue to make reasonable provisions for the safety and health of its employees during the hours of their employment as is consistent with the requirements of applicable federal, state or local laws. Employees shall be required to comply with all rules, regulations or policies required by law or the Company to insure safety and healthful conditions at the work site. The Company may also prohibit all smoking in any of its facilities, vehicles, and in job sites and customers' facilities.

Section 11.2 Safety Committee

The parties shall establish a safety committee which will meet quarterly or as otherwise mutually agreed, to discuss safety issues. There shall be equal representation of bargaining unit employees and management on this committee.

Section 11.3 Voting Time

The Company shall observe the provisions of State law with respect to voting time. The Company may require proof of voting. Any person who absents himself for the purpose of voting and who does not actually attempt to vote in the election shall be subject to discipline up to and including discharge.

Section 11.4 Bulletin Board

The Company agrees to furnish bulletin board space and the Union representative or stewards shall have the right to post notices of social gatherings or Union notices which do not impugn management or pertain to the strike or boycott of other employers on the bulletin board furnished by the Company.

Section 11.5 Union Access

After first checking in with a designated management official and obtaining the Company's permission, an authorized representative of the Union shall have access to the Company's facility when necessary and with as little interruption of the work as possible during regular working hours for the purpose of conferring with the stewards, Company officials and officers of the Union employed by the Company.

Section 11.6 Medical Examinations

If medical examinations are required by the Company for an employee, they shall be at the Company's expense. Written reports of such examinations will be given to an employee, upon request from the employee, except where the examination is a routine pre-hire examination for someone new to the Company, or an examination to determine if an employee who has been absent is ready to return to work, or in first-aid situations not requiring medical attention beyond first-aid.

Section 11.7 Committees

The parties are committed to establishing joint committees for: (1) the purpose of studying the application of pay for performance in the Customer Service Center; (2) training and development of bargaining unit employees; and (3) how to improve Customer Service Center communications. Provided either party creates an agenda, each Committee shall meet quarterly beginning in the first quarter of 2009.

Section 11. 8 Labor-Management Meetings

As an integral part of their most recent discussions to promote their effective partnership, the Parties pledge their continued commitment to open and honest

communications with a mutual goal of direct and timely communications, including the timely dissemination of important information, news or changes. In an effort to achieve this goal, each Party commits itself to engage in the following consultative process: Monthly meetings will be held between the Local Union Executive Officers (not to exceed four (4) persons) and Company management, provided an agenda exists. The Union Executive Officers shall be paid for their time in attendance at these Labor Management meetings. It shall be the goal of the Labor-Management meetings to foster cooperative and collaborative efforts between the Local Union and the Company.

Section 11.9 Union Business

The Company will consider the Union's request for time off from work for Union officers and stewards on a non-paid basis which does not interfere with the Company's operations.

ARTICLE 12

DISCIPLINE AND DISCHARGE

Section 12.1

The Union recognizes the Company's right to discharge, suspend, demote or otherwise discipline an employee for cause. In the event of Company action in such cases, the Union and the employee shall be limited to the right to present the case solely as a grievance under the grievance procedure. No employee shall be discharged without having been given appropriate progressive discipline except in cases justifying termination on the first offense. All counselings will not be utilized for advancement of discipline in the progressive disciplinary process after six (6) months of being given. All other discipline will remain active for up to twelve (12) and inactive discipline will remain in the employee's file but will only be given such weight as is reasonable under all the circumstances.

Section 12.2

If an employee is discharged, suspended or demoted for cause, the Union shall be notified of such action promptly in writing by the Company. Notice will be addressed to the local union president. If the employee is not probationary, the employee or the Union may within five (5) days of notice to the Union, file a written grievance directly at the second (2nd) step. It is recognized that such a grievance should be heard at the earliest possible time and take precedence over grievances of a different nature.

ARTICLE 13

DRUG AND ALCOHOL TESTING

Section 13.1

The Company may continue its current position of requiring drug and alcohol testing of all applicants and of employees upon reasonable suspicion or after accidents when employee negligence, lack of good judgment, or lack of coordination or proper reactions is reasonably suspected. Such testing shall be conducted by a reputable, certified testing laboratory and, except as otherwise mutually agreed by the Company and the Union, shall apply the standards for a positive test recommended by the National Institute of Drug Abuse. Any employee who tests positive after testing, who refuses to consent to or to take such test, or who attempts to circumvent or frustrate the test results shall be subject to immediate discharge unless the employee agrees to enter a Company approved rehabilitation program, sign rehabilitation agreement in accordance with the treatment plan defined by the Company's EAP provider and agrees to eighteen (18) months of unscheduled substance abuse testing. Any employee injured on the job, who is tested when provided above and who tests positive for drug or alcohol at the time of such injury shall have his Workers' Compensation benefits reduced or eliminated to the maximum extent permitted by law.

ARTICLE 14

LEAVES OF ABSENCE

Section 14.1

Any employee may be granted a medical leave of absence from his employment for reasons satisfactory to the Company and shall secure such leave of absence in writing. Leaves of absence must be approved by the Center Director and may be conditioned upon such reasonable requirements as the Company may make such as furnishing periodic doctor's reports, calling the Company to discuss current status, etc. The Union shall be given notice of any grant or extension of a leave of absence.

Section 14.2

Any leave taken under the Federal or any other applicable Family and Medical Leave Law may not be extended or otherwise taken in addition to leave under this provision so as to extend the time away from work. There will be no pyramiding of leave. The Company reserves the right to count the time taken under the Federal, or any other applicable Family and Medical Leave Laws, as time taken under this policy and to require employees to substitute available paid time off for FMLA leaves. The parties recognize the Company's responsibility to address the issues raised by the Federal Family and Medical Leave Law and

accordingly, the Company may adopt and/or modify a Family and Medical Leave Policy that is done so pursuant to and as allowed by the provisions of the Federal Family and Medical Leave Law.

Section 14.3

Consistent with American Water policy, regular employees who leave the service of the Company to enter the United States Armed Forces, the U.S. Maritime Commission, the National Guard, or for other selective or compulsory civilian service shall, upon their return, be granted such rights as are provided under applicable federal and state law.

ARTICLE 15

JURY LEAVE

Section 15.1

When regular full-time employees are required to perform jury service, they shall immediately notify their supervisor upon receipt of notice of call to such service. This Article shall not be applicable to jury service on more than ten (10) work days in any twelve (12) month period.

Section 15.2

The Company shall reimburse employees for the difference between their regular pay and any pay they receive as a result of performing jury service, not to exceed eight (8) hours per day for a maximum of ten (10) days absent extenuating circumstances as agreed to by the Company. In order to receive such pay, the employee must present to the Company a statement of jury service and pay received issued by the applicable court. Employees whose jury duty does not require them to be absent an entire duty shall immediately report their availability for work that day to their supervisor. Whenever considered necessary by the Company because of operational needs, an employee shall cooperate with Company in requesting a postponement of jury service.

ARTICLE 16

FUNERAL LEAVE

Section 16.1

The Company shall provide Funeral Leave to full time employees without suffering a loss of pay in order for them to handle their obligations.

Section 16.2 Close Relatives

An employee will be excused from work with pay for a maximum of 4 days (32 hours) upon the death of the employee's spouse, domestic partner, child, step-child, brother, step-

brother, sister, step-sister, parent, step-parent, or person "in loco parents," parents-in-law, grandparents or grandchildren.

Section 16.3 Distant Relatives

An employee will be excused from work with pay for 1 day (8 hours) upon the death of the employee's aunt, uncle, niece, nephew, brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandmother-in-law or grandfather-in-law.

Section 16.4 Documentation

It is agreed that a notice from the Funeral Home and a signed bereavement form must be submitted by the employee seeking funeral leave to Human Resources within 10 days of the last day of the funeral leave. The bereavement form will include, at a minimum, the Employee's name, the name of the decedent, the relationship of the decedent to the Employee and a notice that the information is accurate and that if it is not, the employee will be subject to discipline up to and including termination of employment.

Section 16.5

Should additional time be needed, the employee may use available Personal or vacation time. However, the employee must let the appropriate supervisor know if additional time is needed in order for the time off to be considered as an approved absence. Each request for additional time off will be considered on an individual basis. Funeral Leave is considered approved time off before or after a holiday and therefore would still allow for a paid holiday if off for this reason on the day before or day. The Company reserves the right to require proof of documentation for this absence.

ARTICLE 17

HOLIDAYS

Section 17.1

Each regular full-time employee who has been in the continuous service of the Company for at least ninety (90) days prior to any of the holidays hereinafter listed, irrespective of what day of the week on which the holiday may fall, shall receive eight (8) hours of pay at his or her regular basic straight-time hourly rate of pay for each such holiday, provided, however, that such employee shall have worked the scheduled shift on the last scheduled work day before and on the first scheduled work day after the holiday or the day or days celebrated by the Company as such. The holidays shall be:

New Year's Day

Thanksgiving Day

Independence Day

Day After Thanksgiving

Memorial Day
Labor Day

Christmas Day

Section 17.2

The Customer Service Center will operate on a skeleton crew for these specific holidays. It is the Company's intention that its employees would be off on these four (4) holidays unless otherwise notified. Employees will receive at least twenty-four (24) hours advance notice if they are required to work on a holiday. The Company's staffing requirements on these four (4) holidays will first be offered to volunteers of those who are regularly scheduled to work on the holiday. If there are not enough volunteers from those who are regularly scheduled to work that holiday, the Company will ask for volunteers who are not scheduled to work on the holiday. If the Company is not able to meet the staffing requirements with volunteers for these holidays, employees who are regularly scheduled to work on the specific holiday will be required to work in reverse order of their length of service based on our staffing needs. No Holiday Pay will be paid to an employee absent from work on the work day before or after any holiday, unless the absence is an approved in advance paid absence, such as vacation or personal leave but not sick leave. No employee may receive holiday pay and sick pay for the same day. Employees who may be laid off for lack of work in a work week containing a holiday or the week before or after such holiday shall not thereby be rendered ineligible for holiday pay.

Section 17.3

No Holiday Pay will be paid to an employee absent from work on the work day before or after any holiday, unless the absence is an approved in advance paid absence, such as vacation or personal leave but not sick leave. No employee may receive holiday pay and sick pay for the same day. Employees who may be laid off for lack of work in a work week containing a holiday or the week before or after such holiday shall not thereby be rendered ineligible for holiday pay.

Section 17.4

Employees who work on a holiday shall be paid for such work at time and one half (1-1/2) of their regular basic hourly straight-time rate of pay for all hours of work performed on the holiday together with, if eligible, the holiday pay provided for above.

Section 17.5

If a holiday designated above falls on a Saturday it will be observed on the previous Friday or if it falls on a Sunday it will be observed on the following Monday.

Section 17.6

If a holiday falls within an employee's scheduled vacation period, the employee shall receive holiday pay.

ARTICLE 18

VACATIONS

Section 18.1

Full-time employees will be granted paid vacations as follows:

Beginning January 1 of each year, all full time employees shall earn vacation time within the calendar year based upon the employee's "Completed Years of Continuous Service" during that calendar year as follows:

Completed Years of Continuous Service	Vacation
1 year	10 days
2 years	11 days
3 years	12 days
4 years	13 days
5 years	15 days
6 years	15 days
7 years	16 days
8 years	16 days
9 years	17 days
10 years	17 days
11 years	18 days
12 years	18 days
13 years	19 days
14 years	19 days
15 years	20 days
16 years	20 days
17 years	21 days
18 years	21 days
19 years	22 days
20 years	22 days
21 years	23 days
22 years	23 days
23 years	24 days
24 years	24 days
25 years plus	25 days

In the January following an employee's hire date, the employee will have ten (10) vacation days available beginning January 1. The vacation amount is based on the anniversary the employee will recognize in that calendar year. For example: if an employee was hired on May 15th 2007 and completed their first full year of continuous service on May 15th 2008. In January of 2008 they received ten (10) vacation days since they will complete one (1) year of continuous service in the calendar year of 2008. This employee would receive eleven (11) vacation days in January of 2009 since they will complete two (2) years of service in the calendar year 2009.

Employees hired during the current vacation year will earn one (1) day of vacation for each "completed month of continuous service" up to ten (10) days. Completed month of service is defined as: actively employed on the first and last day of the month. Vacation days may be taken in four (4) hour increments.

See following chart:

Hire Date	Eligible for Vacation as of	Days to use before 12/31
January 2 – February 1	April 1	10 days (80 hrs)
February 2 – March 1	May 1	10 days (80 hrs)
March 2 – April 1	June 1	9 days (72 hrs)
April 2 – May 1	July 1	8 days (64 hrs)
May 2 – June 1	August 1	7 days (56 hrs)
June 2 – July 1	September 1	6 days (48 hrs)
July 2 – August 1	October 1	5 days (40 hrs)
August 2 – September 1	November 1	4 days (32 hrs)
September 2 – October 1	December 1	3 days (24 hrs)
October 2 – November 1	December 31	2 days (16 hrs)

Vacation time is earned based on the number of months completed/worked. If an employee resigns or is terminated and has taken more vacation than was earned, the final paycheck will be reduced accordingly.

Section 18.2 Scheduling Vacations

The vacation period will be from January 1 to December 31 and must be taken during the calendar year in which they were granted or will be forfeited. The annual vacation scheduling process will begin no earlier than November 1st and shall end no later than December 15th. Employees may make a request for the vacation period of their choice and where conflict occurs between two or more employees in a given classification who desire the same vacation period, their length of service shall be the determining factor

Section 18.3

For all vacations not on the approved vacation schedule, employees must give the Company at least thirty (30) day's written notice for a vacation request of one (1) week of their intention to take vacation and such requests must be approved in writing. The Company will notify the employee at least two (2) weeks prior to the requested vacation as to the status of their request. For less than one (1) week, the employee must give as much notice as possible and granting them are subject to the Company's needs.

Section 18.4

The Company will be limited to exhausting all but 4 vacation days in conjunction with an employee's use of intermittent FMLA. For these four days, an employee at their sole discretion, can choose to be paid using vacation time or take the time unpaid when using intermittent FMLA.

ARTICLE 19 **PERSONAL DAYS**

Section 19.1

Regular full-time employees who have been in the continuous service of the Company for at least ninety (90) days will be granted personal days as follows: employees will accrue up to ten (10) personal days (80 hours), based on the following schedule:

January 1	1 day	July 1	1 day
February 1	1 day	August 1	1 day
March 1	1 day	September 1	1 day
April 1	1 day	October 1	1 day
May 1	1 day		
June 1	1 day		

Section 19.2 Emergency Personal Days

Employees are able to use personal days to have more flexibility in scheduling time off from work and to support their outside interests. Personal days must be scheduled in advance, approved in writing by your supervisor, and will be granted in accordance with business necessities. Employees may be allowed to use up to three (3) personal days that they are scheduled to receive in the current year in advance. Three (3) times per year

employees may use their personal days, if available, for emergency situations ("Emergency Occurrence"). An employee will be charged an Emergency Occurrence each time he utilizes any portion of a personal day without prior approval as defined above. Employees may utilize one Emergency Occurrence before May 1st; one between May 1st and August 31st; and one after August 31st. Employees may carry-over unused Emergency Occurrences within the same calendar year. The employee will be required to call in as set forth in Section 8.8. All such time shall be considered approved, but unscheduled time, provided the employee complies with the notification requirements. Approved, but unscheduled time shall not be used in determining excessive occurrences. Employees are encouraged to use their personal days for appointments that cannot be scheduled during non-working times or for family illnesses. Personal Time may be taken in one (1) hour increments and must be taken during the calendar year in which they were given or be forfeited.

Section 19.3

Unused personal days may not be taken once an employee has submitted his or her resignation. At time of separation from employment, earned and unused personal days will be treated in accordance with applicable State laws. If an employee resigns or is terminated and has taken more personal time than was earned, the employee's final paycheck will be adjusted accordingly.

ARTICLE 20

SICK DAYS

Section 20.1 Annual Sick Leave

Sick time is not earned time off. It is a benefit to be used only if an employee is legitimately ill. American Water recognizes that employees may be ill or injured and unable to attend work. Beginning January 1, 2016, regular full-time employees who have been in the continuous service of the Company for at least 90 days will be eligible for up to six (6) days of sick leave per year, which shall be granted: January 1st of each year. Employees hired on or after July 1st will be eligible to receive three (3) sick days.

Employees may use up to 40 hours to care for their ill spouse, child or parent. Sick time is for short and long term illness. If an employee will be absent or late for whatever reason, they must notify the Company as set forth in Section 8.8. If an employee is absent due to illness (for their own illness) for 3 consecutive days they are required to complete the Return to Work form. If an employee is absent due to the illness (of a child or dependent) for

3 consecutive days, they are required to provide appropriate medical documentation, but need not complete a Return to Work form.

Subject to the same provisions above (e.g., using sick days only when legitimately ill), regular full-time employees will be permitted to use the remainder of any unused 2008 allotted sick days.

For 2016, upon ratification employees will receive their 6th sick day (from 5 normally awarded in April), and the other 4 sick days that would otherwise have been awarded in April will be immediately converted to Personal Days.

Section 20.2 Unapproved Absences

The Union recognizes that unplanned absence impacts the business and individual performance. Sick time that is protected by federal, state or local law will not count as an occurrence. An employee approved for Short Term Disability leave will receive no more than one (1) occurrence for all consecutive days on said leave. Falsification of an illness or reason for using sick time may result in disciplinary action.

Section 20.3

After an employee exhausts his or her sick leave benefits during a calendar year, the employee must return to work and work for at least twenty (20) consecutive work days before the employee is again eligible for benefits during the next calendar year as set forth above. If the covered illness occurs at the end of a calendar year and continues to be a covered illness as of January 1 of the next year, the absent employee will be credited with the six (6) day allotment they are entitled to in the new calendar year.

Section 20.4 Sick Leave Buy-Back

Employees who do not use all of their annual accrued sick leave and who are employed on December 31st of said year, will have the option: (a) to be paid out up to five (5) of the unused sick days and up to four (4) unused personal days (nine days total) during January of the following year at the employee's then current base rate of pay; or (b) to roll up to a maximum of five (5) unused days into a sick bank to be used in the event of a serious illness prior to going on short term disability; or (c) a combination of (a) and (b).

In lieu of the sick time buy-back/rollover options listed above, if an employee does not use any sick time or Emergency Occurrences in an entire calendar year, the Company will pay the employee an amount equal to the unused sick time at 1½ times the employee's then current base rate of pay.

To be eligible to receive paid leave from the sick bank, the employee will be required to notify the company's designated short term disability provider per the terms of the short term disability plan and must be approved for short term disability benefits. The Company agrees that it will sustain pay using the sick time bank pending approval from the short term disability provider. The Company will provide the membership with the 800 number annually, but employees also may call local Human Resources for the number.

Section 20.5

Full-time employees who are eligible for short-term disability under the terms of the National Benefits Memorandum of Agreement dated August 1, 2005 plan will be eligible for up to fifty-two (52) weeks of eligible disability.

ARTICLE 21

WAGES AND MISCELLANEOUS ECONOMIC ITEMS

Section 21.1 Wages

	Effective 1st payday after Ratification	Effective 10/11/16 (Effective 1st payday after above date)	Effective 10/11/17 (Effective 1st payday after above date)	Effective 10/11/18 (Effective 1st payday after above date)	Job Titles	Notes
Call Handling Department						
CSR 1 - Call Handling	\$13.49	\$13.82	\$14.13	\$14.45	CSR 1 - Call Handling Representative	Start -- \$11.01 and satisfactory performance -- \$11.26 After 90 days and satisfactory performance -- \$11.51 satisfactory performance -- CSR 1 -- Call Handling Rate
CSR 2 - Call Handling	\$15.30	\$15.68	\$16.03	\$16.39	CSR 2 - Call Handling Representative	CSR 2 - Call Handling Representative identified as (a) individuals previously grandfathered into position; (b) individuals who have previously received SAP training or (b) CSR 1 - Call Handling Representatives with more than 2 years experience in Call Handling within the CSC who demonstrate requisite skills and performance commensurate with CSR 2 - Call Handling Representative title (as determined by the Company)
CSR 3 - Call Handling	\$17.28	\$17.71	\$18.11	\$18.52	CSR 3 - Call Handling Representative CSR 3 - Specialty Desk	CSR 3 - Call Handling Representative identified as (a) individuals awarded position of CSR 3 -- Time Critical Representative, (b) individuals awarded position of CSR 3 -- Specialty Desk position; or (c) CSR 2 - Call Handling Representatives with more than 5 years experience in Call Handling within the CSC who demonstrate requisite skills and performance commensurate with CSR 3 -- Call Handling Representative title (as determined by the Company)
CSR 4 - Call Handling	\$19.25	\$19.74	\$20.18	\$20.63	CSR 4 - Customer Service Specialist	Job Bid
Collections Department						
CSR 1 - Collections	\$13.49	\$13.82	\$14.13	\$14.45	CSR 1 - Collections Representative Bankruptcy	New Hire

CSR 2 - Collections	\$15.30	\$15.68	\$16.03	\$16.39	CSR 2 - Collections Representative Bankruptcy	CSR 2 - Collections Representative identified as (a) individuals who bid for and are awarded position of CSR 1 - Collections Representative (Bankruptcy or Disconnect) or (b) CSR 1 - Collections Representatives with more than 1 year experience in Collections who demonstrate requisite skills and performance commensurate with CSR 2 - Collection Representative title (as determined by the Company)
CSR 3 - Collections	\$17.28	\$17.71	\$18.11	\$18.52	CSR 3 - Collections Representative Bankruptcy CSR 3 - Collections Representative Dispute Resolution Charge Offs Notice Batch Processing	CSR 3 - Collections Representative identified as (a) individuals who bid for and are awarded position of CSR 3 - Collections Representative (Dispute Resolution Charge Offs, Notice Batch Processing) or (b) CSR 2 - Collections Representatives with more than 3 years experience in Collections who demonstrate requisite skills and performance commensurate with CSR 3 - Collection Representative title (as determined by the Company)
CSR 4 - Collections	\$19.25	\$19.74	\$20.18	\$20.63	CSR 4 - Collections Technical Coordinator	Job Bid
Billing Department						
CSR 1 - Billing	\$13.49	\$13.82	\$14.13	\$14.45	CSR 1 - Billing Specialist Processing Special Accounts	New Hire
CSR 2 - Billing	\$15.30	\$15.68	\$16.03	\$16.39	CSR 2 - Billing Specialist Processing Special Accounts	CSR 2 - Billing Specialist identified as (a) individuals who bid for and are awarded position of CSR 1 - Billing Specialist, or (b) CSR 1 - Billing Specialist with more than 1 year experience in Billing who demonstrates requisite skills and performance commensurate with CSR 2 - Billing Specialist title (as determined by the Company)
CSR 3 - Billing	\$17.28	\$17.71	\$18.11	\$18.52	CSR 3 - Billing Specialist Account Resolution Processing Special Accounts	CSR 3 - Billing Specialist identified as (a) individuals who bid for and are awarded position of CSR 3 Billing Specialist - Account Resolution or (b) CSR 2 - Billing Specialist with more than 3 years experience in Billing within the CSC who demonstrate requisite skills and performance commensurate with CSR 3 - Billing Specialist title (as determined by the Company)
CSR 4 - Billing	\$19.25	\$19.74	\$20.18	\$20.63	CSR 4 - Billing Technical Coordinator	Job Bid

All employees will receive a 2.25% increase at ratification, an annual increase of 2.5% in the second year (10/12/16) and an annual increase of 2.25% in the third year (10/12/17) and an annual increase of 2.25% in the fourth year (10/12/18). In the event an employee who is red circled bids to a higher level job, he will be paid the greater of: (a) his current red circled wage; or (b) the established hourly rate of pay of the higher level job. Any employee (regardless of whether or not they are red circled) who bids to a lower level job will be paid the established hourly rate of pay for that job.

Section 21.2 Shift Premium

Employees who are regularly scheduled to work between the hours of 7 p.m. and 7 a.m., Monday through Sunday, will receive a shift premium of One Dollar (\$1.00) per hour in addition to their regular hourly rate. Shift premium shall only be paid for hours actually worked. Shift premium will be included in the calculation of pensions and the calculation of employee contributions to the Section 401(k) plan. Shift premium will not be included in the Company's contribution to the Section 401(k) plan.

Section 21.3 Tuition Reimbursement Program

Regular full-time employees who have been in the continuous service of the Company

for at least ninety (90) days will be eligible to participate in the Company's Tuition Reimbursement Program on the same terms as all other non-bargaining unit employees.

Section 21.4 Economic Minimum Standards

It is agreed that all economic terms contained in the Agreement are minimum standards only. It is agreed that at any time during the term of the Agreement the Company may, at its discretion, increase any economic related item contained in the Agreement for group of employees or the entire bargaining unit in order to remain competitive in the market place, retain employee(s), or for any other reason. The Company will notify the Union prior to any such adjustments.

ARTICLE 22

BENEFITS

Section 22.1 Benefits

Except as specifically set forth below all regular full time employees having continuous service with the Company for at least ninety (90) days will be eligible to participate in the American Water benefit plans as set forth in the Company's benefit plans and as modified by the National Benefits Memorandum of Agreement. The benefits and plans referred to above may be amended, modified, or terminated through the national negotiation process between American Water and the Utility Workers Union of America. The Company and the Union agree to be bound by any modification to the National Benefits Memorandum of Agreement made via the national negotiation process. With the following local exceptions, none of these benefits shall be subject to any local negotiations:

Section 22.2 Pensions

- A) All employees hired prior to December 31, 2012 will be eligible to participate in the Company's current Defined Benefit Pension Plan.
- B) All employees hired on or after January 1, 2013 will participate in the Company's Defined Contribution Plan.

Section 22.3 401K Plan

Employees hired prior to December 31, 2012 will be eligible to participate in the Section 401 (K) Plan. The Company will match fifty cents (\$.50) of every dollar contributed by the employee up to a maximum of 5% of the employee's base pay. Employees hired on or after January 1, 2013 who will no longer be eligible to participate in the Defined Benefit Pension Plan as stated above, will be entitled to a Company match equal to 100% on the first three percent (3%) of base pay contributed by the Employee and 50% on the next two

percent (2%) of base pay contributed by the Employee. These employees will also commence participation in the Defined Contribution Account within the Savings Plan with a Company contribution of 5.25% of base hourly pay each pay period.

Section 22.4 Life Insurance

The employee will be eligible for basic life insurance in accordance with the National Benefits Memorandum of Agreement.

Section 22.5 Accidental Death and Dismemberment

The employee will be eligible for accidental death and dismemberment insurance in accordance with the National Benefits Memorandum of Agreement.

Section 22.6 STD Benefits

Alton CSC employees will receive 52 weeks STD benefits in accordance with the Nation Benefits Memorandum of Agreement.

ARTICLE 23

LEGALITY

Section 23.1

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

ARTICLE 24

TOTALITY OF AGREEMENT

Section 24.1 Totality of Agreement

This Agreement contains all the provisions agreed to between the Company and the Union concerning wages, hours and other terms and conditions of employment. All prior agreements, understandings and past practices that are inconsistent with or contrary to the language contained in this Agreement (including those written and signed by the Company and the Union) shall terminate upon the effective date of this Agreement. No understandings, undertakings, practices, amendments or modifications of this Agreement shall be valid unless it is agreed to by the Company and the Union, reduced to writing and

properly signed by both parties.

ARTICLE 25

TERMINATION OF AGREEMENT

Section 25.1

This Agreement shall become effective as of the 12th day of October, 2015, and shall remain in full force and effect through the 11th day of October, 2019, and each year thereafter, unless written notice of termination or desired modification is given at least sixty (60) days prior to the expiration date or any subsequent anniversary thereof by either of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have signed and executed this and several copies, effective as of the 12th day of October, 2015, subject, however, to ratification by members of the Union covered by this Agreement.

American Water Works Service Company, Inc

By: 

Date: 6-8-16

Utility Workers Union of America, A.F.L.-C.I.O., Local 640

By: 

Date: 05-05-16

American Water Works Service Company, Inc

By: 

Date: 5/19/16

Utility Workers Union of America, A.F.L.-C.I.O., Local 640

By: 

Date: 05-05-16

American Water Works Service Company, Inc

By: 

Date: 5/19/16

Utility Workers Union of America, A.F.L.-C.I.O., Local 640

By: 

Date: 5-5-16

American Water Works Service Company, Inc

By: 

Date: 5/19/16

Utility Workers Union of America, A.F.L.-C.I.O., Local 640

By: 

Date: 5-5-16

American Water Works Service Company, Inc

By: 

Utility Workers Union of America, A.F.L.-C.I.O., Local 640

By: 

Date 5-14-16

American Water Works Service Company, Inc

By: _____

Date: _____

American Water Works Service Company, Inc

By: _____

Date: _____

Date 05/05/16

Utility Workers Union of America, A F L - C I O , Local 640

By: [Signature]

Date 5-5-16

Utility Workers Union of America, A F L - C I O , Local 640

By: _____

Date: _____

MEMORANDUM OF AGREEMENT
BETWEEN
AMERICAN WATER WORKS SERVICE COMPANY, INC.
AND
UTILITY WORKERS UNION OF AMERICA, AFL-CIO, LOCAL 640
Alton, Illinois
June 26, 2012

Utility Workers Union of America AFL-CIO, LOCAL 640 ("Union") and American Water Works Service Company, Inc. ("Company") collectively referred to as "Parties" mutually agree that the following process shall be utilized when conducting shift bids and overtime bids at the Alton Customer Service Center. **This memorandum supersedes any previous memorandum between the parties.**

To this end the parties have agreed to the following process:

Seniority List

For purposes of this Memorandum of Agreement, an employee's Seniority date is defined as the date the bargaining unit employee began continuous service with American Water.

A list of employees in the bargaining unit (generally and by work group) with their date of hire shall be posted on the bulletin board with a copy sent to the Union. When two or more employees have identical seniority dates, preference shall be determined by lottery (witnessed by the Union) and evidenced on the seniority list. **The seniority list will be updated and furnished to the Union monthly.**

Shift Bidding

- Semi-annual shift bids in general Call Handling and other applicable work groups (i.e. those with multiple shifts) will begin in April and October each year to assure that shift preferences are in accordance with the seniority list.
- The Company agrees to notify the Local Union leadership 7 days in advance of a general announcement.
- Shift bids will be based on full-time and part-time work groups; all employees will bid based on their preference.
- Auctions will be open in order of seniority. A Local Union representative will witness the shift bid process.
- All assignments will be made to qualified employees based on the continuous length of service of those employees who placed bids.
- Employees will have at least one (1) week notice prior to the effective date of their new schedule.
- Available schedules for upcoming bids will be posted **Two (2)** weeks in advance on the bulletin board in the break area.
- If an employee is not available during bidding, due to ATO/STD/Leave or any other reason, they should leave their preferences with their Team supervisor.
 - Request must be in writing with the employee's signature and dated
- Any employee absent on the day of the scheduled shift bid is responsible for making their preferences known to their supervisor or may, at their option, provide contact information so that they can participate over the phone.
- Any employee who does not provide a bid or refuses to place a bid will be placed at the bottom of the list and will receive whatever schedule is available at that time. The employee will remain in that schedule until the next shift bid.
- Should a shift bid take longer than a single day, the company will provide employees who have not yet bid with a list of all available schedules.
- Seating assignments (i.e., Team Assignments) assignments will be based on schedules received.

The Parties mutually acknowledge that the scope of future shift bids and the shift bid process are subject to change. The parties agree that they will meet and discuss any changes to the scope and/or the process before any changes are made. The Parties further agree that this Agreement shall remain in effect unless and until the parties mutually decide to change it at which time the modified process shall be deemed incorporated into the Collective Bargaining Agreement in effect at that time.

Call-Out Overtime

- Any employee interested in working call-out overtime will be afforded the opportunity to sign up for the work group Call-Out List for any work group in which they are qualified to work. Employees will be given the opportunity to sign up for the Call-Out List at the same time as the semi-annual shift bid auction.
- Any employee wanting to add his or her name to the Call-Out List may do so by advising Human Resources in writing of their desire to be added to the Call-Out List.
- For purposes of call-out overtime only, an employee will be considered qualified to work in a work group if they have worked in the respective work group for at least 100 hours during the prior twelve (12) months and have met the minimum performance metrics for that work group.
- To the extent the Company determines a need for call-out overtime, Employees will be contacted in the following order:
 - Employees on the Call-Out List who currently work in the applicable Work Group;
 - Employees on the Call-Out List for the applicable Work Group;
 - Employees in the applicable work group who are not on the Call-Out List.
- In the event of an emergency (e.g., a main break or water quality issue), the Company may choose to seek volunteers for overtime first from those employees already on site.

Work Groups

Call Handling Department

General Call Handling
Help Queue
Specialty Desk

Billing Department

Account Resolution
Billing Processing
Billing Technical
Coordinators
Special Accounts

Collections Department

Bankruptcy
Collection Technical Coordinators
Charge Offs
Dispute Resolution
Notice Batch Processing

While the Union recognizes the Company's right to amend, modify, eliminate or create additional work groups at its sole discretion, the Company agrees to bargain the effects of any such change with the Union.

AMERICAN WATER WORKS SERVICE COMPANY, INC.

By: _____

Date: _____

07/31/12

UTILITY WORKERS UNION OF AMERICA, A.F.L.-C.I.O., LOCAL 640

By: _____

Date: _____

8/3/12

MEMORANDUM OF AGREEMENT
BETWEEN
AMERICAN WATER WORKS SERVICE COMPANY, INC.
AND
UTILITY WORKERS UNION OF AMERICA, AFL-CIO, LOCAL 640
Alton, Illinois
January 13, 2016

Quarterly Attendance Bonus Program

If a full time employee has no unscheduled absences during a quarter and no current discipline, they will be awarded four (4) hours of Attendance Reward Time. Employees who qualify for Attendance Reward Time may schedule four (4) hours off on any available day where there is allotted time off, and the Company will make available 1 additional allotment for any date that has no unscheduled allotments available. Scheduling of Attendance Reward time will be on a seniority basis each quarter and once scheduled the time cannot be later claimed by another employee.

If a full time employee has no unscheduled absences during a quarter and has current Level 1, Level 2, or Level 3 discipline they will have 30 days removed from the completion date of their discipline expiration date. If the employee has more than one outstanding discipline, they may choose which discipline to apply the 30 day credit to.

Unscheduled absences are absences that are not scheduled and approved in advance. Unscheduled absences do not include scheduled vacation, scheduled personal days, holidays, Jury Duty, Funeral Leave, Military Leave, approved same day vacation or approved same day personal leave.

The Union and Company agree to implement the Quarterly Attendance Bonus Program April 1, 2016 for one calendar year. On March 31, 2017 the program will expire unless continued or modified by agreement of the parties. Any employee who qualifies for Attendance Reward Time in the 1st quarter of 2017 will be able to schedule their 1st quarter Attendance Reward Time during 2017, regardless of changes or expiration of the program.

Illustration of absence types under the Quarterly Attendance Bonus Program for discussion purposes:

- "DQ" are absences that are counted against the program and disqualify the employee from the quarterly bonus;
- "OK" are absences that are not counted against the program and do not disqualify the employee from the quarterly bonus.
- "N/A" are not applicable absences under the column heading

Type of absence	Non-FMLA	FMLA
Sick	DQ	DQ
Personal Leave – scheduled	OK	N/A
Personal Leave – Emergency	DQ	DQ
Personal Leave – Same day approved	OK	N/A
Vacation – Scheduled	OK	N/A
Vacation – unscheduled	DQ	DQ
Vacation – same day approved	OK	N/A
Jury Duty	OK	N/A
Military Leave	OK	N/A
Funeral Leave	OK	N/A
Short Term Disability	DQ	DQ
Workers Compensation	DQ	DQ
Union Business	OK	N/A

American Water Works Service Company, Inc

By: 

Date: 5/16/16

Utility Workers Union of America, A.F.L.-C.I.O., Local 640

By: 

Date: 05-05-16

