

# PEPSI TEAMSTERS REVISED CONTRACT SUMMARY

# Teamsters Local 727



## BARGAINING COMMITTEE RECOMMENDS YOU VOTE 'YES' ON PEPSI'S REVISED CONTRACT OFFER

**06.20.16** — The Teamsters Local 727 Bargaining Committee and Pepsi management returned to the bargaining table on June 10, and after another 10-hour negotiating session, reached a tentative agreement on a new four-year contract.

“The company met us much more than halfway on an awful lot of language, like merging the contracts and the grievance procedure. This is a much stronger contract than what the members have ever had,” said John T. Coli, Secretary-Treasurer of Local 727. “While we didn’t get everything we wanted when it comes to wages, it is still the richest contract ever negotiated with Pepsi.”

The contract now goes to a member vote, which again will be conducted via mail ballot. **The Teamsters Local 727 Bargaining Committee voted to recommend the contract for ratification.**

“The Bargaining Committee did an outstanding job of staying strong and communicating with the membership every step of the way,” Coli said. “I’m proud of each and every one of them for the way they spoke their minds and continued to stay united.”

### Improved Wages

- Wage increases retroactive to April 29, 2016 (contingent on a ratification vote).
- Wage increases listed below represent increases in **each year** of the contract.

	4/29/2016	4/29/2017	4/29/2018	4/29/2019
<b>Hourly</b>	\$0.50	\$0.50	\$0.50	\$0.50
<b>MEM</b>	\$0.60	\$0.60	\$0.60	\$0.60
<b>Transport</b>	\$750 lump	\$750 lump	\$750 lump	\$750 lump
<b>Chicago D-Bay (commission)</b>	\$0.005	\$0.005	\$0.005	\$0.005
<b>Chicago D-Bay (base)</b>	\$20/week	\$20/week	\$20/week	\$20/week
<b>Chicago FSV (commission)</b>	\$0.047	\$0.047	\$0.047	\$0.047
<b>Chicago FSV (base)</b>	\$7/week	\$7/week	\$7/week	\$7/week
<b>Kankakee D-Bay (commission)</b>	\$0.005	\$0.005	\$0.005	\$0.005
<b>Kankakee D-Bay (base)</b>	\$19/week	\$19/week	\$19/week	\$19/week
<b>Kankakee FSV (commission)</b>	\$0.047	\$0.047	\$0.047	\$0.047
<b>Kankakee FSV (base)</b>	\$7/week	\$7/week	\$7/week	\$7/week

- Special events employees making more than \$20.50/hour will remain at their current rate and will receive lump sum payments in an amount equal to the contractual hourly raises for hourly employees.
- Kankakee MEM on-call pay increased to \$90.

Transport Drivers hired after 4/28/16				
Mileage Band	From	To	Mileage Rate	Run Rate
Band 1	1	14	\$0.96	\$13.40
Band 2	15	49	\$0.68	\$13.40
Band 3	50+		\$0.58	\$13.40
Transport Drivers hired before 4/28/16				
Band 1	1	14	\$1.06	\$13.25
Band 2	15	49	\$0.80	\$13.25
Band 3	50+		\$0.68	\$13.25

- Starting in Year 2, \$0.50/hour premium for MEM employees holding a DOT card when performing work for which the DOT medical card is required.
- \$1.00/hour increase for Kankakee MEM service techs performing refrigeration work (to match Chicago).
- \$1.00/hour premium for Field Service Technicians designated as Service Advantage Refrigeration Technicians (whether or not they are performing Service Advantage work). The new job classification will be bid by seniority.

## Health Insurance

- Starting Jan. 1 (if contract ratifies by July 15), employees will move to a Standard Flex Benefits Program, which results in annual per employee savings of up to \$1,500 with identical or improved coverage levels. Standard Flex annual savings:

	EE	EE+S	EE+C	EE+S+C	EE+2C	EE+S+2C	EE+3C	EE+S+3C
Healthy Adv.	-\$501	-\$703	-\$1,260	-\$1,524	-\$907	-\$1,171	-\$554	-\$818
Core Plus PPO	\$0	\$51	-\$1,106	\$1,106	\$-553	-\$553	\$0	\$0

- Local 727 members will receive the same plan design/rates as those offered to all other non-union or union front-line employees in the PBC system.
- Dental coverage can be removed from the plan for even greater health care savings.
- For the first time, employees will have the option of participating in a plan that provides 90 percent coverage.
- \$500 weekly maximum for short-term disability (long-term disability coverage also offered).
- Vision coverage available.
- Wellness incentive of \$300 (employee only) or \$600 (employee + spouse) per year.

## Retirement

- \$4 Pension Multiplier Plan increase to \$43, effective Year 1.
- Employees in the Accounts Balance Plan will remain in the Accounts Balance Plan with company contributions of up to 5 percent for employees with 10 or more years of service and 4 percent for employees with less than 10 years.

## Paid Time Off

- \$20 annual increase for paid time off for commissioned drivers (D-Bay and FSV)
- **Sick leave:** All hourly employees, including relief drivers, shall receive one sick day starting in Year 1. All employees' personal days shall be converted to and used at the employee's discretion as either sick or personal days.
- **Bereavement leave:** Expanded to include grandparents, brothers-in-law, sisters-in-law and legal guardians.
- **Vacation:** Employees with 4 or 5 weeks of vacation guaranteed a minimum of 2 weeks during summer months.
- Employer may not unreasonably deny vacation requests, and company will meet with union regarding "blackout dates."

## Job Protections

- Significant restrictions on company's use of Blue Card employees (no overtime after 40 hours, cap at 12.5 percent of workforce and shall not be used to take stores off merchandisers' routes).
- Elimination of temps/seasonals.
- Just cause discipline to ensure more stringent job protection.
- Employees can honor picket lines for Teamsters Local 727, Mechanics' Local 701 and Teamsters Local 673.
- Improved grievance procedure provides more liberal timelines to allow the union to file and process grievances.
- Maintenance of benefits clause that states employees will not suffer any economic loss or other reduction as a result of signing this contract.

- Discipline shall be removed from the employee's record after 12 months (12-month roll-off).
- No discipline or attendance points when an employee is required to appear in court due to a subpoena or summons.
- Removal of "zipper clause," which waived the union's right to use the company's past practices in grievances and arbitrations.

## Shift/Route Bids

- Annual shift bids and job classification/job assignment bids by seniority.
- D-Bay route bidding by seniority (annual bid; employer will provide information on volume, stores and geography of route two weeks before bid; bidding process can be suspended by a majority vote of drivers).

## Working Conditions

- The company and union agree to meet within six months after ratification to discuss tanker trips for transport drivers. In addition, the company will use its best efforts to assign transport tanker runs by seniority. If more than one transport driver is available, the tanker run will be offered to the most senior driver, who will have the option to refuse the run.
- The company and union agree to meet every six months to discuss Service Advantage Refrigeration Technician staffing levels.
- Establishment of an Employee Relations Committee — composed of union stewards, the union business rep and employer representatives — to meet quarterly to discuss issues of concern to the union and the employer.
- The Employee Relations Committee will meet within 45 days after contract ratification to review and discuss all Pepsi company policies, including the attendance policy and rules of conduct.
- Improved drug testing policy (supervisors must be trained; employees with a positive random drug test will get a second chance with rehabilitation; union rep to be present for testing).
- Kankakee inside: employer's right to change workweek limited to two times a year with two weeks' notice.
- Paid overtime rest periods also will apply to longer scheduled shifts.
- The company will provide necessary equipment and replace malfunctioning equipment.
- The company will offer training to interested employees by company seniority (including CDL training).
- No employee shall be required to use their personal telephone for work-related business.
- Sanitation workers limited to production runs on third shift unless overtime is required.

## Term

- Four-year contract (April 29, 2016 — April 28, 2020).
- Merged agreement of four contracts (Chicago inside, Chicago outside, Kankakee inside and Kankakee outside).

## Questions?

- If you have questions, contact your Local 727 business agent.
- Vincent Blanco (35th, 51st, Elk Grove): (847) 696-7500 or vincent@teamsterslocal727.org
  - Mike DeGard (Kankakee): (847) 696-7500 or miked@teamsterslocal727.org