

TENTATIVE AGREEMENT  
San Diego Trolley, Inc. and SMART  
November 21, 2024

This proposal is presented to SMART as a package. In other words, in order to accept this proposal, SMART must accept the proposal in its entirety. SMART cannot accept certain elements of the package and not others.

This offer by SDTI is based on the current economic conditions impacting SDTI as those conditions are understood by management. SDTI reserves the right to change its offer to SMART, to either increase or decrease the total economic cost to the company, based on changed circumstances brought to the attention of management at a later date.

No.	CBA Section	Subject
1		Management Proposal November 21, 2024  <u>Term of agreement to be changed to January 1, 2025 to December 31, 2027</u>
2	Art. 26	Management Proposal November 21, 2024  <u>Straight time hourly rates for all classifications shall increase by:</u>  <u>Increase wages 7.00% effective March 30, 2025, or first day of pay period after ratification by MTS Board of Directors and SMART membership (whichever is later).</u> <u>Increase wages 4.00% effective March 29, 2026</u> <u>Increase wages 4.00% effective March 28, 2027</u>  <u>Increase the Night Shift Differential to \$1.00 hour (up from \$.25/hour) effective first day of pay period January 2025, or after ratification by MTS Board of Directors and SMART membership (whichever is later).</u>
3		Management Proposal September 26, 2024  <u>Student Train Operators will be paid 24.00/hour effective March 30, 2025 or first day of pay period after ratification by MTS Board of Directors and SMART membership (whichever is later).</u>
4	Art 21 and 22	Management Proposal September 26, 2024  <u>SMART agrees to the health, dental and vision benefits tables dated September 26, 2024 (see attached) effective January 1, 2025, or first day of</u>

		<u>pay period after ratification by MTS Board of Directors and SMART membership (whichever is later).</u>
5		Management Proposal March 14, 2024  SMART agrees to Attendance, Tardy and Missout Policy dated March 14, 2024.
6		Management Proposal September 26, 2024  <u>Add...</u>  <u>1) Opt-Out</u> <ul style="list-style-type: none"> <li><u>a) Full time employees who opt-out of medical, dental and vision benefits will receive \$250/month, paid bi-weekly.</u></li> <li><u>b) In order to opt-out and receive the above stipend, the employee:</u> <ul style="list-style-type: none"> <li><u>i) Must provide proof of other group medical coverage to the Human Resources Department and maintain that coverage. Obtaining medical care through a State or Federal "Exchange" or other government administered or sponsored program does not qualify for opt out stipend eligibility.</u></li> <li><u>ii) Employees may only apply for the opt-out stipend when hired or during the annual open enrollment period.</u></li> <li><u>iii) Employees may reinstate their coverage during the plan year only if they have a documented qualifying event (e.g., loss of alternate coverage).</u></li> </ul> </li> <li><u>c) Employees who are covered by government sponsored medical plans such as Tricare and Medicare are prevented by law from receiving financial incentives/benefits resulting from opting out of an employer's medical care, so these employees are not eligible for and will not receive a stipend.</u></li> </ul>
7		Management Proposal September 26, 2024  <u>Add the following language to CBA and amend other sections as necessary to implement:</u>  <b><u>Virtual Training</u></b> <u>Employer may, at its discretion, offer virtual training in lieu of classroom training to meet statutory requirements and fulfill operational needs. Examples of training topics that may be offered online include, but are not limited to, avoidance of harassment, bullying, and prevention of human trafficking. Employees who opt to take virtual training will complete the training on their own device (e.g., smartphone or tablet) during time when they are not scheduled to work (day off, split portion of a split shift, before or after a shift). Employer will provide straight-time pay exceeding the actual time necessary to complete the training, in order provide an incentive for employees to take training on their devices during non-working hours. The pay will be entered on a regular day off and will be subject to weekly overtime requirements. In other words, employees who complete at least 40-hour work week in the pay period in which they submit documentation</u>

of their completed training will receive overtime pay for completing the training. The virtual training pay will be subject to only the weekly overtime requirements. Pay will be entered in the period when training documentation is submitted, regardless of when the training was completed. The Union, on behalf of each of the employees it represents, and the Employer agree that the above-described virtual training pay is the only compensation that the employee is entitled to receive for completing virtual training. Each employee who participates will be responsible for following established protocols to receive virtual training premium pay. Generally, employees will be required to submit their training certificate via email or via hard copy to a designated person in management so the virtual training pay can be entered into the Employer's time and attendance system. Employer will make available training on its premises using Employer-owned devices for employees who are unable or unwilling to complete virtual training. Employees who opt for this option will complete training on site at a time designated by the Employer and will be only paid for the actual time they are in training.

These paragraphs regarding virtual training are not intended to alter the Employer's discretion to mandate training at its sole and absolute discretion, subject to the pay and scheduling provisions of this Agreement.

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Management Proposal September 26, 2024

Add the following language to CBA and amend other sections as necessary to implement:

**Employee Contact Information and Communication**

Each employee is responsible for keeping their current phone number, cell phone number, email address, mailing address and emergency contacts up-to-date in the employee self-service platform provided by the Employer (currently MyADP). The Union, on behalf of the employees it represents, and the Employer agree that communications sent using the employee's most-recently provided contact information are assumed to have been received for the purposes of this CBA.

Since the overwhelming majority of employees use smartphones as their primary method of communication, the Employer has procured and implemented software allowing it to send text message updates to employees. The Union, on behalf of the employees it represents, opts employees in to receiving periodic emergency and operational text messages from the Employer. For example, the employer may send text messages about pending bidding, work scheduling, benefits open enrollment, and important operational issues. The Employer may also text employees regarding non-urgent updates or regarding job postings. Employees may opt out of receiving non-urgent updates and job postings via text message.

Since most cellular phone plans include unlimited phone calls and text messaging, the parties agree that employees who receive periodic calls and/or text messages from the Employer on their cellphone shall not be entitled to reimbursement for work use of their cell phone, unless the work

		<p><u>use adds additional cost to the employee's personal cell phone plan. In that case, the employee may request reimbursement for those additional expenses via a supplemental time card, and by providing documentation of the additional cost.</u></p> <p><u>Employees who are contacted via their cell phone during non-work hours and required to perform work for Employer (e.g., provide information regarding a work accident or incident) are responsible for, and required to, submit a supplemental timecard to have this work time added to their hours worked for the pay period. All disputes regarding wages, work hours, compensation, and expense reimbursements are subject to the grievance and arbitration procedure set forth in this CBA.</u></p>
9		<p>Management Proposal September 26, 2024</p> <p>Update ID card/Transit pass section of CBA to comply with requirement to use PRONTO app., as ID cards no longer valid for free rides</p>

Counterproposals or SMART proposals accepted by SDTI.

10	Art. 26	<p>Management Proposal October 18, 2024</p> <p><u>Effective first pay period in January 2025, or first day of pay period after ratification by MTS Board of Directors and SMART membership (whichever is later), the pay rates for Revenue Maintainer I, II and III will be the same as Assistant Lineman, Lineman and Electromechanic, respectively.</u></p>
11	Art. 29	<p>Management Counter Proposal March 14, 2024.</p> <p>Effective 2025, SDTI agrees to the following:</p> <p>...maintenance and facility employees will receive <del>\$80</del> <u>\$90</u> every year during the month of May to purchase footwear compliant with SDTI policy. Train Operators, Revenue Collectors, Revenue Processors and Storekeepers will receive <del>\$50</del> <u>\$60</u> every year during the month of May.</p>
12		<p>Management Proposal November 21, 2024, 2024</p> <p><u>During the term of the agreement, SMART and SDTI will discuss the SMART's proposal to allow shift swaps and their proposal on a mentorship program.</u></p> <p><u>Within 90 days of ratification, the parties will begin discussions regarding the feasibility and related impacts of alternative work schedules (e.g., 4-10s)</u></p>
13		<p>Management Counter September 26, 2024</p>

		<p><u>Employees who do not have sufficient vacation may use comp time, floaters, award days to round out their vacation week.</u></p> <p><u>SDTI will repost voided vacation weeks if staffing levels are sufficient to cover the work.</u></p>
14	Art. 11 Sched/Breaks	<p>Management Counter October 18, 2024</p> <p>Add... "In the absence of an employee, the Shop or Relief Steward may pick on behalf of the employee."</p>
15		<p>Management Counter October 18, 2024</p> <p>Employees who have been on a leave of absence for any reason for 90 days or more and are not scheduled to return to work by the date of a shift pick will not be permitted to bid an assignment. When such employee returns, he or she will be given an available assignment until the next shift pick. For the Transportation Department, when the affected employee returns, he or she will be given a relief assignment (full-time or part-time, depending on the employee's status) until the next run picks. For all employees, at the next shift pick, such employee will be allowed to bid based on seniority pursuant to the normal procedures. <u>An employee who returns from a 90-day (or longer) absence must return seven (7) calendar days prior to the upcoming bid in order to be eligible to bid runs. If the returning employee does not return seven (7) days prior, they will be allowed to bid off days that are available during their bid time slot but will not be allowed to bid runs. When they return to work, they will be assigned runs by the scheduling supervisor until the next bid.</u></p>
16		<p>Management Counter October 18, 2024</p> <p>Add to LOA Medical Evaluations...</p> <p><u>Upon completion of the medical evaluation, the employee will submit the medical examination report to their supervisor (in a sealed envelope) or directly to Human Resources. The supervisor will add one and a half hours of pay to the employees' hours worked record in the pay period in which the employee submits the examination report.</u></p> <p><u>SDTI and SMART agree that one and a half hours is a reasonable estimate of the actual time spent by employees for a medical evaluation, and that employees will be paid at least one and a half hours regardless of the actual time spent for the evaluation. If the actual time spent to complete the evaluation exceeds one and a half hours, the employee will submit documentation from the medical provider (Noninjury</u></p>

		<u>Activity Status Report or similar) of the actual time spent completing the evaluation and the employee will be paid for all time spent completing the evaluation.</u>
17	<b>Article 16 – Leaves of Absence</b>	<p>Management Proposal October 18, 2024</p> <p><u>Funeral Bereavement Leave.</u> A full-time or part-time employee with six (6) months or more of continuous service is entitled to a paid <u>bereavement leave of absence</u> not to exceed three (3) workdays <u>and unpaid bereavement leave not to exceed two (2) workdays</u>, to attend the funeral and other matters directly connected therewith of a member of the employee’s immediate family, provided that when possible, the employee shall notify Employer at least one (1) day in advance. Paid <u>funeral bereavement</u> leave shall not be limited to one (1) occurrence per year. Employer may require reasonable proof of need for <u>funeral bereavement</u> leave. <u>An employee who has worked at least thirty days and does not qualify for paid bereavement leave is, upon proof of death, entitled to unpaid bereavement leave of up to five (5) workdays due to the death of a spouse, registered domestic partner, child, parent, sibling, grandparent, grandchild, or parent-in-law. Employees may use sick leave or vacation to receive pay during approved, otherwise unpaid, bereavement leave. Any bereavement leave to which an employee is entitled must be used within three months following the death.</u></p>
18	<b>Art. 16 G</b>	<p>Management Proposal October 18, 2024</p> <ul style="list-style-type: none"> <li>• <u>Family and Medical Leave.</u> Regular employees with more than one (1) year of employment with at least 1,250 hours of service in the previous 12 months may request an unpaid family and medical leave for the following purposes: (1) to care for a newborn, newly adopted or new foster child of the employee; (2) to care for the employee’s <u>family member, including a child, spouse domestic partner, or parent, parent-in-law, grandparent, grandchild, sibling, or someone else related by blood or in a family-like relationship (“designated person”)</u> with a serious health condition; or (3) for the employee’s serious health condition.</li> </ul>
19		<p>Management Proposal November 21, 2024</p> <p><u>SDTI will conduct run picks for Train Operators 3 times per year. They will generally be held:</u></p> <ol style="list-style-type: none"> <li><u>Early Jan for the late Jan service change.</u></li> <li><u>Mid-May for the June service change.</u></li> <li><u>Mid-August for the September service change.</u></li> </ol>

		<p><u>Management would retain the right to deviate from these dates based on operational need. For example, the rail service change this past September was pushed out because the Copper line construction was delayed.</u></p> <p><u>If a deviation is deemed necessary, SDTI will provide as much notice as possible and, upon request, meet with SMART to discuss impacts.</u></p>
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My signature below signifies my support of the foregoing tentative agreement in its entirety. It is agreed that minor modifications to some of the contract language may be necessary in order to comply with the conceptual agreement. Our bargaining teams will recommend approval of this package to the SMART membership and to the San Diego Trolley Inc. Board of Directors respectively.

SMART

San Diego Trolley Inc.

Date: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Joe Fraley, General Chairman

\_\_\_\_\_  
Jeffrey M. Stumbo, Chief Human Resources Officer

\_\_\_\_\_  
Brandon Watson, President

\_\_\_\_\_  
Brian Riley, Chief Operating Officer

**SDTI Proposal 9-26-24**

<b>Monthly Employer Medical Contribution</b>				
<b>Effective Date</b>	<b>1/1/2024</b>	<b>1/1/2025</b>	<b>1/1/2026</b>	<b>1/1/2027</b>
Employee Only	\$ 470.67	\$ 584.64	\$ 613.87	\$ 644.57
Employee + Child(ren)	\$ 972.70	\$ 1,105.14	\$ 1,160.40	\$ 1,218.42
Employee + Spouse/RDP*	\$ 889.02	\$ 1,210.14	\$ 1,270.65	\$ 1,334.18
Family	\$ 1,307.39	\$ 1,627.14	\$ 1,708.50	\$ 1,793.92

<b>Employer Dental Contribution (Full Time)</b>				
<b>Effective Date</b>	<b>1/1/2024</b>	<b>1/1/2025</b>	<b>1/1/2026</b>	<b>1/1/2027</b>
<b>Monthly Amount</b>	\$ 14.75	\$ 23.40	\$ 23.40	\$ 24.57

<b>Employer Dental Contribution (Part Time)</b>				
<b>Effective Date</b>	<b>1/1/2024</b>	<b>1/1/2025</b>	<b>1/1/2026</b>	<b>1/1/2027</b>
<b>Monthly Amount</b>	\$ 14.75	\$ 23.40	\$ 23.40	\$ 24.57

<b>Employer Dental Contribution (Dependents)</b>				
<b>Effective Date</b>	<b>1/1/2024</b>	<b>1/1/2025</b>	<b>1/1/2026</b>	<b>1/1/2027</b>
<b>Monthly Amount</b>	\$ 7.37			
Employee + Child(ren)	\$ 7.37	\$ 22.33	\$ 22.33	\$ 23.44
Employee + Spouse/RDP*	\$ 7.37	\$ 18.84	\$ 18.84	\$ 19.78
Family	\$ 7.37	\$ 45.31	\$ 45.31	\$ 47.57

<b>Monthly Employer Vision Contribution (Full Time)</b>				
<b>Effective Date</b>	<b>1/1/2024</b>	<b>1/1/2025</b>	<b>1/1/2026</b>	<b>1/1/2027</b>
Employee Only	\$ 1.91	2.99	\$ 2.99	\$ 3.14
Employee + 1 Dependent	\$ 2.97	4.67	\$ 4.67	\$ 4.90
Family	\$ 4.24	5.82	\$ 5.82	\$ 6.11

<b>Monthly Employer Vision Contribution (Part Time)</b>				
<b>Effective Date</b>	<b>1/1/2024</b>	<b>1/1/2025</b>	<b>1/1/2026</b>	<b>1/1/2027</b>
Employee Only	\$ 1.43	\$ 2.24	\$ 2.24	\$ 2.35
Employee + 1 Dependent	\$ 2.23	\$ 3.50	\$ 3.50	\$ 3.68
Family	\$ 3.18	\$ 4.37	\$ 4.37	\$ 4.58



## 2025 SDTI Full-Time Employees Proposed 9-26-24

<b>Medical</b>					
Plan/Coverage Level	Monthly Premium	Monthly Employer Rate	Monthly Employee Rate	Per Pay Period Employee Rate	Annual Employer Contribution to HRA
<b>Blue Shield Trio HMO</b>					
Employee Only	\$685.00	\$584.64	\$100.36	\$46.32	
Employee + Child(ren)	\$1,367.00	\$1,105.14	\$261.86	\$120.86	
Employee + Spouse/RDP*	\$1,505.00	\$1,210.14	\$294.86	\$136.09	
Family	\$2,051.00	\$1,627.14	\$423.86	\$195.63	
<b>Kaiser HMO</b>					
Employee Only	\$696.00	\$584.64	\$111.36	\$51.40	
Employee + Child(ren)	\$1,390.00	\$1,105.14	\$284.86	\$131.47	
Employee + Spouse/RDP*	\$1,530.00	\$1,210.14	\$319.86	\$147.63	
Family	\$2,086.00	\$1,627.14	\$458.86	\$211.78	
<b>Blue Shield HMO</b>					
Employee Only	\$778.00	\$584.64	\$193.36	\$89.24	
Employee + Child(ren)	\$1,559.00	\$1,105.14	\$453.86	\$209.47	
Employee + Spouse/RDP*	\$1,714.00	\$1,210.14	\$503.86	\$232.55	
Family	\$2,336.00	\$1,627.14	\$708.86	\$327.17	
<b>Blue Shield PPO</b>					
Employee Only	\$926.33	\$584.64	\$341.69	\$157.70	\$1,000.00
Employee + Child(ren)	\$1,853.67	\$1,105.14	\$748.53	\$345.48	\$2,000.00
Employee + Spouse/RDP*	\$2,021.67	\$1,210.14	\$811.53	\$374.55	\$2,000.00
Family	\$2,779.00	\$1,627.14	\$1,151.86	\$531.63	\$3,000.00

<b>Low Dental PPO (\$1,000 Max Annual Benefit)</b>				
Coverage Level	Monthly Premium	Monthly Employer Rate	Monthly Employee Rate	Per Pay Period Employee Rate
Employee Only	\$29.25	\$23.40	\$5.85	\$2.70
Employee + Child(ren)	\$63.60	\$45.73	\$17.87	\$8.25
Employee + Spouse/RDP*	\$58.23	\$42.24	\$15.99	\$7.38
Family	\$98.95	\$68.71	\$30.24	\$13.96

<b>High Dental PPO (\$2,500 Max Annual Benefit)</b>				
Coverage Level	Monthly Premium	Monthly Employer Rate	Monthly Employee Rate	Per Pay Period Employee Rate
Employee Only	\$43.82	\$23.40	\$20.42	\$9.42
Employee + Child(ren)	\$95.54	\$45.73	\$49.81	\$22.99
Employee + Spouse/RDP*	\$87.59	\$42.24	\$45.35	\$20.93
Family	\$148.92	\$68.71	\$80.21	\$37.02

<b>Vision</b>				
Coverage Level	Monthly Premium	Monthly Employer Rate	Monthly Employee Rate	Per Pay Period Employee Rate
Employee Only	\$4.74	\$2.99	\$1.75	\$0.81
Employee + One Dependent	\$8.90	\$4.67	\$4.23	\$1.95
Family	\$12.68	\$5.82	\$6.86	\$3.17

\* Registered Domestic Partner (RDP)

SDTI Proposal Dated March 14, 2024

Effective ~~October 1, 2019~~ Upon Ratification - \_\_\_\_\_, 2024

ATTENDANCE,  
TARDY, AND MISS-  
OUT POLICY

(for employees covered  
by SMART CBA)

INTRODUCTION

Attendance and punctuality are important to the efficient operation of San Diego Trolley, Inc. ("SDTI"). Good attendance and punctuality are essential functions of an employee's job. Poor attendance and tardiness disrupt productivity and make it difficult for ~~San Diego Trolley, Inc.~~ SDTI to function effectively.

~~San Diego Trolley, Inc.~~ SDTI recognizes employees will need time off on occasion. The purpose of this Attendance Policy is to memorialize the Company's standards for acceptable attendance, provide progressive disciplinary procedures for those employees who do not meet the Company's attendance standards and provide general guidelines for the administration of the standards.

SDTI provides generous vacation and sick leave benefits, as well as paid holidays. In addition, the Company provides sick leave benefits for employees. The purpose of these benefits is to protect the employee's earnings when absent due to illness, injury, ~~approved vacation~~ or other uses permitted by state and local paid sick leave laws. Employees are expected to use these benefits honestly, responsibly and in accordance with the policies governing their use.

Prior to the effective date of this policy, each current, regular part-time and full-time employee shall receive a copy of this policy. Thereafter all newly hired employees will receive a copy of this policy during their initial orientation. Each employee will sign a receipt for the policy at the time of issue.

SCOPE

This policy applies to all SDTI employees that are represented by SMART.

TRANSITION FROM FORMER POLICY TO THIS POLICY

This policy replaces the prior version of this policy that was dated October 1, 2019, and takes effect on \_\_\_\_\_, 2024.



Reprimand	A verbal or written communication that is considered a disciplinary action.
Suspension	A disciplinary action resulting in removal of employee from the job for a designated period of time without pay.
Termination	A disciplinary action resulting in termination of the employee's employment.

~~Lookback Period~~ ————— ~~This policy uses a rolling 365-day period looking backward from the date of the most recent event governed by this policy to establish standards for attendance and tardiness. For example, if an employee accrues an occurrence on January 16, the lookback period would include all occurrences accrued on or after January 15 of the prior year.~~

Lookback Period                      This policy uses a rolling 365-day period looking backward from the date of the most recent event governed by this policy to establish standards for attendance and tardiness. For example, if an employee has an absence on January 16, the lookback period would include all absences on or after January 15 of the prior year.

For the purpose of determining the Lookback Period under the policy, absences due to an accepted workers' compensation claim or an absence that is protected by federal or state law (e.g. Family and Medical Leave Act, California Family Rights Act, California Pregnancy Disability Leave, approved disability accommodation leave) of three (3) consecutive days or more will extend the 365-day review period by an amount of days equal to the absence. For example, if an employee's review period is from January 1, 2024, to December 31, 2024, and during that period the employee was off work due to an approved workers' compensation injury for 10 consecutive days, the new review period would be January 1, 2024, to January 10, 2025.

#### ATTENDANCE RECORD REVIEW

Each employee's attendance record for the previous twelve-month period will be reviewed at regular intervals by supervision.

The following absences/infractions will be considered when reviewing an attendance record:

- |   |             |
|---|-------------|
| 1. Sick Leave (except as noted below)   | 3. Miss-Out |
| 2. Unauthorized <u>Absence or Leave</u> | 4. Tardy    |

The following absences will not be considered when reviewing an attendance record:

1. Work Injury Leave (approved by Workers Compensation Department).
2. Vacation Leave - Time off work utilizing accrued vacation leave, and previously authorized.
3. Holiday - Time off work due to a recognized legal holiday, or due to a previously authorized floating holiday.
4. FMLA/Pregnancy Disability Leave – Absence from work on approved Family and Medical Leave (“FMLA”) or pregnancy disability leave. Medical documentation may be required, per the law.
5. Disability Accommodation Leave – Absence from work on approved leave as a form of disability accommodation under the Americans with Disabilities Act (“ADA”) or state law, the California Fair Employment and Housing Act (“FEHA”). Medical documentation may be required, per the law.
6. Sick Leave – Absence from work for which the employee has requested and been approved to use paid sick leave to care for oneself or the employee’s family member (includes -an employee's parent, child, spouse, registered domestic partner, grandparent, grandchild or sibling), or as defined by law, or other permissible purpose under applicable paid sick laws, unless the employee’s paid sick leave time for this purpose has exceeded five (5) days -in the rolling 365-day lookback period. -In other words, up to five days of paid sick leave used per rolling year do NOT count as an ~~occurrence~~absence.

Employees who believe they qualify for FMLA or Disability Accommodation Leave should contact the Human Resources Department immediately to request leave. FMLA and Disability Accommodation Leave are not effective until approved by the Human Resources Department and these leave types are not granted retroactively.

Employees wishing to designate a particular absence under one of the above categories must do so **at the time the absence is reported**. If that is not possible under the circumstances, the designation must be made as soon as possible. Absences not timely designated in one of the above six categories will count as an ~~occurrence~~absence under this policy.

#### NO DOCTOR’S NOTE REQUIRED FOR EVERY ABSENCE

When an employee is absent from work, they are not required to provide a doctor’s note concerning their absence from work, unless otherwise required by law or by agreement between SMART and SDTI. For example, certification of a serious health condition is required by a medical provider for FMLA leave (or other State or Federal mandated job protected leave), and medical provider’s reports are required in the workers’ compensation process.

#### PARTIAL DAY ABSENCES

Partial day absences will be tracked in one-half day increments. If an employee is absent from work for less than four hours in a workday, this will be treated as a half day absence. If an employee is absent from work for four hours or more in a workday, this will be treated as a full day absence.

The only exception to this is that employees can use their first five days of paid sick leave per rolling year in increments of two hours or more for partial day absences, and the employee will not receive an absence for any such occurrence.

#### APPLICATION OF THE ATTENDANCE POLICY

Absences from work, miss-outs, and tardiness are all attendance related issues. It is generally accepted that, in most cases, the employee has control over tardiness, and the ability to properly notify the Company of an inability to report to work as scheduled. For this reason, absence and tardiness/miss-outs are governed by different criteria in this Attendance Policy.

#### ABSENCE (that does not meet the six exceptions outlined above)

Employees' attendance will be monitored on a revolving 365 day basis (Lookback Period). Employees will be subject to discipline based on the number of days of work missed during the 365-day Lookback Period. ~~For example, upon implementation of this revised policy the Lookback Period will be from October 1, 2019 to September 30, 2018.~~

As described above, employees who have sufficient accrued sick leave, and use that leave in accordance applicable policy and law, may be absent up to five (5) ~~times~~days in the rolling 365-day Lookback Period without accruing an ~~occurrence~~absence.

1. When an employee reaches the fifth (~~5~~)occurrence~~5th~~ day of absence in the 365-day Lookback ~~period~~Period, such employee shall receive a letter of reprimand. The employee is notified that the attendance record has continued to be unsatisfactory and that failure to correct the absenteeism will result in further discipline up to and including suspension.
2. When an employee reaches the ninth (~~9~~)occurrence~~9th~~ day of absence in the 365-day Lookback ~~period~~Period, such employee shall receive a letter of reprimand including a suspension without pay between one and five days. The employee is notified in writing that the attendance has continued to be unsatisfactory and that this warning is the last disciplinary step before termination of employment.
3. When an employee reaches the thirteenth (~~13~~)occurrence~~13th~~ day of absence in the 365-day Lookback ~~period~~Period, such employee will be terminated.

~~For the purpose of determining the review period under the policy, absences due to an accepted workers' compensation claim or an absence that is protected by federal or state law~~

~~(e.g. Family and Medical Leave Act, California Family Rights Act, California Pregnancy Disability Leave, approved disability accommodation leave) of 3 consecutive days or more will extend the 365-day review period by an amount of days equal to the absence. For example, if an employee's review period is from January 1, 2019 to December 31, 2019, and during that period the employee was off work due to an approved workers' compensation injury for 10 consecutive days, the new review period would be January 1, 2019 to January 10, 2020.~~

In addition to enforcing the foregoing standards, SDTI reserves the right to discipline an employee who establishes a pattern of absence or sick leave abuse, including, but not limited to, calling in sick, or otherwise missing work, in conjunction with weekends, vacation, or holidays. An employee may be progressed to the next level of discipline if the employee's absenteeism rate remains at a consistent unacceptable rate (i.e. maintains the same high number of absences on record) over a period of time. This pattern of absence standard will also be applied by reviewing each employee's attendance for a rolling 365-day period looking backward from the most recent absence.

~~The foregoing standards will be applied by reviewing each employee's attendance for a revolving twelve month period.~~

Falsification of sick leave will result in immediate termination of employment without the benefit of progressive discipline.

As a reminder to all employees, you may be eligible for protected leave under Family and Medical Leave Act (FMLA) to care for your child, parent or spouse with a serious health condition, or for your own serious health condition (e.g., broken bones, surgery, hospitalization, torn ligaments, torn tendons or chronic health condition), or to care for a newborn, adopted or foster child within the first year of birth, or placement for adoption or foster care. Please contact the Human Resources Department for information about your rights under the FMLA, or other laws.

#### TARDINESS/MISS-OUT

In the event an employee is late reporting for work or fails to properly notify the Company per the procedure established by the employee's department of impending absence or tardiness thirty (30) minutes or more before of the start of the employee's shift that he/she will be unable to report for work as scheduled without a valid excuse for the failure to report at the time of the call-in:

1. On the first occasion in the 365-day Lookback Period, the employee will receive a letter of reprimand. The employee will be advised that further occurrences will result in progressive discipline.
2. On the second occasion in the 365-day Lookback Period, the employee will receive a second letter of reprimand and a one-day suspension without pay.
3. On the third occasion in the 365-day Lookback Period, the employee will receive a third letter of reprimand and a one-day suspension without pay.

4. On the fourth occasion in the 365-day Lookback Period, the employee will receive a letter of reprimand and one-day suspension without pay. The letter of reprimand will warn the employee that accruing a fifth tardy/miss-out in the 365-day Lookback Period will result in termination of their employment.

5. On the fifth occasion in the 365-day Lookback Period, the employee will be terminated.

#### SEMI-ANNUAL REVIEW

During the months of January and July of each calendar year, each employee will receive a summary of their attendance record for the previous twelve-month period. Employees should review their reports and immediately report any errors to their respective Assistant Superintendent or Manager (in Transportation Department to Assignments Supervisor) in writing via a Special Report. Failure to receive a semi-annual review will not absolve employee from their responsibilities under this policy or any discipline outlined above. Employees are responsible to track and monitor their own attendance and tardiness record, and should not rely on the company to notify them that are approaching or have exceeded attendance or tardiness thresholds.

#### EXTENUATING CIRCUMSTANCES

The Company retains the right to modify any of the above absence, miss-out, or tardiness disciplinary steps, or not issue, or delay, any of the above steps on an individual basis based on extenuating circumstances on a non-precedent setting basis.

#### TRANSITION FROM FORMER POLICY TO THIS POLICY

~~This policy replaces the prior version which was dated January 17, 2013 beginning on October 1, 2019.~~