

**CONTAINER FREIGHT STATION
SUPPLEMENT
to the
PACIFIC COAST LONGSHORE
AND CLERKS' AGREEMENT
2014 - 2019**



ILWU-PMA

CONTAINER FREIGHT STATION

SUPPLEMENT

July 1, 2014 – July 1, 2019

Between

INTERNATIONAL LONGSHORE AND
WAREHOUSE UNION

and

PACIFIC MARITIME ASSOCIATION

Name _____

Port _____

Local No. ____ Reg. No. _____

CONTAINER FREIGHT STATION SUPPLEMENT

Following are the terms and conditions of the Container Freight Station Supplement dated December 16, 1969 in its current status as amended and/or modified through July 1, 2014:

CFS SECTION 1

SCOPE OF WORK

1.1 The stuffing and unstuffing of containers by Container Freight Station Longshore/Clerk Utilitymen in a Container Freight Station (hereinafter referred to as a CFS) is work covered by this Supplement.

1.11 Any member of PMA may carry on work covered by this Contract Supplement by doing it at any CFS operated hereunder or by otherwise doing it under the Agreement.

1.12 A CFS covered by this Contract Supplement is a permanent facility that either is especially built only for stuffing and unstuffing and storing containers, or is an especially constructed shed or a place set aside to stuff and unstuff and store containers that is distinct from the dock itself and from a container yard.

1.121 A container yard is an area where containers are warehoused or are held awaiting loading aboard ships, or are held after being unloaded from ships, or are held ready to be hauled away to a factory or a warehouse or other place not a CFS, or are held on the way to or from a CFS.

1.13 A CFS must be a permanent installation.

1.2 CFS employees and CFS work are described in this CFS Section 1.2.

1.21 A CFS must employ a basic complement of steady men (a minimum of 3 steady employees, 1 from each of the ILWU longshore division categories, i.e., Longshore, Clerk and Walking Boss) which shall be obtained as provided in CFS Sections 6.1 through 6.112. There shall be no manning scales for any CFS operation. The number of men for any operation can be 1 or more as determined by the employer subject to the requirement that a CFS must employ a basic complement. All employees shall perform all necessary work in the CFS without regard to their category unless otherwise restricted herein.

1.22 CFS Longshore/Clerk Utilitymen. Combination longshore/clerk employees covered by this Contract Supplement shall perform all types of work at the CFS as directed by the employer, which shall include but not be limited to handling cargo, driving forklift and other mechanical handling and lifting equipment, stockpiling, palletizing and depalletizing, loading and unloading railcars, stuffing and unstuffing containers, moving containers in the CFS, shifting and assembling cargo, bagging, all other cargo-handling activities, cleaning up in and around the CFS and the physical checking of cargo received at, delivered from, or within the CFS area, including the customary spotting, sorting, tallying and tagging of cargo in the CFS area.

1.221 Ratios of longshoremen and clerks in existing CFS's as of July 1, 1984 shall govern hiring ratios. Local JPLRC's shall provide the rules necessary to maintain port by port hiring ratios and/or establish a ratio where none now exists. Any failure to agree shall be subject to final and binding Area Arbitration.

1.222 Registered clerks steadily employed in a CFS as of July 1, 1984 will not be required to physically handle cargo when such work is beyond their capabilities. Any clerks hired subsequent to July 1, 1984 shall not be entitled to this exception.

1.223 Whenever possible, registered clerks will perform any and all CFS clerks' work. When no such work is required, they will perform any basic CFS utility work. "Bumping" to achieve this end is not required. "Bumping" is defined as the interruption of an operation already under way in order to substitute another category of worker.

1.224 If only 1 CFS longshore/clerk utilityman from the Clerks category is employed, he shall be a "working supervisory clerk" who shall perform the work described in CFS Section 1.223 above.

1.225 If 2 or more CFS longshore/clerk utilitymen from the Clerks category are employed, 1 shall be the "working supervisory clerk." In this case, the "working supervisory clerk" shall direct the clerical activities of other CFS longshore/clerk utilitymen, and may also be required to perform CFS clerk's work if such work does not prohibit supervision of the clerical activities of other CFS longshore/clerk utilitymen.

1.226 CFS longshore/clerk utilitymen shall shift assignments as directed within the CFS area. An employer shall not place an excessive or unreasonable amount of work on any employee. Employees have the right to claim onerousness under the grievance machinery.

1.23 It is understood and agreed that this CFS Supplement does not cover work in a CFS office. The local supplements to the Pacific Coast Clerks' Contract Document shall not apply

to CFS operations. Direction of clerk supervisors will be by management personnel.

1.24 CFS employees—steady or extra labor—shall be utilized only in the CFS as designated. They shall not at any time be transferred to longshore or clerks' work outside the CFS under the terms of any of the Agreements except as provided for in CFS Section 1.3 and subsections.

1.25 If an employer operates more than 1 CFS in an area he may use the steady and extra labor employees of 1 CFS to temporarily supplement the steady work force of another CFS, in which case he shall arrange suitable transportation for such employees.

1.26 No CFS employer shall hire or use extra CFS labor for any reason other than to supplement the basic work force.

1.3 Longshoremen employed under the Pacific Coast Longshore Contract Document may be directed to place cargo or containers coming from a vessel at any point on the CFS premises, and to pick up cargo or containers from any place on the CFS premises for delivery to a dock.

1.31 At any CFS facility on or adjacent to the container yard, the employer may designate a CFS longshore/clerk utilityman who may move containers to and from the container yard. Such employee shall whenever possible be a longshore utilityman. The appropriate skill rate shall be paid for the time involved, except that utilitymen shall not operate portainers, transtainers or mobile cranes. At any CFS facility not on or adjacent to a container yard, present practices may continue in the movement of containers. In instances where PCL&CA or CFS personnel are utilized, the drivers may be required to perform any work necessary related to the delivery or pick-up of

containers, such as placing/removing pallet boards or blocks under the fifth wheel, opening doors, releasing twist-locks, etc.

1.32 If containers are placed upon or taken off of trucks, trailers, chassis or railcars at a CFS, the work shall be done by longshoremen or CFS employees. Longshoremen and CFS employees shall perform this work as directed by the employer.

1.33 Incoming and outgoing railcars at or adjacent to a CFS, containing mixed CFS and general cargo, may be completely loaded or discharged by either CFS utilitymen or PCLCD longshoremen at the employer's option.

1.34 When cargo is directly transferred to a container from a truck, or from a container to a truck, utilizing a conveyor or gravities, the employment of a "pusher" is at the discretion of the employer.

1.35 Where devanned cargo has come to rest on the CFS facility, individuals other than those employed at the CFS under this supplemental agreement may load such cargo without sorting to their equipment for shipment from the CFS.

1.36 When cargo arrives at the CFS and is under the control of the trucking company, forwarders or drayage firms, the handling of such cargo from their equipment to the point of rest on the CFS may be done by the non-CFS employees.

1.361 A truck driver who arrives at a CFS with loose cargo may place such cargo on a pallet board, slipsheet, bin or similar device on his truck or tailgate. When this occurs, the pallet board, slipsheet, bin or similar device shall be placed on and removed from the truck or tailgate by a CFS employee.

1.4 All machinery, equipment and other tools now or hereafter used in a CFS shall be operated by CFS longshore/clerk utilitymen when used in an operation covered by the Contract

Supplement and the operation thereof is assigned to CFS longshore/clerk utilitymen and is covered by this Contract Supplement, provided that exceptions thereto—as to individual classes of workers who are not CFS longshore/clerk utilitymen and as to tools or classes of tools may be continued and any exceptions may be set up, modified or eliminated by joint agreement of the Association and the Union.

- (a) Exceptions described and procedures provided for resolving disputes as set forth in Section 1.5 of the PCLCD and subordinate subsections shall be construed in connection with the agreement of the employers to provide skill training for CFS utilitymen so as to minimize the grounds for exceptions listed in Section 1.54 of the PCLCD. When trained, skilled CFS longshore/clerk utilitymen certified as capable of performing work now assigned by the Pacific Maritime Association member company to non-CFS utilitymen are available, such CFS longshore/clerk utilitymen will be assigned to such work, provided no union jurisdictional work stoppages are caused, and provided that such trained, skilled CFS longshore/clerk utilitymen may be assigned to any skilled work they are capable of performing without limitation by reason of claimed specialization.
- (b) Where Pacific Maritime Association or its member companies have existing bargaining relationships, have granted recognition to and have assigned work to bona fide labor unions as a result of such relationships and recognition, or where status quo exceptions relating to other unions are now set forth in Section

1 of the PCLCD, International Longshore and Warehouse Union will not make any jurisdictional claim or cause any jurisdictional work stoppage dispute involving Pacific Maritime Association or such member companies with relation to such work assignments. However, if the Union obtains the right to represent and bargain for such workers and no jurisdictional work stoppage problems are created, the Association agrees that such exceptions regarding assignment of work to CFS longshore/clerk utility-men will be eliminated.

1.5 It is the intent and purpose of this Contract Supplement to protect and preserve the work jurisdiction of employees covered by the ILWU-PMA Pacific Coast Longshore and Clerks' Agreement or this CFS Supplement to stuff or unstuff cargo in containers to be loaded aboard or discharged from vessels as provided for herein. Within any Port Area CFS Zone all containers owned or leased by vessel operating carriers shall be stuffed or unstuffed by such employees at docks, or at ILWU-PMA CFS facilities within the Port Area CFS Zone.

- (a) Containers of convenience. Where the vessel operating carrier requires cargo to be transferred from one container to another, or where containers are utilized by the vessel operating carrier for its own convenience, the stuffing or unstuffing of such cargo shall be performed by employees covered by the ILWU-PMA Pacific Coast Longshore and Clerks' Agreement or this CFS Supplement.

1.51 *Exceptions.* Exceptions shall apply to (1) where there is mutual agreement to perform such work elsewhere, (2)

where some other employer or the federal government has a legally enforceable right to require that it be done elsewhere, or (3) where exceptions contained in CFS Section 1.541 are applicable.

1.52 *Transition Period.* It is intended that the work provided for herein shall be performed by employees covered by the ILWU-PMA Pacific Coast Longshore and Clerks' Agreement or this CFS Supplement as soon as possible. Recognizing the need to make and publish tariff changes, eliminate subcontracting practices, etc., it is agreed that whatever changes are necessary shall be accomplished no later than 35 days following the implementation date set forth in the March 16, 1986 Memorandum of Understanding.

1.521 *Existing Contracts.* Where there are existing contracts between ILWU locals and vessel operating carriers and/or CFS employers, a transition period will end no later than the expiration dates of such contracts. Where there is a jurisdictional problem between two segments of the ILWU having to do with stuffing and unstuffing of containers, containers will be discharged or loaded without penalty and as directed by the employer without interference by the ILWU, and the ILWU will be responsible for solving its own jurisdictional problems.

1.522 *Subcontracting.* All vessel operating carriers, or other employers covered by the ILWU-PMA Pacific Coast Longshore and Clerks' Agreement or this CFS Supplement thereto, shall discontinue their past practice of subcontracting of stuffing or unstuffing of containers and to refrain from future subcontracting work as defined in CFS Sections 1.5 and 1.5(a) to employers not parties to this Agreement, except that such subcontracting practices may continue during the period

legally required by the subcontract plus any additional time required to build, expand, lease, equip, or provide facilities to be operated within the Port Area CFS Zone under the PCL&CA or this CFS Supplement. During such period containers may be received from or delivered to such subcontractors without penalty, but such penalty-free period shall not extend beyond 35 days following the implementation date set forth in this document. Each company having subcontracts will promptly notify PMA of the date it will be operating under this Agreement and such information shall be furnished to the Union.

1.5221 All vessel operating carriers shall be required to have all LCL (less-than-container load) cargo which is booked and/or controlled by them stuffed or unstuffed by employees under the terms of the Pacific Coast Longshore and Clerks' Agreement or this CFS Supplement thereto, unless any of the exceptions stated in CFS Section 1.5 are applicable. All published LCL tariffs and/or advertisements shall delete all references to off-dock Container Freight Stations where such work on behalf of vessel operating carriers has been performed in the past by other employees.

1.52211 The language in CFS Section 1.5221 above which reads "all LCL cargo which is booked and/or controlled by them" includes such cargo which is stuffed or unstuffed by a non-vessel operating carrier (NVOCC), freight forwarder, or consolidator within the Port Area CFS Zone, if such company is owned by a vessel operating carrier or the vessel operating carrier has a proprietary financial interest in the company.

1.52212 CFS Sections 1.533 and 1.534 shall not be used as a subterfuge by any vessel operating carrier to avoid

their obligation set forth in CFS Section 1.5221 above. Any violation found to be a subterfuge or deliberate evasion of responsibility on the part of the vessel operating carrier shall result in the penalty set forth in CFS Section 1.54 doubled to a total of \$2,000 per container.

1.53 Definitions. For the purposes of this section the following definitions shall be applicable:

1.531 Container—means a single rigid, nondisposable dry cargo, insulated, refrigerated, flatrack, vehicle, rack, portable liquid tank, or open-top container, etc. All types of containers will have constructions, fittings, and fastenings able to withstand, without permanent distortion, all the stresses that may be applied in normal service use of continuous transportation, and shall have a minimum outside width of 8' and minimum outside length of 20'.

1.532 Port Area CFS Zone—means geographic area of 50 miles radius from each ILWU-PMA joint longshore dispatch hall. Where 2 or more zones overlap, the combined area within the outer limits of such zones shall be treated as a single zone.

1.533 Inbound Shipper's Load—means one that is handled as a unit, without the contents being checked for delivery purposes, for movement straight through to any facility designated by the consignee or shipper. (*Warning:* Note penalty for violation of this Section as set forth in CFS Section 1.52212.)

(*Note:* If and when it is legally found that the provisions of NLRB Decision and Order D-3426 can be applied to containers owned or leased by *all* vessel operating carriers, within 30 days thereafter, the above CFS Section 1.533 shall be replaced by the following:

1.533 *Inbound Shipper's Load*—means one that is handled as a unit, without the contents being checked for delivery purposes, for movement straight through to the consignee who is the purchaser or who otherwise has a proprietary financial interest in the import cargo in the container which is being transported, as distinct from a financial interest in the transportation or consolidation or deconsolidation of such cargo.)

1.534 *Outbound Shipper's Load*—means one that is tendered as a unit, without the contents being checked for receiving purposes, for movement straight through to the vessel. (*Warning:* Note penalty for violation of this CFS Section as set forth in CFS Section 1.52212.)

(*Note:* If and when it is legally found that the provisions of NLRB Decision and Order D-3426 can be applied to containers owned or leased by *all* vessel operating carriers, within 30 days thereafter, the above CFS Section 1.534 shall be replaced by the following:

1.534 *Outbound Shipper's Load*—means one that is tendered as a unit, without the contents being checked for receiving purposes, for movement straight through to the vessel and which comes from a manufacturer or seller having a proprietary financial interest in the export cargo in the container which is being transported, as distinct from a financial interest in the transportation or consolidation or deconsolidation of such cargo.)

1.535 *Stuffing and Unstuffing*—stuffing means the act of placing cargo into a container and unstuffing means the act of removing cargo from a container.

1.536 “*Store door*” *method of pick-up or delivery* — means the stuffing or unstuffing of cargo into or out of containers at 1 or more wholesale or retail warehouses, factories, or processing plants when pickup or delivery service is the responsibility of the vessel operating carrier.

1.537 *Coastwise and Intercoastal*—Coastwise means the West Coast of the North American Continent. Intercoastal means between the East Coast and West Coast of the United States.

1.538 *Domestic Trade*—means intercoastal, West Coast of the continental United States including Alaska, Hawaii, Guam, Puerto Rico and any other U.S. insular possession.

1.54 *Container Penalty*. Containers of cargo owned or leased by vessel operating carriers which are loaded aboard or discharged from vessels will be assessed a penalty of \$1,000 per container, except as provided below in CFS Section 1.541. The payment of such penalty shall be the responsibility of the carrier operating the vessel. Such penalty payments shall be collected by PMA and shall be used to reduce the unfunded past service liability of the ILWU-PMA Pension Plan.

1.541 The penalty described in CFS Section 1.54 shall not apply to:

1.5411 Outbound containers originating outside of the Port Area CFS Zone as defined in CFS Section 1.532 or inbound containers destined for delivery outside of the Port Area CFS Zone as defined in CFS Section 1.532.

1.5412 Containers stuffed or unstuffed by employees under the terms and conditions of the Pacific Coast Longshore and Clerks’ Agreement or this CFS Supplement.

1.5413 Outbound containers defined as a “shipper’s load” originating within the Port Area CFS Zone.

1.5414 Inbound containers defined as a “shipper’s load” destined for delivery within the Port Area CFS Zone.

1.5415 Containers of household goods which are stuffed or unstuffed by a moving company.

1.5416 Containers of cargo moving coastwise or intercoastal.

1.5417 Containers stuffed or unstuffed in the “store door” method of pick-up or delivery in the “domestic trade.”

1.5418 Containers where the penalty has been paid once on the cargo contents.

1.542 *Container Penalty Payment Procedure.* The following payment procedure shall apply when a grievance machinery decision is rendered which provides that a container penalty as set forth in CFS Section 1.54 or CFS Section 1.52212 is payable:

1.5421 Within 5 days of the date of the decision, payment of the penalty shall be made by the vessel operating carrier. Payment shall be made to Pacific Maritime Association and PMA shall immediately place the monies in a special CFS bank account.

1.5422 Within 15 days of the date of the decision, PMA shall notify the ILWU International of its intention to appeal, or not to appeal, the decision.

1.54221 If PMA elects not to appeal the decision, the monies in the special CFS bank account, plus any accrued interest, shall be immediately forwarded to the Administrator

of the ILWU-PMA Pension Plan to be applied against the unfunded past service liability of the ILWU-PMA Pension Plan.

1.54222 If PMA elects to appeal the decision, the monies shall be retained in the special CFS account until a final resolution is reached through the contract grievance machinery. Processing of an appeal shall be completed within 3 months following PMA's notice to appeal.

1.542221 If the final resolution sustains the decision, the monies in the special CFS penalty account, plus any accrued interest, shall be immediately forwarded to the Administrator of the ILWU-PMA Pension Plan to be applied against the unfunded past service liability of the ILWU-PMA Pension Plan.

1.542222 If the final resolution reverses the decision, the monies in the special CFS penalty account, plus any accrued interest, shall be immediately returned to the vessel operating carrier.

1.5423 Evidence of deposits to or withdrawals from the special CFS bank account shall be transmitted to the ILWU International.

1.55 Grievances

1.551 *Local*. It is intended by the Parties that grievances as to whether a container is subject to the container penalty set forth in CFS Section 1.52212 or CFS Section 1.54 shall be subject to resolution through the grievance machinery promptly and reasonably. In determining the facts as to whether a container of cargo is subject to a container penalty, the carrier operating the vessel shall, upon request, make available to the Union as expeditiously as possible the records and/or documentation that may be necessary to verify the facts as to the

stuffing or unstuffing of the container. Any delay by the vessel operating carrier to immediately provide such records and/or documentation must be justified. In an effort to avoid disputes, the records and/or documentation referred to herein shall be made available to the Union, upon request, prior to the filing of a grievance.

1.5511 For purpose of implementing the intent of the Parties as expressed in CFS Section 1.551 above it is agreed that the special local grievance procedure, as set forth in CFS Section 1.5512 below, which involves initiating a grievance at the Section 17.61 level of the grievance machinery is temporary, shall not be used as a precedent, and shall expire on July 1, 1987.

1.5512 The following special grievance procedures shall be followed:

1.5513 An alleged violation shall be called to the attention of the Union representative who shall review the claim with the terminal operator and/or vessel operating carrier. If the claim is unresolved at that level on the job site, the Union may invoke Section 17.61 of the Agreement and request an informal hearing and interim ruling by the Area Arbitrator. Work shall proceed at all times as directed by the Employer and the alleged violation shall not interfere with, delay, nor prevent the container(s) from being received and loaded aboard a vessel or from being discharged and delivered.

1.5514 When called to the job under Section 17.61, the Area Arbitrator may issue an interim ruling, or may delay an interim ruling pending a bona fide delay in the documentation and/or records necessary to reach a decision being avail-

able, or may rule under Section 17.64 that a formal hearing under Section 17.5 should be held to resolve the matter.

1.5515 An interim ruling rendered by the Area Arbitrator under Section 17.61 may be appealed as provided in Section 17.63.

1.5516 Subject to Section 17.57 of the Agreement any decision of the Area Arbitrator may be appealed to the Joint Coast Labor Relations Committee as provided in Section 17.261 of the Agreement. In the event the Joint Coast Labor Relations Committee reaches disagreement, the matter may be appealed to the Coast Arbitrator as provided in Section 17.27 of the Agreement for final resolution.

1.552 *Coast.* Grievances, other than those set forth in CFS Section 1.551 above, involving implementation disputes or problems, clarifications or interpretations shall be referred to the Joint Coast Labor Relations Committee and at the request of either party shall be referred, in the event of disagreement, to the Coast Arbitrator for final resolution.

Note: The provisions of CFS Section 1.5 shall be subject to reopening at any time during the term of the PCL&CA if the National Labor Relations Board issues a ruling extending its determination that Decision and Order D-3426 can be applied to containers owned or leased by all vessel operating carriers whether they be members or nonmembers of PMA.

1.6 It is further understood that a non-PMA company operating a CFS facility may join PMA and become covered by this Contract Supplement upon meeting the usual terms and conditions established by PMA as being applicable to obtaining such membership.

1.7 Any questions arising as to the application or interpretation of Section 1.92 of the PCL&CA or CFS Section 1.12 of this Supplement as they apply to covered work in the dock areas shall be subject to review by the Joint Coast Labor Relations Committee and shall be referred, if necessary, to the Coast Arbitrator for final resolution.

1.8 If the ILWU (Longshore/Clerks Division—the International or local) has negotiated or negotiates a CFS contract with a PMA member or nonmember with terms and conditions dealing with the handling of containerized cargo that are more favorable to said member or nonmember than the terms and conditions of this CFS Supplement or the PCL&CA, such contract shall be available to PMA members operating under this CFS Supplement or the PCL&CA.

CFS SECTION 2

HOURS AND SHIFTS

2.1 The standard work shifts of CFS employees shall be 8 hours on the first shift, 8 hours on the second shift and 7 hours on the third shift Monday through Friday. Work outside the standard work shifts on Monday through Friday and all work on Saturdays, Sundays, and Agreement Holidays is overtime work.

2.11 The regular work week for CFS employees shall be 40 hours within any 5 consecutive 8-hour days' spread during a week. Staggered shifts may be utilized at the option of the employer, i.e., Monday through Friday, Tuesday through Saturday, Wednesday through Sunday, etc. Overtime shall be payable when work on any spread includes Saturday and/or Sunday. Overtime work shall be offered equitably to members of the steady work force.

2.2 Meal time shall be 1 hour.

2.21 The established noon meal period shall be 2 hours between 11:00 a.m. and 1:00 p.m. and the meal hour shall be 1 hour within such period beginning at 11:00 a.m. or 12:00 noon. Working straight through the meal period shall be permitted by sending some employees to their meal the first hour (11:00 a.m.) and others to their meal the second hour (12:00 noon) of the 2 hour spread.

2.22 The midshift meal hour on the second shift shall be either the fourth or fifth hour after the starting time. The 2 meal hours constitute the established meal period.

2.23 CFS employees shall go to meals as directed by the employer and shall return to complete their shift.

2.231 CFS employees are not required to work over 6 hours without an opportunity to eat on any of the shifts herein provided.

2.3 CFS employees are entitled to a 15-minute relief period around the midpoint of each work period involved, having due regard for the continuity and nature of the work.

2.31 CFS employees shall take their relief as directed by the employer, and there shall be no abuse of such relief periods by the employees and they shall observe specified times for starting, resuming and finishing work as directed by the employer.

2.4 Extended time may be worked to finish cars, trucks and containers, either inbound or outbound, which have been started, as well as all necessary work for the purpose of meeting receiving or delivery deadlines, when such work is required to meet efficient operational needs. There shall be no gimmick-ing of this provision.

2.41 When working extended time, CFS employees shall be paid at the overtime rate. In no case shall a CFS employee be allowed to work more than 2 hours under this provision.

2.42 At the option of the Employer, 1 or more CFS long-shore/clerk utilitymen may be ordered to report for work either one-half hour or 1 hour in advance of the start of a work shift for the purpose of performing preparatory work such as gassing equipment, opening doors, etc. Such additional work prior to the standard work shift shall be paid for at the overtime rate. (Such preparatory work may include physical cargo handling of any type, and cargo may be received and/or delivered.)

2.5 CFS employees shall be available to the employers for 3 shifts. The employer shall determine the number of shifts to be worked and the number of CFS employees used on each shift. CFS employees will report at the shift starting time designated by the employer in accord with this Contract Supplement. Steady employees may, at their option only, accept a change of shifts.

2.51 The first shift is 8 hours between 8:00 a.m. and 5:00 p.m.

2.52 The second shift is the first 8 hours starting between 5:00 p.m. and 7:00 p.m. and one that is set up and operates for a period of no less than 1 full week. A second shift may be put into operation at any time and may overlap the third shift.

2.53 The third shift is the first 7 hours starting at 1:00 a.m. and ending at 8:00 a.m. and that is set up and operates for a period of no less than 1 full week. A third shift may be put into operation at any time. The 7-hour third shift shall be considered as a single work period for relief purposes (CFS Section 2.3). The third shift has no designated meal period. Employees

shall be allowed time to eat in accordance with CFS Section 2.231 if an extended shift is worked on the third shift.

2.54 The employer may operate on the second or third shift.

CFS SECTION 3

GUARANTEES

3.1 Steady Men.

3.11 During the probationary period, any steady CFS employee called and reporting for duty and turned to is guaranteed a minimum of 8 hours' pay at the regular hourly rate. If no work is available the guarantee shall be 4 hours' pay at the regular rate.

3.12 Any steady employee who has completed the probationary period and is called and reports for work at the designated starting time on the first day of that employee's regular work week shall be guaranteed 40 hours' work or pay at the regular rate, subject to CFS Sections 3.13 and 3.14.

3.13 A steady employee absent due to illness or injury or with permission of the employer shall be paid for hours worked during that payroll period. A steady employee who is absent without bona fide reason shall be paid for hours worked during that payroll period and shall be subject to disciplinary action.

3.14 During any week in which a holiday falls on Monday through Friday, the weekly guarantee of 40 hours is reduced to 32 hours.

3.2 Extra Labor.

3.21 Any Class A or Class B registered employee dispatched and reporting for CFS extra labor duty and turned to is guaranteed a minimum of 8 hours' pay at the regular hourly

rate. If no work is available, they shall receive 4 hours' pay at the regular hourly rate.

3.22 All nonregistered employees dispatched and reporting for extra CFS labor duty shall receive a minimum of 4 hours' pay and/or time worked. If such an employee is called back for the following day, the guarantee shall be 8 hours for the initial day and for every day turned to from that day on until released.

3.3 Acts of God: The provisions of this Section shall not apply in the event work is not available or possible due to fire, flood, earthquake, power failure or other acts of God, or as a result of ILWU unilateral actions or because of work stoppages by other unions.

3.31 There shall be no guarantee for any CFS employee who is released for cause or who quits or who refuses to shift as provided under CFS Section 1.25, or who is turned to and works less than the guaranteed time by reason of illness or injury. Such CFS employees shall be paid only for their actual working time.

3.32 When men are knocked off work 6 minutes or more after the even hour, they shall be paid to the next one-half hour, and when knocked off 36 minutes or more past the even hour, they shall be paid to the end of the hour.

CFS SECTION 4

WAGES

4.1 Wage Rates.

4.11 The basic straight time hourly rate of pay for long-shore/clerk utilitymen and working supervisory clerks shall be as follows:

	Longshore/Clerk Utilitymen	Working Sup. Clerks
Effective 8:00 a.m. June 28, 2014	\$36.68	\$39.08
Effective 8:00 a.m. July 4, 2015	\$38.18	\$40.58
Effective 8:00 a.m. July 2, 2016	\$39.43	\$41.83
Effective 8:00 a.m. July 1, 2017	\$40.93	\$43.33
Effective 8:00 a.m. June 30, 2018	\$42.18	\$44.58

4.12 All hourly rates of pay shall be as set forth in the Wage Schedule and shall be effective as set forth therein.

4.13 Work Experience Straight Time Hourly Rates.

4.131 Each employee, regardless of registration or non-registration status, unless exempted under CFS Section 4.132, shall be paid for work under this CFS Supplement on the basis of total worked hours in the industry accumulated since the beginning of the 1976 payroll year. The total accumulated worked hours credited to the employee at the end of the previous payroll week (7:59 a.m. Saturday) shall determine the employee's appropriate straight time hourly rate according to the following table:

Work Experience Hours	Straight Time Hourly Rate		
	Eff. 6/28/14	Eff. 7/4/15	Eff. 7/2/16
0 through 1,000 hours	\$26.43	\$27.51	\$28.41
1,001 through 2,000 hours	\$27.43	\$28.51	\$29.41
2,001 through 4,000 hours	\$29.43	\$30.51	\$31.41
4,001 or more hours	Basic S.T.	Basic S.T.	Basic S.T.

Work Experience Hours	Straight Time Hourly Rate	
	Eff. 7/1/17	Eff. 6/30/18
0 through 1,000 hours	\$29.49	\$30.39
1,001 through 2,000 hours	\$30.49	\$31.39
2,001 through 4,000 hours	\$32.49	\$33.39
4,001 or more hours	Basic S.T.	Basic S.T.

4.1311 Qualifying hours for pay rate status as set forth in CFS Section 4.131 above shall include all hours for which pay is received, excluding vacation hours, paid holiday hours, and Pay Guarantee Plan hours.

4.1312 At the end of each succeeding payroll week, each employee, regardless of registration or non-registration status, will be credited with any hours worked. If the new total accumulated worked hours exceeds the upper limit of the work experience hours grouping in which the employee is classified, pay for hours worked the following payroll week and succeeding weeks shall be based on the hourly rate of the next work experience grouping.

4.1313 All other derivative rates, such as the second and third shift rates and the overtime rates shall be calculated from the rates described in CFS Section 4.131.

4.132 All Class A and Class B employees registered on or before June 30, 1987 shall be exempted from the work experience requirements of CFS Sections 4.131 through 4.1313 and shall be entitled to receive the basic straight time hourly rate or rates derived therefrom.

4.14 Shift Rates and Overtime Rates.

4.141 Shift Rates: The first shift hourly rate shall be the basic straight time hourly rate. The second shift hourly rate shall be 1.333333 times the basic straight time hourly rate. The third shift hourly rate shall be 1.6 times the basic straight time hourly rate for the first 5 hours of the 7-hour shift and 1.8 times the basic straight time hourly rate for the last 2 hours of the 7-hour shift.

4.142 Overtime Rates: The overtime hourly rate shall be 1.5 times the basic straight time hourly rate on the first shift, 1.5

times the basic straight time hourly rate on the second shift and 1.8 times the basic straight time hourly rate on the third shift.

4.15 Payment of Rates.

4.151 *First Shift.*

4.1511 The basic straight time rate shall be paid for the first 8 hours worked between the hours of 8:00 a.m. and 5:00 p.m. on the first shift Monday through Friday.

4.1512 The overtime rate (1.5 times the basic straight time hourly rate) shall be paid for work in excess of 8 hours, for work outside the hours of 8:00 a.m. to 5:00 p.m. on the first shift Monday through Friday and shall be paid for all hours worked on the first shift on Saturday, Sunday, and Agreement Holidays.

4.152 *Second Shift.*

4.1521 The second shift rate (1.333333 times the basic straight time hourly rate) shall be paid for the first 8 hours worked on the second shift Monday through Friday.

4.1522 The overtime rate (1.5 times the basic straight time hourly rate) shall be paid for work in excess of 8 hours, for work outside the regular 8-hour second shift Monday through Friday and shall be paid for all hours worked on the second shift on Saturday, Sunday, and Agreement Holidays.

4.153 *Third Shift.*

4.1531 The first 5 hours worked during the 7 hour standard third shift Monday through Friday shall be paid at 1.6 times the basic straight time hourly rate and the last 2 hours worked shall be paid at 1.8 times the basic straight time hourly rate.

4.1532 The overtime rate (1.8 times the basic straight time hourly rate) shall be paid for all hours worked

in excess of the 7 hour standard work shift Monday through Friday and shall be paid for all hours worked on the third shift on Saturday, Sunday, and Agreement Holidays.

4.154 There shall be no pyramiding of overtime.

4.155 No travel time or travel allowances shall be paid.

4.2 Penalty Cargoes.

4.21 CFS Longshore/Clerk Utilitymen.

4.211 In addition to the basic wage for CFS work, additional wages to be called penalties shall be paid as specified in Section 4.4 and related subsections of the PCLCD and PCCCD for the types of cargoes, conditions of cargoes, or working conditions specified in the Wage Rate Schedule (Penalty Cargo List) of the PCLCD and PCCCD.

4.212 Penalty cargo rates where applicable shall be limited to those CFS utilitymen specifically assigned to the operation for which a penalty rate is paid.

CFS SECTION 5

VACATIONS

5.1 Steady CFS employees shall be paid vacations in accordance with the terms and conditions of the PCL&CA except that in all circumstances each week's vacation pay shall be 40 times the applicable CFS straight time rate.

5.2 In conformity with Section 7.23 of the PCL&CA, hours worked by registered men in CFS's shall be interchangeable with hours worked under the PCL&CA. Vacation pay shall be in accordance with the terms of that Contract Document or Supplement under which more than half of the total hours for the year were worked.

CFS SECTION 6**DISPATCHING, REGISTRATION, AND PREFERENCE****6.1 Steady Employees.**

6.11 Each CFS under the Contract Supplement shall be furnished a basic complement of employees to work on a steady basis, in the number determined by the employer to meet the anticipated regular employment needs.

6.111 Orders placed at the joint ILWU-PMA dispatching halls for employees to work on a steady basis as part of the basic complement of employees for a CFS shall be placed at the hall at least 5 calendar days before dispatch and these orders shall be posted immediately. Registered employees desiring dispatch to such jobs may notify the dispatcher of such desire during the time the jobs are posted. Registered employees shall be dispatched from the ILWU-PMA dispatching halls to such jobs, subject to first preference to Class A registered employees and second preference to Class B registered employees.

6.112 If the local dispatching hall fails to provide the number of registered employees requested by the employer on a steady basis, then such individual employer shall be free to employ other workers of his own choosing. Workers so hired shall be entitled to steady employment under the terms and conditions of the Contract Supplement.

6.2 Extra CFS labor to supplement the steady work force: It is recognized by the parties that the workload in a CFS may vary, calling for the employment of employees over and above the basic steady complement. When such additional employees are required they shall be identified as extra CFS labor.

6.21 Orders for extra CFS labor shall be placed by the employer at the ILWU-PMA dispatching hall no later than the day before such employees are required. Extra labor shall be dispatched as per local joint dispatching rules except that such employees can be given their dispatch prior to the day they are to report.

6.22 If sufficient employees are not available through the dispatching hall, the employer shall be free to employ extra CFS labor from other sources of his own choosing.

6.23 Extra CFS labor may be continued on the payroll at a CFS but not after the end of the weekly payroll period.

6.3 Union Security. Membership in the Union on or after the thirtieth (30th) day following the beginning of steady employment under this Contract Supplement shall be required as a condition of employment of steady CFS employees who have completed their probationary period, provided that membership in the Union shall be subject to the approval of the Union, and provided further that membership shall not be terminated for reasons other than failure to tender periodic dues and initiation fees uniformly required as a condition of retaining membership, and provided further that no steady employee can be denied a job because of Union membership.

CFS SECTION 7

EMPLOYEE STATUS, SENIORITY, AND DISCHARGE

7.1 Probationary Period.

7.11 Individuals employed on a steady basis shall be considered as on probation during the first 30 calendar days of their employment. Any such individual who came from the

registered work force, and who does not prove satisfactory to the employer at any time during the probationary period may be returned to the dispatching hall at the employer's discretion.

7.12 Individuals hired on a steady basis from a source other than the ILWU-PMA dispatching halls shall also serve a 30-day probationary period during which time they may be terminated at the employer's discretion.

7.2 Seniority.

7.21 When employees hired for the basic steady complement in a CFS have passed the probationary period they become permanent employees. Seniority shall date from the date of original hire. Employees may be terminated from such status only under the seniority or discharge provisions of this Contract Supplement and the Agreement.

7.22 Seniority shall be lost by an employee who fails to return to work within 72 hours after having been notified that the job is again available unless the employee is prevented from returning to work by a bona fide illness or injury, or because of a scheduled vacation or approved leave of absence under the PCL&CA or is working in a job under the Agreement and cannot be replaced.

7.23 Seniority shall also be lost if an employee is laid off for a continuous period of 60 days.

7.24 Seniority shall also be lost by discharge of the employee from the CFS for cause or by an employee's failure to report to work when directed to do so by the employer without obtaining leave of absence approval by the company and the Union.

7.241 A registered Class A or B longshoreman or clerk who loses seniority under the preceding paragraph shall be re-

turned to the dispatching hall and shall be subject to discipline under the PCL&CA for the incidents giving rise to the employee's return to the hall. The employment records of the registered longshoremen and clerks under this Supplement shall be part of their records under the Agreement.

7.25 Nothing in this Supplement shall prevent the discharge of a steady or an extra employee who is not a registered Class A or Class B longshoreman or clerk. If there is disagreement between the parties as to the propriety of the discharge, the employee shall have access to the grievance procedure, provided such complaint is filed promptly with the employer within 2 working days after the employee has been notified of the discharge.

CFS SECTION 8

LAYOFF

8.1 Should the work opportunity at a CFS be reduced to such a degree as to necessitate a reduction in the basic complement of employees, the last steady employee hired shall be the first laid off. An employee who was a registered Class A or B longshoreman or clerk shall be returned to the joint dispatching hall.

8.2 Should steady work opportunity increase, laid-off employees with seniority shall be offered the first opportunity to return to the CFS as steady employees in the reverse order of layoff. Those employees returning who had previously gained seniority shall not have to serve an additional probationary period, and their previous seniority shall count in regard to future layoffs.

8.21 Notice of return to work shall be given to the laid off employee by certified mail, return receipt requested, directed to the last address on record with the company who laid him off. A carbon copy of such notice shall be sent to the ILWU-PMA dispatching hall.

CFS SECTION 9

GRIEVANCE PROCEDURE

9.1 Section 17 of the Agreement applies to this Contract Supplement and is supplemented by the following:

9.11 Any disagreements as to the facts involved in the application of the rules set out in CFS Sections 1.13, 1.24, 1.25, 1.26, 6.21 and 6.23 shall be carried on through the grievance-arbitration procedure of Section 17 of the Agreement, except that decisions reached at the local level by joint agreement or by the Area Arbitration Panel shall be final and binding.

CFS SECTION 10

GENERAL

The provisions of Sections 5, 11, 12, 13, 15, 16 and 18 of the Pacific Coast Longshore & Clerks' Agreement are applicable parts of this Contract Supplement. Other provisions can be reviewed, and their application or effect specified by mutual agreement.

CFS SECTION 11

TERM OF CONTRACT SUPPLEMENT

11.1 The term of this Contract Supplement shall be the same as the PCL&CA.

CFS SECTION 12**HEALTH, WELFARE, AND PENSIONS**

12.1 Employers shall contribute to the welfare and the pension funds as provided under the PCL&CA.

12.2 Any CFS employee eligible for ILWU-PMA welfare benefits because of longshore or clerk registration and work on the day before the first day of employment under the terms and conditions of this Contract Supplement shall continue to be eligible for benefits.

12.21 Registered employees working as CFS employees shall enter, remain in, and be removed from the group of registered longshoremen and clerks eligible for welfare benefits under the terms generally applicable, except that hours of work as a CFS employee shall be considered as hours of work as a longshoreman or clerk in determining eligibility questions.

12.3 Any CFS employee, including any such employee not already having such eligibility under the PCL&CA shall be eligible for welfare benefits on the first day of the month after first completing 3 months of continuous service, without layoff, under the terms and conditions of this Contract Supplement.

12.31 Eligibility of a steady CFS employee for welfare benefits on the basis of CFS Section 12.3 shall terminate at the end of the month in which the employee is laid off as a steady CFS employee.

12.32 A steady CFS employee who has become eligible under CFS Section 12.3 and lost eligibility under CFS Section 12.31 shall, within the period during which seniority is retained under CFS Section 7.2 again become eligible for welfare benefits on the first day of the month following return from layoff unless the employee has again been laid off during the month in which called back.

12.4 Time worked under this Contract Supplement by any CFS employee shall count as time worked as a longshoreman or clerk under the ILWU-PMA Pension Plan, and the Pay Guarantee Plan for Class A and Class B registered longshoremen and clerks.

IN WITNESS WHEREOF, the parties hereto have signed this Contract Document effective as of July 1, 2014.

*Pacific Maritime
Association*
on behalf of its members

*International Longshore
and Warehouse Union*
on behalf of itself and each
and all of its longshore locals
in California, Oregon, and
Washington and all employees
performing work under the
scope, terms, and conditions
of this Agreement.

/s/ James C. McKenna
/s/ Steve Hennessey
/s/ Michael Wechsler
/s/ Craig E. Epperson

/s/ Robert McEllrath
/s/ Ray Ortiz, Jr.

2014-2015 WAGE SCHEDULE*Effective 8:00 a.m., June 28, 2014 to 8:00 a.m. July 4, 2015*

"Experience" Level (Hours)	1st Shift	2nd Shift	1st & 2nd	3rd Shift	3rd Shift Overtime
			Shift Overtime		
Longshore/Clerk Utilityman					
4,000 or more	\$36.68	\$48.91	\$55.02	\$58.69	\$66.02
2,001 - 4,000	\$29.43	\$39.24	\$44.15	\$47.09	\$52.97
1,001 - 2,000	\$27.43	\$36.57	\$41.15	\$43.89	\$49.37
0 - 1,000	\$26.43	\$35.24	\$39.65	\$42.29	\$47.57

Clerk Supervisor

4,000 or more	39.08	52.11	58.62	62.53	70.34
2,001 - 4,000	31.83	42.44	47.75	50.93	57.29
1,001 - 2,000	29.83	39.77	44.75	47.73	53.69
0 - 1,000	28.83	38.44	43.25	46.13	51.89

2015-2016 WAGE SCHEDULE*Effective 8:00 a.m. July 4, 2015 to 8:00 a.m. July 2, 2016*

"Experience" Level (Hours)	1st Shift	2nd Shift	1st & 2nd	3rd Shift	3rd Shift Overtime
			Shift Overtime		
Longshore/Clerk Utilityman					
4,000 or more	\$38.18	\$50.91	\$57.27	\$61.09	\$68.72
2,001 - 4,000	\$30.51	\$40.68	\$45.77	\$48.82	\$54.92
1,001 - 2,000	\$28.51	\$38.01	\$42.77	\$45.62	\$51.32
0 - 1,000	\$27.51	\$36.68	\$41.27	\$44.02	\$49.52

Clerk Supervisor

4,000 or more	40.58	54.11	60.87	64.93	73.04
2,001 - 4,000	32.91	43.88	49.37	52.66	59.24
1,001 - 2,000	30.91	41.21	46.37	49.46	55.64
0 - 1,000	29.91	39.88	44.87	47.86	53.84

2016-2017 WAGE SCHEDULE

Effective 8:00 a.m., July 2, 2016 to 8:00 a.m. July 1, 2017

"Experience" Level (Hours)	1st Shift	2nd Shift	1st & 2nd	3rd Shift	3rd Shift Overtime
			Shift Overtime		

Longshore/Clerk Utilityman

4,000 or more	\$39.43	\$52.57	\$59.15	\$63.09	\$70.97
2,001 - 4,000	\$31.41	\$41.88	\$47.12	\$50.26	\$56.54
1,001 - 2,000	\$29.41	\$39.21	\$44.12	\$47.06	\$52.94
0 - 1,000	\$28.41	\$37.88	\$42.62	\$45.46	\$51.14

Clerk Supervisor

4,000 or more	41.83	55.77	62.75	66.93	75.29
2,001 - 4,000	33.81	45.08	50.72	54.10	60.86
1,001 - 2,000	31.81	42.41	47.72	50.90	57.26
0 - 1,000	30.81	41.08	46.22	49.30	55.46

2017-2018 WAGE SCHEDULE

Effective 8:00 a.m., July 1, 2017 to 8:00 a.m. June 30, 2018

"Experience" Level (Hours)	1st Shift	2nd Shift	1st & 2nd	3rd Shift	3rd Shift Overtime
			Shift Overtime		

Longshore/Clerk Utilityman

4,000 or more	\$40.93	\$54.57	\$61.40	\$65.49	\$73.67
2,001 - 4,000	\$32.49	\$43.32	\$48.74	\$51.98	\$58.48
1,001 - 2,000	\$30.49	\$40.65	\$45.74	\$48.78	\$54.88
0 - 1,000	\$29.49	\$39.32	\$44.24	\$47.18	\$53.08

Clerk Supervisor

4,000 or more	43.33	57.77	65.00	69.33	77.99
2,001 - 4,000	34.89	46.52	52.34	55.82	62.80
1,001 - 2,000	32.89	43.85	49.34	52.62	59.20
0 - 1,000	31.89	42.52	47.84	51.02	57.40

2018-2019 WAGE SCHEDULE*Effective 8:00 a.m. June 30, 2018 to 8:00 a.m.*

"Experience" Level (Hours)	1st Shift	2nd Shift	1st & 2nd	3rd	3rd
			Shift Overtime	Shift Overtime	Shift Overtime
Longshore/Clerk Utilityman					
<i>4,000 or more</i>	\$42.18	\$56.24	\$63.27	\$67.49	\$75.92
<i>2,001 - 4,000</i>	\$33.39	\$44.52	\$50.09	\$53.42	\$60.10
<i>1,001 - 2,000</i>	\$31.39	\$41.85	\$47.09	\$50.22	\$56.50
<i>0 - 1,000</i>	\$30.39	\$40.52	\$45.59	\$48.62	\$54.70
Clerk Supervisor					
<i>4,000 or more</i>	44.58	59.44	66.87	71.33	80.24
<i>2,001 - 4,000</i>	35.79	47.72	53.69	57.26	64.42
<i>1,001 - 2,000</i>	33.79	45.05	50.69	54.06	60.82
<i>0 - 1,000</i>	32.79	43.72	49.19	52.46	59.02

CFS PROGRAM FUND

The parties acknowledge their mutual interests in developing productive work opportunities that preserve for dockworkers their work and living standards. Such a program will retain and attract to the industry responsible, reliable and skilled persons whose availability will assure a stable work force and will minimize the costs of those industry programs that are now required when work is unavailable.

The parties recognize that the continued movement of container work from the docks jeopardizes their aforesaid mutual interests. They desire to reverse that movement and encourage the establishment, development and growth of efficient and productive container freight stations on the docks to preserve the work which has historically been performed by the long-shore work force.

To achieve these ends they have agreed as follows:

- (1) The employers will expend during the term of this contract funds to be raised upon containerized cargo tonnage. The funds shall be managed by PMA and distributed to those of its members who use bargaining unit employees to stuff, unstuff, and transload containers under the terms of the PCL&CA or at any CFS facilities manned by the bargaining unit, such distribution to be on a basis which will encourage the preservation, growth and increase of such container stuffing, unstuffing and transloading work. PMA will report periodically to the Union on the receipts and disbursements of the Fund.
- (2) The provisions of the Container Freight Station Supplement shall not be burdened by arbitration deci-

sions or past practices prior to July 1, 1984 whether oral or written. Any restrictions on the employer that are in conflict with the provisions of the Container Freight Station Supplement will be considered null and void.

- (3) The parties will henceforth commit themselves to increasing CFS productivity and the elimination of wasteful work practices.
- (4) The parties agree to set up a joint committee to report periodically to the Joint Coast Labor Relations Committee on the progress of this program and to make recommendations as to further implementation.
- (5) Disputes which arise with respect to this program shall be first referred to the Joint Port Labor Relations Committee for the port where the dispute may arise and, if necessary, may be referred by either party to the Joint Coast Labor Relations Committee and then by either party to the Coast Arbitrator.
- (6) This program may be terminated with the mutual written consent of the parties upon 60 days' written notice to all employers receiving distributions under this program and, in all events, this program shall immediately terminate if the provisions of CFS Sections 1.5 through 1.543 of the 1970-71 Container Freight Station Supplement and CFS Sections 1.53, 1.54, 1.55 and 1.57 of the amended Container Freight Station Supplement that were entered into February 10, 1972 are determined to be legally enforceable.

LETTER OF UNDERSTANDING

Understanding confirmed:

 /s/ Robert McEllrath

Robert McEllrath

International Longshore and Warehouse Union

 Dated: 03/03/15