

**CALAVERAS MATERIALS INC.  
and  
GENERAL TEAMSTERS LOCAL No. 439**

January 1, 2007 to December 31, 2009

**PREAMBLE**

The following Agreement has been entered into between Calaveras Materials Inc., hereinafter designated as the "Employer," and General Teamsters Local 439, of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, hereinafter designated as the "Union."

**SECTION 1 RECOGNITION**

- A. The Employer recognizes and acknowledges that the Union is the exclusive representative, within its jurisdiction, of the following classifications of employees covered by this Agreement, Transit Mix Drivers, Batchman and Yardman at the Manteca/Lathrop Plant located at 1945 Lathrop Road, Lathrop, CA and the Tracy Plant located at 28983 S. Mac Arthur Drive, Tracy, CA, in collective bargaining with the Employer of those classifications of employees covered by this Agreement and listed herein.
  
- B. Only members in good standing in the Union shall be retained in employment. For the purpose of this Section, "members in good standing" shall be defined to mean employee members in the Union who tender the periodic dues and initiation fees uniformly required as a condition of acquiring and retaining membership. Non-members of the Union hired by the Employer must complete membership affiliation on or before the thirtieth day of employment, and the Union agrees to accept said non-members into membership on the same terms and conditions generally applicable to other members. Upon written notice from the Union of failure on the part of any individual to complete membership in the Union as above required, or of failure to continue payment of dues to the Union, the Employer shall, within seven (7) days of such notice, discharge said employee.

The Employer shall provide the Union with a copy of the seniority roster each calendar quarter.

- C. Dues Check-Off: The Employer shall, if requested by the Local Union, deduct from the pay of all employees covered by this Agreement, union dues, initiation fees and uniform assessments, and promptly remit all such deductions to the Local Union, subject to the conditions hereinafter stated in this Section. No deductions shall be made which is prohibited by applicable law.

The Local Union shall furnish, or cause to be furnished, to the Employer written authorization of each employee for the deductions herein provided, such authorizations to be in compliance with any and all applicable Federal and State Laws. The Local Union also shall furnish to the Employer a monthly statement

showing the names of all employees for which such deductions have been authorized and the amounts to be deducted in accordance with such authorizations. The Local Union agrees to indemnify and hold harmless the Employer from any and all claims by reason of deductions made and remitted to the Local Union in accordance with such authorizations and monthly statements. If the check-off is to be employed, it shall be used uniformly for all employees. Further, for thirty-one (31) calendar days from January 1, 2004 or from any subsequent anniversary of this contract, each employee shall have a right to withdraw his check-off authorization.

Amounts will be deducted from the first pay period and remitted to the Union within ten (10) days.

## SECTION 2 MANAGEMENT SECURITY

- A. It is understood and agreed by all parties signatory hereto that the Employer shall be the judge of the qualifications of all employees with the right to employ, retain, or discharge employees for just cause. A discharged employee who feels that he was discharged for other than just cause shall have the right to appeal through the Grievance Procedure.
- B. Discipline and Discharge: The Employer shall give written notice by certified mail to the employee and the Local Union of its decision to discharge or suspend the employee and such notice shall set forth the reason(s) for the discharge or suspension within ten (10) working days of the occurrence on which the discharge or suspension is based. Warning letters shall remain in effect for a period of twelve (12) months of active, on-roll employment.

## SECTION 3 PROTECTION OF RIGHTS

Picket Lines: No employee shall be discharged, disciplined, or permanently replaced for failure to enter upon any property involved in a lawful primary labor dispute sanctioned by Joint Council No. 38 and Local 439 unless a reserved gate system has been established on the site.

## SECTION 4 HOLIDAYS

- A. The following Holidays when not worked shall be paid for at eight (8) times the employees straight time hourly rate.

New Years Day	Labor Day
Presidents Day	Thanksgiving Day
Memorial Day	Day After Thanksgiving Day
Independence Day	Christmas Day

- B. The above holidays shall be paid only if an employee:  
Is on the regular seniority list, and the employee works his scheduled work day immediately prior to, and his scheduled work day immediately following his Holiday, unless an absence is due to the express permission of the Employer or to a bona fide illness accompanied by a Doctor's Certificate. Any employee must perform work within seven (7) calendar days before or seven (7) calendar days

after a Holiday in order to be eligible to be paid for the Holiday, provided the employee is otherwise qualified.

- C. Employees required to work on the above specified Holidays shall receive time and one-half (1 ½) the required rate of pay in addition to any Holiday pay to which they are entitled.
- D. Sundays and Holidays, other than those specified above when worked, shall be double (2X) the regular hourly rate, except that Sunday may be excepted for service men as a double time day and will remain at time and one-half (1 ½) the hourly rate if the service man chooses the Sunday shift in lieu of the Saturday shift.
- E. If a specified paid Holiday falls on a Saturday the Holiday shall be paid for as such at eight (8) times the employee's straight time hourly rate.
- F. If a specified paid Holiday falls during a Sunday and the Holiday is celebrated on the following Monday, the Holiday shall be paid for as such at eight (8) times the employee's straight time hourly rate.
- G. If a specified paid Holiday falls during a paid vacation period, the employee shall receive additional compensation for such a paid Holiday, or receive an additional day off. If an employee chooses to take an additional day off, the choice of when to take such day must be mutually agreed between the Employer and the employee.

#### SECTION 5 REGULAR RUNS

Drivers assigned to regular runs will start and finish at the same garage.

#### SECTION 6 SUBSISTENCE

Drivers assigned to special country work shall be paid at the regular schedule while in actual service, and shall receive in addition a maximum of sixty (\$60) dollars for personal expenses when out of town overnight.

## SECTION 7 HOURS

- A. Any employee put to work on any regular working day shall be guaranteed either four (4), or eight (8) hours work, except when weather conditions or a mechanical breakdown (other than of the employee's own truck) interfere with work or when work is shut down in accordance with specifications for the job. The four (4) or eight (8) hours' worked shall be completed within four (4) or eight and one half (8 ½) consecutive hours respectively, starting no later than 8 AM during the months of May through October. During the months of November through April, any employee put to work on any regular working day shall be guaranteed either four (4), six (6) or eight (8) hours work except when weather conditions or a mechanical breakdown (other than the employees own truck) interfere with work or when work is shut down in accordance with specifications of the job. The four (4), six (6), or eight (8) hours work shall be completed within four (4), six (6) or eight and one half (8 ½) consecutive hours respectively, starting no later than 10 AM. The Employer shall determine the starting time of each employee, such starting times shall be on the one-quarter (1/4) hour basis. Where an employee is instructed to report at a specific starting time, his pay shall commence at that specific starting time.
- B. Forty (40) hours consisting of five (5) consecutive work days, from Monday to Friday inclusive, shall constitute a regular week's work. Those employees who have not worked forty (40) hours during the normal work week, may be scheduled to work on Saturday to make up for their forty (40) hours at the applicable straight time rate. This is not in conflict with Section 14 (E). All time worked in excess of eight (8) hours in one day or forty (40) in one week, shall be considered as overtime and paid for at the rate of time and one half (1 ½). All work performed after twelve (12) hours in a workday shall be paid at double (2x) the regular straight-time hourly rate. Any employee put to work on Saturday or Sunday shall be guaranteed four (4) hours of work or pay in lieu thereof. Any employee put to work on Sunday shall be paid at the above rate at one half (1/2) hour intervals.
- C. Employees who, prior to leaving work, are instructed to report for work the following day and not put to work shall be paid not less than two (2) hours at his regular rate, unless notified at least one (1) hour prior to the scheduled starting time not to report to work. Employees not so scheduled prior to leaving work the previous day shall be given one (1) hour's notice to report for work, and if not put to work upon reporting, shall be paid not less than two (2) hours at their regular rate. It shall be the employee's responsibility to keep the Employer informed of the telephone number where he can be so notified. This clause shall not apply where work is canceled due to weather conditions and the Employer does not have sufficient opportunity to notify the employee affected.
- D. Any employee starting a shift before 5:00 a.m. will be paid a premium of nine dollars (\$9.00) per hour for all hours worked which precede 5:00 a.m.

SECTION 8 SHIFT WORK

Where shift operations are required, specifics shall be worked out between the Union and the Employer for each job or project prior to the job or project starting.

SECTION 9 JOB CLASSIFICATIONS AND WAGES

Classifications and minimum rates of pay are set forth in the following schedule:

	01/01/07
Transit Mix Driver	\$21.26
Batchman	\$21.26
Yardman	\$20.80

New hires shall start at the following pay scale:

First six months	80% of Driver's rate
Second six months	90% of Driver's rate
Third six months	95% of Driver's rate
Thereafter, contract rate.	

- A. Work performed outside the area of Local No. 439 shall be paid at the hourly wage rates prevailing in the area where the work is performed.
- B. In the event that an employee during any working day works two (2) or more different capacities for which there is a different rate of pay, the employee shall be paid for said day at the higher rate and not the lesser rate.
- C. Pay Day: All employees under this Agreement shall be paid their wages at the regular paydays every two weeks, and shall have the option of direct deposit for their pay.
- D. The Employer shall provide a satisfactory means of registering the reporting time and the quitting time, the records of which shall be accessible to the Business Representative of the Union at all times during working hours. The Union shall have the privilege to install its own time keeping system if the Employer's system is found unsatisfactory.
- E. Working Foreman-Batchman shall be paid a minimum of one dollar (\$1) per hour above the employee's regular rate of pay.
- A. Employees hired after the ratification of this Contract will be paid at a rate of \$1.50 per hour less than the rates listed above. After 18 months from the date of hire these employees will receive the full current Contract rate.

SECTION 10 GRIEVANCE PROCEDURE

All disputes arising under this Agreement shall be resolved in accordance with the following procedure:

- A. In the event of a dispute concerning the interpretation or application of any provision of this Agreement, the aggrieved party, or his Shop Steward, shall notify the Employer, and/or the employee's immediate supervisor, of his complaint, within ten (10) working days after the date of the event in dispute, or the grievance will forever be waived.
- B. Within ten (10) working days after the Union business representative has been notified of filing of the grievance, the business representative shall meet with a representative of the Employer to attempt to resolve the dispute.
- C. In the event that the Union's representative and the Employer are unable to resolve the grievance, a Board of Adjustment, composed of two (2) representatives from each party, shall be convened within twenty (20) working days to hear the grievance.
- D. A majority decision of the Board of Adjustment shall be final and binding. If the Board of Adjustment is unable to resolve the grievance, the parties shall, within ten (10) working days of the convening of the Board of Adjustment, request a panel of seven (7) arbitrators through the auspices of the Federal Mediation and Conciliation Service. The parties shall select an arbitrator from the panel by striking names, alternately until one name remains, and the remaining person shall be the arbitrator.
- E. The arbitrator shall have no power to add to, subtract from, alter or amend this Agreement or to render any award in conflict with its provisions. His award shall be based solely upon the evidence and arguments presented to him in the presence of both parties. He shall have no jurisdiction to render any award more than sixty (60) days after he has taken the grievance under submission. The award of the arbitrator, within the limits prescribed in this Section, shall be final and binding upon the Employer, the Union and the employee affected. The award, including any interpretations of this Agreement necessarily made in rendering said award, shall also be binding in any later arbitration under the Agreement. The Employer and the Union shall share the fees and expenses of the arbitrator equally; otherwise each party shall bear its own costs.
- F. Any of the time limits outlined above may be extended if both of the parties agree to such an extension. Such an extension shall be in writing and be signed by both parties as part of the record of the grievance.

#### SECTION 11 VACATIONS

- A. Those employees who have been regularly employed one (1) year or more shall receive one (1) week's vacation at regular pay. Those employees who have been regularly employed two (2) years or more shall receive two (2) weeks vacation with regular pay. Those employees who have been regularly employed seven (7) years or more shall receive three (3) weeks vacation with regular pay. Those employees who have been regularly employed fifteen (15) years or more shall receive four (4) weeks vacation with regular pay.

- B. Seniority shall be observed in the choice of vacations. The vacation schedule shall be posted on January 1, and all employees shall complete selection of vacation by February 15. After the schedule is complete, employees with seniority shall not have the right to force vacation changes on those with less seniority, provided, however, that in order to avoid undue interference with the Employer's operations, not more than one (1) employee in a given job classification will be on vacation at one time, without Employer's consent.
- C. An employee shall be entitled to receive vacation pay to the portion of the year in which he was eligible for vacation.
- D. An employee shall be entitled to a vacation in accordance with the regular schedule, provided he shall have worked at least twelve hundred (1200) hours in the 12-month period from his last anniversary date. The 1200 hours will be computed on all hours paid. Employees who do not qualify for a full vacation shall be entitled to one-twelfth (1/12) the schedule for each one hundred (100) hours paid. Any employee off work because of a non-job related injury shall not accrue vacation time for that time off.

#### SECTION 12 HEALTH AND WELFARE

- A. Effective the first eligible month after ratification of this Agreement the Company and eligible employees will participate in the Teamsters Managed Health Care Trust Warehouse Plan Option 1 for the purposes of purchasing a group insurance plan providing life insurance, medical care, major medical, dental care benefits, medical prescriptions benefits and vision care benefits.  
  
The employer shall contribute \$918.00 of the total monthly premium per each eligible employee into the Teamsters Managed Health Care Trust Warehouse Plan.  
  
Year 2 Company pays 80% of inflationary increase, employee pays 20%.  
Year 3 Company pays 80% of inflationary increase, employee pays 20%.
- B. The Employer agrees to continue the premium payments of the foregoing plans for a period not to exceed one (1) month each year for any seniority employees, who, after one year of service, is on lay off status, and for a period not to exceed six (6) months each year for any seniority employee who, after one year of service, is absent from work due to proven illness or industrial injury. The Employer will not be obligated to continue the health and welfare payments above where a laid off employee has qualified for coverage under some other employer's health and welfare plan. The Union and the Employer agree that this plan is and has been a defined contribution plan.
- C. The term "eligible employees" as used in Paragraph "A" shall mean any employee who worked or was paid for at least eighty (80) hours during the preceding months. Holidays, vacation and other time paid for but not worked shall be considered as time worked for the purposes of this Section. Any employee called to work on any given day shall be credited with eight (8) hours towards his eligibility as specified above.

Any employee contributions required under this Section shall be deducted from the employee's paycheck.

- D. The Employer and the Union may, by mutual agreement, transfer coverage on any or all benefit plans to another plan which may be made available, provided the cost to the Employer would be no greater, and the benefits to the covered employees would be comparable or better.

### SECTION 13 PENSION

The Employer party hereto has previously executed a Certification Agreement by which the Employer became party to the Western Conference of Teamsters Pension Trust Fund. The Employer agrees that during the continuance of this Agreement it will pay the amounts stated below to the Western Conference of Teamsters Pension Trust Fund on account of each member of the bargaining unit for every hour for which compensation was paid, and guarantees that said contributions will be contributed on one hundred and seventy three (173) hours for employees who are compensated for all available straight time hours each calendar month. Effective upon ratification the Company will contribute an additional \$0.24 increase in the pension retro-active to January 1, 2007 to the Western Conference of Teamsters Pension Trust Fund.

Effective Date	PEER/84 Rate	Basic Rate	Hourly Rate	Monthly Max
Retro to 1/01/07	\$0.27	\$4.23	\$4.50	\$778.50

- A. The additional contribution for PEER/84 must at all times be 6.5% of the basic contribution and cannot be decreased or discontinued at any time.

The contribution required to provide the Program for Enhanced Early Retirement/84 (PEER/84) will not be taken into consideration for benefit accrual purposes under the Plan.

- B. The Employer agrees to abide by such rules as may be established by the Trustees of said Trust Fund to facilitate the prompt and orderly collection of such amounts, and the accurate reporting and recording of such amounts paid on account of the employees. Failure to make the payments herein provided, within the time specified, shall be a breach of this Agreement.
- C. The parties agree that because the Trustees of the Fund will rely on the Agreement executed in this Section and will not reduce the benefits for employees who retire prior to January 1, 1979. This Section may not be modified, terminated, or rescinded by the parties directly or indirectly without the express written consent of the Trustees.
- A. Effective upon ratification the contribution rate for newly hired employees shall be a total contribution of (\$.10) per hour of which (\$.09) for basic rate and (\$.01) to provide for PEER 84 until regular seniority is attained or (90) calendar days whichever comes first.

## SECTION 14 SENIORITY

- A. When it may be necessary to reduce the number of employees on the seniority list, the last employee hired shall be the first employee laid off, and in rehiring, the last employee laid off shall be the first employee rehired, provided the employee is capable of performing the remaining work.
- B. A new employee shall be placed on the regular seniority list after working forty (40) days in any consecutive one hundred and twenty (120) day period.
- C. Seniority shall be broken by resignation, discharge or lay off and other absences (not including proven illness or industrial injury) in excess of six (6) calendar months. Any employee absent due to proven illness shall be considered as being on leave of absence for a period of up to one (1) year, with an extension by mutual Agreement.
- D. A list of employees arranged in the order of their seniority shall be posted in a conspicuous place at their place of employment. Any controversy over the seniority standing of any employee on the seniority list shall be submitted to the grievance procedure.
- E. For purposes of daily dispatch, the drivers shall be dispatched for work in seniority order.

The senior drivers shall be dispatched for the work available in seniority order provided they are qualified to perform the work, except that no driver will be replaced on the basis of seniority once he/she has started his/her day's work.

In the event of the elimination of jobs, paragraph A above shall prevail for any remaining work available.

- F. In the event the Employer receives late or changed orders after 12:00 noon it shall be free to utilize previously dispatched equipment to perform the work within the jurisdiction of this Agreement.

## SECTION 15 FUNERAL LEAVE

- A. In the event of a death in the immediate family of an employee who has worked forty (40) days in any consecutive one hundred and twenty (120) day period with the Employer shall, upon request, be granted such time off with pay as is necessary to make arrangements for the funeral and attend same, not to exceed two (2) regularly scheduled work days. The employee shall, upon request, be granted one (1) additional day off with pay for attendance at an out-of-state funeral.

This provision does not apply if the death occurs during the employee's paid vacation, or while the employee is on leave of absence or layoff.

- B. For the purpose of this provision, the immediate family shall be restricted to father, mother, spouse, child, brother, sister, grandparents (all), mother-in-law and father-in-law.
- C. Funeral leave applies only in instances in which the employee attends the funeral, or is required to make the funeral arrangements, but is not applicable for other purposes such as settling the estate of the deceased.

#### SECTION 16 ELIMINATION OF RESTRICTIONS ON PRODUCTION

No rules, customs or practices shall be permitted that limit production or increase the time required to do the work. There shall be no limitation or restriction of the use of machinery, tools or other labor savings devices.

#### SECTION 17 RATE ESTABLISHED AND ADJUSTMENT

Where it is necessary to install new wage rates required due to the creation of new jobs, development of new processes, changes in equipment, methods of processing, material processed, changes in job content, or improvements brought about by the Employer, the Union and the Employer shall mutually agree on a rate of pay for the job.

#### SECTION 18 JOB STEWARDS AND BULLETIN BOARDS

- A. The Employer recognizes the right of the Local Union to designate job stewards and alternates from the Employer's seniority list. The Union may, at its option, designate a steward for each shift. The Employer will be notified of the steward.
- B. Bulletin board space shall be made available to the Union for the purpose of posting official union notices.
- C. The Business Representative shall, upon notice to the site manager or other supervision, be permitted on the Company's premises to investigate grievances.

#### SECTION 19 NO DISCRIMINATION

No employee shall be discriminated against for engaging in lawful union activities, nor shall any employee covered by this Agreement be discriminated against for reason of race, creed, color, age, sex, religion, national origin, Veteran status, mental or physical disability, or any other basis protected by applicable State or Federal laws.

The masculine gender used herein shall also mean the feminine gender.

#### SECTION 20 NO WAGE REDUCTION

No employee shall have his hourly wage reduced by reason of the signing of this Agreement.

## SECTION 21 LUNCH PERIOD

There shall be a lunch period per the "Labor Code". Each employee may sign an appropriate agreement authorizing an on-duty meal period for which they will be paid their normal hourly rate. Employees may revoke this individual agreement at any time by providing written notice to the Employer regarding such agreement.

## SECTION 22 LEAVES OF ABSENCE

- A. An employee desiring a leave of absence for personal reasons must secure prior written approval from the Local Union and the Employer. During the period of such leave, the employee shall not engage in gainful employment in the same industry unless mutually agreed to between the Employer and the Local Union. Any such leave shall not exceed a period of ninety (90) days and shall not be extended. No employee may be granted a leave under this Section more often than once in a fifteen (15) month period. If an employee receives a leave of absence prior to the leave being effective, the Employer shall collect from the employee the proportionate amount of Pension contributions for the period of the leave. Any employee on a leave of absence shall not accrue benefits for vacation, Health and Welfare, Holiday or Pension.
- B. Other leaves of absence may be authorized in accordance with State and Federal laws.

## SECTION 23 GENERAL SAVINGS CLAUSE

In the event any Federal or State legislation, government regulation or court decision causes any Section or provision of this Agreement to be illegal or invalid, the parties agree to meet and negotiate concerning the subject matter of any Section or provision so affected; all other Sections or provisions not so invalidated shall remain in full force and effect.

## SECTION 24 TRANSFER OF TEAMSTER OPERATED EQUIPMENT

In reference to the transfer of Teamster operated equipment from one locality to another locality, within the Jurisdiction of Teamsters Local No. 439 the following procedure shall apply:

Upon transfer to another locality the drivers affected shall be offered the opportunity to go with the equipment. Such transfer shall be offered to qualified drivers in seniority order from the top to the bottom.

## SECTION 25 PLANT CLOSURE

In the event of closure of a plant covered by this Agreement, the effects of this plant closure will be subject to bargaining.

## SECTION 26 TRANSFER OF COMPANY TITLE OR INTEREST

- A. This Agreement shall be binding upon the parties hereto, their successors, administrators, executors, and assigns. In the event an entire operation or portion thereof is sold, leased, transferred or taken over by sale, transfer lease, assignment, or receivership or bankruptcy proceeding (unless otherwise provided by law), such operation shall continue to be subject to the conditions of this Agreement for the remainder of its then existing term.
- B. The Employer shall give notice of the existence of this Agreement to any purchaser, transferee, lessee or assignee of the operation covered by this Agreement, with a copy to the Union not later than the effective date of the sale, transfer, lease or assignment.

SECTION 27 TERM OF AGREEMENT

This Agreement shall remain in full force and effect to and including the thirty-first (31<sup>st</sup>) day of December 2009 and shall be considered as renewed from year to year thereafter unless either party hereto shall give written notice to the other of their desire to have the same modified, and such notice must be given at least sixty (60) days prior to December 31, 2009. If such notice is not given, then this Agreement is to stand as renewed for the following year.

Upon written notice to the Company, the Union may request to reopen the Agreement for purposes of bargaining wages and pension only. The written notice must be given at least sixty (60) calendar days prior to December 31, 2007. If such notice is not given, then this Agreement is to stand as renewed through December 31, 2009. In the event that the Company and Union are unable to reach an agreement with regard to wages and pension either party may take economic action against the other.

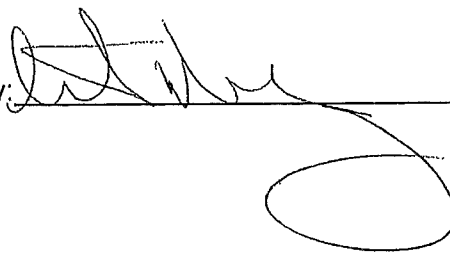
For the Employer

For the Union

CALAVERAS MATERIALS INC.

GENERAL TEAMSTERS LOCAL 439

By:  \_\_\_\_\_

By:  \_\_\_\_\_





# GENERAL TEAMSTERS LOCAL No. 439

*Affiliated With The International Brotherhood of Teamsters*

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Sam Rosas, Secretary-Treasurer

Officers

Phil Rushing  
President

Gabriel Salcido  
Vice President

Bryon Beffa  
Recording  
Secretary

January 18, 2008

CMI Inc, Last Offer

Trustees

Chuck Tryon

Sal Muñoz

Daniel Lee

1. The company will reimburse all "eligible employees \$43.00 per month of October, November and December, 2007.
2. The Union withdraws its grievance (as outlined in October 31, 2007 letter) and consider this matter closed.
3. All eligible employees to receive reimbursement as a lump sum paid out on the next payroll after the ratification vote.

