

MEMORANDUM OF AGREEMENT
Between
SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY
And
TRANSPORT WORKERS UNION LOCAL 234
CITY TRANSIT DIVISION

October 27, 2023

The Southeastern Pennsylvania Transportation Authority (SEPTA) and the Transport Workers Local Union No. 234 (Union or Local 234) have reached the following tentative agreement. The agreement will be effective upon ratification of all parties and that the provisions herein shall be effective the first payroll period following ratification unless otherwise specified herein.

1. **Term of Agreement (Section 1601).** The agreement will be effective upon ratification of all parties and that the provisions herein shall be effective the first payroll period following ratification unless otherwise specified herein. The agreement will be in full force and effect for the term ending at 11:59 p.m. on November 7, 2024.
2. **Rates of Pay (Sections 408, 413, 427).** Sections 408, 413 and 427 will be amended to reflect the following wage increases:
 - December 10, 2023: All employees receive a 4% general wage increase.
 - July 7, 2024: All employees receive a 3% general wage increase.
3. **Signing Bonus.** Following ratification and SEPTA Board approval of the agreement, all active employees will receive a \$3,000 signing bonus. **Said payment shall be made as soon as administratively feasible following ratification. The signing bonus shall not be included in the base pay or the overtime rate for overtime calculation purposes.**
4. **Progression Rate Increase.** **On the first Sunday following** ratification and SEPTA Board approval of the agreement, **the four step, 48 month progression for current and future employees in job titles subject to the four step, 48 month progression with 0-12 month, 13-24 month, 25-36 month and 37-48 month progressions,** will be amended to the following:
 - 0 – 12 months of service – 70% of top rate
 - 13 – 24 months of service – 74% of top rate
 - 25 – 36 months of service – 80% of top rate
 - 37- 48 months of service – 90% of top rate
 - After 48 months – 100% of top rate
5. **Sick Leave Entitlement Revision (Section 501).** Employees hired November 1, 2023, and thereafter will be entitled to maximum sick leave as follows: The maximum sick leave to which an employee is entitled during one's entire service with the Authority will be ten (10) days for the first six (6) months of service, ten (10) days for the second six (6) months of service, ten (10) days for the third

six (6) months of service, ten (10) days for the fourth six (6) months of service, then thirty (30) days for each full year of service thereafter.

Commencing on the six (6) month anniversary of employees hired on or after November 1, 2023, those employees who have accumulated less than thirty (30) days of sick leave will be notified by SEPTA email (or by personal interview at which time one will sign for and be given a copy of the report of interview) when they have five (5) days or less of allowable sick leave remaining in their sick leave bank.

Employees hired on or after November 1, 2023, will be credited with seven (7) days of additional sick leave when they earn an Earned Excused Day in accordance with Section 505 of the agreement.

6. **Retention Bonus.** Employees who attain 30 or more years of service or become eligible to retire at age 62 during the life of this agreement who continue to work for the Authority and remain in the TWU bargaining unit one year after ratification and SEPTA Board approval of this agreement, will receive a \$2,500 retention bonus, provided they are available for work (including vacations, personal and other good time) for 240 or more days during that one-year period. This standard will be applied similarly to the vacation pay entitlement standard of Section 601(3)(a) of the agreement.
7. **Pension (Section 702).** The monthly pension benefit shall be increased by 5% (over the \$94/\$100 calculation) for employees who retire on or after November 1, 2023, and prior to November 7, 2024.
8. **Disability Pension (Section 703).** The disability pension shall be increased to \$1,000 per month for employees who retire on a disability pension on or after November 1, 2023.
9. **Bus Maintenance Vacation Quota.** See attached side letter.
10. **Drafting.**

Transportation employees who are drafted and work their entire assignment shall not be subject to additional drafting in that same calendar month.

Employees who work on one of their days off after having turned in sick that week will be treated as having switched their days off and paid at straight time for the work on their scheduled day off no more than one time per calendar month.

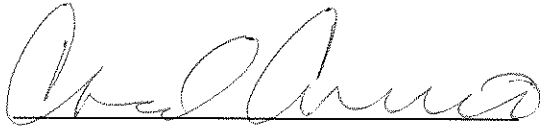
New operators assigned to the transportation location designated as their first choice will not be eligible for intradepartmental transfer until one shall have completed one year of service in the job to which they were assigned.

11. **Frontier, Suburban.** All of the above terms and conditions, except for the sick leave provision with respect to the Suburban Transit Division, shall apply to Local 234's contracts with the Frontier and Suburban Transit Divisions of the Authority, with the wage increases as provided to the equivalent classifications in the City Transit Division on a cents-per-hour basis.
12. **Employee Training for New Buses.** See attached side letter.

13. **Other Terms and Conditions.** All other terms and conditions set forth in the Agreement are unchanged. All other proposals and offers of the parties during the negotiations are withdrawn without precedent or prejudice to the rights of either party.

And now, this 27th Day of October 2023:

FOR SEPTA:



Chad Cuneo
Chief Labor Relations Officer

Michael Feinberg
Manager, Labor Advocacy



Susan Sanderson
Manager, Labor Relations



Bud Scott
Manager, Labor Relations

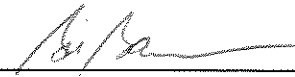
FOR TWU LOCAL 234



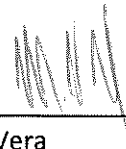
Brian Pollitt
President, TWU Local 234



Bruce Bodner
General Counsel



Bill Bannon
Executive Vice President



Will Vera
Vice President

October 27, 2023

Mr. Brian Pollitt
President
Transport Workers Union, Local 234
500 N. 2nd Street
Philadelphia, Pa 19123

SIDE LETTER

Rail and Bus Maintenance Vacation Pilot Program

This letter confirms our understanding regarding the pilot program expanding the number of vacation weeks available for picking during the summer months of the term of this agreement.

1. Each Rail and Bus Maintenance location will apply a classification-based vacation quota for vacation weeks using the actual headcount in each job classification.

Quotas for vacation weeks (**for Bus and Rail Locations**) and **picked vacation days (for Rail locations only)** during the summer months (which will be considered Memorial Day week through Labor Day week) will be based on 10% of the number of employees in each classification, rounded up as follows:

0 - 11	1
12 - 21	2
23 - 31	3
Over 31	4

2. The quota for vacation weeks (for Bus and Rail Locations) and days-off (for Rail locations only) during the remainder of the calendar year will be based on the following formula, 10% of the number of employees in each classification rounded up, as follows:

0 - 14	1
15 - 24	2
25 - 34	3
35 - 44	4
45 and over	5

In the Rail Locations, the current quota for individual days off shall remain in place for the duration of the pilot program.

In Bus Maintenance, the quota for individual days-off, year-round, including vacation days, shall be based on a formula which allows five (5) percent of the actual location headcount to be off per day. This will increase the number of employees who are permitted off per day. If there are any locations where this is not the case, the current quota will remain in effect and the number of those permitted off will not be decreased.

At the conclusion of the picking for vacation weeks, employees in the location (other than VRCs) who opted to take a vacation week in days, shall, in seniority order, be allowed to pick specific vacation days, subject to the location-based quota set forth above. Subsequent to the picking for vacation days, all individual days off shall be granted on a first-come, first-serve basis, subject to the above quota.

The "remainder of the year" vacation quota rounding method prescribed in paragraph "2" of this agreement will apply to Berridge shop year round.

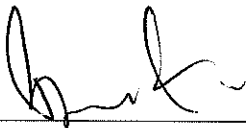
This pilot program sunsets on November 7, 2024.

Respectfully,



Chad Cuneo
Chief Labor Relations Officer

AGREED:



Brian Pollitt, President, TWU Local 234

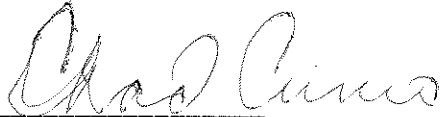
Date

Side letter

The Union and the Authority agree to jointly develop a comprehensive plan for training bargaining unit employees to perform work on the new zero emission vehicles being incorporated into SEPTA's bus fleet. The training plan will be submitted to the Union for discussion and review no later than thirty (30) days following ratification of this agreement and will address, but not be limited to, the following matters:

The delivery schedule for the zero emission vehicles; the locations to which the vehicles will be assigned and the number of vehicles at each location; the number of employees needing training by location and job classification; the manner and order in which employees will be selected for training; the training subjects; the identification of the trainers; the number of hours required to complete the training in each subject area and the scheduled time for the completion of the entire training program.

For the Authority



Chad Cuneo

For the Union




Brian Pollitt

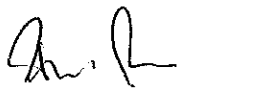
Side Letter

The parties hereby agree to adopt, as part of the 2023 contract, Authority proposal #17 (i.e., reporting for work) and the Union's proposals to amend the last sentence in Sections 426(g) to read: "Such pickings will be held twice each year in the months of April and October" and the last sentence in the first paragraph of 426(j) to read: "Underground Maintainers and Overhead Distribution employees will pick twice each year in April and October."

For the Authority,

A handwritten signature in cursive script, appearing to be "G. L. Brown", written over a horizontal line.

For the Union,

A handwritten signature in cursive script, appearing to be "J. L. Brown", written over a horizontal line.