

Comprehensive Package Proposal:

- If this package is rejected the Union reserves all rights, including to revert to its last position.
- All proposals where TA reached previously will remain.
- All other proposals will be withdrawn by both parties.

When the Employer rejected the Union's comprehensive proposal provided on 3-3-2023 @ 6pm, the Union reverted to its 3-3-2023 @ 2pm proposals.
This was discussed on 3-9-2023 @ 2pm.

Wages and Benefits

- 1) Wage increases for all FT and PT employees with modernized wage scales
See wage scales
- 2) Pay equity - existing employees will receive an increase when new employees are hired at a higher or equal rate, comparable experience shall be taken into account
 - Employees with more than 1 year of experience will receive \$0.50 above the new hire
 - Employees with more than 2 years of experience will receive \$0.75 above the new hire
 - Employees with more than 3 years of experience will receive \$1.00 above the new hire
 - Employees with more than 4 years of experience will receive \$1.25 above the new hire
 - Employees with more than 5 years of experience will receive \$1.50 above the new hire
 - Employees with more than 6 years of experience will receive \$2.00 above the new hire
- 3) Ratios - The Employer shall reach at least:
 - A) 30% FT ratio by the end of 2023 (Employer shall make all necessary Fund contributions at 30%) TA 3/3/2023
 - B) 40% PT Modified ratio by the end of this CBA (Employer shall make all necessary Fund contributions at 40%)
 - C) Increase PT top 24% to 30% TA 3/3/2023
- 4) Eliminate Group 3, ensure language agreement for entire CBA -
 - Language to read: Former Group 3 Employees who become regular part-time employees effective March 5, 2023 shall not count towards the ratio. However, all part-time employees hired after ratification shall count towards the ratio (except Courtesy/Carryout & Custodial) TA 3/3/2023
- 5) Section 5.5: When an employee relieves a department head who is on time off during a 7 day period, the employee shall be paid the department head rate of pay. - TA 2/24/2023 4pm
- 6) Carryout will be guaranteed 15 hours per week – TA 2/20/2023 @ 2:15pm
- 7) MOD/FES Premium
 - Language to read: Any Part-Time Managers on Duty (MOD) will receive a minimum premium of \$1.50/hour for all hours they are performing these duties.
 - Any Part-Time front end supervisor will receive a minimum premium of \$1.00/hr for all hours they are performing these duties. TA 3/3/2023

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8) Section 23.1 Full-Time Waiver

- Language to read: In the event that a part-time Employee is advanced to full-time status during the period of January 1st-December 31st, such employee will sign a waiver guaranteeing him/her the full-time rate of \$23.50 for the duration of the waiver...
TA 3/3/2023
- If an employee exceeds the maximum of 1,200 hours, the employee will become a Classified Assistant.

7) Health & Welfare

- The Employer will make breakeven / true cost contributions per Union proposal, with no increase to employees
- The Employer will provide all other employees who do not currently receive full H&W benefits coverage effective June 2023
- Ancillary benefits will continue until all employees transition to the new benefit coverage

BREAKEVEN / TRUE COST RATES

	Current 2022 TOTAL	Employer contribution	Employee contribution	March 2023 TOTAL	Employer contribution	Employee contribution	March 2024 TOTAL	Employer contribution	Employee contribution
FT	\$273.26	\$248.26	\$25.00	\$269.83	\$244.83	\$25.00	\$287.82	\$262.82	\$25.00
MOD PT	\$137.32	\$127.32	\$10.00	\$158.32	\$148.32	\$10.00	\$168.84	\$158.84	\$10.00
ANCILLARY	\$7.74	\$6.74	\$1.00	\$6.58	\$5.58	\$1.00	\$6.76	\$5.76	\$1.00

8) Redirect Kowalski's portion of H&W funds (estimate from Wilson McShane is \$443,911.86) to cover all current employees' portion of H&W contributions until funds are exhausted for the duration of the 2 year CBA

- \$25 FT - Employer data: 94 employees
- \$10 PT - Employer data: 195 employees, 41 in the tunnel
- \$1 Ancillary - Employer data: 60 employees

9) Retirement

A) Article 14: Increase ER 401(k) contribution:

Employer will make the following contributions on behalf of its eligible employees (job classifications as noted below):

Current employees hired before March 6, 2016

- FT employees \$3.735 ~~3.235~~ per hour up to 40 hours
- RPT/MPT employees \$1.85 ~~1.35~~ per hour up to 39.9 hours

Eligible employees hired on or after March 6, 2016

- FT employees \$1.93 ~~1.85~~ per hour up to 40 hours TA 3/3/2023
- RPT/MPT employees \$1.43 ~~1.35~~ per hour up to 39.9 hours TA 3/3/2023

- All Part time employees, including Carryout and Maintenance will receive \$1.50 per hour up to 39.9 paid hours per week

The Employer will make 401(k) contributions on all hours of vacation time that is paid out, up to 39.9 hours for PT, 40 hours for FT TA 3/3/2023

Paid Time Off

1) Increase Bereavement TA 3/3/2023

All full-time and part-time employees on the seniority list shall be entitled to bereavement pay according to the following:

- A maximum of four (4) days of leave with pay in the event of the death of a spouse, parent, child or stepchild.
- A maximum of three (3) days of leave with pay in the event of the death of a brother, sister, mother-in-law or father-in-law, grandparent or grandchild.

2) Article 15 (I): The Employer agrees to pay the weekly health and welfare payment for those part-time employees with two (2) ~~five (5)~~ years or more service, with the same Employer, when said part-time employees are on a paid vacation.

3) Holiday - Add MLK day to paid holidays

4) Sick and Safe Time / Quarantine - if an employee must quarantine, the Employer will cover wages and benefits, up to 2 calendar weeks

5) New PTO (paid time off) accrual schedule that allows employees' accruals to be started in the first year and used in the first year if desired based on what has been accrued Union agrees to changing method of accrual if Employer agrees to ensure:

- FT get full allotment of PTO after 1600 hours (40 weeks)
- Employees accrue PTO for all regular hours paid (i.e. when on vacation)

TA 2/24/2023 11:30am

6)

- a. Carryout will not have to wait 1 year to receive PTO, will be same as PT which is after 90 days
- b. Carryout will not have to wait 1 year to receive holiday pay, will be same as PT which is after 90 days TA 3/3/2023

7) Employees can use PTO/Vacation time in one (1) hour or half day increments TA 2/24/2023

Classification

1) Department Heads: All Department Heads shall be classified as "traditional" full time for all intents and purposes of the contract. Any Department Head who is demoted or chooses to

step down will maintain “traditional” full time status (or “Classified Assistant” status, depending on previous classification.

- Employees who step down from their classification will not be penalized and hours shall remain the same.
- If an employee is hired directly in Department Head position or promoted from part time, they will go to Classified Assistant if they choose to step down.

2) Part-Time Wage Scales. Remove if no active eligible employees: “*The part-time Food Handlers Group of March 3, 1974 will also receive the following options.....*”

Working Conditions

- 1) Clopening / Hours between scheduled shifts: All employees who have worked a complete shift shall be given a minimum of nine (9) hours before the next scheduled work shift, unless by mutual agreement. – TA 2/24/2023 11am
- 2) The Employer will make every effort to provide more predictable and regular schedules. TA 2/24/2023 11:30am
- 3) Health and Safety - TA 3/3/2023 @ 2:12pm

A. Commitment to Safety

1. The Employer agrees that it will provide a safe and healthy workplace and to correct any unsafe condition or safety or health hazard.
2. The Employer agrees to promptly investigate all hazards, unsafe conditions and accidents brought to its attention and to promptly remedy all hazards and unsafe conditions its investigation reveals.
3. The Employer will establish and publish a written policy setting out its guidelines for employee safety and store security. These guidelines shall make clear that no employee is required to take any action in response to theft or security incidents which may endanger the safety of the employee.
4. The Employer will follow up with employees within 7 calendar days on health and safety issues that are reported.

B. Safety Training

The Employer will provide training to its employees as to how they should perform their jobs safely and employees shall be paid for said training. The Employer will not allow any employee to operate any equipment until the employee has received all relevant training.

C. Protective Equipment

1. The Employer will furnish, at its expense, all safety and protective equipment required or advisable for the protection of employees.
2. The Employer will provide an ergonomic chair or stool for cashiers who need one for medical purposes when medical documentation is provided. Where employees stand regularly, the Employer will provide anti-fatigue mats.

D. Safety Meetings

1. Safety committee meetings will be held consistent with the Employer's health and safety practices and the law. Meeting dates and meeting outcomes will be posted in-store for all store employees to review and provide feedback.
2. An active steward, from within the store, may choose to be a part of the Safety Committee and attend/participate in the Safety Meetings. However, the Employer shall not be obligated to reschedule safety meetings on account of the Union Steward's inability to make a meeting. A Union representative may attend Safety Meetings if they so choose.

Union Employer Cooperation

- 1) Replace BMS with FMCS TA 3/3/2023
- 2) Electronic schedules - The Employer shall supply to the Union an electronic copy of work schedules weekly. Entire weekly schedules for all associates and departments shall be provided in Excel spreadsheets and emailed as attachments to the Union. – TA 2/20/2023 2:30pm
- 3) The Employer will allow Union representatives to provide a Union orientation for employees during the Employer's new hire orientation meetings. TA 2/24/2023
- 4) No match letters TA 3/9/2023

A. No match letters: In the event the Employer receives notice indicating that an employee's name and Social Security number (SSN) do not agree with Social Security Administration (SSA) records, unless the SSA requires otherwise, the Employer agrees to the following:

1. The Employer shall compare the failed name or SSN with its records and if an error was made by the Employer in providing the name or SSN to the SSA, the Employer will correct the error and resubmit the correct information. Notice of the correction will be provided to the affected employee and the Union.
2. If the Employer's records do not indicate an error, the Employer will provide a copy of the notice to the affected employee and to the Union but redacting the names and SSN's of other employees if included in the notice from the SSA.
3. The Employer will not take any adverse action against any employee listed on the notice, including firing, laying off, suspending, retaliating or discriminating against any such employee.

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4. The Employer will not require the affected employee to bring in a copy of his or her Social Security card for the Employer to review, complete a new I-9 form, or provide new or additional proof of work authorization or immigration status.
5. The Employer will not contact the SSA or any other governmental agency after receiving a “no match” from the SSA unless required by a governmental agency.
6. The Employer will not interrogate any employee about the employee's SSN.
7. Nothing in this policy shall preclude the affected employee from voluntarily providing the Employer with the correct information. Unless the affected employee provides the correct information to the Employer, it shall be the sole responsibility of the affected employee to resolve the issue with all applicable governmental agencies.

Language Clean Up

- 1) Add to Appendix A-1 Sunday Clause a note to see Section 2.5(A) re: Mod PT - TA 2/20/2023 @ 2:15pm
- 2) Visitation: Language clean up to use “Union representative” instead of “business agent” or “business representative” - TA 2/20/2023 2:30pm
- 3) Language clean up: term of agreement should read: ...shall be in effect as of March... and continue in full force and effect through 11:59pm on March... - TA 2/20/2023 2:30pm

Term of Agreement: 2 years – March 5, 2023 to March 8, 2025 TA 3/3/2025

LETTER OF AGREEMENT

UFCW Local 663 will instruct the trustees of the MRMC H&W Fund to modernize the benefit design and eligibility rules of the Fund based on the following principles:

1. The actuarial value of current benefits will not be reduced.
2. Eligibility rules will be liberalized to attract and retain employees.
3. The financial integrity and sustainability of the H&W Fund will be maintained.
4. The new plan design will become effective no later than January 1, 2025.

Benefit design conversations will include:

- Move from weekly to monthly coverage, including how to address grace weeks
- Eliminating “tunnel contributions” for part-time employees prior to their receiving benefit coverage
- Exploring options for the waiting period before benefit coverage begins, with mutual interest in providing quicker part-time employee benefit coverage
- Tiered coverage for Full-time (i.e. Employee, Employee + Spouse, Employee + Child(ren), Family)

These conversations are predicated on a shared understanding that 1) there may be increased costs with plan design changes and 2) the viability of implementing changes depends on the Employers' and H&W participants' capacity and willingness to accept these changes.

Plan professionals have been instructed to use existing data and seek additional data from all participating Employers to update work that began in 2017 regarding eligibility and costs. The next special H&W Trust meeting is scheduled for July 13, 2023.

Kowalski's will play an active role to engage Employer Trustees and other Employers in the modernization process and to advocate amongst fellow Employers regarding benefit design changes.

After a thorough analysis and discussion of options at the Board of Trustees, both parties recognize that there is the possibility that proposed plan changes may not be feasible or in the best interest of the MRMC H&W participants.

Should changes to benefit design and eligibility rules not be approved by the Board of Trustees by September 1, 2024, either party may request to meet and confer. The parties will meet and confer within thirty (30) days of such a request, to discuss and explore how to ensure the best possible benefits coverage for Kowalski's employees who are members of UFCW Local 663, in advance of negotiations on a successor Agreement.

APPENDIX XX: UFCW 663 2023-2025 COLLECTIVE BARGAINING AGREEMENT

Hourly Full-time Minimum Grocery Rates

	3/5/2022	Classification	Effective 3/5/2023	Effective 3/3/2024
Assistant Manager	\$28.83	Assistant Manager	\$30.33	\$31.83
Produce Department Head	\$28.83	Produce Department Head	\$30.33	\$31.83
Frozen Food Department Head	\$28.83	Frozen Food Department Head	\$30.33	\$31.83
Bookkeeper or Head Cashier	\$28.83	Bookkeeper or Head Cashier	\$30.33	\$31.83
Delicatessen Department Head	\$28.83	Delicatessen Department Head	\$30.33	\$31.83
Company Designated	\$28.83	Company Designated (Up to 3 pe	\$30.33	\$31.83
			\$1.50	\$1.50

Hourly Minimum Meat Rates

Classification	2022	Effective 3/5/2023	Effective 3/3/2024
Head Meat Cutter	\$29.94	\$31.44	\$32.94
Journeyman	\$27.94	\$29.44	\$30.94
		\$1.50	\$1.50

Meat Helper - does Employer use this classification? If not, eliminate

Service Meat Employees - does Employer use this classification? If not, eliminate

Apprentice - does Employer use this classification? If not, eliminate

Full-Time Food Handlers and Pharmacy Employees

Employees who are below this scale, will place in at the new beginning of this scale.

All others* place into the scale at the rate at least \$1.00 above current rate.

Then progress to the next step annually.

Full-time Food Handlers & Pharm	3/5/2022	Convert to Steps	Effective 3/5/2023	Effective 3/3/2024
0-6 mo	\$15.45	Step 1	\$21.00	\$21.00
6-12 mo	\$15.98	Step 2	\$22.75	\$22.75
1-2 yr	\$17.14	Step 3	\$24.50	\$24.50
2-3 yr	\$17.52	Step 4	\$26.25	\$26.25
3-4 yr	\$18.06	Step 5	\$28.33	\$29.83
4-5 yr	\$21.00		\$1.50	\$1.50
5+ yr	\$26.83			

Classified Assistant

Employees who are below this scale, will place in at the new beginning of this scale.

All others* place into the scale at the rate at least \$1.00 above current rate.

Then progress to the next step annually.

Classified Assistant	3/5/2022	Convert to Steps	Effective 3/5/2023	Effective 3/3/2024
0-1 yr	\$17.83	Step 1	\$19.33	\$19.33
1-2 yr	\$18.83	Step 2	\$20.33	\$20.33
2-3 yr	\$19.60	Step 3	\$21.10	\$21.10
3-4 yr	\$20.50	Step 4	\$22.00	\$22.00
4+ yr	\$24.83	Step 5	\$26.33	\$27.83
			\$1.50	\$1.50

Retail Specialist

Employees who are below this scale, will place in at the new beginning of this scale.

All others* place into the scale at the rate at least \$1.00 above current rate.

Then progress to the next step annually.

Retail Specialist	3/5/2022	Step	Effective 3/5/2023	Effective 3/3/2024
0-1 yr	\$15.75	Step 1	\$17.00	\$17.00
1-2 yr	\$16.75	Step 2	\$17.50	\$17.50
2-3 yr	\$17.75	Step 3	\$18.00	\$18.00
3-4 yr	\$18.75	Step 4	\$19.00	\$19.00
4+ yr	\$20.30	Step 5	\$19.80	\$19.80
		Step 6	\$21.80	\$23.30
			\$1.50	\$1.50

Full-Time Maintenance

	3/5/2022
0 - 6 months	\$15.00
6 - 12 months	\$15.95
1 - 2 years	\$16.90
2 - 3 years	\$17.85
3 - 4 years	\$18.80
4 - 5 years	\$19.75
5+ years	\$21.43

FT Maintenance - does Employer use this classification? If not, eliminate

If, yes still have this classification - Place into the next highest rate in CA scale at least \$1.00 above current rate.

Then progress to the next step annually.

Sun remains outside the work week.

FT Employees above scale will receive the following increases

3/6/2021	\$0.50
3/5/2022	\$0.60

Full-time employees who are top or above scale will receive the following increases

Effective 3/5/2023	\$1.50
Effective 3/3/2024	\$1.50

*Any employee who is less than 12 months away from the top, will move to the top on ADH.

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All Part-time Minimum Rates, including Carryout and Maintenance (Group 3 converts to Regular PT)

All PT, Group 3, Carryout and Maintenance			All PT, including Former Group 3, Carryout and Maintenance				PT Deli Specialist				
	Years	3/6/2022		Years	3/5/2023	3/3/2024		Years	3/5/2023	3/3/2024	
Step 1	0-1 yr	\$11.25	Step 1	0-1	\$13.75	\$13.75	Step 1	0-0.5	\$16.00	\$16.00	
Step 2	1 yr	\$11.50	Step 2	1-1.5	\$14.00	\$14.00	Step 2	0.5-1	\$16.50	\$16.50	\$0.50
Step 3	1.5 yr	\$11.75	Step 3	1.5-2	\$14.50	\$14.50	Step 3	1-1.5	\$17.50	\$17.50	\$1.00
Step 4	2 yr	\$12.00	Step 4	2-2.5	\$15.00	\$15.00	Step 4	1.5-2	\$18.50	\$18.50	\$1.00
Step 5	2.5 yr	\$12.25	Step 5	2.5-3	\$15.50	\$15.50	Step 5	2-2.5	\$19.50	\$19.50	\$1.00
Step 6	3 yr	\$12.75	Step 6	3-3.5	\$16.00	\$16.00	Step 6	2.5-3	\$20.50	\$20.50	\$1.00
Step 7	3.5 yr	\$13.25	Step 7	3.5-4	\$16.75	\$16.75	Step 7	3-3.5	\$21.50	\$21.50	\$1.00
Step 8	4 yr	\$14.25	Step 8	4-4.5	\$17.25	\$17.25	Step 8	3.5+	\$22.50	\$22.50	\$1.00
Step 9	4.5 yr	\$14.50	Step 9	4.5-5	\$18.00	\$18.00					
Step 10	5 yr	\$15.15	Step 10	5-5.5	\$18.50	\$19.10					
Step 11	5.5 yr	\$15.55									
Step 12	6 yr	\$15.95									
Step 13	6.5 yr	\$16.35									
Step 14	7 yr	\$16.75									
			Implementation Details								
			All current employees below \$12.75 will move to \$13.75 on 3/5/2023								
			Remainder of PT employees place two steps up on new scale								
			As of 3/5/2023 all current PT Employees' progression date resets to that date								
			Any part-time employee whose current rate is \$18.00 or over will receive:								
			3/5/2023 \$1.00								
			3/3/2024 \$1.00								
			All EEs to remain \$0.20 above city, county, state, federal minimum wage								
			EXAMPLES OF PLACEMENT AND PROGRESSION ON SCALE				PT DELI EXAMPLE				
	Current	\$12.25	\$15.00	\$16.75	\$24.83	\$17.50	\$19.50				
	3/5/2023	\$13.75	\$16.00	\$18.00	\$25.83	\$19.50	\$21.50				
	9/3/2023		\$16.75	\$18.50		\$20.50	\$22.50				
	3/3/2024	\$14.00	\$17.25	\$19.50	\$26.83	\$21.50	\$23.50				
	9/1/2024	\$14.50	\$18.00			\$22.50					
	Difference	\$2.25	\$3.00	\$2.75	\$2.00	\$5.00	\$4.00				