840064 3/4/04-3/14/05

MEMORANDUM OF AGREEMENT

between

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY

and

TRANSPORT WORKERS UNION LOCAL 234 for the City Transit Division

March 14, 2004

The parties have reached the following tentative agreement, pending ratification by the parties, for a bargaining agreement to succeed the bargaining agreement covering the City Transit Division that expired on March 14, 2004, at 12:00 midnight:

- 1. Term of Agreement (Section 1501). One year commencing on March 15, 2004 and ending on March 14, 2005 at 12:00 midnight.
- 2. Rates of Pay (Sections 408 and 427). In lieu of an across-the-board wage increase during the term of this Agreement, the Authority will pay to each employee on the active payroll as of August 20, 2004, a lump-sum bonus payment in the amount of one thousand dollars (\$1000.00). Said payment shall not be included in the base.
- Health Care Benefits (Article VIII). For the duration of this Agreement, there will be no changes to the current medical plans. In anticipation of the expiration of the existing rate caps for the Authority's medical plans at the end of Fiscal Year 2005, the parties agree that they will review the Authority's current Hospitalization, Prescription, and Vision Programs, in order to negotiate terms with insurance carriers and/or administrators, not necessarily restricted to any particular carrier. Such negotiations will be conducted consistent with the Joint Labor-Management Cost Containment Committee provision set forth in Section 807, which provides that the parties may evaluate and decide upon a change in delivery systems.
- 4. Tool and Clothing Allowance (Section 436). Effective with the January 2005 payment, the Authority will increase the tool and clothing allowance to three hundred and twenty-five dollars (\$325.00), payable under the same terms and conditions as set forth in Section 436 of the Agreement.

FOR SEPTA:

5. <u>Joint Labor-Management Committee</u>. The parties agree to meet in a joint labor-management committee to discuss issues related to the Vehicle Readiness Coordinators (VRCs)

All other terms and conditions set forth in the Agreement are unchanged

Patrick Battel

Joseph Casey

Joseph Casey

Frances Keating

Jean Alexander

Jean Alexander

David Szczepański

Thomas Casey

Joseph Coccio

Robert O'Connor

Gail Lopez-Hempuez