

MAR 15 1998

- 1. Term - Four (4) years from 12:01 a.m. December 1, 1997 through midnight November 30, 2001.
- 2. Wages - Attachment 1
- 3. Hospitalization, prescription drug, dental and vision insurance - Attachment 2
- 4. Pensions - Attachment 3
- 5. Small Transit Vehicles - Attachment 4
- 6. Miscellaneous contract language changes - Attachment 5
- 7. Incorporate Empowered Facilitator MAP and BBC results.

Tentative Collective Bargaining Settlement
 Between
 Port Authority of Allegheny County
 and
 Local 85, Amalgamated Transit Union
 Covering Wages and Working Conditions
 Commencing December 1, 1997

*2-700
 Spunster & Neuhues*

December 30, 1997

#840010

Attachment 1

December 30, 1997

WAGES

1. Effective December 1, 1997, previous cost-of-living increases shall be rolled into the employees' base rate.

2. Effective December 1, 1997, a fifteen (\$.15) cent per hour across-the-board increase shall be applied to all wage and salary rates in the same manner as under the 1994 agreement.

3. Effective December 1, 1998 a sixteen (\$.16) cent per hour across-the-board increase shall be applied to all wage and salary rates in the same manner as under the 1994 agreement.

4. Effective December 1, 1999, a seventeen (\$.17) cent per hour across-the-board increase shall be applied to all wage and salary rates in the same manner as under the 1994 agreement.

5. Effective December 1, 2000, a fifteen (\$.15) cent per hour across-the-board increase shall be applied to all wage and salary rates in the same manner as under the 1994 agreement.

6. The Cost-of-Living Allowance Section 202 shall be amended to provide updated dates for the requisite payments. The maximum cost-of-living payment in each year shall be forty (\$.40) cents in each of the first three years and forty-five (\$.45) cents in the fourth year.

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Attachment 2
Hospitalization, Prescription Drug
Dental and Vision Insurance

1. Effective April 1, 1998, the hospitalization medical insurance plans available will be only Blue Cross/Blue Shield Indemnity Plan, Select Blue Point of Service (POS) Plan, Keystone HMO and Health America HMO. (The POS and the HMO's are not available to retirees after age 65.) The US Healthcare and Advantage Plans shall be eliminated. Any employee currently enrolled in either of these two plans cannot remain in the plan after March 31, 1998 and must elect one of the four plans remaining effective April 1, 1998. The premiums for the HMO's and the POS shall be paid for by the Authority. The Indemnity Plan premium shall continue to be shared by employees and retirees following the formulas (15% for employees and 20% for retirees) under the current agreement.

2(a) Anyone hired on or after April 1, 1998 may elect either Select Blue POS or Keystone HMO or Health America HMO upon employment. After initial employment during open enrollment periods anyone hired on or after April 1, 1998 may change to either HMO option or Select Blue POS, but may not elect the Blue Cross Blue Shield Indemnity plan.

(b) Any employee employed and enrolled in any HMO prior to April 1, 1998 may on or after April 1, 1998, elect the other HMO, or Select Blue POS during open enrollment

3. The prescription drug insurance deductible effective April 1, 1998 shall be \$5.00 generic and \$10.00 brand name for retail and mail order. Mandatory generic will apply to all prescription drugs (See page 7 definition of mandatory generic). The prescription drug will be part of the plan for Select Blue POS, Keystone HMO and Health America. The separate prescription plan for those electing the Indemnity plan will continue to be subject to the contractual formula for sharing the premium.

(c) An employee employed and enrolled in the Blue Cross/Blue Shield Indemnity plan prior to April 1, 1998 may elect the Keystone HMO, the Health America HMO or the Select Blue POS plan. Such employee may thereafter elect during an open enrollment period to return to the Indemnity plan. During any subsequent open enrollment period the employee may change once more from the Indemnity plan to one of the two HMO's or to Select Blue POS, but the employee may not elect the indemnity plan again thereafter. This paragraph shall also apply to retirees.

Blue Cross/Blue Shield Indemnity plan. This paragraph shall also apply to retirees. Once such employee has left the indemnity plan, the employee may not return to the enrollment period elect to change to one of the two HMO's or to the Select Blue POS. 1998 elect the Blue Cross/Blue Shield Indemnity plan, and thereafter, during an open periods. Any such employee may during an open enrollment period on or after April 1,

December 30, 1997

4. Delta Dental shall be the dental insurance plan effective April 1, 1998 subject to the same formula for sharing the premium in the current agreement. (Reset clock.)
5. Optichoice shall be the Vision Insurance plan effective April 1, 1998 subject to the same formula for sharing the premium in the current agreement. (Reset clock.)

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1. Blue Cross Indemnity Plan - will be offered as an option to all members who retired after April 1, 1998 with the existing contribution formula.
2. Security Blue - will be offered as an exclusive Medicare Risk HMO option to all members who retire on and after April 1, 1998 with no contributions required.
3. These employees will also be included in the new vision and dental plan effective April 1, 1998.

Employees who retire on or after April 1, 1998 and Who Are 65 Years or Older

1. Blue Cross Traditional Indemnity Plan - will be offered as an option to all retiree members, with the existing contribution formula.
2. Health America HMO - will be offered to only existing retiree members now in the Health America HMO with the existing contribution formula, no future enrollees will be permitted.
3. Advantage HMO - will be offered to only existing retiree members now in the Advantage HMO with the existing contribution formula, no future enrollees will be permitted.
4. Security Blue - will be offered effective April 1, 1998 as an exclusive Medicare Risk HMO option to all retiree members, with no contributions required.
5. These employees will also be included in the new vision and dental plan effective April 1, 1998.

A. Employees Who Retire Before April 1, 1998 and Who Are 65 Years or Older -

The Port Authority of Allegheny County will offer the following Medical Plans to all Medicare Eligible Retirees effective April 1, 1998.

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Prescription Program

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Generic Pricing means that, if the physician does not specify a brand name drug and a generic equivalent is available, the pharmacist will substitute the generic (delivered as written (D.A.W.))

Members who insist on the brand name drug when a generic is available will be required to pay the higher brand name co-payment, plus the difference in cost between the brand name and generic drug. For example, if a brand name drug is \$108 and its generic equivalent is \$41, the employee electing the brand name will need to pay the brand name co-payment plus the \$67 difference.

Of course, if no generic is available, the member continues to pay only the brand co-payment

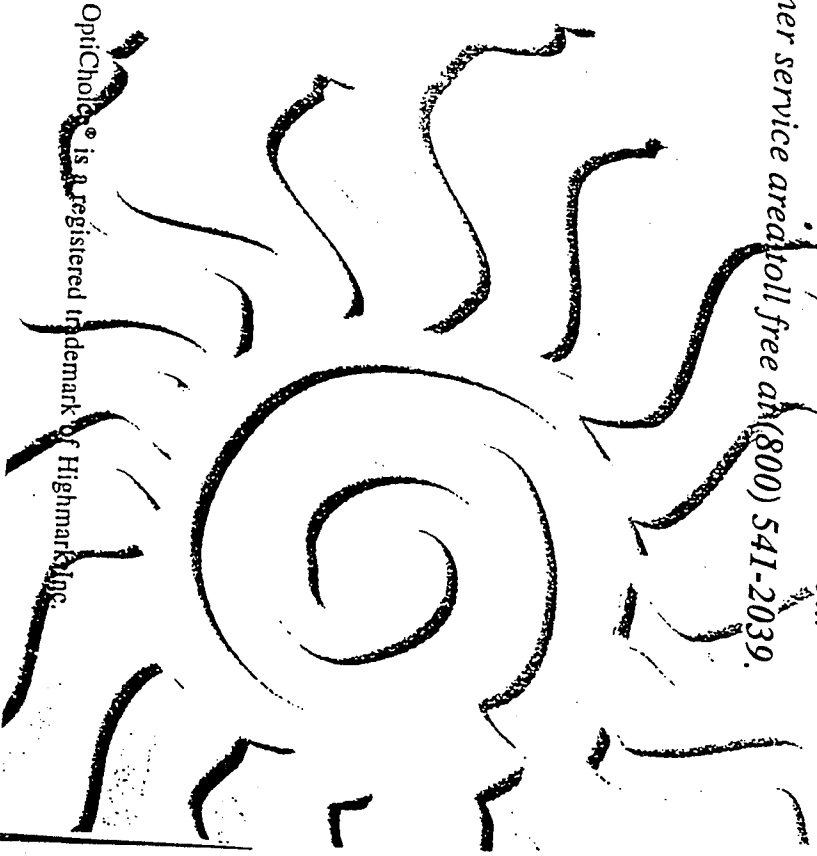
Does generic substitution compromise the quality of your employees' prescriptions?

Absolutely not. Generic drugs, or drugs sold under a "generic" or chemical name, are identical in chemical composition and have the same therapeutic effect as brand name drugs. Generic drugs meet the same strict FDA (Food and Drug Administration) requirements as brand name drugs. In fact, the only significant difference between generic and brand name drugs is generic drugs cost considerably less.

OptiChoice

December 30, 1997

Welcome to OptiChoice®, Highmark Blue Cross Blue Shield's premier managed vision product. This booklet contains a brief outline of the program and answers many questions you may have about OptiChoice. A benefit chart is also provided for your reference. If you have more questions, feel free to call our customer service area toll free at (800) 541-2039.



OptiChoice® is a registered trademark of Highmark, Inc.

12/23/97
 1:06 p.m.
 with the person

PORT AUTHORITY OF ALLEGHENY COUNTY
 SUMMARY OF VISION PROPOSAL

December 30, 1997

	Current	Proposal
Benefit Design:	PENNSIVISION II	Optichoice
Eye Examination & Refraction	In network 100% UCR Out of network N/A	In network 100% Out of network Program allowance amount only (\$32)
Standard Lenses	In network 100%, up to program allowance (\$18-\$55) Out of network N/A	In network 100% Out of network Program allowance amount only (\$24)
Non-Standard Lenses	In network 100%, up to program allowance amount Out of network N/A	In network 100% Out of network Typical charge for standard lenses with a 10% discount Program allowance amount only (\$36 - \$72)
Frames	In network 100%, up to \$18 Out of network N/A	In network 100%, up to \$60 Out of network 100%, up to \$24
Contact Lens Prescription/Fitting	In network 100% UCR Out of network N/A	In network 100% Out of network Program allowance amount only (\$20 daily/\$30 extended)
Hard/Soft Contact Lenses	In network 100%, up to \$36 Out of network N/A	In network 100% Out of network Program allowance amount only (\$48)
Specialty Contact Lenses	In network 100%, up to program allowance Out of network N/A	In network 100%, up to \$75 Out of network Program allowance amount only
Optical Accessories & Supplies	In network Not covered Out of network N/A	In network Not covered Out of network Not covered
Post-Refractive Products	In network Not covered Out of network N/A	In network Not covered Out of network 100% up to program allowance at point of purchase only
Frequencies of Exams, Lenses, Contacts	In network Under age 19 - all services every 12 months, except frames every 24 months Out of network N/A	In network Under age 19 - All services every 12 months Out of network (Over age 19 - All services every 24 months

or less (you only pay the \$24 program allowance plus any difference between the retail price and \$60). These discounts on additional supplies and services are only offered by network providers and suppliers. If you go outside the network, you will not receive a discount.

What are the benefits for optical accessories?

OptiChoice gives you a 10 percent discount on optical accessories and supplies purchased from Preferred Providers and Contracting Optical Suppliers. These may include special lens coatings or tints, contact lens solution, and prefabricated "off-the-shelf" non-prescription sunglasses. You receive this discount in addition to any other special sale pricing that might be in effect at the time of purchase. To get the discount, you must pay at the point of purchase.

What if lenses, frames or other items are on sale?

Except for optical accessories described above, you may not use your OptiChoice benefits on sale items. You have the choice of paying the sale price and not using your OptiChoice benefits, or using your OptiChoice benefits and paying the difference between the non-sale price and the OptiChoice program maximum. This does not affect the 10 percent discount on optical accessories and supplies, which can be combined with any other special sale pricing in effect at the time of purchase.

What are the OptiChoice program allowances?

Here are the OptiChoice allowances that will be paid towards your examinations, contact lens prescription and fittings, frames and lenses.

Eye Exams	\$32
Frames	\$24
Single-vision lenses	\$24
Bifocal lenses	\$36
Trifocal lenses	\$46
Aphakic lenses	\$72
Lenticular lenses	\$72
Contact Lens Prescription and Fitting	\$20 (daily wear) \$30 (extended wear)
Contact lenses	\$48

How do I file a claim form?

If you go to a Preferred Provider or Contracting Optical Supplier, there are no claim forms to fill out. Simply show your ID card at the time you receive the services.

If you visit a provider or supplier who is not in the network, you may be asked to pay for the services at that time, and will have to file a claim for reimbursement. To make your payment faster, ask the provider for an itemized receipt and attach it to your claim form. Your provider should have a supply of the Blue Cross Blue Shield vision claim forms you need. If not, obtain them from your benefits office.

Be sure the claim form is completely filled out. Send your completed claim form to:

Highmark Blue Cross Blue Shield
P.O. Box 890500
Camp Hill, PA 17089-0500

OptiChoice Benefit Examples

Service or Product	Doctor's Possible Charge*	Program Allowance	Member Payment		Payment Explanation
			In Network	Out of Network	
Eye Examination and Refraction	\$50	\$32	\$0	\$18	In network, provider accepts program allowance as full payment. Out of network, you are responsible for the balance up to the provider's charge.
Standard Lenses Single-Vision Lenses Bifocal Lenses Trifocal Lenses Aphakic/Lenticular Lenses	\$80 \$100 \$150 \$200	\$24 \$36 \$46 \$72	\$0 \$0 \$0 \$0	\$56 \$64 \$104 \$128	In network, services are paid in full by the program. Out of network, you are responsible for the difference between the program allowance and the provider's charge.
Non-Standard Lenses e.g., Photochromatic, Polycarbonate)	Example: Single-Vision Non-Standard \$150 Single-Vision Standard \$80	\$24 Single vision \$36 Bifocal \$46 Trifocal \$72 Aphakic/Lenticular	\$63	\$126	In network, you are responsible for the difference between the charge for non-standard and the typical charge for standard lenses with a 10% discount. Out of network, you are responsible for the difference between the non-standard lens charge and the program allowance.
Frames	Example A \$60 Example B \$80	\$24 \$24	\$0 \$20	\$36 \$56	In network, services are covered in full up to a \$60 charge. Any frame over \$60, you are responsible for the difference between \$60 and the provider's charge. Out of network, you are responsible for the difference between the program allowance of \$24 and the providers charge.
Contact Lens Prescription and Fitting	\$50	\$20 daily wear \$30 extended wear	\$0	\$30 \$20	In network, services are paid in full by the program. Out of network, you are responsible for the difference between the program allowance and the provider's charge.
Hard/Soft Contact Lenses e.g., Daily Wear, Spherical)	\$150	\$48	\$0	\$102	In network, services are paid in full by the program. Out of network, you are responsible for the difference between the program allowance and the provider's charge.
Specialty Contact Lenses e.g., Bifocal, Gas Permeable, Extended, Toric, Disposable)**	Example A \$75 Example B \$150	\$48 \$48**	\$0 \$75	\$27 \$102	In network, specialty lenses are covered in full as long as the provider's charge is \$75 or less. Any specialty lens over \$75, you are responsible for the difference between \$75 and the provider's charge. Out of network, you are responsible for the difference between the program allowance and the provider's entire charge.
Optical Accessories and Supplies e.g., Contact Lens Solutions, Tints, Outings)	\$30	\$0	\$27	\$30	These are non-covered services but when purchased from a network provider, you receive a 10% discount. Out of network, you are responsible for the provider's entire charge.
Post-Refraction Products Exceeding Program Requirements e.g., Frames or Lenses)	Example: Frames \$60 Standard bifocal lenses \$100 Total \$160	\$0 \$0 \$0	\$24 \$36 \$60	\$60 \$100 \$160	Once the program has made payment for the service or product you can purchase additional eye wear at the program allowance. This discount is only valid in network and payment must be made at the point of purchase. Out of network, you are responsible for the provider's entire charge.

The charges shown are samples for comparison only. Any increase or decrease in the doctor's medical charge amount would affect your payment. Ask your doctor about the charges in advance.

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Attachment 3

Pension Changes Agreed Upon

The Port Authority of Allegheny County Retirement and Disability Allowance Plan for Employees Represented by Local 85 of the Amalgamated Transit Union (the "Plan") shall be amended effective December 1, 1997 to provide the following benefits:

1. One time ad hoc cost of living increase for retirees as follows:

- 1. 15% if retired prior to 1/1/85
- 2. 10% if retired between 1/1/85 and 11/30/91
- 3. 2 1/2% if retired pursuant to and receiving benefits under the special retirement option offered pursuant to the bargaining agreement effective December 1, 1991 as set forth in Appendix III of Plan document (the "Window Package")
- 4. 5% if retired between 12/1/91 and 11/30/97 for those retirees whose benefits were not enhanced by the Window Package.

This is a one time only adjustment which will not apply to those who retire after November 30, 1997. The above increase shall begin December 1, 1997 and shall not be applied to the \$300.00 monthly supplement payable pursuant to the Window Package.

2. Only certain employees have been credited with pension service with respect to their initial training while on the payroll of Port Authority at the beginning of the employee's employment with Port Authority. For pension calculation purposes only, and not with respect to any other employee benefits or seniority under the collective bargaining agreement, service credit shall be recognized with respect to time served in Port Authority sponsored initial training on the payroll of Port Authority at the beginning of the employee's service with Port Authority. This recognition of service shall only apply to those unit employees on the payroll as active employees on December 1, 1997. This provision will make the starting service date for pension purposes uniform for all unit employees as of December 1, 1997. Beginning January 1, 1998, employees accruing such service will contribute participant contributions with respect to this pension service in the same manner and respect as contributions made for other currently accruing pension service.

3. Effective December 1, 1997, a \$500.00 per month retirement supplement will be paid to eligible employees who retire on or after December 1, 1997. To be eligible, an employee must (a) retire pursuant to the terms of the Plan on or after

December 1, 1997, (b) have rendered at least 25 years of service in the unit and pursuant to the terms of the Plan, and (c) have not attained the age at which the employee would be entitled to a reduced or unreduced old-age insurance benefit under Title II of the Social Security Act ("Social Security Benefit"). The supplement will be paid for each month beginning on the employee's retirement date until the earlier of the month in which employee attains the age at which he or she is entitled to a reduced Social Security Benefit (currently age 62) or until the employee's death. If the employee's Social Security Benefit (assuming for purposes of this calculation the employee, on his/her retirement date, had attained the age necessary to receive such benefit) is less than \$500.00, then the \$500.00 supplement will be reduced to be equal to such Social Security Benefit.

4. Currently employees are not paid for accumulated sick leave at retirement. Currently the Plan states that in computing Continuous Service "there shall be included all unused sick leave credited to the employee at his retirement" (hereinafter "Service Credit"). Beginning for retirements on or after December 1, 1997, employees will be paid from the Plan, in a lump-sum, one-half the current value of sick days accrued at the time of retirement, or if so elected by the employee, as an alternative to the lump-sum payment, the employee will be permitted to elect to receive the Service Credit. Employees who receive the lump-sum payment will not be eligible for the Service Credit. The lump-sum payment will not be used in the calculation of the pension benefit. The election of Service Credit must be pursuant to the forms developed by Port Authority.

5. Currently employees receiving benefits pursuant to the Workers' Compensation Act of the Commonwealth of Pennsylvania (the "Act") who return to active employment with Port Authority are credited with Continuous Service under the Plan with respect to the period during which they were not actively employed but rather were receiving benefits pursuant to the Act. Beginning for employees who leave active employment on or after April 1, 1998 and receive benefits under the Act and return thereafter to active employment, in order for such employees to receive credit for the period during which they receive benefits under the Act, they must, within (180) days of return to active employment, contribute to the Plan the employee contributions that they would have paid had they made employee contributions on the amount of benefits received under the Act. Failure of the employee to make such employee contributions will result in Continuous Service of the employee being determined without inclusion of the period during which benefits under the Act were received and thus Continuous Service of the employee will be determined by adding Continuous Service prior to the beginning of the benefits under the Act to Continuous Service after the benefits under the Act stop.

6. Currently Plan participants receiving a disability allowance from the Plan who return to active employment with Port Authority are credited with Continuous Service

under the Plan with respect to the period during which they were not actively employed but rather were receiving a disability allowance from the Plan. Beginning for Plan participants who leave active employment on or after April 1, 1998 and receive a disability allowance under the Plan and return thereafter to active employment, the period during which they receive the disability allowance will not be credited as Continuous Service. Thus Continuous Service of the employee shall be determined by adding the Continuous Service prior to beginning of the disability allowance to the Continuous Service after the disability allowance stops.

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Attachment 4

December 30, 1997

Section 1001 in the Agreement which expires on November 30, 1997 shall be deleted and replaced by the following new Section 1001 in the Agreement to be effective 12:01 a.m. December 1, 1997.

Section 1001
SMALL TRANSIT VEHICLES

The parties have agreed to the continued introduction and use of Small Transit Vehicles (STV's) for the purposes of providing service (1) to Low Density Areas, which are defined hereinafter and, (2) fixed routes replaced on a limited basis as set forth hereinafter. Therefore, the parties agree that effective on or after December 1, 1997, STV's may be added in Port Authority's service area under the following conditions:

1. The matter set forth in the introductory paragraph above is hereby incorporated and included in this Agreement.
2. A small transit vehicle (STV) is any transit vehicle with an original seating capacity of not more than 24 seated passengers.
3. A Low Density Area is defined as an area not serviced by the Port Authority existing fixed route service. Fixed route service is defined as service being provided by large buses or LRV's. The low density area to be serviced by the STV's may cross, extend, supplement or parallel existing service, provided that the route is designed to supplement ridership on existing routes and does not replace fixed route service.

4. STV's shall be permitted to replace any fixed route service only on the limited basis as set forth in this paragraph. STV's may be used to replace fixed route service as long as the number of STV's used to service any fixed routes does not exceed 3% of the total number of large buses in customer service at peak time operation. (Currently in the fall of 1997, there are 740 such large buses; therefore, the number of STV's to be used to service existing fixed route service is set at 22).
5. If any layoffs occur for any reason during the term of this Agreement, operators shall be entitled to bump operators at the 65% rate without any reduction in pay.
6. STV's may be leased or purchased at the discretion of Port Authority.
7. Port Authority maintenance employees shall do all first echelon maintenance on all STV vehicles used by Port Authority. First echelon maintenance is defined as oil changes, fluid changes and/or additions and lubrications. All other leased vehicle maintenance may be performed under contract or the lease. If Port Authority purchases STV's, all maintenance and repairs shall be performed by Port Authority employees. It is the parties' intent to have all of the current collective bargaining agreement provisions be applicable to STV operations, provided, however, that if any other section of the collective bargaining agreement is in conflict

Attachment 4

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with this Section 1001 on small transit vehicles the provisions of this section shall be given effect.

9. Notwithstanding the Progression set forth in Section 201-E, Port Authority

shall be permitted to hire and to maintain at 65% of the top operator rate that number of operators which shall be determined by dividing forty into the sum of the total number of STV vehicle hours of service available for picking at each pick. (Hours of work per week per individual (40) divided into the sum of hours of STV service per week.) This number of operators hired after January 1, 1998 shall be paid at the 65% rate. They shall start on the Section 201-E progression as the number of operators at the 65% rate exceeds the number of 65% operators guaranteed under the formula set forth herein. When the number of operators at the 65% rate exceeds the number established by the formula described herein, the senior operator(s) at the 65% rate shall start at the first step (67%) of the Section

201-E Progression.

An example of this formula is:

420 STV vehicle hours of service divided by
40 hours per week = 10.5 operators
which will be rounded up to 11 operators.

The scheduled work week will be thirty-nine and one-half (39 1/2) hours for office employees of Manchester and forty (40) for field employees. The pay of all affected employees will be reduced by thirty minutes per week to effectuate this change.

5. Amend Section 902 to delete the first sentence and replace with:

Life insurance amount will not be reduced if the employee's compensation changes.

4. Add to Section 209, paragraph one and two, the following:

...he shall be entitled to an additional day of vacation provided that said additional day of vacation must be taken within the then current vacation year. Employees who chose this option and who do not schedule the A.H. days prior to December will be paid in lieu, however, such employees shall be prohibited from selecting an A.H. day for the next three (3) years immediately thereafter.

option

3. Amend Section 203 paragraph C, paragraphs 3 and 5, first sentence to read as follows:

F. Notwithstanding any other provisions in this section employees who have attained twenty-five (25) or more sick days in their bank as of January 1 of the calendar year shall be eligible to take up to five (5) of those sick days as single days of illness without a doctor's excuse. Such single paid days of illness cannot be used the day before or the day after a paid holiday.

add day of

2. Amend Section 206 to add a new paragraph to read:

Employees who choose this option and who do not schedule single day vacations prior to December, will be paid in lieu, however, such employees shall be prohibited from selecting one day at a time vacations for the next three (3) vacation years immediately thereafter.

Amend Section 203 paragraph D, fourth paragraph, last sentence to read:

Beginning in the vacation year January 1, 1999, all employees entitled to two (2) or more weeks vacation shall be permitted to take one (1) week of vacation one (1) day at a time at the employee's discretion provided a minimum of seventy-two (72) hours notice is given to authorized supervision. Provided further that the seventy-two (72) hour notice may be waived by P.A.T. management if it is decided to increase the number of employees allowed off.

1. Add a new paragraph to Section 203-D to read:

Attachment 5

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6. Amend Section 201(B)(3)(g) to provide as follows by adding a sentence:

as amended

Employees hired after April 1, 1993 who are bumped due to job abolishment into classifications 1 through 3 will receive either the pre-April 1, 1993 rate for that classification or the rate of pay of their current classification, whichever rate is lower. Such employees will be permitted to maintain this rate until they are capable of being awarded a job in job class 4 or higher or four sets of bid sheets have been posted, whichever occurs the earliest. Failure of the employee to either bid out of the lower classification or do so by four sets of bid sheets shall result in the employees rate being reduced to the last April 1, 1993 rate for the job held.

7. Amend Section 706 to add paragraph K to provide as follow:

In addition to the annual system pick for dispatchers, an interim pick for the purpose of selecting work at each location shall be held at the beginning of May to go into effect the week of May 16.

8. Route foreman will be provided watch caps and same boots as maintenance but not logger boots, as part of their uniform allowance.

9. P.A.T. agrees to post maintenance foreman relief positions as in-house relief positions and to conduct foreman's pick to effectuate this change.

10. P.A.T. agrees to add shoes to the operators uniform package and increase the allowance by \$100.00.

11. Amend Section 301 Paragraph Q add sentence at end of it to read:

It is agree that a picked holiday may never be observed on a Sunday.

12. Section 402 paragraph C delete first paragraph, renumber paragraph 2 to become paragraph 1, paragraph 3 to become 2. The parties agree that the Snow Committee will be reconvened to discuss the effect, if any, of the removal of Section 402C first paragraph on existing Snow Committee procedures.

13. Amend Section 306 and Section 307 to provide that operators shall be permitted 30 minutes from the time that the dispatcher notifies the employee, who must be present at the Division, that it is his turn to pick. Failure to pick within 30 minutes of said notice shall be treated as pursuant to Section 306-D-2 for system picks, and for the run picks the management representative shall assign the employee to the run currently being worked, or if unavailable, proceed pursuant under Section 307-E.

14. Amend Section 110 paragraph C add paragraph 4 to read as follows:

Employees who volunteer to act as solicitors, board executives, etc. for purposes of the United Way Fund Drive shall not be adversely affected in any manner by operation of this section.

15, The parties agree to the position of Expediter in the Claims Dept. at the Group 9 rate.

16. Sick Day Allotment - The parties agree to change the date for receiving the sick day allotment from May 1 to the employee's anniversary date.

Beginning January 1, 1999, employees shall get one-half (1/2) of his/her allotted days on May 1, 1999 if the employee's anniversary date is after May 1. The remaining sick days will then be granted to the employee on that employee's anniversary date. If the employee's anniversary date is before May 1, that employee shall receive their entire allotment on their anniversary date. Thereafter, all employees shall receive their entire sick day allotment on their anniversary date.

17. Amend Section 301(j) first sentence to read as follows:

"In passenger service, bus operators shall be . . .

18. Beginning with the September 1998 pick, all bus operator straight runs will be paid 2 minutes on the second half of the run for CDL pre-trip inspection. This payment is to replace the current method of calculation for such pay time and will be displayed on the run summary from which an operator picks.

19. Amend Section 208 paragraph 3 to read as follows:

For purposes of this Section, funeral benefits will be paid if a death occurs to one of the following:

"The employee's wife, husband, child, father or step-father, mother or step-mother, . . .

20. Amend Section 201(E) to read as follows:

All employees hired into a classification covered by this Agreement after January 1, 1998 . . .

100%	Thereafter
78%	25th through 36th month
70%	13th through 24th month
67%	First through 12th month

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AMENDMENT TO THE PORT AUTHORITY AND LOCAL 85 DRUG AND ALCOHOL PROGRAM

WHEREAS, the parties recognize that their current exclusive Drug and Alcohol Program does not deal with employees convicted of driving under the influence of alcohol or driving while under the influence of illegal drugs in their private vehicle; and

WHEREAS, the parties desire to amend their exclusive Drug and Alcohol Policy to provide for a procedure to be followed when an employee is convicted for off-duty DUI or driving under the influence of illegal narcotics,

NOW, THEREFORE, intending to be legally bound, the parties agree to amend their exclusive Drug and Alcohol Policy to provide for such an event and hereby amend that policy as follows:

1. If an employee is convicted of DUI or driving under the influence of illegal drugs while that employee is not on company time and operating a company vehicle, that employee shall be required to be evaluated by the parties, mutually agreed to SAP.
2. If the SAP determines that the employee is not dependent and/or addictive, and, therefore, does not need further treatment, that shall be the end of the employee's obligation and no action shall be taken against the employee nor shall any record of such evaluation be kept or used in any other proceeding.
3. If the SAP determines that the employee is in need of treatment and/or is dependent, the employee shall be given the opportunity to voluntarily undergo the recommended treatment. If

the employee elects to undergo the recommended treatment, the fact that the employee received that treatment shall be considered as a voluntary treatment under the parties' Drug and Alcohol Program, and the fact that the employee receives such treatment shall not be used against the employee in any way or in any other proceeding. Nor shall the receipt of that treatment be considered as the employee's one chance for rehabilitation pursuant to Section V(A) of the Drug and Alcohol Policy.

4. If the SAP determines that the employee is in need of treatment and/or is dependent, regardless of whether the employee voluntarily decides to undergo treatment, the Employer shall have the right to subject that employee to drug and alcohol testing on demand for a period of one year from the date of his/her conviction. In the event during the one year period the employee tests positive in accordance with the standards set forth in the parties' Drug and Alcohol Program, the employee shall then be placed in the position of a first offender and shall follow the rules prescribed for first offenders under the parties' exclusive Drug and Alcohol Program.

5. Through this amendment, it is the intent of the parties to provide that: (1) If the employee voluntarily undergoes treatment after being convicted of off-duty DUI or driving under the influence of illegal drugs, that treatment shall be treated as a voluntary treatment under the parties' Drug and Alcohol Program; (2) If the SAP finds the employee as being drug and/or alcohol dependent, the Employer shall have the right to test that individual on demand for one year after that individual's conviction regardless of whether the employee voluntarily undergoes

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treatment; (3) if the employee registers positive during the one year period provided herein, that employee shall be treated as a first offender under the Drug and Alcohol Program; and (4) whether the employee undergoes treatment or not his conviction and condition shall not be used against him.

6. All other provisions of the parties' exclusive Drug and Alcohol Program shall continue in full force and effect.

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Section 106

GRIEVANCES AND ARBITRATION

A. 1. The parties recognize that even highly collaborative relationships entail occasions for dispute. Resolution of disputes must be pursued without impairing or destroying the common bonds between the parties. It is in the joint interest of the parties to resolve disputes fairly, efficiently and amicably. Methods, approaches and procedures employed by the parties will be consistent with their ongoing commitment to cooperation in the bargaining relationship.

2. Unit, Welfare and Maintenance Apprenticeship Program (MAP) grievances will be handled through a one step process by the Manager of Employee Relations of his/her designation. All grievances with the exception of welfare must be filed with thirty (30) calendar days from occurrence of incident or issuance of discipline.

3. All other grievances (but not any matter within the jurisdiction of the Retirement and Disability Allowance Committee under the Plan) shall consist of a two (2) step process. The first step is to be heard by the division management representative. These grievances shall be heard at such time as not to cause the grievant(s) loss of any pay in attending the hearing. The elected Board of persons or other Officers of the Union shall have the right to accompany employees at such hearing. The elected Board person of the location or department (Automotive Garage Section Assistant Board person) shall process and conduct grievance hearings through the 1st step of the grievance process. The grievance hearings shall be conducted during working hours and the Board person shall be compensated by the Authority. This provision is to be carried out strictly to the letter. The Management Representative shall provide a written answer within ten (10) calendar days after the hearing and, if such answer is not provided, the grievance will automatically be moved to the second step of the grievance procedure. If the answer is provided, the grievant and/or the Union shall have ten (10) calendar days to appeal to the second step. All settlements of grievances at any step are final and binding to the grievant, the Union and the Authority, and are non-precedential to future or pending cases involving other employees.

B. The second step representative for the Authority is the Manager of Employee Relations or his/her designee. Upon receipt of the grievance or the appeal from the first step, the second step representative for the Authority and the Assistant Business Agent or the designated Union officer shall, within ten (10) calendar days from receipt, hear the grievance or appeal. The management representative shall provide a written answer within ten (10) calendar days after the hearing and, if such answer is not provided, the grievance will automatically be moved to arbitration unless it is withdrawn

as a result of the decision of the Union arbitration committee. If the written answer is provided, the grievant and/or the Union shall have one hundred eighty (180) calendar days to demand arbitration.

C. If after having received a written answer from the Employer the Union does not appeal to the next step or arbitration within the prescribed time limits, the grievance shall be considered withdrawn with prejudice, but shall be non-precedential to future or pending cases involving other employees.

D. If an employee who has been suspended or discharged is found to have been unjustly suspended or discharged, he/she shall be reinstated to his/her former position and paid for all time lost at his/her regular rate of wages at his/her former position. Discharged employees shall have their present health care benefits continued until all steps of the grievance and arbitration process have been exhausted.

All grievance resolutions, mediation awards and arbitration awards which entitle employees to be compensation for their grievance will be made to the employee within thirty (30) days of such awards.

E. Should any dispute arise between the parties concerning the interpretation or application of any action or sections in this Agreement which cannot be adjusted, the matter shall be submitted to a board of arbitration for decision as provided for hereafter, and during such arbitration, the employees shall continue in the employ of the Authority. The party demanding arbitration shall request the same in writing, stating the question or questions to be arbitrated and naming its arbitrator. Within six (6) days thereafter, excluding Sundays and holidays, the other party shall name its arbitrator. The two thus selected shall endeavor to reach an agreement and if they fail to do so within fifteen (15) days they shall select a third arbitrator, and the decision of the said board of arbitration shall be final and binding on both parties. If the two arbitrators do not come to an agreement within fifteen (15) days and fail to agree upon a third arbitrator within six (6) days thereafter, the two parties shall then agree upon a method which will insure the selection of a third arbitrator. If the parties are unable to agree within fifteen (15) days, they shall obtain a panel of seven (7) arbitrators who are members of the National Academy of Arbitrators from the Federal Mediation and Conciliation Service and shall alternately eliminate names in order to arrive at a neutral arbitrator. Each party shall bear the expense of the arbitrator of its own selection, and the expense of the third arbitrator and the joint expenses incidental to the arbitration shall be borne equally by the parties.

The parties agree that the amount received in each pay should be broken down with the amount of overtime shown separately as is currently the case for standard deductions such as FICA, Union dues, etc. To provide pay stubs with this information is not possible using the current Port Authority system, except by hand which the parties agree is cost prohibitive. Port Authority agrees that the system should be changed and that the change should include the overtime broken out as a component of gross pay on the pay stubs. The Union agrees that Port Authority should make the change when it is technologically feasible considering the limitations of the current system, but not until it can be cost effectively achieved as part of Port Authority's overall payroll system.

Side Letter

ATU Local 85 and Port Authority

December 30, 1997

ATU Local 85 and Port Authority

December 30, 1997

Side Letter

The parties agree to effect the following changes in the collective bargaining agreement:

- P.A.T. will create a minimum of 2 positions of Heating Ventilation and Air Conditioning (HVAC) repairmen (Group 7). The first posting for this classification shall be done with a dual preference of the P&S and Way and Structure Department. Thereafter the classification of HVAC repairman shall be bid out of the Power and Signal (P&S) Department. P.A.T. shall continue to employ the use of a subcontractor until such time a qualified bidder is awarded the position.

- The classification of Emergencyman in the Power and Signals bid section shall be abolished. The classification of Automotive Repairman (Major Assignment: Tow Truck Operator, Group 6 rate) in the Automotive section shall be created and located at the East Liberty Division. Incumbents in the former classification of Emergencyman will be given the opportunity to follow the work to the classification of Automotive Repairman (Major Assignment: Tow Truck Operator) bid section and work location.

- The classification of Automotive Mechanic (Major Assignment: Road Service Mechanic, Group 7 rate) shall be created in the Automotive-Garages bid section.

- The duties of the operation of the Overhead Maintenance Vehicle (Line Car) shall be transferred from that of Operator in the Hourly Operating Department to that of (Heavy Equipment Operator) in the Hourly Non-Operating Department.

- The classification of Incline Operator shall be transferred from the Hourly Non-Operating Department to that of the Hourly Operating Department, located at the South Hills Village Division

Maintenance