

November 17, 2021

**King Soopers/City Market Proposals
To
UFCW Local 7
Retail Clerk Agreements Expiring in 2022***

King Soopers/City Market makes the following proposals for new collective bargaining agreements to UFCW Local 7 for all bargaining units in the State of Colorado. Such proposed new Agreements shall contain the provisions of the terminating collective bargaining agreement of such bargaining unit as modified below. King Soopers/City Market reserves the right to add to, delete from, amend, correct, modify, or withdraw any of the proposals contained herein for all bargaining units or for one or more specific bargaining units, at any time throughout the course of these negotiations. The withdrawal of any proposal in these negotiations shall not be used as evidence against the proponent in any arbitration or other proceeding. *Settlement terms also apply to all non-Denver clerk contracts in Colorado except store #74 and #89.

1. Article 1. Recognition and Exclusions - Section 1

In Paragraph 1, delete in the text in the parentheses, the phrase "...and future stores only of the Employees."

Section 1. The Employer recognizes the Union as the sole collective bargaining representative for all employees actively engaged in the handling and selling of merchandise, including part-time workers who work regularly one (1) day or more a week, employed by the Employer in the grocery store or stores owned or operated by the Employer within the metropolitan area of Denver, Colorado (such jurisdiction to apply to current stores represented by this Union ~~and future stores only of the Employer~~), but excluding all store managers, first assistant managers, associate managers, office and clerical employees, meat department employees, delicatessen department employees, demonstrators, watchmen, guards, professional employees and supervisors as defined in the National Labor Relations Act as amended.

Delete paragraph 2

~~Within the geographical jurisdiction of this Agreement, any new stores opened by the Employer shall be accreted and shall be covered by the terms of this Agreement.~~

Employees at stores not represented by the union have a right under federal law to join or not join a union. This proposal is meant to respect that right and ensure employees have the freedom and choice to exercise that right.

2. Article 4. Check-Off

Delete the Article in its entirety upon expiration of the contracts.

This language is no longer necessary as technology now exists for the union to efficiently and effectively collect union dues without company assistance.

3. Article 7. Definitions of Classifications

Add the following: Work Between Clerk and Meat Bargaining Units

It is understood that Starbucks Clerks, Deli Clerks, Seafood Clerks, or Meat Wrappers employed in the Meat Bargaining Unit may perform work in the All-Purpose Clerk and Bakery Clerks classifications covered by this Agreement to cover breaks, lunches and for customer service needs. Similarly, All Purpose and Bakery clerks employed in the Clerks Bargaining Unit covered under this agreement may perform work in the Starbucks Clerks, Deli Clerk, Seafood Clerk or Meat Wrapper classifications in the Meat Bargaining Unit to cover breaks, lunches and for customer service needs.

Allows associates to learn other parts of the business and potentially maximize hours by working throughout the store. It also helps the company meet customer needs during peak selling.

4. Article 11 No Reduction in Pay, Section 31

Delete and replace with the following:

~~The Employer shall not raise or subsequently lower the hourly rates of pay for classification covered by the Agreement without the mutual consent of the Union.~~

Contract Minimums: The terms of this Agreement are intended to cover only wages and other employee benefits. The Employer may place superior wages and other benefits in effect and may reduce the same to the minimum herein prescribed without the consent of the Union or review by an arbitrator.

Allows the company to provide a wage increase above the minimum in the contract to address the urgent need of hiring. Modifying this language allows us to quickly respond to changes in the market with respect to wages. Provides the company the flexibility to increase your wages if the market calls for higher wages.

5. Article 12. Overtime, Section 32

Delete a. and d.

Section 32. Overtime compensation at the rate of time and one-half (1-1/2x) the employee's base hourly rate of pay shall be paid under the following conditions:

- a. ~~For all time worked in excess of eight (8) hours in any one (1) day.~~
- b. For all time worked in excess of forty (40) hours in any one (1) work week as described above.
- c. For hours worked prior to an employee's scheduled starting time when less than eight (8) hours has elapsed since his last previously scheduled quitting time. (There will be at least eight (8) hours between each employee's scheduled quitting time and his next scheduled starting time.)
- d. ~~For all hours scheduled and worked on the sixth and seventh day in a work week by part-time employees who work less than forty (40) hours in that work week. No employee shall be permitted to claim additional hours or schedules which would provide a six (6) or seven (7) day schedule during a work week.~~

We'd like to have some open discussion with the Union on this proposal. We need to address the costs of daily overtime. Unfortunately, daily overtime – in combination with time clock rounding – also creates an opportunity for an employee to earn overtime if they are simply late getting to the time clock. There is a potential for misuse of daily overtime, which wastes labor dollars that could be put to productive use elsewhere. We'd like to have a discussion to balance these concerns.

6 . **Article 17. Vacations, Section 52.**

Section 52. In the event a regular full-time employee who has been employed two (2) years or longer voluntarily quits or is discharged such employee shall be paid pro rata vacation pay earned up to the time the employment relationship is severed.

We are proposing language that will allow associates who leave the company to be paid out for earned vacation.

7. **Article 18. Minimum Weekly Schedule**

Add the following sentence, **“Any employee may indicate his or her desire to be regularly scheduled fewer than twenty (20) hours in a workweek, and management will have discretion to so schedule the employee.”**

We are asking for a waiver to the 20-hour weekly minimum on an individual basis only if it is agreed upon by the employee and company. The proposed language “may indicate their desire to be regularly scheduled for fewer than 20 hours in a workweek” helps us address potential new hires and others who may want less than 20 hours a week.

8. **Article 23 Reporting Pay**

Modify the first paragraph to reflect the following: An employee called and who reports to work for an unscheduled shift or scheduled for work shall be guaranteed four (4) hours of pay at the applicable rate, with the understanding that an employee may be called in or scheduled for less than four (4) hours if he is unavailable for the full four (4) hours.

We are adding clarifying language to ensure associates will be paid for time worked when called into work.

9. Article 21. Split Shifts

Modify to provide: There shall be no split shifts unless such shift is requested by the employee. Any employee may indicate his or her desire to work a split shift and management will have discretion to so schedule the employee

We'd like to have some open discussion with the Union on this proposal. We know employees want the opportunity to pick-up more hours. We would like employees to have the opportunity to maximize hours if they choose to work a split shift and work more hours.

10. Article 27. Section 69. Promotions

Modify to reflect the following:

The Employer agrees to make promotions to non-management classifications to the most senior qualified employee within each store.

This language provides advancement opportunities for associates to non-management classifications based on seniority and qualifications.

11. Article 31. New Store Language

Delete the entire section.

Section 78. ~~In the event of the opening of a new store within the bargaining unit (not a replacement of an existing store), the following procedure shall apply:~~

- ~~1. At least four (4) weeks prior to the opening of a new store, the Employer will post a sheet in each location for interested employees to sign if desirous of a transfer to the new location. The sheet shall remain posted for at least ten (10) days.~~
- ~~2. Job openings either at the new store or created by transferring employees at their former store shall first be filled by employees on layoff in the classification of the vacancy before any new employees are hired or current employees are promoted.~~
- ~~3. Employees who have signed the new store transfer request sheet shall be given consideration based on their qualifications and the requirements of the store. It is understood that the Employer may move employees from its own competitive stores which may be impacted by the new store opening before consideration of other employee desires.~~
- ~~4. In the event the Employer opens new stores within the geographical area of this Agreement, as set forth in Article 1, not less than sixty percent (60%) of the initial staffing of the new store shall be made by employees covered by this bargaining Agreement, if available.~~

Employees at stores not represented by the union have a right under federal law to choose to join or not join a union. This proposal is meant to respect that right and ensure employees have the freedom to exercise their right.

12. Article 32. Leave of Absence

Change eighteen (18) to twelve (12) where applicable.

Section 79. Sickness, Injury or Pregnancy. Leaves of absence shall be granted for up to **twelve (12)** months without pay when an employee with three (3) months of continuous service is unable to work because of bona fide sickness, accident, disability, or pregnancy. However, in the event such an employee is unable to return to work at the end of **twelve (12)** months of his/her leave period, he/she shall be entitled to an additional leave of six (6) months if he/she submits satisfactory medical evidence that he/she will be able to return to duties within his/her classification within the said additional period.

Modifying language to provide uniform leave of absence across the company.

13. Article 35 Sick Leave

Delete and Incorporate the following language into Article 35.

1. The paid sick leave accrual provisions set forth in this Agreement supersede the accrual provisions of any and all prior policies or applicable collective bargaining agreements.
2. King Soopers employees covered by this Agreement will accrue one (1) hour of paid sick leave for every thirty (30) hours worked starting from their first day of employment or January 1, 2021, whichever is later, up to forty-eight (48) hours of paid sick leave per year.
3. Unused paid sick leave shall be cumulative. Employees shall not accrue more than ninety-six (96) hours of unused paid sick leave. Once an employee's unused paid sick leave reaches ninety-six (96) hours, accrual ceases until the employee's unused paid sick leave drops below ninety-six (96) hours, i.e., due to use.
4. Employees shall carry forward unused paid sick leave accrued under a prior policy or collective bargaining agreement into the period covered by this Agreement. In the event an employee carries forward more than ninety-six (96) hours of paid sick leave under this provision, the employee will not begin accruing paid sick leave under this Agreement until the excess paid sick leave has been used, i.e., the employee's unused paid sick leave drops below ninety-six (96) hours.
5. Employees may use their accrued paid sick leave for the sickness, safety, and caregiving purposes described below. Paid sick leave may be used as soon as it is accrued, and must be taken in one (1) hour increments. Except for Public Health Emergency sick leave as described below, employees may not use more than forty-eight (48) hours of paid sick leave per year.
6. Employees will be paid their regular hourly rate for all hours in which leave is taken. Benefits will be maintained. This regular hourly rate does not include overtime or bonus pay, and paid sick leave is not considered "hours worked" for purposes of determining whether an employee is entitled to overtime in a given workweek.
7. When leave is foreseeable, King Soopers expects employees to make a good faith effort to provide advance notice of their need for leave and to schedule the leave in a manner that does not unduly disrupt King Soopers' operations.

8. King Soopers will allow employees to use their accrued paid sick leave to be absent from work when the employee has a mental or physical illness, injury, or health condition that prevents the employee from working; needs to obtain a medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or needs to obtain preventative medical care. King Soopers will not consider the fear or anxiety of contracting a communicable illness that is a cause of a public health emergency to be a mental or physical illness, injury, or health condition that prevents an employee from working, but will consider accommodations to an employee who has a health condition which would allow the employee to perform alternative work or jobs.
9. King Soopers will also allow employees to use their accrued paid sick leave to be absent from work when the employee needs to care for a Family Member who has a mental or physical illness, injury, or health condition; needs to obtain a medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or needs to obtain preventative medical care.
10. "Family Members" include any person who is related to the employee by blood, marriage, civil union or adoption, as well as a child to whom the employee is standing in loco parentis or a person who stood in loco parentis to the employee, as well as a person for whom the employee is responsible for providing or arranging health or safety related care.
11. If an employee or Family Member is the victim of domestic abuse, sexual assault, or harassment, King Soopers will allow the employee to use accrued paid sick leave for the following "safe" time purposes: seeking medical attention to recover from a mental or physical illness, injury, or health condition caused by the domestic abuse, sexual assault, or harassment; obtaining services from a victim services organization; obtaining mental health or other counseling; seeking relocation due to the domestic abuse, sexual assault, or harassment; or seeking legal services, including preparing for or participating in a civil or criminal proceeding related to or resulting from the domestic abuse, sexual assault, or harassment.
12. For leaves lasting four (4) or more consecutive workdays, King Soopers may request reasonable documentation to establish that the paid sick leave was used for one of the sickness, safety, or caregiving purposes described above.
13. In the event of a Public Health Emergency ("PHE"), King Soopers will allow employees to use accrued paid sick leave if a public official orders the closure of the King Soopers location where the employee normally works, or orders the closure of the school or place of care of an employee's child and the employee needs to care for the child.
14. Any time a PHE is declared in Colorado, King Soopers will add sufficient PHE paid sick leave ("PHE PSL") to each Colorado employee's available paid sick leave balance to ensure that the employee may take up to two (2) weeks of PHE PSL during the emergency, if necessary for the covered reasons discussed below. Employees who work 40 hours or more per week will be provided 80 hours of PHE PSL. For employees who normally work fewer than 40 hours in a workweek, PHE PSL will be provided to cover the average number of hours the employee works in a 14-day period.
15. PHE PSL may only be used during a PHE or during the four weeks after the official termination or suspension of the PHE, and may only be used for the following reasons related to the PHE:

- a. The employee needs to self-isolate and to engage in self-care because the employee has been diagnosed with, or has symptoms of, a communicable illness that is the cause of the PHE.
 - b. The employee needs to seek or obtain medical diagnosis, care, or treatment because the employee is experiencing symptoms of a communicable illness that is the cause of the PHE.
 - c. The employee needs to seek preventative care concerning a communicable illness that is the cause of the PHE.
 - d. The employee needs to seek care for a Family Member who is engaging in self-isolation, self-care, or seeking diagnosis, care, treatment, or preventative care due to a diagnosis or symptoms of a communicable illness that is the cause of the PHE.
 - e. King Soopers or a local, state, or federal public health official with jurisdiction over the worksite, determines the employee's presence on the job or in the community would jeopardize the health of others because of the employee's exposure to, or symptoms of, a communicable illness that is the cause of the PHE, regardless of whether the employee has been diagnosed as having the communicable illness.
 - f. The employee needs to care for a Family Member when a local, state, or federal public health official, or the Family Member's employer, determines that the Family Member's presence would jeopardize the health of others because of the Family Member's exposure to, or symptoms of, a communicable illness that is the cause of the PHE, regardless of whether the Family Member has been diagnosed as having the communicable illness.
 - g. The employee needs to care for a child or other Family Member when the child care provider is unavailable due to a PHE, or if the child's or Family Member's school or daycare is closed by local, state, or federal public health officials or at the discretion of the school or daycare, due to a PHE. This reason for absence applies even if the school is closed but is providing instruction remotely.
 - h. The employee, even with an accommodation, is unable to work in any job at King Soopers because the employee's own health condition may increase susceptibility to or risk of a communicable illness that is the cause of the PHE.
16. Employees will only be provided the full amount of PHE PSL once during any given PHE, even if the PHE is extended, amended, restated, or prolonged.
17. Sick leave benefits are not convertible to cash. King Soopers will not pay out accrued but unused paid sick leave upon an employee's separation from the company. However, if an employee separates from King Soopers and is rehired within six (6) months after the separation, King Soopers will reinstate any accrued but unused paid sick leave from the employee's previous employment.
18. Certain leave, such as FMLA and/or FFCRA leave, may run concurrently with paid sick leave.
19. King Soopers will make whole any employee who, under a policy or collective bargaining agreement in place prior to the execution of this Agreement, was scheduled to receive a credit

of paid sick leave after the employee's first year of employment. Upon such an employee's first year job anniversary, King Soopers will credit the difference between the number of paid sick leave hours the employee accrued pursuant to the terms of this Agreement and the number of paid sick leave hours the employee was scheduled to receive under the prior policy or agreement.

20. The parties agree that the Colorado Healthy Families and Workplaces Act ("HFWA") allows for federal preemption under the Taft-Hartley Act and ERISA for collective bargaining agreements and trust funds that provide for paid sick leave benefits. Specifically, the HFWA is preempted when employees covered by a collective bargaining agreement enjoy equivalent or more generous paid sick leave benefits as compared to those required by the HFWA. The bargaining parties hereby expressly waive the application of the HFWA's provisions because employees covered by this Agreement enjoy equivalent or more generous paid sick leave benefits as compared to those required by the HFWA.
21. The parties agree that any disputes related to paid sick leave benefits must be resolved according to the grievance and arbitration processes set forth in this Agreement. Any attempt to resolve grievances or disputes related to paid sick leave benefits according to the administrative or judicial remedies set forth in the HFWA will be deferred to the grievance and arbitration processes set forth in this Agreement.
22. The parties agree that the administrative and civil remedies set forth in the Public Health Emergency and Whistleblowers Act ("PHEW"), which prohibits employers from retaliating against employees who raise concerns about workplace safety or wish to wear their own PPE during a PHE, are also preempted by the grievance and arbitration processes set forth in this Agreement. Accordingly, all disputes about matters within the scope of PHEW—including but not limited to grievances and disputes related to capacity limitations, sanitization protocols, social distancing, masking, PPE use, or an employee's fears or anxiety about contracting a communicable illness that is a cause of a PHE in the workplace—must be resolved according to the grievance and arbitration processes set forth in this Agreement. Any attempt to resolve grievances or disputes related to matters of workplace safety during a PHE according to the administrative or judicial remedies set forth in PHEW will be deferred to the grievance and arbitration processes set forth in this Agreement.
23. The parties agree that any discussions which either party may wish to have regarding changes or additions to the relevant trust fund provisions or other related benefits in this Agreement, in light of the HFWA and/or PHEW, will be the subject of bargaining.

<p>Updating the current contract sick leave provisions with new Colorado sick leave law. This enhances your sick pay by combining contract language with new Colorado law.</p>
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15. Article 37 Health and Welfare

Open.

16. Article 39 Pension

Open.

17. Term of Agreement

Open.

18. Appendix A Wage.

Open.

19. In the event this offer is not accepted and ratified by the Union, the Company reserves the right to withdraw or modify any or all proposals set forth in this offer.

20. Letters of Agreement.

Insert the following Letters of Agreement into the contract:

LOA #1 Extension of thirty-day time limit – move to Article 43

LOA #17 Scheduling of Shifts/Four Ten-Hour Days -move to Article 10.

LOA #18 Dress Requirements – move to Article 49

LOA #19 Pharmacy Technicians – move to Article 50

Delete the following Letters of Agreement:

LOA #3, 4, 12, 13, 14, 15, 16 and 20.

These letters are outdated and no longer applicable.
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20. Cleanup – Delete the following obsolete provisions:

Article 54 Apprentice Advancement

Cost of Living Allowance

21. City Market Article 30, Seniority, Section 74 and Section 75

Delete “except as set forth in Section 75 whenever the ability of the employee involved is substantially equal.” Delete Section 75.

Section 74. For lesser classified jobs than Head Clerk, length of continuous service in the employ of the Employer shall govern in layoffs and rehires within a particular classification in the bargaining unit as described in Article 1, Section 1 ~~except as set forth in Section 75 whenever the ability of the employee involved is substantially equal.~~

Section 75. Seniority of Transferred Employees. ~~Employees transferring into the bargaining unit will retain their most recent anniversary date for all purposes other than seniority rights. They will receive a new seniority date upon entering the bargaining unit which will be used for purposes of scheduling, promotions, demotions, claiming of hours, layoffs, etc.~~

This matches language in King Soopers contract. Allows associates to keep their seniority.
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