

# Highlights of Tentative Agreement for 2 Year Contract with Lunds & Byerlys Effective March 5, 2023

## **Union Bargaining Committee**

Michael Butler, Navarre Dael Fesler, Eagan Daniel Humphrey, Richfield Charles Mullen, Nokomis Thomas Steffel, Burnsville Baylie Carlson, Hwy 7 Jayson Gallager, Hennepin Rosemary Luoma, St Louis Park Martin Odian, Edina Nick Stute. Burnsville Sarah Dike, Maple Grove Twig Haney, Uptown Sarah Maceda, Eagan Michael Pam, Golden Valley Matt Vortherms, Chanhassen Keith Farr, Bloomington Tim Hesteness, Hwy 7 Brittany McDaniel, Hennepin Jesslynn Phillips, Richfield Kevin Walsh, Prior Lake

Rena Wong, President Doug Rigert, Union Rep Jess Alexander, Organizer Lauren Booth, SPUR Michael LaCoste, Organizing Director Paul Swanson, Union Rep Veronica Orellana, Organizer Jessica Hayssen, Communications Director Chelsa Nelson-Preble, Metro Field Director

Emma Ruddock, Organizer

Marakah Mancini de León, Digital Organizer Rebecca Chang, Exec Asst to Pres & Organizer

The goals for the Union bargaining committee were based on members' contract surveys, zoom proposal meetings and member meetings from June - Dec 2022. Top member priorities for negotiations included:

- Improve wages for all full-time, part-time and courtesy and custodial classifications
- Pay equity
- Maintain affordable health & welfare benefits
- Add worker protections for safety and well-being

## Increase Wages for All Classifications over 2 Years

Wage increases for all employees, with improved wage scales for all classifications

- Department managers will receive \$4.50
- Head Meat Cutter and FT at top or above scales will receive \$4.00
- All PT before ratification will receive \$3.00, after ratification will receive \$2.00
- All Courtesy and Custodial with 5+ years of service before ratification will receive \$3.00, after ratification or less than 5
  years of service will receive \$2.00

## Health & Welfare Benefits - Employees will not have to pay weekly contributions for 2 years

Lunds & Byerlys agreed to Union's proposal to cover the increased costs of Health & Welfare and will use redirected Health & Welfare funds to cover employees' weekly contributions for two years.

	Current 2022 TOTAL	Employer contribution	Employee contribution	March 2023 TOTAL	Employer contribution	Employee contribution	March 2024 TOTAL	Employer contribution	Employee contribution
FT	\$273.26	\$253.26	\$20.00	\$269.83	\$269.83	\$0.00	\$287.82	\$287.82	\$0.00
Mod PT	\$137.32	\$127.32	\$10.00	\$158.32	\$158.32	\$0.00	\$168.84	\$168.84	\$0.00
Ancillary	\$7.74	\$6.74	\$1.00	\$6.58	\$6.58	\$0.00	\$6.76	\$6.76	\$0.00

## Make All Full-time and Part-time Jobs Better

- Pay Equity: joint labor management committee to set parameters and implement the first phase of pay equity adjustments by October 1, 2023 for impacted employees with at least 5 years of service.
- \$1 per hour shift differential for PT Supervisors on the Front End and Online Shopping
- Full-time waiver increased from \$21.50 to \$24.00. If an employee exceeds the maximum of 1,200 hours, the employee will become a Classified Assistant.
- Any department head who is demoted or steps down will revert to the classification they held prior to becoming a
  department head.
- Increased Bereavement leave.
- L&B will pay the weekly health and welfare payment for modified part-time employees with two or more years of service when they use vacation. (Before this contract, it was only for those with five or more years of service.)

## Worker Protections for Safety and Well-being

New safety committee and structure includes workers, representatives of management and Union representatives to identify, discuss and find solutions to improve the well-being of members and store security.

 For example, members have raised parking lot and lighting issues. This committee could decide to work together to identify hazards store by store, get input from members, and then make a plan to have escorts available, find closer parking for employees, go to city council or other local government to lobby for help, etc.

## **Wages and Benefits**

- Wage increases for all FT and PT employees with modernized wage scales
   See wage scales
- 2) Pay equity see LOA
- 3) Redirect L&B portion of H&W funds to cover all current employees' portion of H&W contributions for 2 year CBA the retail stores share of the \$1,880,817.12 redirect amount is \$1,787,170.90.

Wilson McShane counts for retail are 598 FT, 245 PT, 278 AB. L&B counts are 571 FT, 140 PT, 313 AB.

- \$20 FT
- \$10 PT
- \$1 Ancillary Benefit

This shall apply to all new and existing employees for the term of the contract.

Upon ratification, the Employer will remit no payments to the fund for the time period necessary to retain \$1,787170.90. The Employer will reimburse premiums paid by employees beginning March 6, 2023 through the date of contract ratification. The Employer shall reconcile its remittance with Wilson-McShane to account for how the funds retained by the Employer were applied.

4) Ratios - FT ratio of 40% and PT Modified ratio of 25% less any credit applied for the Employer being over on its FT ratio.

Increase PT top 24% to 30%

- 5) Section 5.5: When an employee relieves a department head who is on scheduled time off, the employee shall be paid the department head rate of pay. Amended so any time a department manager is scheduled to work less than 5 days in their designated work week, a replacement be identified and assigned to fill in as department manager using L&B's Department Manager Replacement Form in order to receive department head pay for each shift replacing a department head.
- 6) Section 23.1 Full-Time Waiver
  - ...increase to \$24.00 for the duration of the waiver period... up to a maximum of one thousand two hundred (1,200) hours of said period. If an employee exceeds the maximum of 1,200 hours, the employee will become a Classified Assistant.
- 7) Health & Welfare
  - Employer will make breakeven / true cost contributions per Union proposal, with no increase to employees

BREAKEVEN / TRUE COST RATES

	Current			March			March		
	2022 TOTAL	Employer contribution	Employee contribution		Employer contribution	Employee contribution		' '	Employee contribution
FT	\$273.26	\$253.26	\$20.00	\$269.83	\$249.83	\$20.00	\$287.82	\$267.82	\$20.00
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

## **Paid Time Off**

1) Increase Bereavement

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 modified part-time employees, when said part-time employees are on a paid vacation.

## Classification

- Any department head who is demoted or chooses to step down will revert to the classification they held prior to becoming a Department Head. Any department head who is demoted or chooses to step down, who has not previously held a classification or a part-time classification, will revert to Classified Assistant.
- 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**

- Clopening / Hours between scheduled shifts: All employees who have worked a complete shift shall be given a minimum of ten (10) hours before the next scheduled work shift, unless by mutual agreement.
- 2) Worker safety and well-being

There shall be a minimum of two (2) employees per store from the bargaining unit that serve on the safety committee. Twice per year (may by increased up to a maximum of four times per year by mutual agreement between the Employer and Union), safety committees shall collectively meet on paid time (during a regularly scheduled safety committee meeting) with representatives

of management to discuss health, safety and security conditions in the stores to ensure employee well-being. Union representative(s) shall be allowed to attend and virtual meeting options will be provided by the Employer as appropriate. The safety committees will review information, engage in discussion, and make recommendations in the areas of safety, health and security. The committee members shall assist with identifying training and/or experts helpful to the committee to address specific topics. The Employer shall keep a log of all health, safety, security reports and all other relevant information, which will be reviewed during each store's specific safety committee meeting. Meeting dates and outcomes will be posted in-store for all store employees to review and provide feedback.

## **Existing TAs:**

- 1. Employees will not stop or approach in any suspected theft situations
- Escorts will be provided to employees between the store and an employee's vehicle, by request
- 3. Training will be provided for employees regarding how to respond and support fellow employees when they see or hear harassing language or behavior.

## **Union Employer Cooperation**

1) Replace BMS with FMCS, with modification to include FMCS furnishing a list of seven (7) arbitrators to select from

## Language Clean Up

- 1) Add to Appendix A-1 Sunday Clause a note to see Section 2.5(A) re: Mod PT
- 2) Visitation: use "Union representative" instead of "business agent" or "business representative" TA
- 3) Term of agreement should read: ...shall be in effect as of March... and continue in full force and effect through 11:59pm on March...

Term of Agreement: 2 years – March 5, 2023 to March 2, 2025

			YEAR	1			YEA	R 2		CBA.	ΓERM
		Effective	Effective			Effective	Effective			ODA	LIXIVI
TOP / OVERSCALE INCREASES		3/6/2023	7/3/2023	TOTAL	% Inc.	3/4/2024	9/2/2024	TOTAL	% Inc.	TOTAL	% Inc.
Head Meat Cutter		\$1.00	\$1.00	\$2.00	6.40%	\$2.00	\$0.00	\$2.00	6.02%		12.80%
All Other Department Managers		\$1.50	\$1.00	\$2.50	8.30%	\$2.00	\$0.00	\$2.00	6.13%	-	14.94%
Full-time		\$1.00	\$1.00	\$2.00	7.96%	\$2.00	\$0.00	\$2.00	7.37%		15.92%
		Effective	Effective			Effective	Effective				
TOP / OVERSCALE INCREASES		3/6/2023	9/4/2023	TOTAL	% Inc.	3/4/2024	9/2/2024	TOTAL	% Inc.	TOTAL	% Inc.
Part-time (≥ \$18.00)		\$0.75	\$0.75	\$1.50	5.56%	\$0.75	\$0.75	\$1.50	7.89%	\$3.00	16.67%
Part-time (<\$18.00) B4 Ratification		\$0.75	\$0.75	\$1.50	5.56%	\$0.75	\$0.75	\$1.50	7.89%	-	16.67%
Part-time (<\$18.00) AF Ratification		\$0.50	\$0.50	\$1.00	5.56%	\$0.50	\$0.50	\$1.00	5.26%	-	11.11%
Courtesy / Custodial w/ 5 or more years @ ratification		\$0.75	\$0.75	\$1.50	11.60%	\$0.75	\$0.75	\$1.50	11.76%	-	23.20%
Courtesy / Custodial hired after ratification or w/ less than 5 years		\$0.50	\$0.50	\$1.00	7.73%	\$0.50	\$0.50	\$1.00	8.00%	\$2.00	15.47%
		^ % Incr based	d on Top of Scale	Classified As	ssistant	^ % Incr based	on Top of Scale	Classified Ass	sistant		
APPENDIX B: Hourly Minimum Meat & Seafood Rates		YE	AR 1			YE	AR 2				
		Effective	Effective	•		Effective	Effective	•			
	3/7/2022	3/6/2023	7/3/2023			3/4/2024	9/2/2024				
Head Meat Cutter	\$31.24	\$32.24	\$33.24			\$35.24	\$35.24				
Journeyman	\$28.24	\$29.50	\$30.50			\$32.50	\$32.50				
		Effective	Effective			Effortive	T#s ative				
Service Employee	3/7/2022	3/6/2023	Effective 7/3/2023			Effective 3/4/2024	Effective 9/2/2024				
Grade 4	\$24.35	\$28.13	\$29.13			\$31.13	\$31.13				
Grade 3	\$19.50	\$21.00	\$21.00			\$21.00	\$21.00				
Grade 2	\$18.00	\$19.50	\$19.50			\$19.50	\$19.50				
Grade 1	\$16.00	\$17.50	\$17.50			\$17.50	\$17.50				
ADDENIDIV Co. Harris Minimum Consum Dates		VE	AD 4			VE	4 D O				
APPENDIX C: Hourly Minimum Grocery Rates		Effective	AR 1 Effective			Effective	AR 2 Effective				
	3/7/2022	3/6/2023	7/3/2023			3/4/2024	9/2/2024				
Assistant Manager	\$30.13	\$31.63	\$32.63			\$34.63	\$34.63				
Produce Department Head	\$30.13	\$31.63	\$32.63			\$34.63	\$34.63				
Frozen Food Department Head	\$30.13	\$31.63	\$32.63			\$34.63	\$34.63				
Bookkeeper or Head Cashier	\$30.13	\$31.63	\$32.63			\$34.63	\$34.63				
Delicatessen Department Head	\$30.13	\$31.63	\$32.63			\$34.63	\$34.63				
Company Designated (up to three per store)	\$30.13	\$31.63	\$32.63			\$34.63	\$34.63				
		YE	AR 1	ı		YE	AR 2	ı			
		Effective	Effective	•		Effective	Effective	•			
Full-Time Food Handlers	3/7/2022	3/6/2023	7/3/2023			3/4/2024	9/2/2024				
Grade 3	\$27.13	\$28.13	\$29.13			\$31.13	\$31.13				
Grade 2	\$24.00	\$26.50	\$26.50			\$26.50	\$26.50				
Grade 1	\$23.50	\$25.00	\$25.00			\$25.00	\$25.00				
		VE	AR 1	ı		VE	AR 2	ı			
		Effective	Effective			Effective	Effective				
Classified Assistant	3/7/2022	3/6/2023	7/3/2023			3/4/2024	9/2/2024	3/4/2024	9/2/2024		
Grade 7	\$25.13	\$26.13	\$27.13			\$29.13	\$29.13	\$29.13	\$29.13		
Grade 6 Hired or promoted into classification post-ratification	-	-	\$25.50			\$26.25	\$26.25				
Grade 5 Hired or promoted into classification post-ratification	-	\$24.50	\$24.50			\$24.50	\$24.50				
Grade 4 Hired or promoted into classification post-ratification	-	\$23.50	\$23.50			\$23.50	\$23.50				
Grade 3 Hired or promoted into classification post-ratification	-	\$22.50	\$22.50			\$22.50	\$22.50				
Grade 2	\$21.50	\$21.50	\$21.50			\$21.50	\$21.50				
Grade 1 Grade 3 Progession eliminiated	\$20.50 <b>\$19.50</b>	\$20.50 <b>\$19.50</b>	\$20.50 <b>\$19.50</b>			\$20.50 <b>\$19.50</b>	\$20.50 <b>\$19.50</b>				
<del>orauc o Frogession emininateu</del>	<del>⊕18.0U</del>	<del>ᡇ ι Ⴘ. ᲔU</del>	<del>φ ι 3.0U</del>			<del>ᡇ ៲ Ⴘ. อ∪</del>	<del>ᡇ ៲ Ⴘ. ਹ∪</del>				

6/29/2023 4:47:07 PM Page 1 of

		-						
				YE	AR 1	YEA	AR 2	
				Effective	Effective	Effective	Effective	
Part-Tim	e Food	Handlers	3/7/2022	3/6/2023	9/4/2023	3/4/2024	9/2/2024	
Grade	29		-	-	-	-	\$21.00	Top of Scale Progression
Grade	28		-	-	-	-	\$20.75	
Grade	27		-	-	-	-	\$20.50	
Grade	26		-	-	-	\$20.25	\$20.25	
Grade	25		-	-	-	\$20.00	\$20.00	
Grade	24		-	-	-	\$19.75	\$19.75	
Grade	23		-	-	\$19.50	\$19.50	\$19.50	
Grade	22		-	-	\$19.25	\$19.25	\$19.25	
Grade	21		-	-	\$19.00	\$19.00	\$19.00	
Grade	20		-	\$18.75	\$18.75	\$18.75	\$18.75	
Grade	19		-	\$18.50	\$18.50	\$18.50	\$18.50	
Grade	18		-	\$18.25	\$18.25	\$18.25	\$18.25	
Grade	17		-	\$18.00	\$18.00	\$18.00	\$18.00	
Grade	16		-	\$17.75	\$17.75	\$17.75	\$17.75	
Grade	15		-	\$17.50	\$17.50	\$17.50	\$17.50	Normal Progression Raise Hired/Promoted B4 Ratification
Grade	14		-	\$17.25	\$17.25	\$17.25	\$17.25	
Grade	13		-	\$17.00	\$17.00	\$17.00	\$17.00	
Grade	12		-	\$16.75	\$16.75	\$16.75	\$16.75	
Grade	11		\$18.00	\$16.50	\$16.50	\$16.50	\$16.50	
Grade	10		\$16.25	\$16.25	\$16.25	\$16.25	\$16.25	
Grade	9		\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	Normal Progression Raise Hired/Promoted AF Ratification
Grade	8		\$15.75	\$15.75	\$15.75	\$15.75	\$15.75	
Grade	7		\$15.50	\$15.50	\$15.50	\$15.50	\$15.50	
Grade	6		\$15.25	\$15.25	\$15.25	\$15.25	\$15.25	
Grade	5		\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	
Grade	4		\$14.75	\$14.75	\$14.75	\$14.75	\$14.75	
Grade	3		\$14.50	\$14.50	\$14.50	\$14.50	\$14.50	
Grade	2		\$14.25	\$14.25	\$14.25	\$14.25	\$14.25	
Grade	1		\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	
Grade	<del>10</del>	Progession eliminiated	\$ <del>13.75</del>	<del>\$13.75</del>	<del>\$13.75</del>	<del>\$13.75</del>	<del>\$13.75</del>	
Grade	9	Progession eliminiated	\$ <del>13.50</del>					
Grade	8	Progession eliminiated	\$ <del>13.25</del>	\$ <del>13.25</del>	\$ <del>13.25</del>	\$ <del>13.25</del>	<del>\$13.25</del>	-
Grade	7	Progession eliminiated	\$ <del>13.00</del>	<del>\$13.00</del>	\$13.00	<del>\$13.00</del>	\$13.00	
Grade	6	Progession eliminiated	\$ <del>12.75</del>	<del>\$12.75</del>	\$ <del>12.75</del>	\$ <del>12.75</del>	\$ <del>12.75</del>	
Grade	5	Progession eliminiated	<del>\$12.50</del>	<del>\$12.50</del>	\$ <del>12.50</del>	<del>\$12.50</del>	<del>\$12.50</del>	
Grade	4	Progession eliminiated	\$ <del>12.25</del>					
Grade	3	Progession eliminiated	\$ <del>12.00</del>					

\$18.00

\$16.00

\$<del>18.00</del>

\$16.00

\$11.75

<del>\$11.50</del>

\$11.75

\$11.50

PT < \$18 and Hired After Ratification: Starting March 6, 2023, part-time employees will go up two progressions every six months if hired after ratification

PT ≥ \$18 and Hired Before Ratification: Starting March 6, 2023, part-time employees will go up three (3) progressions every six months if hired before ratification for the term of this agreement.

\$11.75

\$11.50

\$11.75

<del>\$11.50</del>

<del>\$11.75</del>

<del>\$11.50</del>

\$18.00

\$16.00

\$18.00

\$16.00

\$18.00

\$16.00

Supervisors classified as part-time and who are assigned to the Front-End or Online Shopping shall receive a \$1.00 per hour shift differential for each hour worked in a supervisory position.

Grade

Grade

Grade

Grade

4

**Progession eliminiated** 

**Progession eliminiated** 

**Progession eliminiated** 

**Progession eliminiated** 

6/29/2023 4:47:07 PM Page 2 of

			YEA	AR 1		YEAR 2	
			Effective	Effective	Effective	e Effective	
Courtesy	/ Custodial	3/7/2022	3/6/2023	9/4/2023	3/4/202	4 9/2/2024	
Grade	21	-	\$17.00	\$17.00	\$17.00	\$17.00	
Grade	20	-	\$16.75	\$16.75	\$16.75	\$16.75	
Grade	19	-	\$16.50	\$16.50	\$16.50	\$16.50	
Grade	18	-	\$16.25	\$16.25	\$16.25	\$16.25	
Grade	17	-	\$16.00	\$16.00	\$16.00	\$16.00	
Grade	16	-	\$15.75	\$15.75	\$15.75	\$15.75	CC w/ 5+ yrs
Grade	15	-	\$15.50	\$15.50	\$15.50	\$15.50	
Grade	14	-	\$15.25	\$15.25	\$15.25	\$15.25	
Grade	13	-	\$15.00	\$15.00	\$15.00	\$15.00	
Grade	12	-	\$14.75	\$14.75	\$14.75	\$14.75	
Grade	11	-	\$14.50	\$14.50	\$14.50	\$14.50	
Grade	10	-	\$14.25	\$14.25	\$14.25	\$14.25	
Grade	9	-	\$14.00	\$14.00	\$14.00	\$14.00	CC all other
Grade	8	-	\$13.75	\$13.75	\$13.75	\$13.75	
Grade	7	-	\$13.50	\$13.50	\$13.50	\$13.50	
Grade	6	-	\$13.25	\$13.25	\$13.25	\$13.25	
Grade	5	-	\$13.00	\$13.00	\$13.00		
Grade	4	\$12.75	\$12.75	\$12.75	\$12.75	·	
Grade	3	-	\$12.50	\$12.50	\$12.50		
Grade	2	-	\$12.25	\$12.25	\$12.25	<del>\$12.25</del>	
Grade	1	\$12.00	\$12.00	\$12.00	\$12.00	<del>\$12.00</del>	

Courtesy / Custodial hired after ratification or w/ less than 5 years: Starting March 6, 2023, C/C employees will go up two progressions every six months if hired after ratification: Courtesy / Custodial w/ 5 or more years at time of ratification: Starting March 6, 2023, C/C employees will go up three (3) progressions every six months if hired before ratification for the term of this agreement.

6/29/2023 4:47:07 PM Page 3 of

LEGEND:

A=AMENDED

TA=TENTATIVE AGREEMENT

NEW PROPOSED LANGUAGE CURRENT LANGUAGE

D=DROPPED

**CURRENT LANGUAGE STRIKED** 

#	STATUS	CBA LOCATION	PROPOSED CHANGE(S)
1	TA	Entire Agreement	Remove any and all language pertaining to Pharmacy in the CBA - Lund Food Holdings, Inc. no longer operates pharmacies and it divested this business in 2019
3	TA	Article 2 Section 2.2	The Union repudiates any past practice related to the application of Article 2, Section 2.2, and agrees to waive rights to file grievances that occurred prior to ratification. Further, the Union will give the Employer until 09/01/2023 to remedy the misapplication of this Section.
6	TA	Article 3 Section 3.2 Paragraph 2	MODIFICATION TO EXISTING CBA LANGUAGE: All part-time employees who qualify with the meet the qualification requirements in Section 3.3 and are regularly scheduled to work anytime from Monday through Friday shall receive pay for the above-listed holidays as follows:
7	TA	Article 9 Paragraph 3	MODIFICATION TO EXISTING CBA LANGUAGE: Paid leave for days lost from work for bereavement shall, except in the case of leaves of a spouse, parent or child, be the day of memorial service burial and the day or days preceding such memorial service burial.  Bereaved employees may take part of their paid bereavement leave for travel time for out of town memorial services burials.
11	TA	New Letter of Agreement	Refer to draft letter of agreement RE: CSO Holiday Help & Special Assistance
12	TA	Article 3 Section 3.1	NEW CBA LANGUAGE: Should any of the defined holidays fall on a Sunday, the holiday shall be observed on the following Monday.
14	TA	Article 4	NEW CBA LANGUAGE: The Employer is proposing that ARTICLE 4 as currently written would be replaced in its entirety by the Employer's proposal as written in APPENDIX: ARTICLE 4 REPLACEMENT
15	TA	Article 6	MODIFICATION TO EXISTING CBA LANGUAGE:  No employee shall be discharged without good and sufficient cause. Dishonesty, drunkenness, gross inefficiency, physical violence, intentional damage to and/or destruction of company property, and use of illegal controlled substance(s) (drugs)such that it impairs an employee to safely perform their job duties will be considered as causes for dismissal. Individuals dismissed for use of controlled substance(s) drug offenders who provide the Employer with a certificate of rehabilitation will be reinstated.  The Employer agrees that in case of suspension or termination of an employee, a Union representative will be present.
16	TA	Article 15	Refer to Employer Revised Health & Welfare Letter of Agreement dated 06/26/2023 - 8:30PM
17	TA	Article 17 Section 17.2	MODIFICATION TO EXISTING CBA LANGUAGE: It—is—the intention of the parties that the number of part-time employees (excluding Courtesy and Custodial) shall not exceed three (3) part-time of such employees to one (1) full-time or Classified Assistant—employee. Any Company as of March 2, 1980, who has a ratio of one (1) full-time—or Classified Assistant employee (including—grocery and pharmacy; excluding Courtesy and Custodial)—to—less than three (3) part-time employees(including grocery, pharmacy; excluding Courtesy and—Custodial)—may—reach the one (1) full-time to the three (3) part-time ratio only through store closing, normal attrition, or a combination of both Former Group 3 employees who become Regular part—time employees effective March 4, 2018 shall not count towards this ratio. However, all part—time employees hired after March 4, 2018 shall count towards this ratio. The Employer shall reach a ratio of at least 30% full-time-staffing by the end of this Agreement.  FT ratio of 40% and PT Modified ratio of 25% less any credit applied for the Employer being over on its FT ratio.
18	TA	Article 25	Renew Vendor Partner LOAs set to sunset at the end of the new CBA: Sushi, Online Shopping.

20	TA	Appendix B Appendix C Appendix D	Refer to APPENDIX: WAGE PROGRESSIONS
21	TA	Article 29	Length of Contract Term - 2 years

#### **Union Proposals for Tentative Agreement**

- 1 Wages and Benefits #1 replaced with Employer Counter Proposal see attached
- 2 Wages and Benefits #4.C Increase PT Top 24% --> 30%, and
- 3 Wages and Benefits #3 provided that the Employer remits no payments to the Fund immediately following contract ratification for the time period necessary to retain \$1,787,170.90.
  - Employer will reimburse premiums paid by employees beginning March 6, 2023 through date of contract ratification.
  - The Employer shall reconcile its remittance with Wilson-McShane to account for how the funds retained by the Employer were applied.
  - This shall cover all new and existing employees for the term of the contract.
- 4 Wages and Benefits #5 modified so any time a department manager is scheduled to work less than 5 days in their designated work week, a replacement be identified and assigned department manager duties as defined
  - by L&B's Department Manager Replacement Form in order to receive department head pay for each shift replacing a department head, and
- 5 Wages and Benefits #6 as written in union comprehensive counterproposal dated 06/07/23, and
- Wages and Benefits #7 as written in union comprehensive counterproposal dated 06/07/23, and
- 7 Paid Time Off #1 as written in the latest union comprehensive counterproposal dated 06/07/23, and
- 8 Paid Time Off #2 as written in the latest union comprehensive counterproposal dated 06/07/23, and
- 9 Classification #1 as written in the latest union comprehensive counterproposal dated 06/07/23, and
- 10 Classification #2 as written in the latest union comprehensive counterproposal dated 06/07/23, and
- Working Conditions #1 as written in the latest union comprehensive counterproposal dated 06/07/23, and
- Working Conditions #2 as modified by the employer refer below, and
- 13 Union Employer Cooperation #1 with modification to include FMCS furnishing a list of seven (7) arbitrators to select from, and
- 14 All other Union Worker Protections Proposals not already modified above but as modified by the Employer counter proposal issued on 03/27/23, and
- 15 Language Clean Up #1 as written in union comprehensive counter proposal date 06/07/23, and
- 16 Language Clean Up #2 as written in union comprehensive counter proposal date 06/07/23, and
- 17 Language Clean Up #3 as written in union comprehensive counter proposal date 06/07/23

TA modified H&W Letter of Agreement as counter proposed by Employer 06/26/23 - 8:00PM

As part of this total agreement, the parties agree, upon ratification of the Agreement, to (1) withdraw any and all Unfair Labor Practices filed with the National Labor Relations Board, (2) not file any additional Unfair Labor Practices related to these negotiations, and (3) withdraw any outstanding information requests relating to bargaining.

#### **EMPLOYER REVISED - UNION WORKING CONDITIONS #2**

There shall be a minimum of two (2) employees per store from the bargaining unit that serve on the safety committee. Twice per year (may by increased up to a maximum of four times per year by mutual agreement between the Employer and Union), safety committees shall collectively meet on paid time (during a regularly scheduled safety committee meeting) with representatives of management to discuss health, safety and security conditions in the stores to ensure employee well-being. Union representative(s) shall be allowed to attend and virtual meeting options will be provided by the Employer as appropriate. The safety committees will review information, engage in discussion, and make recommendations in the areas of safety, health and security. The committee members shall assist with identifying training and/or experts helpful to the committee to address specific topics. The Employer shall keep a log of all health, safety, security reports and all other relevant information, which will be reviewed during each store's specific safety committee meeting. Meeting dates and outcomes will be posted in-store for all store employees to review and provide feedback.

## APPENDIX: ARTICLE 4 REPLACEMENT EMPLOYER PROPOSAL

These proposals are offered in a good faith effort to reach negotiated agreements for our collective bargaining agreement with UFCW Local 663. We reserve the right to add to, subtract from or modify the terms of our proposals throughout the course of negotiations. Any proposals that are withdrawn by Lund Food Holdings, Inc. during the course of negotiations shall not be introduced as evidence or have any effect in any future bargaining, grievances, or arbitration hearings. Any proposal or any withdrawal or modification of a proposal does not constitute a waiver of any of our present rights. We reserve the right to add to, modify or delete proposals at any time. Any agreement as to a specific proposal is considered to be a tentative agreement subject to final agreement between Lund Food Holdings, Inc. and the Union concerning all matters related to these negotiations.

Term "Vacation" will be replaced with "Paid Time Off (PTO)" throughout the entire agreement

#### SECTION 4.1: PAID TIME OFF (PTO) ACCRUAL SCHEDULE

Effective October 2023

Full-Time	Years of Service	Annual Grant	Hourly Rate
	Between 0-7th anniversary	2 weeks (capped at 80 hours)	0.050 per hour worked
	Between 7th anniversary-15th anniversary	3 weeks (capped at 120 hours)	0.075 per hour worked
	Between 15th anniversary-19th anniversary	4 weeks (capped at 160 hours)	0.100 per hour worked
	Beginning 19th anniversary and beyond	5 weeks (capped at 200 hours)	0.125 per hour worked
Modified Part-time	Years of Service	Annual Grant	Hourly Rate
	Between 0-7th anniversary	2 weeks (capped at 80 hours)	0.03846 per hour worked
	Between 7th anniversary-15th anniversary	3 weeks (capped at 120 hours)	0.05769 per hour worked
	Between 15th anniversary-19th anniversary	4 weeks (capped at 160 hours)	0.07692 per hour worked
	Beginning 19th anniversary and beyond	5 weeks (capped at 200 hours)	0.09615 per hour worked
Regular Part-time	Years of Service	Annual Grant	Hourly Rate
	Between 0-3rd anniversary	2 weeks (capped at 80 hours)	0.03846 per hour worked
	Beginning 3rd anniversary and beyond	3 weeks (capped at 120 hours)	0.05769 per hour worked
Flex PT / Courtesy / Custodial	Years of Service	Annual Grant	Hourly Rate
	Between 0-1st anniversary	1 weeks (capped at 40 hours)	0.01923 per hour worked
	Between 1st-3rd anniversary	2 weeks (capped at 80 hours)	0.03846 per hour worked
	Beginning 3rd anniversary and beyond	3 weeks (capped at 120 hours)	0.05769 per hour worked

<sup>\*\*</sup>Refer to the PTO Accrual Schedule for an illustration of how the weekly grants and annual grant caps are applied

#### PAID TIME OFF PROPOSAL - WEEKLY ACCRUAL SCHEDULE

			FULL-TIM	E				MOD	DIFIED PART	Г-ТІМЕ		REG PART-TIME					FLEX PT / COURTESY / CUSTO			CUSTODIAL
	0-7 YOS	7-15 YOS	15-19 YOS	19+ YOS			0-7 YOS	7-15 YOS	15-19 YOS	19+ YOS	i		0-3 YOS	3+ YOS			< 1 YOS	1-3 YOS	3+ YOS	
	0.05000	0.07500	0.10000	0.12500	RATE		0.03846	0.05769	0.07692	0.09615	RATE		0.03846	0.05769	RATE		0.01923	0.03846	0.05769	RATE
wĸ	40.0	40.0	40.0	40.0	HRS WKED/WK	WK	30.0	30.0	30.0	30.0	HRS WKED/WK	WK	20.0	20.0	HRS WKED/WK	wĸ	15.0	15.0	15.0	HRS WKED/WK
1	2.0	3.0	4.0	5.0		1	1.2	1.7	2.3	2.9		1	0.8	1.2		1	0.3	0.6	0.9	
2	4.0	6.0	8.0	10.0		2	2.3	3.5	4.6	5.8		2	1.5	2.3		2	0.6	1.2	1.7	
3	6.0	9.0	12.0	15.0		3	3.5	5.2	6.9	8.7		3	2.3	3.5		3	0.9	1.7	2.6	
4	8.0	12.0	16.0	20.0		4	4.6	6.9	9.2	11.5		4	3.1	4.6		4	1.2	2.3	3.5	
5	10.0	15.0	20.0	25.0		5	5.8	8.7	11.5	14.4		5	3.8	5.8		5	1.4	2.9	4.3	
6	12.0	18.0	24.0	30.0		6	6.9	10.4	13.8	17.3		6	4.6	6.9		6	1.7	3.5	5.2	
7	14.0	21.0	28.0	35.0		7	8.1	12.1	16.2	20.2		7	5.4	8.1		7	2.0	4.0	6.1	
8	16.0	24.0	32.0	40.0		8	9.2	13.8	18.5	23.1		8	6.2	9.2		8	2.3	4.6	6.9	
9	18.0	27.0	36.0	45.0		9	10.4	15.6	20.8	26.0		9	6.9	10.4		9	2.6	5.2	7.8	
10	20.0	30.0	40.0	50.0		10	11.5	17.3	23.1	28.8		10	7.7	11.5		10	2.9	5.8	8.7	
11	22.0	33.0	44.0	55.0		11	12.7	19.0	25.4	31.7		11	8.5	12.7		11	3.2	6.3	9.5	
12	24.0	36.0	48.0	60.0		12	13.8	20.8	27.7	34.6		12	9.2	13.8		12	3.5	6.9	10.4	
13	26.0	39.0	52.0	65.0		13	15.0	22.5	30.0	37.5		13	10.0	15.0		13	3.7	7.5	11.2	
14	28.0	42.0	56.0	70.0		14	16.2	24.2	32.3	40.4		14	10.8	16.2		14	4.0	8.1	12.1	
15	30.0	45.0	60.0	75.0		15	17.3	26.0	34.6	43.3		15	11.5	17.3		15	4.3	8.7	13.0	
16	32.0	48.0	64.0	80.0		16	18.5	27.7	36.9	46.2		16	12.3	18.5		16	4.6	9.2	13.8	
17	34.0 36.0	51.0	68.0	85.0 90.0		17	19.6	29.4 31.2	39.2 41.5	49.0		17	13.1 13.8	19.6 20.8		17	4.9	9.8	14.7 15.6	
18	38.0	54.0 57.0	72.0 76.0	90.0 95.0		18 19	20.8 21.9	31.2	43.8	51.9 54.8		18 19	13.8	20.8		18 19	5.2 5.5	10.4 11.0	16.4	
19	40.0	60.0	80.0	100.0			23.1	34.6	46.2	54.6 57.7			15.4	23.1			5.8	11.5	17.3	
20 21	42.0	63.0	84.0	100.0		20 21	24.2	36.3	48.5	60.6		20 21	16.2	24.2		20 21	6.1	12.1	18.2	
22	44.0	66.0	88.0	110.0		22	25.4	38.1	50.8	63.5		22	16.9	25.4		22	6.3	12.7	19.0	
23	46.0	69.0	92.0	115.0		23	26.5	39.8	53.1	66.3		23	17.7	26.5		23	6.6	13.3	19.0	
24	48.0	72.0	96.0	120.0		24	27.7	41.5	55.4	69.2		24	18.5	27.7		24	6.9	13.8	20.8	
25	50.0	75.0	100.0	125.0		25	28.8	43.3	57.7	72.1		25	19.2	28.8		25	7.2	14.4	21.6	
26	52.0	78.0	104.0	130.0		26	30.0	45.0	60.0	75.0		26	20.0	30.0		26	7.5	15.0	22.5	
27	54.0	81.0	108.0	135.0		27	31.2	46.7	62.3	77.9		27	20.8	31.2		27	7.8	15.6	23.4	
28	56.0	84.0	112.0	140.0		28	32.3	48.5	64.6	80.8		28	21.5	32.3		28	8.1	16.2	24.2	
29	58.0	87.0	116.0	145.0		29	33.5	50.2	66.9	83.7		29	22.3	33.5		29	8.4	16.7	25.1	
30	60.0	90.0	120.0	150.0		30	34.6	51.9	69.2	86.5		30	23.1	34.6		30	8.7	17.3	26.0	

6/29/2023 8:12:38 PM Page 1 of

78.0 80.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0	117.0 120.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0	156.0 160.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0	195.0 200.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0	40 41 42 43 44 45 46 47 48	46.2 47.3 48.5 49.6 50.8 51.9 53.1 54.2 55.4 56.5	69.2 71.0 72.7 74.4 76.2 77.9 79.6 81.3 83.1 84.8	92.3 94.6 96.9 99.2 101.5 103.8 106.1 108.5 110.8 113.1	115.4 118.3 121.1 124.0 126.9 129.8 132.7 135.6 138.5 141.3	40 41 42 43 44 45 46 47 48	30.8 31.5 32.3 33.1 33.8 34.6 35.4 36.2 36.9 37.7	46.2 47.3 48.5 49.6 50.8 51.9 53.1 54.2 55.4 56.5		40 41 42 43 44 45 46 47 48 49	11.5 11.8 12.1 12.4 12.7 13.0 13.3 13.6 13.8	23.1 23.7 24.2 24.8 25.4 26.0 26.5 27.1 27.7 28.3	34.6 35.5 36.3 37.2 38.1 38.9 39.8 40.7 41.5 42.4
80.0 0.0 0.0 0.0 0.0 0.0 0.0	120.0 0.0 0.0 0.0 0.0 0.0 0.0	160.0 0.0 0.0 0.0 0.0 0.0 0.0	200.0 0.0 0.0 0.0 0.0 0.0 0.0	40 41 42 43 44 45	46.2 47.3 48.5 49.6 50.8 51.9 53.1	69.2 71.0 72.7 74.4 76.2 77.9 79.6	94.6 96.9 99.2 101.5 103.8 106.1	118.3 121.1 124.0 126.9 129.8 132.7	41 42 43 44 45 46	31.5 32.3 33.1 33.8 34.6 35.4	47.3 48.5 49.6 50.8 51.9 53.1		41 42 43 44 45 46	11.8 12.1 12.4 12.7 13.0 13.3	23.7 24.2 24.8 25.4 26.0 26.5	35.5 36.3 37.2 38.1 38.9 39.8
80.0 0.0 0.0 0.0 0.0 0.0	120.0 0.0 0.0 0.0 0.0 0.0	160.0 0.0 0.0 0.0 0.0 0.0	200.0 0.0 0.0 0.0 0.0 0.0	40 41 42 43 44 45	46.2 47.3 48.5 49.6 50.8 51.9	69.2 71.0 72.7 74.4 76.2 77.9	94.6 96.9 99.2 101.5 103.8	118.3 121.1 124.0 126.9 129.8	41 42 43 44 45	31.5 32.3 33.1 33.8 34.6	47.3 48.5 49.6 50.8 51.9		41 42 43 44 45	11.8 12.1 12.4 12.7 13.0	23.7 24.2 24.8 25.4 26.0	35.5 36.3 37.2 38.1 38.9
80.0 0.0 0.0 0.0 0.0	120.0 0.0 0.0 0.0 0.0	160.0 0.0 0.0 0.0 0.0	200.0 0.0 0.0 0.0 0.0	40 41 42 43 44	46.2 47.3 48.5 49.6 50.8	69.2 71.0 72.7 74.4 76.2	94.6 96.9 99.2 101.5	118.3 121.1 124.0 126.9	41 42 43 44	31.5 32.3 33.1 33.8	47.3 48.5 49.6 50.8		41 42 43 44	11.8 12.1 12.4 12.7	23.7 24.2 24.8 25.4	35.5 36.3 37.2 38.1
80.0 0.0 0.0 0.0	120.0 0.0 0.0 0.0	160.0 0.0 0.0 0.0	200.0 0.0 0.0 0.0	40 41 42 43	46.2 47.3 48.5 49.6	69.2 71.0 72.7 74.4	94.6 96.9 99.2	118.3 121.1 124.0	41 42 43	31.5 32.3 33.1	47.3 48.5 49.6		41 42 43	11.8 12.1 12.4	23.7 24.2 24.8	35.5 36.3 37.2
80.0 0.0 0.0	120.0 0.0 0.0	160.0 0.0 0.0	200.0 0.0 0.0	40 41 42	46.2 47.3 48.5	69.2 71.0 72.7	94.6 96.9	118.3 121.1	41 42	31.5 32.3	47.3 48.5		41 42	11.8 12.1	23.7 24.2	35.5 36.3
80.0 0.0	120.0 0.0	160.0 0.0	200.0 0.0	40 41	46.2 47.3	69.2 71.0	94.6	118.3	41	31.5	47.3		41	11.8	23.7	35.5
80.0	120.0	160.0	200.0	40	46.2	69.2								l		
							02.2	115.4	40	20.0	46.2		40	115		246
70.0	447 O						90.0	112.5	39	30.0	45.0		39	l		33.1
76.0	114.0	152.0	190.0	38 39	43.8 45.0	65.8 67.5	87.7 90.0	109.6 112.5	38   39	29.2 30.0	43.8 45.0		38 39	11.0 11.2	21.9 22.5	32.9 33.7
74.0	111.0	148.0	185.0	37	42.7	64.0	85.4	106.7	37	28.5	42.7		37	10.7	21.3	32.0
72.0	108.0	144.0	180.0	36	41.5	62.3	83.1	103.8	36	27.7	41.5		36	10.4	20.8	31.2
														l		30.3
				34										l		29.4
66.0	99.0	132.0	165.0	33	38.1	57.1	76.2	95.2	33	25.4	38.1		33	9.5	19.0	28.6
64.0	96.0	128.0	160.0	32	36.9	55.4	73.8	92.3	32	24.6	36.9		32	9.2	18.5	27.7
62.0	93.0	124.0	155.0	31	35.8	53.7	71.5	89.4	31	23.8	35.8		31	8.9	17.9	26.8
	64.0 66.0 68.0 70.0	64.0 96.0 66.0 99.0 68.0 102.0 70.0 105.0	64.0 96.0 128.0 66.0 99.0 132.0 68.0 102.0 136.0 70.0 105.0 140.0	64.0 96.0 128.0 160.0 66.0 99.0 132.0 165.0 68.0 102.0 136.0 170.0 70.0 105.0 140.0 175.0	64.0     96.0     128.0     160.0     32       66.0     99.0     132.0     165.0     33       68.0     102.0     136.0     170.0     34       70.0     105.0     140.0     175.0     35	64.0         96.0         128.0         160.0         32         36.9           66.0         99.0         132.0         165.0         33         38.1           68.0         102.0         136.0         170.0         34         39.2           70.0         105.0         140.0         175.0         35         40.4	64.0         96.0         128.0         160.0         32         36.9         55.4           66.0         99.0         132.0         165.0         33         38.1         57.1           68.0         102.0         136.0         170.0         34         39.2         58.8           70.0         105.0         140.0         175.0         35         40.4         60.6	64.0         96.0         128.0         160.0         32         36.9         55.4         73.8           66.0         99.0         132.0         165.0         33         38.1         57.1         76.2           68.0         102.0         136.0         170.0         34         39.2         58.8         78.5           70.0         105.0         140.0         175.0         35         40.4         60.6         80.8	64.0         96.0         128.0         160.0         32         36.9         55.4         73.8         92.3           66.0         99.0         132.0         165.0         33         38.1         57.1         76.2         95.2           68.0         102.0         136.0         170.0         34         39.2         58.8         78.5         98.1           70.0         105.0         140.0         175.0         35         40.4         60.6         80.8         101.0	64.0     96.0     128.0     160.0     32     36.9     55.4     73.8     92.3     32       66.0     99.0     132.0     165.0     33     38.1     57.1     76.2     95.2     33       68.0     102.0     136.0     170.0     34     39.2     58.8     78.5     98.1     34       70.0     105.0     140.0     175.0     35     40.4     60.6     80.8     101.0     35	64.0     96.0     128.0     160.0     32     36.9     55.4     73.8     92.3     32     24.6       66.0     99.0     132.0     165.0     33     38.1     57.1     76.2     95.2     33     25.4       68.0     102.0     136.0     170.0     34     39.2     58.8     78.5     98.1     34     26.2       70.0     105.0     140.0     175.0     35     40.4     60.6     80.8     101.0     35     26.9	64.0     96.0     128.0     160.0     32     36.9     55.4     73.8     92.3     32     24.6     36.9       66.0     99.0     132.0     165.0     33     38.1     57.1     76.2     95.2     33     25.4     38.1       68.0     102.0     136.0     170.0     34     39.2     58.8     78.5     98.1     34     26.2     39.2       70.0     105.0     140.0     175.0     35     40.4     60.6     80.8     101.0     35     26.9     40.4	64.0     96.0     128.0     160.0     32     36.9     55.4     73.8     92.3     32     24.6     36.9       66.0     99.0     132.0     165.0     33     38.1     57.1     76.2     95.2     33     25.4     38.1       68.0     102.0     136.0     170.0     34     39.2     58.8     78.5     98.1     34     26.2     39.2       70.0     105.0     140.0     175.0     35     40.4     60.6     80.8     101.0     35     26.9     40.4	64.0     96.0     128.0     160.0     32     36.9     55.4     73.8     92.3     32     24.6     36.9     32       66.0     99.0     132.0     165.0     33     38.1     57.1     76.2     95.2     33     25.4     38.1     33       68.0     102.0     136.0     170.0     34     39.2     58.8     78.5     98.1     34     26.2     39.2     34       70.0     105.0     140.0     175.0     35     40.4     60.6     80.8     101.0     35     26.9     40.4     35	64.0     96.0     128.0     160.0     32     36.9     55.4     73.8     92.3     32     24.6     36.9     32     9.2       66.0     99.0     132.0     165.0     33     38.1     57.1     76.2     95.2     33     25.4     38.1     33     9.5       68.0     102.0     136.0     170.0     34     39.2     58.8     78.5     98.1     34     26.2     39.2     34     9.8       70.0     105.0     140.0     175.0     35     40.4     60.6     80.8     101.0     35     26.9     40.4     35     10.1	64.0     96.0     128.0     160.0     32     36.9     55.4     73.8     92.3     32     24.6     36.9     32     9.2     18.5       66.0     99.0     132.0     165.0     33     38.1     57.1     76.2     95.2     33     25.4     38.1     33     9.5     19.0       68.0     102.0     136.0     170.0     34     39.2     58.8     78.5     98.1     34     26.2     39.2     34     9.8     19.6       70.0     105.0     140.0     175.0     35     40.4     60.6     80.8     101.0     35     26.9     40.4     35     10.1     20.2

#### SECTION 4.2: PTO OVERTIME CALCULATION FOR FULL-TIME EMPLOYEES

Average hours over forty (40) will be computed at one and one-half (1½) full-time employee's regular straight time rate of pay at the time vacation is taken.

#### **SECTION 4.3: CALCULATING PTO GRANTS**

All hours worked shall be considered for purposes of calculating PTO grants. Employees with less than 90 days of service PTO, but such time will not granted or available for use until after their 90th day service. Additionally, any employee that separates employment with the company prior to completing one (1) year of service shall forfeit any granted PTO that has not been used prior to their last day of employment.

#### **SECTION 4.4: HOLIDAY WEEKS**

If a holiday falls during an employee's PTO, the employee will receive an extra day of PTO or the equivalent in pay.

#### **SECTION 4.5: PAYROLL TAXES**

The Company shall apply all appropriate state and federal tax deductions on PTO earnings.

#### **SECTION 4.6: PTO BIDDING**

PTO schedules in each store shall be posted by January 1st and PTO selected on the basis of seniority by February 15th of each year. The approved PTO schedule shall be posted in each market by March 15th of each year for the following twelve (12) month period to March 15th. Employees who fail to select PTO by February 15th will be placed at the bottom of the seniority list for the purpose of PTO selection.

#### **SECTION 4.7: SICK & SAFE TIME**

Employees may use earned PTO for SST purposes and the amount of PTO that an employee can use per year shall be capped in accordance with the Minneapolis SST ordinance (Ord. No. 2016-040, § 1, 5-27-16). Also, in accordance with SST, employees with less than one (1) year of service will begin according PTO immediately but will not have any PTO granted for use until after completing ninety (90) days of service and employment with less than one (1) year of service will not have any unused PTO paid out.

#### **SECTION 4.8: PAID FAMILY MEDICAL LEAVE**

The Employer shall retain the right to implement a private plan substituition should new state legislation be enacted offering paid family leave and commissioner approval is granted of said private plan. This private plan shall provide no less than the minimum benefits required under any said state law. The Employer shall have the ability to design its private plan however it sees fit provided it receives commissioner approval.

#### **SECTION 4.9: PANDEMIC LEAVE**

When a pandemic has been declared and an employee is required to quarantine, should some or all of the time be unpaid, the Employer agrees to make Employer health care contributions to cover said quarantine and the Employer's responsibility with respect to these payments shall not exceed a total of two (2) weeks per calendar year. It is understood that an employee must use their accrued PTO, if available, to reach the minimum threshold of hours, or get as close as possible to the minimum threshold if PTO is insufficient to reaching the threshold, in order for the Employer to make an Employer health care contribution. The minimum threshold shall be defined as replacing all scheduled hours. If no scheduled hours exist, minimum hours will be based on average hours worked by the Employee for the 6 months prior. The Employee will be responsible for paying their employee health care contribution to cover their quarantine from future earnings after they have returned to work.

6/29/2023 8:12:38 PM Page 2 of

Tentative Agreement - UFCW Local 663 and L&B - June 26, 2023 @ 11:30pm

Letter of Agreement re: Pay Equity

The Union and the Employer agree to work towards addressing pay equity. Acknowledging and rewarding employees' years of service and experience is critical for hiring and retaining workers.

The Union and the Employer will form a joint labor management committee of five (5) team members in the bargaining unit and five (5) management representatives to meet collectively on paid time to reach mutual agreement on the initial parameters of a pay equity program. Union representative(s) will also join this committee. The first phase will be implemented by October 1, 2023, and shall include pay equity adjustments for those impacted with at least 5 years of service.

## This committee will meet to:

- Identify what is the relevant service and experience to be considered when assessing
  pay equity for new team members compared to tenured staff, to include situations of
  internal store transfers (i.e. cross-training, performing work in other departments, or
  permanent transfers from one department to another).
- Systematize how to track and audit workers' relevant service and experience.
- Determine when and how to make pay equity adjustments.
- Team members and management will be informed of the initial, agreed upon pay equity program and any successive improvements to achieve long-term pay equity outcomes.

## LETTER OF AGREEMENT

This is a letter of understanding between Lund Food Holdings, Inc., d/b/a Lunds & Byerlys (the Employer) and UFCW Local 663 (the Union).

The Employer has developed and presented the below plan to the Union. This plan shall go into effect immediately upon both parties executing this letter of understanding.

As for the specific details of this agreement:

- Lunds & Byerlys has a long-held practice during the months of November and December, which includes:
  - Closing its Corporate Support Office for one (1) to two (2) days leading up to each of the following holidays - Thanksgiving and Christmas - and then reassigning these employees to its retail stores and/or facilities; and
  - Providing Corporate Support Office team members the option to work on a volunteer basis at select stores on Fridays each week for a four (4) hour period.
- Lunds & Byerlys conducts Merchant Tours weekly on Friday. The spirit of these tours are to assess store conditions and merchandising to provide constructive feedback to its team members.
- Given these long-held practices by the Company, the Employer shall be able to:
  - o Reassign Corporate Support Office employees to do bargaining unit work up to a maximum of two (2) full workdays that immediately lead up to Thanksgiving and Christmas Eve holidays; and
  - o Reassign Corporate Support Office employees outside of the bargaining unit to provide temporary assistance with bargaining unit work for up to four (4) hours per person on any Friday when a Merchant Tour is not conducted.
  - o However, no employee shall be negatively impacted as a result of non-UFCW 663 member labor added to any store. To achieve this, the Employer will post hours equal to that of CSO assistance (time and day) so that individuals seeking to max out on hours can do so. The Employer will post a notice by the timeclock, master schedule, and any department specific schedules throughout the store regarding how to find and bid on additional hours. Additionally, the Employer will have posted instructions on how to change work availability temporarily in the event an employee is available to be scheduled more hours in a particular week.

This letter of agreement will sunset at the end of the current CBA.

## LETTER OF AGREEMENT:

## **HEALTH & WELFARE BENEFIT MODERNIZATION**

## **Background**

- Lunds & Byerlys and UFCW Local 663 share an interest in improving the Health & Welfare benefits offered to Lunds & Byerlys employees with membership to UFCW Local 663.
- Attempts have been made to modernize the MRMC Health & Welfare plan since 2017, but no improvements have been implemented to date.
- Both parties remain committed to this effort and seek to renew their partnership to improve H&W benefits.

## **Benefit Modernization and Minimum Thresholds for Improvements**

## Guiding principles for H&W benefit modernization and enrichment:

- 1. Current benefits will not be reduced
- 2. Waiting periods will be shortened to attract and retain employees
- 3. Financial integrity and sustainability of H&W benefits will be maintained
- 4. New benefit plan design will become effective no later than January 1, 2025
- 5. Decisions will be guided by recommendations from Plan Professionals. Union and Employer Trustees will make decisions in the best interest of the Plan for all participants and employers.

## Benefit design improvements shall include:

- Transition to monthly coverage and eliminating grace weeks
- · Coverage termination to coincide with employment termination, not extended with accrued paid time off benefits
- Eliminate "tunnel contributions" which are made today prior to benefit coverage taking effect
- Benefit waiting periods need only be satisfied once by an employee no "re-waiting" due to qualified life events
- Offer tiered coverage for Full-time employees (i.e., Employee, Employee + Spouse, Employee + Child(ren), Family)

Benefit design improvements are based on the understanding that data provided by the Plan professionals will inform Trustee decision-making and (1) there may be increased costs on a per Employer basis associated with plan design changes and (2) the implementation of changes depends on all stakeholders willingness to accept these changes.

Both parties commit to being objective and open minded when evaluating how to provide the best possible benefit coverage to Lunds & Byerlys employees who are members of UFCW Local 663 in advance of negotiations on a successor Agreement. To achieve this, the following actions will be taken:

## **Evaluation of MRMC Health & Welfare Plan Actions & Timeline:**

- The Chair for the MRMC Health & Welfare Board of Trustee has or will recommend that the trustees of the MRMC H&W Fund to evaluate options for modernizing the current benefit plan design.
- Trustees from UFCW Local 663 and Lunds & Byerlys will actively engage fellow Trustees in the modernization process and be advocates for benefit design changes that are fiscally responsible and sustainable.
- The next special H&W Trust meeting is scheduled for July 13, 2023. MRMC H&W plan

professionals have been instructed to update the model created in 2017-2019 by Trustee subcommittee with current and additional data from all participating Employers relating to eligibility and costs. This instruction will be renewed to ensure provision of this information by July 13, 2023.

- The Company will comply with any data requests that the MRMC H&W Fund consultants need to fully
  evaluate options for modernizing the current plan design and eligibility.
- Modernization to the MRMC H&W benefit design and eligibility rules must be approved by the Board of Trustees no later than May 31, 2024. Both parties will ensure that their representatives on the Trust Fund will act in good faith to achieve modernization and support modernization consistent with guiding principles for H&W benefit modernization and enrichment and benefit design improvements set forth herein.

## **Evaluation of Company-Sponsored Health & Welfare Plan Actions & Timeline:**

- No sooner than May 31, 2024, the Company may make a formal request of the MRMC Health & Welfare Plan third-party administrator to provide a full, thorough, and complete demographic and claims experience report of its employees per the reporting requirements set by the Company's benefit consultant for a time period as defined by the benefit consultant. Such data shall be de-identified to safeguard employees' Protected Health Information (PHI) in accordance with HIPAA and shall comply with any data security requirements of the Plan Trust and as required by law. The Company, LFHI, and any potential benefit consultants shall enter into a Business Associate Agreement allowing for the release of PHI.
- The Chair for the MRMC Health & Welfare Board of Trustees and the trustee representative of Lunds & Byerlys
  will recommend that the trustees of the MRMC H&W Plan to approve such a request. All trustees shall be
  encouraged to vote in favor of the data request being provided to the Company's benefit consultant.
- No sooner than May 31, 2024, the Company will inform the Union and its bargaining committee of its intent to bring forth a proposal of an alternative company-sponsored health and welfare plan.

## Failure to Adopt H&W Benefit Modernization

With the understanding that both parties seek to provide the best possible benefit coverage to Lunds & Byerlys employees with membership to UFCW Local 663, should Plan Trustees fail to approve all measures to modernize the MRMC plan by May 31, 2024, the parties shall begin the following process. Should Plan Trustees approve all modernization measures no later than May 31, 2024, the provisions of this section shall be deemed null and void.

- 1. The parties agree to begin meeting for the exclusive purpose of evaluating, in good faith, health and welfare plan options between the MRMC Health & Welfare plan and any other Lunds & Byerlys-sponsored Health & Welfare plan will occur starting no later June 5, 2024.
- 2. Lunds & Byerlys employees with membership to UFCW Local 663 that are selected to serve on the Union's healthcare committee will be determined as follows:
  - UFCW Local 663 at its sole discretion shall select no more than fifteen (15) individuals that are employed by Lunds & Byerlys and who have membership with their Local.
- 3. The healthcare committee will meet in good faith with management representatives with regular frequency, but no less than twice per month, unless mutual agreement is reached between the Union and Company to meet at a different frequency.
- 4. The Company and the Union will conduct joint town hall meetings with employees/members no earlier than August 2024 for the purposes of explaining the health and welfare options presented to the committee. Such joint town hall meeting(s) will only occur after the Company has provided the Union and the healthcare committee the full details of all health and welfare plans being proposed, discussed and considered, including scope of benefits, eligibility and providers.
- 5. Town hall meetings will be used to communicate the facts pertaining to the then current Trust plan and the Company proposed plans. Any materials presented will first be provided to all parties involved. Nothing is this agreement shall limit or preclude the Union from any other means of communicating with members.
- 6. The parties will begin bargaining, in good faith, on a successor agreement no later than September 15, 2024 and will begin bargaining with the subject of health and welfare, with the mutual goal of first bargaining to agreement the 2025 health and welfare of employees. Such health and welfare agreement shall be drafted in a Letter of Understanding (LOU) that shall be expeditiously ratified by the membership of the Union with adequate time for any necessary open enrollment period. The parties agree to endeavor to resolve 2025 health and welfare before bringing forth other bargaining proposals.
- 7. Should the parties, after bargaining in good faith, not come to agreement on a health and welfare LOU, the Union shall commit to take the Employer's last, final health and welfare proposal for a vote of the membership.

The members shall vote whether to accept or reject the Employer's last, final offer. Both parties commit to respect the will of the membership and the outcome of the vote. The vote shall be executed consistent with the United Food and Commercial Workers International Union Constitution Article 23.D.3. This vote shall occur no later than September 30, 2024, so in the event that a plan transition takes place there is still time to conduct open enrollment and have the plan go into effect January 1, 2025.

## Company Commitment to MRMC Health & Welfare Plan

Should the MRMC Plan Trustees adopt all reasonable measures to modernize the Plan by the deadlines agreed herein, the Company commits to not propose any alternative company-sponsored health and welfare plan affecting bargaining unit employees during the negotiations of a 2025 successor agreement.

## **Disputes Over This Agreement**

Should any disputes occur over the application and interpretation of the Letter of Agreement, the parties agree to expedited grievance arbitration. The arbitrator's authority shall be limited to interpreting and applying the language and intent of this agreement. In lieu of Article 16, the parties agree that the following process will be applicable to disputes arising out of this LOA:

- A. A grievance concerning this provision may be submitted by either party for expedited arbitration.
- B. A grievance will be filed directly with the other party.
- C. The party in which the grievance was served upon will have five (5) days to issue a final decision to the grievance.
- D. The request for expedited arbitration will be made within five (5) calendar days after receipt of the final decision in the grievance procedure. If no final decision has been issued, the request will be made within five (5) calendar days from the date such decision should have been issued.
- E. The parties agree that such matters will be heard by an arbitrator agreed upon by the parties, or if they do not agree the grieving party shall request from FMCS a panel of seven (7) regionally available arbitrators from the National Academy of Arbitrators. The parties shall strike arbitrators within three (3) business days of receipt of the panel, with the grieving party striking first. An arbitrator unable to hear an expedited arbitration case within thirty (30) calendar days will be deemed unavailable and the Parties will select another arbitrator.
- F. The hearing will be conducted as soon as possible but in no event later than 30 days from the request to the Arbitrator. The Parties may arrange for a pre-hearing conference with or without the Arbitrator to consider means of expediting the hearing.
- G. The arbitrator will issue a decision as soon as possible, but no later than twenty (20) calendar days after the official closing of the hearing, unless otherwise agreed by the Parties. By mutual agreement, the arbitrator may issue a bench decision.