

**USMX-ILA M&R CONTRACT  
MEMORANDUM OF SETTLEMENT**

**BETWEEN**

**UNITED STATES MARITIME ALLIANCE, LTD.**

**AND**

**INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO  
(For And On Behalf of Itself And Each Of Its  
Local Unions Representing Maintenance Workers  
Performing Maintenance Work In The Ports of  
Wilmington, NC, Charleston, Savannah and Jacksonville)**

This Agreement is made on the 4<sup>th</sup> day of August, 2004. The parties to this Memorandum adopt the terms agreed to by the ILA and USMX in their recently completed Master Contract negotiations to the extent such terms are a part of this maintenance and repair contract. All the terms and conditions of the 1996 ILA-USMX Maintenance and Repair Contract including all amendments thereto shall remain in effect during the entire term of this Agreement except as modified by the provisions of this Agreement.

The parties to this Memorandum also agree that within ninety (90) days after this Memorandum is fully executed, the parties shall prepare a complete agreement which includes each and every agreed upon contractual term.

**ARTICLE I**

**UNION RECOGNITION AND CHECK-OFF**

It is agreed that the forwarding of Union dues check-off will be handled on a local basis with the provision that all ILA locals in that port handle it in the same fashion.

**ARTICLE II**

**HIRING PROCEDURES — Certification for Uncertified Mechanics**

When a bona fide mechanic (one who has been trained and certified in the local training program) is referred to the employer based on his Port Wide seniority there will be no probationary period. If a mechanic is not certified when he is referred to the employer the 90-day probationary period will apply. If a mechanic is referred back to the Hall/Union bench during his probationary period he cannot be referred to any other employer until after he is certified in the local training and certification program.

It is further agreed that USMX and the Union will form a joint Performance Standards Committee to establish maintenance performance standards for all ports covered by this Agreement within the next 30-days.

All ports will have 30-days to reach a local agreement or the matter will be referred to the Small Committee for resolution.

## **ARTICLE II**

### **HIRING PROCEDURES — Training/Certification**

Both the Union and Management commit to expanding training in all ports covered by this Agreement. The Jacksonville Training/Certification Program for dry container and chassis repair and the Savannah Reefer Training/Certification Program will be used as a guide. All ports will have 30-days to reach a local agreement or the matter will be referred to the Small Committee for resolution.

## **ARTICLE II**

### **HIRING PROCEDURES — Temporary Replacement Foreman**

It is agreed that a temporary replacement foreman will be appointed as outlined in the Memo of Understanding of 2003, dated March 3, 2003.

## **ARTICLE III**

### **SENIORITY — Port Wide Seniority**

It is agreed that when a mechanic loses his job through no fault of his own, he will bump the least senior mechanic in the port and his port wide seniority will be integrated into the existing seniority list at the company. It is further agreed that if a mechanic is on the bench through no fault of his own and applies for an open mechanics position and the employer accepts the mechanic as qualified, his port wide seniority will be integrated into the existing seniority list at the company. In either of these cases it is agreed that this mechanic cannot replace a current foreman.

If a mechanic is on the bench because he was terminated for disciplinary actions or he quit an employer and applies for an open mechanics position and the employer accepts the mechanic as qualified, his port wide seniority will be integrated into the existing seniority list after he has been employed for six (6) months.

Each employer will maintain two (2) seniority lists – a) Company Seniority, b) Port Wide Seniority. The company seniority list will be used for rotation of overtime and the port wide seniority list will be used for promotion and lay-offs.

## **ARTICLE IV**

### **CONDUCT OF EMPLOYEES — Attendance Program**

It is agreed that each port will work out an attendance program locally within a 30-day period. If they are unable to agree the matter will be referred to the Small Committee for resolution.

**ARTICLE IV**

**CONDUCT OF EMPLOYEES — Drivers License**

Management and the Union agree that when a mechanic is declared uninsurable or loses their drivers license for a DUI or other moving violations, they (Management and Union) will do everything possible to find a position for the mechanic where a valid drivers license is not a requirement. It is further agreed that if a position where a valid drivers license is not a requirement is found, the incumbent mechanic in such position who has a valid drivers license must agree to be replaced prior to placing the mechanic without a valid drivers license in that position.

**ARTICLE IV**

**CONDUCT OF EMPLOYEES — Cell Phones**

It is agreed that each port will work out a cell phone policy locally within a 30-day period. If they are unable to agree the matter will be referred to the Small Committee for resolution.

**ARTICLE IV**

**CONDUCT OF EMPLOYEES — Dress Code**

It is agreed that each port will work out a dress code policy locally within a 30-day period. If they are unable to agree the matter will be referred to the Small Committee for resolution.

**ARTICLE V**

**RATES OF PAY — New Rates**

Mechanics whose straight-time basic wage rate in effect on September 30, 2004 is more than \$21 per hour shall receive the following increases in their straight-time basic wage rate:

EFFECTIVE DATE		INCREASE
October 1, 2004	—	\$1.00 per hour
October 1, 2006	—	\$1.00 per hour
October 1, 2008	—	\$1.00 per hour
October 1, 2009	—	\$1.00 per hour.

Mechanics whose straight-time basic wage rate in effect on September 30, 2004 is \$21.00 per hour or less shall receive the following increases in their straight-time basic wage rate:

EFFECTIVE DATE		INCREASE
October 1, 2004	—	\$2.00 per hour
October 1, 2006	—	\$2.00 per hour
October 1, 2008	—	\$1.50 per hour
October 1, 2009	—	\$1.50 per hour.

The starting straight-time basic wage rate for new mechanics who enter the industry on or after October 1, 2004 shall be \$16.00 per hour.

## ARTICLE V

### RATES OF PAY — Rates for Foremen

It is agreed that foremen will receive \$1.00 plus their basic hourly rate of pay. The following individuals

<u>Company</u>	<u>Name</u>
Savannah:	
Atlantic Container	Robert M. Bowers, Jr.
Atlantic Container	Charles Duncan
Coastal Great Southern	Cherico Whitefield
Coastal Great Southern	Bradley Resente
Coastal Great Southern	Barry Scott Gordy
Coastal Great Southern	James A. Roberts, Sr.
Container Maintenance	Elijah Wafford
Container Maintenance	Donnie Godwin
Container Maintenance	Brian Roddenberry
Container Maintenance	Brian Thompson
Container Maintenance	Alton H. Godwin, Jr.
Container Maintenance	James Buddy Wheeler
Container Maintenance	Jason McClure
Container Maintenance	Laborskie Frazier
Charleston:	
Atlantic Container	Leonard Bailey
Coastal Great Southern	Isaiah Pinkney, Jr.
Coastal Great Southern	Clarence Boatwright
Container Maintenance	Ernest Edwards
Container Maintenance	Donald S. Gantt
Container Maintenance	Henry M. Gibbs
Container Maintenance	Michael N. Parker
Container Maintenance	Charles M. Cooper
Refrigerated Container	Corey Ravenel

will be grandfathered at their current rate of pay only while they are in their current foreman's position. It is further agreed that if one of the above listed individuals loses his position as foreman, he will revert back to his basic hourly rate of pay and if he is thereafter promoted to a foreman's position in the future, he will receive \$1.00 plus his basic hourly rate of pay.

It is further agreed that when any operation involves three (3) or more mechanics, one mechanic will be designated as a working foreman and will receive the differential of \$1.00 over his basic hourly rate of pay.

## **ARTICLE VI**

### **PAID HOLIDAYS**

It is agreed that the same holidays will be observed in all South Atlantic ports covered by this Agreement. The observed holidays will be identical to the South Atlantic Deepsea list. February 12<sup>th</sup>, March 17<sup>th</sup>, the 2<sup>nd</sup> Monday in October and National Election Day are regular workdays. It is agreed that mechanics may request to not work on the previous mentioned four holidays but must receive approval from the employer prior to taking the day off. It is further agreed that holidays falling on a Saturday will be observed on Saturday. Whenever a holiday falls on a Sunday, the following day (Monday) will be observed as the holiday.

## **ARTICLE VIII**

### **HOURS OF WORK**

It is agreed that in lieu of dead/guarantee time during all call out periods, all mechanics will perform work within their crafts as directed by Management.

## **ARTICLE IX**

### **TOOL ALLOWANCES**

It is agreed that the Maintenance Employers will issue existing mechanics presently on a company payroll, who require tools in the performance of their job, the following tools from the employers current stock of tools: one (1) three-eighths inch pneumatic air drill, one (1) one-half inch pneumatic impact wrench with sockets up to 1 ½ inch and one (1) three-quarter inch pneumatic impact wrench with sockets up to 1 ½ inch. It is understood that once the tools are issued, the repair, maintenance and replacement of the aforementioned tools will be the sole responsibility of the employee.

The tool allowance October 1, 2004, an additional \$0.25 per hour.

October 1, 2005, an additional \$0.10 per hour.

October 1, 2006, an additional \$0.10 per hour.

October 1, 2007, an additional \$0.10 per hour.

October 1, 2008, an additional \$0.10 per hour.

October 1, 2009, an additional \$0.10 per hour.

It is further agreed that at established roadability lanes Management will supply the ¾ inch pneumatic wrenches for use in the roadability lanes.

**ARTICLE X****LOCAL FRINGE BENEFIT CONTRIBUTIONS**

Contributions for local pension and welfare benefits shall be increased as follows:

<b>EFFECTIVE DATE</b>		<b>INCREASE</b>
October 1, 2004	—	\$1.00 per hour
October 1, 2006	—	\$0.50 per hour
October 1, 2008	—	\$0.50 per hour

**ARTICLE XIII****GRIEVANCE PROCEDURES — Third Step**

It is agreed that a third step grievance (LIGC) attended by a representative of the District Council and USMX will be held within two weeks of the initial grievance. These two representatives may resolve the grievance themselves. If there is a failure to reach an agreement at the third step (LIGC), the matter will be referred to the full Small Committee. Small Committee meetings will be scheduled on a quarterly basis.

**ARTICLE XIII****GRIEVANCE PROCEDURES — Continuance of Work**

Whenever a mechanic is suspended or terminated, he may continue to work at the discretion of Management while the appeal process is being completed. Management accepts the fact that if the mechanic is suspended or terminated immediately, the company shall be liable for back pay if the company loses the grievance. It is further understood that the new grievance procedure will expedite the process.

**ARTICLE XIX****MISCELLANEOUS PROVISIONS — Bereavement Leave**

Bereavement leave of up to five (5) days without pay will be granted for deaths within the mechanic's immediate family (spouse, children, brothers & sisters, grandparents, parents).

**ARTICLE XIX****MISCELLANEOUS PROVISIONS — Meetings With Local Port Authorities**

USMX agrees to join representatives of the District Council and the local Union in each port covered by this Agreement in an attempt to meet with the local port authorities and convince them to change their flow of work.

**ARTICLE XIX****MISCELLANEOUS PROVISIONS — Bonding**

Each employer will cover all employee's wages and benefits with a \$50,000 surety bond.

**ARTICLE XIX**

**MISCELLANEOUS PROVISIONS — Vessel Reefer Manning**

It is agreed that during the loading and discharge of reefers, the following levels of manning will apply:

<u>Reefers</u>	<u>Mechanics</u>
1 - 35	2
36 - 60	3
61-100	4
Over 100	5

Management will have the right to reduce the manning level once during the operation but to no less than 2 mechanics during the ship operation.

**ARTICLE XIX**

**MISCELLANEOUS PROVISIONS — Roadability**

It is recognized by the employers that during any outbound gate operation at the Georgia Ports Authority marine terminal of over 5 containers, one (1) roadability or mobile mechanic will be hired. Additional manning will be hired at Management's discretion. It is further agreed that less than 5 containers can be released without a mechanic's presence provided that the containers have been pre-inspected.

**ARTICLE XX**

**DURATION OF AGREEMENT**

The term shall be for six years, from October 1, 2004 through and including September 30, 2010.

**ARTICLE XXI**

**ILA JURISDICTION — Minor Repairs**

It is agreed that when a carrier decides to have minor repairs performed on its behalf on the marine terminal or in the port area, such work will be the work of the ILA.

**ARTICLE XXI**

**ILA JURISDICTION — Inspection of Containers**

It is agreed that the inspection of containers will be performed at the marine terminal gates.

It is agreed that the issue of inspections performed by surveyors will be handled on a local basis. If the issue is not resolved within 30-days it will be referred to the Small Committee for resolution.

**ARTICLE XXI**

**ILA JURISDICTION — Outbound Stacked Chassis**

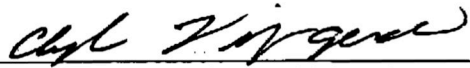
It is recognized the stacking or unstacking of chassis is performed differently at each port covered by this Agreement and by different crafts. It is agreed, however, when a stack of chassis is being presented at the outbound gate without dunnage, or not properly stacked for road transport, such chassis shall not to be permitted out of the facility without advance notice to the Union.

**FULL AND COMPLETE AGREEMENT**


This Agreement satisfies all issues between the parties and shall go into full force and effect upon ratification of the Parties.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement on the day and year first above written.


SOUTH ATLANTIC AND GULF COAST DISTRICT, ILA, AFL-CIO

BY   
Clyde Fitzgerald, President  
DATE 2-7-06

SOUTH ATLANTIC & GULF COAST DISTRICT, ILA, AFL-CIO

BY   
Charles Spencer, Executive Vice President  
DATE 02/07/06

SOUTH ATLANTIC & GULF COAST DISTRICT, ILA, AFL-CIO

BY   
Joe Kelly, Secretary-Treasurer  
DATE Michael Dickens



SOUTH ATLANTIC & GULF COAST DISTRICT, ILA, AFL-CIO

BY Wilbert Rowell

Wilbert Rowell, Assistant Secretary-Treasurer

DATE 11-30-04

INTERNATIONAL LONGSHOREMEN'S ASSOCIATION,  
AFL-CIO, LOCAL NO. 1422-A, Charleston, South Carolina

BY Curtis Vanderhorst

~~Benjamin A. Parker, Sr., President~~

DATE Curtis Vanderhorst

INTERNATIONAL LONGSHOREMEN'S ASSOCIATION,  
AFL-CIO, LOCAL NO. 2046, Savannah, Georgia

BY Kerry D. Scott

Kerry D. Scott, President

DATE 2/15/06

INTERNATIONAL LONGSHOREMEN'S ASSOCIATION,  
AFL-CIO, LOCAL NO. 1408, Jacksonville, Florida

BY Vincent Cameron

Vincent Cameron, President

DATE 11-30-2004

INTERNATIONAL LONGSHOREMEN'S ASSOCIATION,  
AFL-CIO, LOCAL NO. 1426, Wilmington, North Carolina

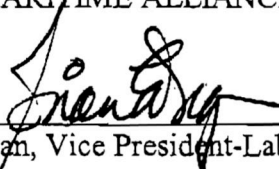
BY John N. Bellamy, Jr.

John N. Bellamy, Jr., President

DATE 2-12-06

UNITED STATES MARITIME ALLIANCE, LTD.

BY

  
Brian E. Dugan, Vice President-Labor Relations

DATE

2/7/06

APM TERMINALS, INC.

BY

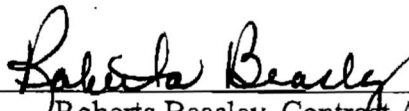
  
Anthony Petrizzo, Vice President

DATE

2/7/06

UNITED STATES MARITIME ALLIANCE, LTD.

BY

  
Roberta Beasley, Contract Adm., S. A. District

DATE

2/7/06

VENDORS

ATLANTIC CONTAINER SERVICES, INC.

BY

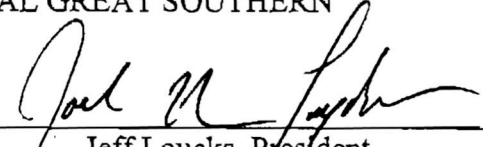
  
Steve Miller, President

DATE

11-30-04

COASTAL GREAT SOUTHERN

BY

  
Jeff Loucks, President

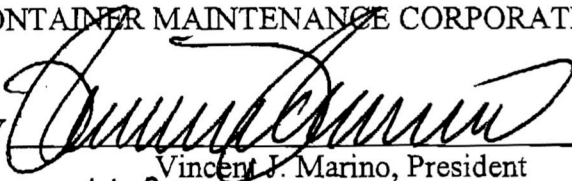
JOEL N. LANGDON

DATE

11-30-04

CONTAINER MAINTENANCE CORPORATION

BY

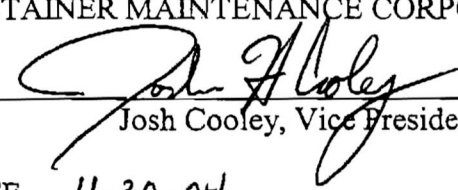
  
Vincent J. Marino, President

DATE

11-30-04

CONTAINER MAINTENANCE CORPORTATION

BY

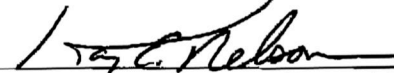
  
Josh Cooley, Vice President

DATE

11-30-04

CONTAINER MAINTENANCE CORPORATION

BY

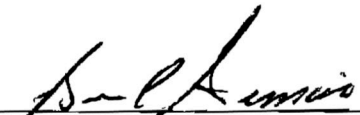
  
Ray Nelson, General Manager

DATE

11-30-04

NATIONAL CONTAINER REPAIR

BY

  
Bruce Simons, General Manager

DATE

11/30/2004



PO BOX 1726  
SAVANNAH, GA 31402  
PHONE (912) 236-1055 • FAX (912) 236-1174

FAXED 1-25-05  
3 PAGES

January 25, 2005  
Ref: 1-17-05/3.1/6.5

Mr. Vincent Cameron  
President  
ILA Local 1408  
2040 East 21 Street  
Jacksonville, FL 32206

Mr. Benjamin A. Parker, Sr.  
President  
ILA Local 1422-A  
727 King Street  
Charleston, SC 29403

Mr. Kerry Scott  
President  
ILA Local 2046  
119 Main Street  
Garden City, GA 31408

Mr. John N. Bellamy, Jr.  
President  
ILA Local 1426  
1305 S. Fifth Street  
Wilmington, NC 28401

Gentlemen:

During our recent meeting held in Tampa, Florida, the following issues were discussed and both Union and Management agreed on the following:

**1) Horizon Lines – Reefer Manning Issue.**

It was agreed that the reefer manning level as contained in the USMX-ILA M&R Contract Memorandum of Settlement will be adhered to. However, the ordering of these mechanics may come from more than one employer.

**2) Request for clarification of “dead-time” during ship operations.**

Mechanics are to perform work within their crafts at the direction of the employers after the reefer operation is complete, until the end of the guarantee work period.

**3) Union position that mechanics are part of the longshore gang structure.**

Mechanics are not part of the gang and are not ordered with the gang; however, they are part of the ship operation. If new longshore gangs are brought in after applicable break periods, fresh mechanics may also be brought in.

January 25, 2005

- 4) **Loss of port wide seniority by any individual electing to leave one employer to accept a job with another employer.**

The parties agreed that the South Atlantic M&R Contract went into effect on October 1, 2004. However, it was agreed that any individual that may have left the employ of one company to take a position with another company 6 months prior to October 1<sup>st</sup> would be subject to the six (6) month waiting period.

- 5) **Vessel Reefer Manning during an overtime period.**

Mechanics are not part of the gang and are not ordered with the gang; however, they are part of the ship operation. If new longshore gangs are brought in after applicable break periods, fresh mechanics may also be brought in.

- 6) **Mechanics to be at any outbound gate operation at the Georgia Ports Authority.**

It was agreed that the rail car operation and ICTF were not discussed during any of the contract negotiating sessions. The gate operation referred to in the contract is for over-the-road gate operations, not the rail gate or ICTF.

- 7) **Savannah 90-Day Training Program.**

Management acknowledged that this training was very expensive and new mechanics being brought into the industry must possess certain skills. It was directed that Ms. Beasley and Mr. Scott review the applications of the new members to insure the guidelines of the 1993 training agreement are being met.

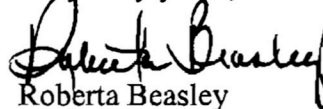
- 8) **Dirty Containers being rejected at the Gate.**

This issue was ruled on by the IAC on September 30, 1992. The ruling was that if the carriers paid for the cleaning of containers, it was a violation; if the truckers paid, there was no violation. The line has the right to reject dirty containers at the gate.

- 9) **Roy Small – Seniority after collecting disability retirement.**

This issue will be sent to William Spelman, Esq. and James Watson, Esq. for their review.

Very truly yours,



Roberta Beasley  
Contract Administrator  
South Atlantic District

RB/s

January 25, 2005

cc: Mr. Brian Dugan, V.P.-Operations, USMX  
Mr. Thomas Sullivan, Director/Labor Relations, USMX  
Mr. Benny Holland, General V.P., ILA  
Mr. Clyde Fitzgerald, President, S. A. & Gulf Region, ILA  
Mr. Charles Spencer, Executive V. P., S. A. & Gulf Region, ILA  
Mr. Wilbert Rowell, Asst. Secretary/Treasurer, S. A. & Gulf Coast District, ILA  
Mr. Steve Miller, President, Atlantic Container Services  
Mr. Jeff Loucks, President, Coastal Great Southern  
Mr. Josh Cooley, V.P., Container Maintenance Corp.  
Mr. Bruce Simons, General Manager, National Container Repair  
Mr. John Allen, V.P., Transport Refrigeration  
Mr. Ray Nelson, General Manager, S. A. Region, Container Maintenance Corp.  
Mr. Joel Langdon, Field Supervisor, Coastal Great Southern  
Mr. Vincent Marino, President, Container Maintenance Corp.  
Mr. Perry Rourk, Port Operations Manager, Atlantic Container Services  
Mr. Johnnie Smith, General Manager, Refrigerated Container Services  
William Spelman, Esq.  
James Watson, Esq.