

***Letter of Agreement between
ServiceMaster of Swan Island and SEIU Local 49
Effective July 1, 2008 through June 30, 2012***

The Parties to this letter of agreement are Terell Enterprises, Inc. dba ServiceMaster Building Maintenance of Swan Island and ServiceMaster Building Maintenance of Oregon City/Swan Island, and Terell Enterprises, Inc., including any entity resulting from merger (hereafter, collectively, "ServiceMaster of Swan Island" or "Employer") and Service Employees International Union, Local 49, including any entity resulting from merger (hereafter, "the Union" or "SEIU").

A. RECOGNITION

The Employer recognizes SEIU as the sole and exclusive collective bargaining agent of a single, combined bargaining unit consisting of all full-time and part-time janitorial employees, including without limitation those who perform maintenance/utility work, carpet and floor care, and/or window cleaning, and those who function as forepersons (*a.k.a.* site lead persons) employed by the Employer in Columbia, Clackamas, Multnomah and/or Washington counties in Oregon, and/or Clark County in Washington, including those employees previously employed by Wecleanthenorthwest Inc., *dba* ServiceMaster Building Services, Inc. ("SMBS"), but excluding all supervisors, guards and managers.

B. GENERAL TERMS; APPLICATION OF MASTER COLLECTIVE BARGAINING AGREEMENT

The Employer agrees to comply with and apply all terms and conditions of the July 2003 through June 2008 labor agreement between SEIU and the Building Maintenance Union Contractors employers (hereafter, the "Master Collective Bargaining Agreement"), and those of the anticipated 2008-2012 successor to the Master Collective Bargaining Agreement, except as modified by this letter of agreement.

When possible, if an account or worksite cleaned by the Employer agrees to a more accelerated phase-in of the Master Collective Bargaining Agreement than provided for by this letter of agreement and/or higher economic terms and conditions than provided for by this letter of agreement, the Employer will implement those accelerated terms and conditions.

The parties agree to meet on or before March 15, 2011 to negotiate the final phase in of the economic terms and conditions to the Master Collective Bargaining Agreement. The parties will also meet on or before March 15, 2011 to negotiate economic terms and conditions at the Rose Quarter.

C. TRANSFER LISTS, OPPORTUNITIES FOR FULL TIME EMPLOYMENT

The Employer will maintain a transfer list listing the names of all employees who have requested transfers and the position(s) to which each seeks to transfer. The employer will regularly provide the union with a copy of this list, and notify the union of changes or updates to it. The employer will post this list at worksites, and will provide this list to employees, upon request. So that employees can check for job openings offsite, the Employer will post openings, when one is available, on an electronic bulletin board and it will provide information to employees regarding publicly available computers to access this information (e.g., public libraries, community colleges, universities).

Employees employed for less than full time shall have the opportunity to be reassigned to full-time employment where openings exist prior to the employment of new employees. Such part-time employees shall make known their request to the Employer in writing.

D. SENIORITY

For all purposes other than wages and benefits, seniority for employees not previously covered by the Master Collective Bargaining Agreement shall be based on the employee's date of hire with the Employer. For wage and benefits purposes, seniority for employees not previously covered by the Master Collective Bargaining Agreement shall be based on the date this agreement went into effect, July 1, 2008. For all purposes, seniority for employees previously employed by SMBS who began working for the Employer when it took over SMBS's Portland accounts in late 2006 shall be based on the employee's original SMBS date of hire.

E. SMALL ACCOUNTS

1. Definition

"Small accounts" are accounts not previously covered by the Master Collective Bargaining Agreement which entail four hours or less of work per day in non-commercial office buildings or in commercial office buildings of less than 30,000 square feet, and zone three or zone four accounts not previously covered by the Master Collective Bargaining Agreement of less than 30,000 square feet or which are cleaned less than twenty (20) hours per week, *provided, however*, that no publicly funded facilities shall qualify as small accounts, regardless of size or hours cleaned per week.

"Small Accounts" that are bank offices will fall under the "small accounts" terms and conditions. The "small accounts" provision, for banks exclusively, will sunset on March 15th, 2011.

"Commercial office buildings" for the purposes of this definition includes owner-occupied office buildings and single tenant office buildings.

2. Terms and Conditions for Small Accounts

All articles of the Master Collective Bargaining Agreement shall apply on small accounts except for Article 14, Article 18, Article 19, Article 21, and Article 22

The Employer will not structure work to avoid the creation of full time work.

The terms of Appendix B shall apply to all small accounts work.

F. ZONE 1 CURRENT ACCOUNTS

1. Definitions

“Current accounts” means all continuing accounts and worksites other than small accounts, which the Employer began servicing on or before July 1, 2008, and which have not previously been covered by the Master Collective Bargaining Agreement.

2. Terms and conditions for Zone 1 Current Accounts

2.1 Transition to Full Time work

If a position or hours become available in the Columbia Square, Robert Duncan, or Crown Plaza worksites, such position or hours will be offered to the most senior employee in that worksite. Should that employee not want the position or hours, they will be offered by seniority order to the other employees in the worksite. There will be a cap of two persons, per worksite, per calendar year who will be moved from part time to full time, or, twenty one (21) full time positions will be converted from part time to full time by May 30, 2011.

In worksites that have met the yearly cap for conversion from part time to full time work, additional hours that become available will be offered to other employees in that worksite based on seniority and ability to meet worksite requirements. In cases where no current employee in the worksite accepts the hours the position will be posted on the transfer list for employees outside of that worksite to bid on. The union and the employer will work together to facilitate this process.

2.2 Health & Welfare

Effective May 1, 2011, the ten (10) most senior ten full time employees will begin receiving healthcare benefits per Article 21, of the Master Collective Bargaining Agreement. Effective November 1, 2011 the eleven (11) next most senior employees will begin receiving healthcare benefits per Article 21, of the Master Collective Bargaining Agreement.

After November 1, 2011, current employees who meet eligibility requirements will continue to phase in at a rate of ten (10) employees every six (6) months.

On May 1st, 2011 all eligible employees will be covered by Article 21 of the Master Collective Bargaining Agreement.

2.3 Wages

Wages will be paid in accord with the Wage Table, Zone 1, Appendix A.

2.4 Vacation:

The signing of this agreement will not result in a reduction of the rate at which any employee accrues vacation. Employees will continue to be entitled to at least one week of vacation per completed year of service, in accord with the current Employer policy.

Additionally, effective on July 1, 2010, employees who have completed two (2) calendar years of service with company, shall be entitled to seven (7) days of vacation

Effective on July 1, 2011, vacation will be applied in full accord with Article 19 of the Master Collective Bargaining Agreement.

G. SPECIAL PAY PROVISION ACCOUNTS

1. Definition

The special pay provision accounts are Portland Meadows, Warn Industries, Oregon City Library, and West Linn Paper.

2. Terms and Conditions for Special Pay Provision Accounts

All articles of the Master Collective Bargaining Agreement shall apply to the special pay provision accounts except for Articles 14, 18, 19, 21, and 22.

Certain account-specific terms and conditions for special pay provision account employees are set forth in Appendix C. Unless otherwise noted in Appendix C, economic terms and conditions for full time employees working on special pay provision accounts shall be as follows.

2,1 Health & Welfare

Beginning on May 1st of 2009 Health & Welfare will be implemented using the following schedule

May 1st 2010: Employer will pay \$361 a month; Eligible Employee will pay difference for the cost of the plan

May 1st 2011: Employer will pay \$386 a month; Eligible Employee will pay difference for the cost of the plan

May 1st 2012: Employer will pay \$411; Eligible Employee will pay difference for the cost of the plan

2.2 Vacation:

The signing of this agreement will not result in a reduction of the rate at which any employee accrues vacation. Employees will continue to be entitled to at least one week of vacation per completed year of service, in accord with the current Employer policy.

Additionally, effective on July 1, 2010, employees who have completed two (2) calendar years of service with shall be entitled to seven (7) days of vacation

Effective on July 1, 2011, vacation will be applied in full accord with Article 19 of the Master Collective Bargaining Agreement.

2.3 Pension

Effective May 1, 2010, Article 22 in the Master Collective Bargaining Agreement shall be applied.

H. FLOOR CARE TECHNICIANS

The wage schedule for Floor Care Technicians is set forth on the Appendix C, page 2.

Floor Care Technicians' health and welfare, vacation, and pension benefits shall be the same as those set forth above in Sections G.2.1, G.2.2, and G.2.3 for full time employees working on special pay provision accounts.

I. ROSE QUARTER & EVENT CENTER WORK

1. Minimum Pay

Large Events: Large events are defined as those with expected attendance to be 15,000 or higher

When employees are called into work at the Rose Quarter (which includes the Memorial Coliseum and the Rose Garden) they will be compensated for a minimum of four (4) hours work.

Small Events and Change-over Events:

When employees are called into work, and are required to arrive at the job site at the Rose Quarter (which includes the Memorial Coliseum and the Rose Garden) they will be compensated for a minimum of two (2) hours of work.

2. Clocking in and out

Employees will be allowed to clock themselves in and out at the jobsite. The employer will provide enough equipment to allow for employees to clock in, before beginning their shift, and out after completion of their shift in a timely matter.

3. Scheduling

From May 1st through September 30th scheduling at the Rose Quarter will be done based on seniority. From October 1st through April 30th the employer will make every effort to schedule based on seniority. The union and the employer agree to work together to determine a scheduling system based on seniority that ensures that the employer is able to adequately staff the facility.

4. Economic Terms and Conditions

4.1 Wages

Wages will be paid in accord with the schedule set forth on Appendix D, except that employees who were hired in 2005 or earlier will be paid at the next pay rate higher than the Appendix D rate that would otherwise apply to them.

Regular wage increases of \$.30 per hour will be paid on July 1, in 2009, and another \$.30 per hour on July 1, 2010 with a wage re-opener to be negotiated, effective July 1, 2011.

4.2 Pension

Pension will be implemented on September 1st, 2010

Health & Welfare

The employer and the union agree that the intention of this health and welfare language is for the employer to provide health and welfare benefits beginning in year three, and continuing thereafter, of this agreement (Beginning September 1, 2011). Both parties agree that implementation of the health and welfare plan is contingent on the client's acceptance of the increased costs associated with the plan.

In the event healthcare benefits are not implemented, the parties will meet in January, 2012 to negotiate other options.

4.4 Vacation

Employees with one (1) or more years of employment will earn one(1) week of vacation annually; employees with three (3) or more years of employment will earn ten(10) days vacation with pay annually. *Seniority for the purposes of vacation accrual at the Rose Quarter will begin on July 1st, 2008.

FOR SEIU Local 49,

FOR ServiceMaster of Swan Island

By: _____

By: _____

Date: _____

Date: _____

Appendix B

Economic Terms and Conditions for "small accounts"

1) "Small Accounts"

a) Wages:

Starting wage will be \$.05 above minimum wage

After completing 6 months employee will receive an increase of \$.20

After completing one calendar year employee will receive an additional \$.20

Every subsequent year employee will receive a yearly \$.15 increase

This wage scale will be considered the minimum amount that an employee will be paid at these accounts

b) Longevity Bonus:

Employees who were hired in 2005 or before will receive a \$75 bonus in the first pay period after the signing of this agreement

Beginning on July 1st, 2008, for every two calendar year period thereafter employees will receive \$75 in the first pay period after passing their Anniversary date

(E.g. A four year employee on July 1, 2008 will receive \$75 upon signing of the contract, and another \$75 on July 1st, 2010)

c) Vacation: Employee will be entitled to one week of vacation, after completing one year of service, per ServiceMaster eligibility requirements

d) Article 22, pension, will not apply to these accounts

e) Holidays will apply per current ServiceMaster policy

Appendix C

Special Pay Provision Accounts

- a) **Portland Meadows:** Non economic terms and conditions, healthcare & welfare and pension as they apply to the Rose Quarter will be applied at Portland Meadows. Wages will be applied as follows:
October 2008 – September 2009 season: all employees will be paid at a rate of \$9.20 an hour
Every subsequent year, the rate will increase \$.20 per hour (Oct. 2009 wage will be \$9.40, Oct. 2010 \$9.60, and Oct. 2011 \$9.80)
- b) **Warn Industries:**
Wages: Employees will receive a minimum yearly increase on January 1 of each year of \$.15 an hour
- c) **Oregon City Library:** "Small Account" terms and conditions will apply. Should the union be able to move this account to pay above the terms and conditions for small accounts the Employer will apply increased economic terms and conditions
- d) **West Linn Paper:**
Wages: Employees will receive a minimum yearly increase on January 1 of each year of \$.15 an hour

Appendix C continued
Floor Care-Zone 3 Wage Table

Current Wage	1040hrs		2080 hrs		3120		4160		\$0.30	
	7/1/2008	12/1/2008	7/1/2009	7/1/2009	12/1/2009	7/1/2010	7/1/2010	12/1/2010	12/1/2010	12/1/2010
\$8.75		\$9.70	\$10.45	\$10.75	\$11.10	\$11.65	\$11.65			
\$9.40	\$9.45	\$9.70	\$10.45	\$10.75	\$11.10	\$11.65	\$11.65			
\$9.65		\$9.70	\$10.45	\$10.75	\$11.10	\$11.65	\$11.65			
\$9.90		\$9.90	\$10.45	\$10.75	\$11.10	\$11.65	\$11.65			
\$10.15		\$10.15	\$10.45	\$10.75	\$11.10	\$11.65	\$11.65			
\$10.40		\$10.40	\$10.45	\$10.75	\$11.10	\$11.65	\$11.65			
\$11.15		\$11.15	\$11.15	\$11.45	\$11.45	\$11.65	\$11.65			
\$12.15		\$12.15	\$12.15	\$12.15	\$12.15	\$12.15	\$12.15			
\$12.65		\$12.65	\$12.65	\$12.65	\$12.65	\$12.65	\$12.65			

- Both parties agreed that this sets a minimum for floor care and that in general, ServiceMaster's past practice is to move floor care technicians through the wage scale at an accelerated rate

Appendix D: Wage table for Rose Garden and Event Centers

	06-01-08	09-01-08	06-01-09 =1040	07-01-09	06-01-10 =2080	07-01-10	06-01-11	07-01-11
		+\$.30		+\$.30		\$.30		Open
1040		+\$.30	\$8.35	+\$.30	\$8.65	+\$.30	\$8.95	Open
2080		+\$.30	\$8.90	+\$.30	\$9.20	+\$.30	\$9.50	Open
3120		+\$.30	\$9.45	+\$.30	\$9.75	+\$.30	\$10.05	Open
4160		+\$.30	\$10.10	+\$.30	\$10.40	+\$.30	\$10.70	Open

97201@yahoo.com

**Modified Letter of Agreement between
ServiceMaster of Swan Island and SEIU Local 49**

In order to preserve harmonious labor relations, the parties agree to the following with regard to employee compensation. Specifically, this letter of agreement modifies a previous letter of agreement effective July 1, 2008 through June 30, 2012, and executed on July 1st, 2008. Unless specifically mentioned herein, all terms and conditions of previous agreements between the parties remain in full force and effect.

Furthermore, the terms and provisions of this addendum apply exclusively to accounts currently serviced by ServiceMaster Swan Island. The parties agree that all future accounts shall be bid and operated according to the terms and provisions of the Master Collective Bargaining Agreement.

Terms and Conditions for Small Accounts

Upon the execution of this agreement, employees in small accounts (exclusively defined by the previous LOA between the parties) will be paid according to the following schedule:

- All employees hired during or before 2005 will receive a \$.15 raise above their current wage regardless of current wage.
- All employees hired during 2006 or 2007 will receive a \$.10 raise above their current wage regardless of current wage.
- All employees hired during or before 2008 will receive a \$.05 raise, above their current wage regardless of current wage.
- Future employees, defined as those hired in 2009 following the execution of this agreement, will be paid the applicable minimum wage for their first year of employment, and will receive a \$.15 increase on their first and each subsequent anniversary date.

Terms and conditions for Zone 1 Current Accounts & Rose Quarter/Event Center

Upon the execution of this agreement, employees in the above accounts will be paid according to the following schedule:

- All employees who are currently earning \$8.40 an hour will be adjusted to \$8.45 an hour.
- Employees hired after January 1, 2009 and before the execution of this agreement will not receive a \$.30 raise on July 1, 2009.
- Future employees, defined as those hired during or after 2009, will be paid the applicable minimum wage

- All other employees (not specifically mentioned in the above three categories) will be paid according to the previous letter of agreement between the parties.

Signed this ___ of February, 2009.

FOR THE UNION:

Maggie Long
Director of Property Services
SEIU Local 49

FOR THE EMPLOYER:

Samuel Okafor
Owner
ServiceMaster Swan Island

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