




AGREEMENT TO EXTEND THE TERMS OF THE
COLLECTIVE BARGAINING AGREEMENT BETWEEN
VEOLIA NORTH AMERICA – CENTRAL, LLC and
AND SEIU Local No. 1, Firemen and Oilers Division

In accordance with Section 32.01 of the Collective Bargaining Agreement dated July 1, 2017 through June 30, 2020, the Company and the Union mutually agree to extend the terms of the aforementioned Agreement through June 30, 2021. The terms of the current Agreement will remain in effect during this extension, except as noted below.


The Company and the Union mutually agree that the employees in the job classifications included in the aforementioned Agreement shall receive a 2.25% wage increase retroactive to July 1, 2020. All other sections of the Agreement shall remain unchanged.

VEOLIA WATER NORTH AMERICA -
CENTRAL, LLC


SEIU, Local 1
Firemen and Oilers Division



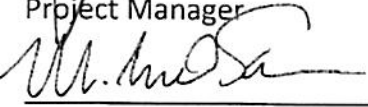
Cletus Ketter
District Manager
10/21/20
Date



Carlos Perez
Business Representative
10/21/2020
Date



Jon Gibson
Project Manager
10/21/20
Date



Michael Schnack
VP, Labor Relations
10/21/20
Date



COLLECTIVE BARGAINING AGREEMENT

BETWEEN

**Veolia Water North America - Central, LLC
Stickney, IL**

and

**SEIU Local No. 1
Firemen and Oilers Division**

Effective July 1, 2017 – June 30, 2020

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PREAMBLE

THIS AGREEMENT made and entered into this 1st day of February, 2018, by and between Veolia Water North America Central, LLC hereinafter referred to as the "Company", and SEIU Local 1, Firemen & Oilers Division, hereinafter referred to as the "Union".

ARTICLE 1, RECOGNITION

The Company recognizes the Union as the representative for the purpose of establishing wages, hours, and terms and conditions of employment only for those employed at the Stickney project, in the classifications set forth in Article 8 of this Agreement. All other employees shall be excluded from representation under this Agreement, which includes but is not limited to those employed as supervisors, managerial employees and confidential employees as defined by the National Labor Relations Act (NLRA), office clerical and guards.

ARTICLE 2, DEFINITIONS

Section 2.01. Probationary Employees. A probationary employee is an employee who has been employed for ninety (90) calendar days or less.

Section 2.02. Regular Employees. A regular employee is one who has successfully completed the probationary period and is regularly scheduled to work at least 40 hours per week.

Section 2.03 Temporary Workers. The Company and the union recognize that there may be a need for temporary workers and agree to meet and discuss temporary service or relief workers when the need arises.

Section 2.04 Gender References: The provisions of this Agreement shall apply alike to male and female employees. Masculine references in this Agreement shall be deemed to include feminine references and are used solely for the purposes of illustration and shall not in any way be used to designate the sex of the employee eligible for the position, or the benefits of any other provision.

Section 2.05. Grievance. Grievance is defined as a dispute that arises between the parties during the term of this Agreement regarding the interpretation, application, or enforcement of this Agreement.

Section 2.06. Definition of Seniority. Seniority is defined as an employee's length of continuous service in a bargaining unit position from an employee's last date of hire without a break in seniority. Seniority shall be measured by continuous service in the class in which the employee is employed at the time seniority is determined. Seniority shall continue while an employee is on leave of absence on account of sickness or injury which is compensable under the Occupational Diseases Act or Worker's Compensation Act. An employee returning to service from Ordinary Disability, layoff, or Duty Disability not compensated under the above stated statutes shall retain seniority credit for all prior service in the classification.

Section 2.07. Definition of Qualifications or Qualified. Qualifications or qualified shall be defined to include but are not limited to an employee's ability to safely, efficiently, and productively perform the work to Company standards without further training or trial period. It shall also include attendance record, disciplinary record, training, and certification level(s).

ARTICLE 3, UNION SECURITY

Section 3.01. All employees covered by this Agreement and all new employees hired during the term of this Agreement shall, at the end of thirty (30) calendar days following their date of hire, or the effective date of this Agreement, whichever occurs last, become and remain a member of the Union in good standing. Membership in good standing shall be defined as the employee tendering the required dues and/or initiation fees. However, the required dues and/or initiation fees shall encompass only those amounts of money necessary for the Union to perform its duties as the exclusive representative of employees in dealing with the Company on labor-management issues, but shall not include any contributions related to the election or support of any candidate for political office or for any member only benefit. Moreover, the dues and/or fees shall be uniform for each employee obligated to pay such dues and/or fees. The Union may change the fixed uniform dollar amount that will be considered the regular monthly dues once each calendar year during the life of this Agreement. The Union will give the Company thirty (30) days' notice of any such change in the amount of the dues or initiation fees.

Section 3.02. It is further agreed that the Company shall deduct from non-member employee's earnings a monthly amount as certified by the President of the Union and shall remit such deductions to the President of the Union at the same time dues check off is remitted. The Union's procedure for establishing, explaining and challenging this fee, including notice to the employees and the Company, shall meet all constitutional and other legal requirements.

Indemnification. The Union agrees to indemnify and save the Company harmless against any and all claims, suits, or other forms of expenses, including attorney fees, or liability arising out of action taken by the Company in compliance with this Article.

ARTICLE 4, EQUAL EMPLOYMENT OPPORTUNITY

It is the continuing policy of both the Company and the Union to comply with all federal and state equal employment opportunity laws and to not unlawfully discriminate against any employee because of race, color, age, sex, religion, national origin, disability, or other status in accordance with such laws.

ARTICLE 5, MANAGEMENT RIGHTS

Section 5.01. The Company retains all the customary and usual rights, functions and prerogatives related to its responsibility to manage the facility, except as expressly limited by a term of this Agreement. These rights, functions, and prerogatives include, but are not limited to, the right:

A. To establish, implement, and revise standards of hiring, promotion, safety, materials, equipment, methods, automation and procedures as it deems appropriate to improve plant quality and efficiency and reduce costs;

B. To determine staffing levels, skills, abilities and performance of employees, including conducting employee evaluations; determine and revise job classifications and duties;

C. To assign work duties, shifts, work days, and work locations and schedules of work and determine hours of work including starting and quitting times and overtime.

D. To discipline, suspend, demote, or discharge employees for just cause in accordance with Article 24;

E. To introduce new jobs and new and improved methods of operation, modify or abolish existing jobs, processes and operations;

F. To adopt, enforce, revise and modify all safety and employee conduct rules including appearance and dress code, tobacco/smoking rules and employment policies, provided the employees and the Union are provided with these rules;

G. To assign and revise transitional duty work to employees who suffer on or off-the-job illnesses or injuries that have not been medically released to return to full-duty work;

H. To discontinue and modify past practices, provided such action is not in violation of a specific provision of this Agreement;

I. To hire temporary service (project seasonal or specific task less than 90 days) or relief workers when the Company determines that such is necessary. The company and the union agree to meet and discuss temporary service or relief workers when the need arises.

Section 5.02. If the Company does not exercise any function reserved to it, or if it exercises such function in a particular way, such conduct shall not be deemed a waiver of its rights to exercise such function in the future or preclude the Company from exercising the function in a way not in conflict with the express terms of this Agreement.

ARTICLE 6, HOURS OF WORK AND OVERTIME

Section 6.01. Workday. The "day" is the 24-hour period beginning with the start of the employee shift.

Section 6.02. Workweek. The workweek shall begin at the start of the AM shift on Sunday and end at the termination of the Saturday PM shift on the following Sunday. Employees will be given advance notice (at least thirty days) of regularly scheduled workweek (permanent schedule) changes. The work week shall include 40 hours of work. The schedule will be codified in a side letter attached to this agreement.

Section 6.03. Meal and Break Periods. Any employee scheduled to work eight (8) hours or more shall receive an unpaid meal period not to exceed one-half (½) hour and two (2) ten (10) minute paid break periods. Meal periods shall be scheduled approximately half way through the shift. Break periods will be scheduled approximately mid-way through each half shift, except in cases where emergencies or other work requirements preclude such scheduling.

Section 6.04. Overtime Pay. Overtime pay at time and one-half (1½) paid for all hours over forty (40) hours in any workweek. Pay for time not worked shall not be counted for the purpose of determining overtime pay, except pay for scheduled vacation time, personal leave," jury duty, and bereavement shall be counted. Sick hours shall not be counted towards the 40 hour workweek requirement. Hours worked on the Holiday shall be counted toward the forty hour workweek.

Overtime shall be kept to a minimum and must be authorized by a supervisor before it is worked except where it is justified by emergency.

Section 6.05. Relief. Employees working in continuous operations shall not leave unless they are properly relieved. No employee shall work more than sixteen (16) hours in any one day. Relief will be provided after 16 hours unless an emergency situation arises.

Section 6.06. Overtime Work Assignments. When overtime work is determined to be necessary by the Company, it will be assigned to the most senior and available employees as determined by the Company's overtime policy. VVNA may require employees to work overtime as necessary to maintain operations. Employees are encouraged to advise the Company of their overtime preferences.

Shift Relief: An employee who is on shift and not properly relieved shall be awarded the overtime opportunity. If they choose to relinquish that opportunity to another unit member it shall be by seniority rotation.

Call-in Procedure: When an opportunity for overtime exists, management will call the next person on the overtime list at a designated telephone number and allow for fifteen (15) minutes to return the call. Management will then call the next most senior person on the overtime list and offer them the OT opportunity. A log will be maintained. Overtime will be assigned on a rotating basis.

If overtime interferes with the ability to work the next regularly scheduled shift, then that employee will be skipped for that overtime opportunity (maximum 16 consecutive hours worked). That employee will be given the next opportunity for overtime.

Section 6.07. No Guarantee. This Article defines normal hours of work and shall not be construed as a guarantee of hours of work per day or per week.

Section 6.08. No Pyramiding. Compensation shall not be paid more than once for the same hours under any provision of this Article or Agreement, including no pyramiding or duplication of weekly overtime premiums, or any other premiums set forth in this Agreement.

ARTICLE 7, SENIORITY

Section 7.01. Qualifying For Seniority. To qualify for seniority, an employee must work an initial probationary period. When an employee has completed the probationary period, his seniority date shall revert to most recent hire date.

Section 7.02. Application of Seniority. Seniority will be used as a factor by the Company in making layoff and recall decisions as follows and employees will be laid off in the following order:

- 1st - Probationary Employees
- 2nd - Regular Employees

In the event of layoffs, regular employees will be laid off by seniority with the least senior employee being laid off first and continuing in that order. Probationary employees may be laid off at the Company's discretion.

Regular employees who are laid off will have recall rights for six (6) months following date of layoff.

When recalling employees from layoff, the Company agrees that regular employees shall be returned to work in order of seniority..

Section 7.03. Accumulation. Seniority shall accumulate during absence because of illness, injury, vacation or other authorized leave as outlined in Article 14, Unpaid Leaves of Absence. However, employees are not entitled to accrue or be paid benefits during such periods, except as specifically provided by this Agreement or required by law.

Section 7.04. Loss in Seniority. Seniority shall be lost and the employment relationship shall be terminated by:

- A. Discharge as set forth in Article 24;
- B. Voluntary termination or retirement. (Failure to report for regularly scheduled work for three (3) consecutive working days without notice shall be considered a voluntary quit.)
- C. Absence from work due to layoff, or other reason for a period of six (6) consecutive months;
- D. Failure to notify the Company of intent to return to work pursuant to a recall notice sent by certified mail, return receipt requested, to the last address provided to the Company through personnel records within three (3) calendar days of receipt after the notice has been deposited in the mail. It is the employee's responsibility to notify the Company of his latest mailing address.
- E. Failure to report for work immediately upon expiration of an authorized leave of absence or, in the case of an absence due to non-occupational or occupational illness or injury, failure to report for available work within three (3) calendar days of receipt of notice of a limited or full medical release to return to work;

F. Employed elsewhere during any type of leave of absence, unless the employee was employed at this job prior to his personal leave of absence, or as is otherwise mutually agreed between VWNA and the employee.

It is understood and agreed that the Company may determine that special circumstances exist to justify failure to report to work or failure to respond under sections B, D and E above.

Section 7.05. Shift Schedules. Seniority shall prevail in the selection of shift schedules.

Section 7.06. Tie Breaker. When bargaining unit employees have the same seniority date, such ties shall be ranked in the favor of the employee whose last four (4) numbers of their Social Security Number is the greater.

ARTICLE 8, WAGES

Section 8.01. Wage Schedule. Wages shall be paid according to the following schedule with increases effective on the first day of the pay period immediately following the date designated for the increase.

Job Classification	7/1/2016	7/1/2017	7/1/2018	7/1/2019
		2.00%	2.00%	2.25%
O & M Technician Assistant	\$40.76	\$41.58	\$42.41	\$43.36

Section 8.02. Pay Days. The Company will pay employee wages on a bi-weekly basis. The Company provides direct deposit services for the convenience of the employee.

Section 8.03. Time Reporting. For the purpose of computing wages, time shall be accounted for in fifteen (15) minute increments.

Section 8.04. Death. In the event of an employee's death, all wages due the employee will be made payable to the employee's estate, or beneficiary.

Section 8.05. Classification Pay. If an employee performs the work of a higher classification then the employee will receive the higher pay rate for all hours worked.

ARTICLE 9, HOLIDAYS

Section 9.01. Designation of Holidays. The following days shall be considered paid holidays for all regular and probationary full-time employees:

New Year's Day
Memorial Day
Independence Day
Labor Day

Thanksgiving Day
Day after Thanksgiving Day
Christmas Day

For employees working Monday through Friday schedules, holidays falling on a Saturday will be recognized on the preceding Friday and holidays falling on a Sunday will be recognized on the following Monday.

Section 9.02. Holiday Pay. Eligible employees shall receive eight (8) hours pay at their regular straight-time rate of pay for said holidays when not scheduled to work on said holiday.. Employees who actually work on the holiday shall receive one and one-half times the hourly rate for all hours actually worked on the holiday plus holiday pay equal to the normally scheduled hours.

Section 9.03. Eligibility for Holiday Pay. Employees must work on their scheduled day before and their scheduled day after the holiday in order to be eligible for holiday pay.

Section 9.04. Holidays Falling on Scheduled Days Off. When a designated holiday falls on an employee's scheduled day off, the eligible employee shall receive his holiday pay for that day.

Section 9.05. Floating Holidays. Full-time regular employees will be eligible for twenty-four (24) Floating Holidays hours each calendar year. Floating Holidays must be scheduled in advance and will not carry over from year to year. New employees will be eligible for Floating Holidays following their probationary period, under the following schedule:

<u>Hired Between</u>	<u>Hours Eligible</u>
January 1 and March 31	24
April 1 and June 30	16
July 1 and September 30	8
October 1 and December 31	0

ARTICLE 10, VACATIONS

Section 10.01. Vacation Benefit Schedule. All full-time regular employees shall be granted paid vacations in accordance with their completed years of service under the following schedule:

<u>Length of Continuous and Completed Years of Service</u>	<u>Vacation Accrual</u>
0 through 5 years	3.077 hours/pay period (80 hours/year)
5 through 10 years	4.615 hours/pay period (120 hours/year)
10 through 20 years	6.154 hours/pay period (160 hours/year)
20+years	7.692 hours/pay period (200 hours/year)

After six (6) months of continuous service, a new employee may schedule and take up to five days' vacation. After twelve months of continuous service, a new employee may schedule and take an additional five days' vacation (or up to 10 days' vacation if no prior vacation has been taken).

Section 10.02. Payment of Vacation Benefits. Vacation pay is payable at the rate of eight (8) hours regular, straight time rate of pay for every day of vacation pay earned. Employees resigning or otherwise suffer a termination in seniority as set forth in Section 7.05 of this Agreement will be paid unused accrued vacation pay.

Section 10.03. Scheduling of Vacations. Vacations must be scheduled consistent with operational needs and approved at the discretion of the Company that shall not be unreasonably withheld. To assist in the scheduling of vacations, the Company will post a vacation roster on the bulletin board no later than January 1 of each year. Employees may designate vacation preferences on the vacation roster in blocks of at least five (5) consecutive days. The Company will attempt to accommodate employee vacation requests. However, in the event of a conflict in vacation schedules, the Company will give preferences to the most senior employee provided that employee designates his vacation request on the vacation roster during the month of January. However, beginning February 1, vacation preference shall be granted to employees in the order in which vacation requests were received by the Company with those received first given first priority.

Vacations may be granted in daily increments without designation on the vacation roster, with advance approval at the direction of the Company.

Eligible employees may only receive vacation pay for accrued but unused vacation benefits (no advancing of vacation benefits prior to being actually earned).

Section 10.04. Holiday Falling Within Vacations. When a recognized holiday falls during an eligible employee's vacation, the employee will receive holiday pay for that day without deduction from his vacation benefits.

Section 10.05. Vacation Carryover. Employees can accrue vacation time up to a maximum of twice their annual entitlement. If an accrual of twice the annual vacation entitlement is attained, additional vacation days do not accrue until sufficient vacation days are taken so the accrued vacation falls below the maximum of permissible accrued vacation days.

ARTICLE 11, SICK LEAVE

Section 11.01. Accrual. All regular and probationary full-time employees shall accumulate sick leave at the rate of 1.54 hours per pay period to a maximum of forty (40) hours per year. Unused sick leave benefits may be accumulated up to a maximum of one hundred sixty (160)–hours sick leave pay. No accrual occurs during time covered by workers' compensation, disability leave or during any other unpaid absence from work. Employees are not eligible to receive sick leave benefits until they become a regular employee as set forth in Section 2.02.

Section 11.02. Usage. Accumulated sick leave may be used for injury, illness or other medically related treatment, only for the following:

1. Bonafide off-the-job illnesses and injuries of an eligible employee which prevent the employee from working his regularly scheduled working hours.

2. To attend a medical, dental, optical, or other medical appointment for the employee, employee's spouse or the employee's child, that cannot reasonably be scheduled during non-working hours.
3. For the waiting period as forth in State Workers' Compensation Law, for whom time loss benefits are not paid for any injury or illness suffered during the course and scope of his employment with the Company, subject to Section 11.05 below.
4. For family and medical leave that are in accordance with state, provincial, federal (FMLA) or other law.

Eligible employees may only receive sick leave pay for accrued but unused sick leave benefits (no advancing of sick leave benefits prior to being actually earned).

Section 11.03. Misuse or Excessive Absenteeism. Misuse of sick leave benefits, including using sick leave for reasons not set forth in Section 11.02 above, will result in the loss of pay for those days for which sick leave was misused. Misuse of sick leave benefits and/or excessive incidents of sick leave absences shall subject the employee to discipline, including discharge, if appropriate.

Section 11.04. Payment. Sick leave benefits shall be paid at regular straight-time base rates of pay for the hours the employee would have worked, not to exceed regularly scheduled hours in any workday or forty (40) in any workweek.

Sick leave benefits are not convertible to cash or any form of remuneration. Accumulated sick leave benefits are forfeited when service with VWNA is terminated.

Section 11.05. Reimbursement. Any employee receiving compensation for time loss benefits for an injury or illness incurred in the course of employment and sick leave benefits for the same period must reimburse the Company for all of the sick leave benefits received. Upon reimbursement from the employee, the Company shall credit the employee's sick leave bank with the appropriate hours.

Section 11.06. Sick Leave Notification. An employee must call-in to the supervisor at the facility to report his illness or injury at least one (1) hour prior to the start of his scheduled shift. Additionally, the employee must call-in to report any continuing need to be absent to his immediate supervisor prior to the start of each subsequent shift to be eligible for sick leave benefits on these workdays. No daily notice will be required when the employee has submitted a doctor's certificate that specifically states he will be unable to return to work until a certain date. Failure to notify the Company as provided may disqualify the employee from sick leave benefits for any day the employee fails to report, unless the Company determines that special circumstances existed to justify the failure to report

Section 11.07. Sick Leave Verification. If an employee is on sick leave for three (3) or more consecutive workdays, a medical certificate, furnishing evidence satisfactory to the Company that his absence from work was due to one of the reasons listed under Section 11.02., must be provided from the employee's health care provider. In addition, a medical certification may be requested as a condition of payment of sick leave benefits whenever the Company has a reasonable suspicion that the employee is abusing sick leave. Abusing

sick leave shall be defined as exceeding four occurrences of sick leave without a medical certificate within a six (6) month period.

Section 11.08. Short Term and Long Term Disability: Employees will be eligible to participate in the Company's STD and LTD programs, as well as any voluntary LTD offerings.

ARTICLE 12, FUNERAL LEAVE

Section 12.01. In case of death in the immediate family of the regular employee, the employee, shall be allowed paid time off for the purpose of attending the funeral and assisting in the arrangements.

"Immediate family" shall mean the employee's spouse, child, stepchild, foster child, parent, step-parent, foster parent, parent-in-law, son-in-law/daughter-in-law, sister, brother, grandparent, and grandchild or legal guardian.

In the event of the death of a spouse, child or stepchild, the bereavement leave of absence with pay is up to five (5) consecutively scheduled workdays. In the event of the death of any other member of the employee's immediate family, as specified above, the bereavement leave of absence with pay is up to three (3) consecutively scheduled workdays

ARTICLE 13, JURY DUTY

Section 13.01. An employee who is summoned for jury duty, the employee shall be paid the difference between his regular straight time base pay and the fee received for jury service for time lost from scheduled work as a result of jury duty, up to a maximum of ten (10) workdays. The Company may require verification of jury duty service and the amount received in jury duty pay.

Section 13.02. Employees who are released from service prior to the end of their scheduled shift are required to promptly call in and return to work, if requested

ARTICLE 14, UNPAID LEAVES OF ABSENCE

Section 14.01. Personal Leave. An employee, who has completed his probationary period, may be granted an unpaid personal leave of absence upon written request at the Company's discretion. All such requests for leave must designate a date for return to active employment in order to allow for proper staffing during the employee's absence. Such leaves will generally be limited to no more than four (4) weeks, but may be extended with written approval from the Company. Employees will be required to utilize all accumulated vacation benefits and/or personal floating holidays prior to approval of unpaid leave of absence.

Prior to a personal leave, the employee must make arrangements to pay all applicable premiums in advance or during the leave to continue participation in the insurance plans. Seniority will continue to accrue during an authorized personal leave of absence; however vacation and sick leave do not accrue during an unpaid personal leave of absence.

If granted a personal leave of absence, the employee may not accept other work during such leave without prior written approval of the Human Resources Manager. Accepting such work will be grounds for immediate termination. Failure to return to work on the designated return date at the end of the personal leave will be deemed a voluntary resignation of your employment with the Company.

Section 14.02. Military Leave. Employees will be granted leave of absence to serve military duty in accordance with applicable laws. Employees may utilize vacation pay to make up the difference between their regular base rate of pay and their military pay.

Section 14.03. Family and Medical Leave. The Company will comply with applicable laws regarding family and medical leaves.

ARTICLE 15, HEALTH AND WELFARE

Section 15.01. The Company shall provide medical, dental, vision, life insurance and AD&D for each regular full time employee covered by this Agreement under the same terms and conditions as other employees of the Company, not covered by a collective bargaining agreement.

Section 15.02. Employee Contribution. The employee shall pay, through payroll deduction, the applicable amount paid as other employees of the Company for the effective premium for medical, dental and vision. Such rate will be provided during the open enrollment period at the end of each year. Employees will be eligible for benefits available during open enrollment under the same terms as other employees and as outlined in the open enrollment material.

Section 15.03. Regular employees and their dependents shall become eligible for coverage on the first day of the month following the date of employment.

ARTICLE 16, RETIREMENT

Regular full time employees will be eligible to participate in the Company 401(k) Plan, in accordance with the terms of that plan.

ARTICLE 17, SAFETY

Section 17.01. In General. The parties to this Agreement are responsible for mutual and cooperative enforcement of safety rules and regulations. The Company and the employees agree to observe all state and federal laws relating to safety and health, and the Company safety rules set forth in its employee handbook, including signing the safety rules. All work-related accidents and injuries must be immediately reported to their immediate supervisor or Site Safety Coordinator. Protective clothing required by the Company shall be worn at all times. Employees must cooperate in the investigation of work-related accidents and injuries.

Employees are encouraged to report safety concerns and suggest ways to improve practices and procedures relating to safety to the Project Manager or Safety Committee.

All claims of unsafe conditions shall be promptly submitted by employees on a Company form to their supervisor. The supervisor shall reasonably investigate and take appropriate corrective action as deemed necessary.

ARTICLE 18, UNIFORMS AND PROTECTIVE CLOTHING

Section 18.01. The Company shall provide employees at no cost with uniforms and personal protective equipment (PPE), such as hard hats, safety glasses, etc., that they are required to wear. The Company shall provide employees at no cost with one (1) pair of safety shoes that they are required to wear, provided the employee selects his shoes from a Company approved list. Employees are not responsible for reasonable wear and tear, but shall be responsible for damage to uniforms, protective clothing, or safety shoes, caused by their negligence or deliberate acts. Employees are required to provide written acknowledgement of their receipt of the above uniforms, clothing and shoes and agreement to their responsibilities listed above.

Section 18.02. In the event employees report for work improperly dressed, the company reserves the right to send employees home to change clothes or take other appropriate corrective action. The employee shall not be compensated during such time away from work and violations of this standard will subject an employee to disciplinary action. All personal protective equipment (PPE) is to be worn at the direction of the Company. Uniforms are to be worn at all times and are to be neat in appearance.

Section 18.03. Upon separation from employment, which may include a layoff as determined by the Company, all the Company provided uniforms or specified clothing must be returned to the Company in reasonable condition. If not returned in a wearable condition, the employee expressly authorizes the Company to deduct the cost of the uniform or the Company provided specified clothing from their last paycheck.

ARTICLE 19, MEDICAL EXAMINATIONS

Section 19.01. The Company may require an employee to submit to a medical examination by a Company-designated physician in order to verify the nature and/or extent of any medical conditions limiting the employee in his ability to perform the duties of his job. If required the Company shall pay for all related expenses including lost wages.

ARTICLE 20, CROSS-TRAINING

Section 20.01. It is understood and agreed that the Company may assign employees covered by this Agreement to work in locations outside of the immediate project area provided the employee agrees to accept the assignment.

Section 20.02. It is agreed and understood that employees covered by this Agreement who are being cross-trained or otherwise temporarily assigned work in another facility operated by the Company, will continue to be covered by the wages, benefits, and other provisions of this Agreement, unless the Company and the Union agree otherwise.

ARTICLE 21, CERTIFICATION

Section 21.01. Employees failing to meet or maintain the necessary certification as provided in their position description, or any higher level of certification as required by law or regulations shall be subject to immediate termination.

ARTICLE 22, PERFORMANCE OF BARGAINING UNIT WORK

Section 22.01. The Company, the Union and the employees agree that the parties have an obligation to work as a team to improve efficiency and reduce costs. Therefore, supervisors are not restricted in the performance of a minimum amount of bargaining unit work under any of the following conditions:

- A. Emergency or situation requiring special skills or equipment;
- B. Setting up or testing equipment;
- C. Devising new methods or systems;
- D. Instructing or training employees;

E. Bargaining unit employees are not available due to employee absences. Employees will supply the Company a contact number. A log sheet will be used to track calls. A fifteen (15) minute window will be given for the employee to respond before the next person is contacted.

ARTICLE 23, CONTRACTING OUT WORK

Section 23.01. The Company reserves the right to contract work or operations of a significant nature that cannot be performed by the bargaining unit.

ARTICLE 24, DISCIPLINE AND DISCHARGE

Section 24.01. Probationary Employees. The Company reserves the right to discipline and/or discharge probationary employees at its sole discretion, and is not subject to the grievance procedure or within the jurisdiction of any arbitrator.

Section 24.02. Regular Employees.

A. The Company reserves the right to discipline, suspend or discharge regular employees for just cause.

B. For non-major infractions, the Company agrees to apply the following steps of discipline

1st Offense – verbal recorded warning;

2nd Offense - within twelve (12) months of any 1st non-major offense - written warning; and

3rd Offense – Suspension up to five (5) working days. – within twelve (12) months of any 2nd non-major offense

4th Offense - within twelve (12) months of any 3rd non-major offense - discharge. The Company reserves the right to offer any lesser form of discipline it may deem appropriate dependent upon the mitigating circumstances presented on a case by case basis.

To progress through the above steps of discipline, the infraction(s) need not be for the same or similar offense.

C. However, employees committing a major infraction shall be subject to immediate discharge without receiving a prior warning. The major infractions shall include but are not limited to the following:

1. Threatening, fighting or assaulting another employee, supervisor or client associate;
2. Violation of the Drug and Alcohol Policy;
3. Intentional violation of any state environmental agency, EPA, County Health, municipal or other government resolution, rule or regulation regarding potable water or sewer operations;
4. Intentional waste, misuse, damage or destruction of Company, client or other employee's property;
5. Possession of weapons or explosives at the work site or in Company vehicles;
6. Unauthorized possession of Company property or the property of another;
7. Serious discriminatory behavior or harassment of a sexual, racial, ethnic, or religious nature;
8. Insubordination, including refusal to submit to authority;
9. Offensive or abusive conduct or language of a serious nature towards another employee, supervisor, management, personnel or customer;
10. Sleeping on paid time;
11. Falsifying Company records;
12. Dishonesty;
13. Theft;

14. Encouraging or participating in a violation of the no-strike restrictions as set forth in this Agreement;
15. Engaging in off-duty conduct which seriously undermines Company relationship with the client or reputation in the community;
16. Carrying unauthorized passengers in Company vehicles;
17. Serious or repeated violations of safety rules;
18. Other serious misconduct sufficient to justify discharge under just cause standards.

D. Copies of written reminders and/or suspensions shall be given to the employee and the Union steward and a copy mailed to the Union.

ARTICLE 25, GRIEVANCE AND ARBITRATION PROCEDURE

Section 25.01. Grievance Steps. Employees shall attempt to resolve disputes and misunderstandings by informally referring those disputes to their immediate supervisor prior to pursuing grievance steps. In the event such informal resolution is not successful, grievances shall be dealt with in the following manner:

Step 1. Any employee covered by this Agreement who has a grievance must reduce it to writing, and date and sign the grievance form. The written grievance must briefly describe the nature of the alleged violation and cite the specific provision(s) of the Agreement allegedly violated. The grievance shall be presented by the employee and the Union Representative to the Project Manager or designate within seven (7) calendar days from the day the employee knew or should have known of the alleged violation. In the event of an alleged violation of the wages set forth in Appendix A, this seven (7) calendar day time limitation shall begin to run from the date the employee receives his paycheck. Any grievance not presented within the seven (7) calendar days will be considered waived and will not be subject to the following steps of the grievance procedure.

Within fourteen (14) calendar days of the date it was presented to him, the Project Manager, or his designee, shall meet with the employee and/or Union Representative, and respond in writing to the grievance.

In the event VVNA does not respond to a grievance within the specified time limits, the grievance is denied and may be appealed to the next step. If a grievance is not appealed to the next step within the specified time limit, it shall be considered settled on the basis of the Company's last response.

Step 2. In the event the Union disagrees with the written decision of the Project Manager, the dispute may be referred to Step 2, provided the Union notifies the Company in writing of its intention to do so within seven (7) calendar days after receiving the Project Manager's written decision. Any grievance not presented within the seven (7) calendar days will be considered waived and will not be subject to the following steps of the grievance procedure.

The grievance will be heard by the Area/District Manager within twenty-one (21) calendar days of receiving the written appeal. This time may be mutually extended to accommodate travel and scheduling considerations. In rare instances, grievances may be heard via telephone conference. The Area/District Manager will respond in writing to the grievance within fourteen (14) calendar days following the hearing. This time period may be extended by mutual agreement. In the event the Company does not respond within the specified time limits, the grievance is denied and may be appealed to the next step.

Step 3. The grievance will be heard by the Human Resources Manager or designee in conjunction with the Region Vice President or designee within twenty-one (21) calendar days of receiving the written appeal. This time may be mutually extended to accommodate travel and scheduling considerations. In rare instances, grievances may be heard via telephone conference. The Human Resources Manager or Designee will respond in writing to the grievance within fourteen (14) calendar days following the hearing. This time period may be extended by mutual agreement. In the event the Company does not respond within the specified time limits, the grievance is denied. Subsequently, the Union and Company will have fifteen calendar (15) days to submit to the other party a written request for Arbitration. In the event either party does not submit this Arbitration request within the fifteen (15) calendar days the grievance will be considered closed by both parties.

Section 25.02. Arbitration. If the Company and the Union are unable to informally agree upon an arbitrator, they shall immediately jointly request the American Arbitration Association or the Federal Mediation and Conciliation (FMCS) to submit a panel of seven (7) arbitrators. Each party shall have the right to reject one (1) panel. There will be a coin toss to determine who shall strike the first name from the final list, the other party shall then strike a second name, and so forth, and the last remaining person shall be the arbitrator.

All arbitration hearings shall be conducted in the project area unless the parties mutually agree otherwise. The arbitrator shall conduct the hearing in accordance with the Rules of the American Arbitration Association or the FMCS if different, unless otherwise expressly provided by this Agreement.

The arbitrator may only hear and determine one grievance at a time without the express agreement of the Company and the Union.

Either or both parties may submit written briefs within a time period mutually agreed upon.

Section 25.03. The arbitrator shall rule only on the basis of relevant evidence presented in the hearing before him and shall refuse to receive any information after the hearing except when there is mutual agreement, in the presence of both parties. He shall have no authority to make a decision on an issue not submitted to him. He is further without authority to amend, modify, nullify, add to, or subtract from any provision of the Agreement or to make a decision that is contrary or inconsistent with applicable laws or regulations.

Section 25.04. Arbitration Awards. The arbitrator may not make retroactive awards or settlements beyond the date on which the written grievance was first presented to the Project Manager.

The arbitrator shall render his award within thirty (30) days after the close of the hearing or the submission of any written briefs presented by the parties, whichever is later.

Section 25.05. Expenses. All expenses incurred by either party, including but not limited to representation fee, witness fee or transcript requested by one party, shall be paid by the party incurring the expense. In the event a transcript is used by both parties, the expenses for the transcript shall be split equally by the parties as will the arbitrator's fees.

The arbitrator's decision shall be final and binding subject to the limitations and authority set forth in State or Federal Law, or contained in this Agreement.

Section 25.06. Time Limitations. The time limitations set forth above may be extended only upon mutual written agreement of the parties.

Section 25.07. Non-Waiver. Notwithstanding any other provision of this Agreement, submission to arbitration of a grievance shall not be deemed a waiver of the right of the Company or the Union to contend before the arbitrator that the matter is not arbitrable.

ARTICLE 26, STRIKES AND LOCKOUTS

Section 26.01. During the term of this Agreement neither the Union, its officers, agents, members, nor any employees will authorize, instigate, aid, condone, participate in, or engage in a strike, sympathy strike, safety strike, work stoppage, slowdown, boycott, picket line or any other interruption, or interference of work or any impeding of production or business of the Company regardless of whether there is a claim by the Union or employees of breach of this Agreement or of state or federal law by the Company, or regardless of whether there is a duty to submit the dispute in question to the arbitrator pursuant to Article 25, Grievance and Arbitration Procedure.

Section 26.02. No Lockout. The Company agrees that there will be no lockouts during the term of this Agreement.

ARTICLE 27, UNION ACCESS TO PREMISES

Section 27.01. After signing the Company visitor register and wearing necessary safety equipment, the Union Representative shall be allowed reasonable access to the employees to investigate working conditions for the purpose of determining compliance with the terms of this Agreement, or for grievance handling. Whenever possible, all discussions with employees shall be prior to their shift, after their shift, during their breaks, or at other times as agreed to by the Project Manager, so as to cause the least possible interruption of work.

ARTICLE 28, UNION STEWARD

Section 28.01 Authority of Stewards. The Union Representative may appoint a steward or alternate whose duties shall be limited to ascertain whether employees are complying with the Union membership requirements set forth in Article 3, Union Security, and to handle

employee grievances. In no event under this Agreement shall any steward have the authority to call a strike or work stoppage or interfere with work in progress.

ARTICLE 29, OUTSIDE EMPLOYMENT

Section 29.01. Since the Company is the primary employer, employees are required to obtain the approval of the Project Manager prior to accepting other employment. However, the Project Manager shall not withhold approval unless the Company determines that:

A. Other employment could interfere with the employee's work schedule, including overtime assignments, or safety; or,

B. The other employment represents a potential conflict of interest with the Company or our Client.

ARTICLE 30, SAVINGS CLAUSE

Section 30.01. Should any part of, or any provision herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation, or by any decree of a court of competent jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions thereof, provided, however, upon such invalidation the parties agree to immediately meet to negotiate such parts or provisions affected. The remaining parts or provisions shall remain in full force and effect.

ARTICLE 31, ENTIRE AGREEMENT

Section 31.01. The parties acknowledge that, during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject matter not removed from the area of collective bargaining, and that the understanding and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement. The Company is not obligated to follow past practices followed by the predecessor employer. This Agreement constitutes the sole and entire existing agreement between the parties and supersedes all prior agreements, oral or written, between the Company and the Union, and expresses all obligations of, and restrictions imposed on the Company during its term.

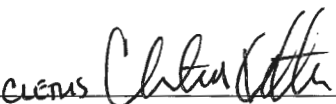
Section 31.02. This Agreement can be altered or amended only by a written agreement properly ratified by both parties.

ARTICLE 32, DURATION

Section 32.01. This Agreement shall be in full force and effect from July 1, 2017 to June 30, 2020 and from year to year unless at least sixty (60) days prior to June 30 of any year thereafter notice is given in writing by either party to terminate this Agreement or to negotiate a successor Agreement.

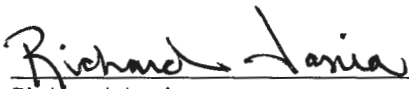
Section 32.02. Notwithstanding any provisions to the contrary, should the Company's contract with the client be terminated for any reason, this Agreement will end concurrent with the date of termination of the Company's contract. The Company shall provide the Union with notice equivalent to any notice provided by the client. Employees will be eligible for the Company's severance program, per the terms of the Severance Policy, in the event of closure of operations.

COMPANY:




Clottus Keffer
District Manager

4/6/18
Date



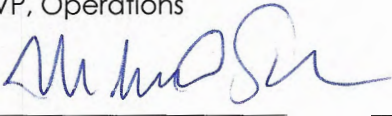
Richard Jania
Project Manager

4/6/18
Date



Matt DiGeronimo
VP, Operations

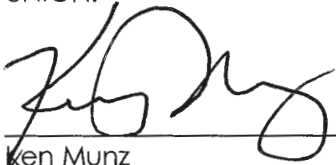
4/16/18
Date



Michael Schnack
VP, Labor Relations
Veolia North America

4/22/18
Date

UNION:



Ken Munz
Vice President, SEIU Local 1

4/2/18
Date

APPENDIX A, DRUG AND ALCOHOL FREE WORKPLACE

Our Company recognizes the importance of maintaining a safe, productive and efficient work environment for its employees, stakeholders and any person conducting business for and/or on behalf of the Company. The use and abuse of alcohol, drugs and/or controlled substances can impair the ability to perform job responsibilities and also can result in the potential for accidents on-duty and other failures that may pose serious safety and health risks to employees, co-workers, customers and the general public.

To demonstrate its commitment to a work environment free of the hazards associated with the use and misuse of drugs and alcohol, we have established this policy. Employees and/or any person conducting business for and/or on behalf of the Company are required to comply with all aspects of this policy, applicable laws and customer contractual obligations as a condition of employment, or continued employment, with us. Any person who violates this policy will be prohibited from conducting business for and/or on behalf of the Company.

To comply with U.S. Federal Motor Carrier Safety Administration (FMCSA) regulations (49 CFR Parts 40 and 382), we have implemented and administer a controlled substances and alcohol testing program for all Commercial Driver's License (CDL) drivers who operate Commercial Motor Vehicles (CMV) for VEOLIA Water.

The use, possession, transfer, sale, purchase, manufacture, distribution, dispensation, solicitation or being under the influence of any controlled substance, drug or other intoxicant, including alcohol, at any time while on Company premises, or when performing any Company business, including while driving Company-provided vehicles, is prohibited. The only exceptions to this rule are:

- individuals may use legal over-the-counter medications or prescription drugs while at work strictly in accordance with the product instructions or a physician's prescription provided, however, that the use of such substances does not adversely affect the individual's ability to perform his or her job, or to do so in a safe manner; and
- alcohol may be consumed within reason as part of an authorized Company social event, as specified below.

DEFINITIONS

ADULTERATED SPECIMEN

"Adulterated specimen" means a specimen that contains a substance that is not expected to be present in human urine or a substance expected to be present but that is at a concentration that it is not consistent with human urine.

ALCOHOL

"Alcohol" means the intoxicating agent in beverage alcohol, ethyl alcohol or other low molecular weight alcohol, including methyl and isopropyl alcohol. "Alcohol use" means the consumption of any beverage, mixture or preparation, including any medication, containing alcohol. The Company recognizes that alcohol is a legal substance that is

regulated in terms of allowable levels of use by the U.S. Department of Transportation and state departments of motor vehicles.

COMMERCIAL MOTOR VEHICLE

A "Commercial Motor Vehicle" (CMV) for the purpose of controlled substance, drug and alcohol testing means a motor vehicle or a combination of motor vehicles used in commerce to transport passengers or property if the motor vehicle:

- 1) has a (manufacturer's) gross combination weight of 26,001 pounds or more inclusive of a towed unit with a gross vehicle weight rating of 10,001 pounds or more; or
- 2) has a (manufacturer's) gross vehicle weight rating of 26,001 pounds or more; or
- 3) is designed to transport 16 or more passengers, including the driver; or
- 4) is of any size or weight that is used in the transportation of materials found to be hazardous for the purpose of the U.S. Hazardous Materials Transportation Act (49 C.F.R. Part 172, Sub-part F), and that require the motor vehicle to be placarded under the Hazardous Material Regulations.

CONTROLLED SUBSTANCE

The term "controlled substance" has the meaning set forth in 21 U.S.C. Section 802(6) and includes all substances listed on Schedules I through V of 21 C.F.R. §1308 (§1308.11 through §1308.15), as they may be amended from time to time.

DILUTE SPECIMEN

"Dilute specimen" means a specimen with creatinine and specific gravity values that are lower than expected for human urine. The results of a dilute specimen are either a "positive dilute" or a "negative dilute". (See "DRUG (CONTROLLED SUBSTANCES) AND ALCOHOL TESTING OF EMPLOYEES AND OTHERS")

DRIVERS

- **DOT (CDL) DRIVER**

A "DOT (CDL) Driver" means any person who is subject to the Commercial Driver's License (CDL) requirements and who operates a CMV for and/or on behalf of the Company. For purposes of this policy, the term "any person" includes but is not limited to: any and all employees who are employed by us, whether paid or unpaid; consultants; owner-operators and their employees; and independent contractors and their employees. The term "any person" also includes any individual, authorized or not authorized, while operating a CMV vehicle for and/or on behalf of the Company.

A DOT (CDL) Driver is subject to all applicable alcohol and controlled substance testing requirements established by the U.S. Department of Transportation, other authorized regulatory agencies and this policy.

- **NON-DOT DRIVER**

A "non-DOT Driver" means any employee who operates a Company vehicle (including a forklift) in the normal everyday course of his/her position (e.g., field service technician, sales representative, etc.).

- **SAFETY SENSITIVE FUNCTIONS OF DOT (CDL) DRIVERS**

"Safety sensitive functions of DOT (CDL) Drivers" means to any of those on-duty functions (published in 49 C.F.R. §382.107) listed below:

- 1) All time spent waiting at a carrier or shipper plant, terminal, facility or other property to be dispatched, unless the DOT (CDL) Driver has been relieved from duty by the Company;
- 2) All time spent inspecting equipment as required by the Federal Motor Carrier Safety Regulations or otherwise inspecting, servicing or conditioning any CMV at any time;
- 3) All time spent at the driving controls of a CMV in operation;
- 4) All time, other than driving time, spent on or in a CMV (except for time spent resting in the sleeper berth);
- 5) All time spent loading or unloading a CMV, supervising, or assisting in the loading or unloading, attending a vehicle being loaded or unloaded, remaining in readiness to operate the vehicle or in giving or receiving receipts for shipments loaded or unloaded;
- 6) All time spent performing the DOT (CDL) Driver's requirements associated with an accident;
- 7) All time spent repairing, obtaining assistance or remaining in attendance upon a disabled vehicle.

ILLEGAL DRUG

"Illegal drug" means any controlled substance (including the presence of their metabolites) of which the sale, possession or use is prohibited under state or federal law. Illegal drugs include, but are not limited to: marijuana, cocaine, opiates, phencyclidine (PCP), barbiturates, methamphetamines, amphetamines, methaqualone, benzodiazepines, propoxyphene and their metabolites; prescription medications not legally obtained or not being used in the manner, combination or quantity prescribed; legal over-the-counter medications used other than as directed by the package instructions or as directed by a physician; so-called designer, look-alike or synthetic drugs; and solvents, glue, inhalants or patches used as an intoxicant, even if the possession of such substances are not specifically prohibited by applicable law.

LEGAL DRUG

"Legal drug" means prescription medications and over-the-counter medications that have been legally obtained and are being used only in the manner, combination or quantity for which they were prescribed or manufactured.

MRO (Medical Review Officer)

A "Medical Review Officer" (MRO) is a qualified physician who is employed by the Company's third-party drug testing administrator and reviews testing results. The MRO has the authority to contact an employee or any person who has been tested on behalf of the Company to inquire regarding the results of specimen testing and to render a determination of the test result.

REFUSAL TO TEST

A "Refusal to Test" situation exists when a person:

- (1) Has failed to appear for any test within a reasonable time, as determined by the Company, after being directed to do so by the Company. This includes failure of a person to appear for a test when notified by a consortium/third-party administrator.
- (2) Has failed to remain at the testing site until the testing process is complete.
- (3) Has failed to provide a urine specimen for any drug test that is required by DOT regulations.
- (4) In the case of a directly observed or monitored collection in a drug test, has failed to permit the observation or monitoring of his/her provision of a specimen.
- (5) Has failed to provide a sufficient amount of urine or breath when directed, and it has been determined, through a required medical evaluation, that there was no adequate medical explanation for the failure.
- (6) Has failed or declined to take a second test that the Company or the collector has directed him/her to take.
- (7) Has failed to undergo a medical examination or evaluation, as directed by the MRO as part of the verification process, or as directed by the designated Company representative as part of the "shy bladder" or "inability to provide a breath specimen" procedures or
- (8) Has failed to cooperate with any testing procedure.

SUBSTANCE ABUSE PROFESSIONAL

A "Substance Abuse Professional" (SAP) means a qualified physician, psychologist, social worker, employee assistance professional or drug and alcohol counselor. Information about SAPs will be provided to an employee who violates this policy so that an employee may seek assistance for help with his/her substance abuse/alcohol problems. All

arrangements for the services of a SAP (including payment for same) are the responsibility of the employee.

SUBSTITUTED SPECIMEN

A "Substituted specimen" means a specimen with creatinine and specific gravity values that are so diminished that they are not consistent with human urine.

UNDER THE INFLUENCE

"Under the influence" means that an employee is affected by a drug or alcohol, or any combination of drugs and/or alcohol, in any detectable manner. The symptoms of influence are not limited to those consistent with misbehavior, or to obvious impairment of physical or mental ability, such as slurred speech or difficulty in maintaining balance.

Under the influence of alcohol includes a breath alcohol concentration (BAC) of 0.02 percent or higher.

POSSESSION OR USE OF DRUGS OR ALCOHOL

Use of illegal drugs on or off duty, on or off Company premises is prohibited. Off-duty use of alcohol is prohibited to the extent that such use adversely affects the Company's legitimate interests or the potential ability of an employee to safely and efficiently perform his/her job duties. This includes the possession or use of illegal drugs and being under the influence of alcohol while driving a Company vehicle during off-duty hours.

The unauthorized possession, use or being under the influence of alcohol while on Company premises at any time, whether during work hours or non-work hours, including meal and break periods, and/or when performing any Company business, including when driving vehicles, is prohibited. Reporting to work or remaining at work with a breath alcohol concentration of 0.02 percent or higher is also prohibited. The exception to this rule is the possession or use of alcohol as part of an authorized Company-sponsored function or activity, provided that such use is in moderation and does not result in an employee being "under the influence" of alcohol. A DOT (CDL) Driver or non-DOT Driver may not perform any safety-sensitive function within four (4) hours of ingesting alcohol regardless of his/her breath alcohol concentration.

The use, possession, transfer, sale, purchase, manufacture, distribution, dispensation, solicitation or being under the influence of any illegal drug while on Company premises at any time, whether during work hours or non-work hours, including meal and break periods, and/or when performing any Company business, including when driving vehicles, is prohibited. Reporting to work or remaining at work while under the influence of an illegal drug is also prohibited.

We recognize that employees may need to use legal drugs from time to time for medical reasons. The possession or use of legal drugs while on Company premises, during work hours and/or when performing any Company business, including when driving vehicles, is permitted, provided such use or influence does not affect the safety of an employee, co-workers, customers or the public, an employee's job performance or the safe or efficient operation of Company facilities, equipment and vehicles.

An employee using a legal drug has an obligation to inquire and determine whether the legal drug he/she is taking may or will affect his/her ability to safely and efficiently perform job duties. If an employee is using a legal drug at the direction of a physician, dentist or other licensed practitioner, an employee is required to obtain a written statement of any work-related restrictions. Any such restrictions must be reported to his/her supervisor prior to reporting to work while using any legal drug. An employee may continue to work while using a legal drug provided that the Company determines that an employee does not pose a threat to his/her own safety or the safety of co-workers, customers or the public, or that an employee's job performance will not significantly be affected by the legal drug. Otherwise, an employee may be required to take a leave of absence or comply with other appropriate action as determined by the Company.

APPLICANT AND EMPLOYEE OBLIGATIONS

As a condition of employment or continued employment with the Company, all Company employees and job applicants must abide by the terms of this policy. Any violation of this policy will result in immediate disciplinary action, up to and including unpaid suspension and/or immediate termination of employment or denial of employment, subject to applicable law.

All current employees subject to this policy will have indicated their consent, acknowledgment and authorization for alcohol and drug testing by affixing their signature to the receipt included in this Employee Handbook. All job applicants subject to this policy will have indicated their consent, acknowledgment and authorization for alcohol and drug testing by affixing their signature to the Company's application for employment.

As mandated by the U.S. Drug-Free Workplace Act of 1988, employees must report any conviction under a criminal drug statute for violations occurring on or off Company premises while conducting Company business. A report of a conviction must be made within five (5) days after the conviction.

Any employee who is cited for driving under the influence of drugs or alcohol while operating a Company vehicle, including both on-duty or off-duty use of a Company vehicle, must immediately advise his/her supervisor of that fact. Employees who drive as part of their job duties for the Company must also advise his/her supervisor no later than the next business day if they are cited for driving under the influence of drugs or alcohol while driving their own vehicle during either on-duty or off-duty hours.

EMPLOYEE ASSISTANCE

We are willing to provide, and strongly encourages individuals to seek assistance for drug or alcohol problems. Our Employee Assistance Program (EAP) is available through Magellan Behavioral Health to assist employees in getting such help. However, each individual has the responsibility to seek assistance before alcohol or drug problems lead to problems or violations of this policy. The EAP may be contacted at the following telephone number 24 hours a day, seven days a week, 365 days a year: 800-324-8914.

An employee's voluntary decision to seek assistance in advance from the EAP will not be used as the basis for disciplinary action. On the other hand, using the EAP will neither lessen nor prevent the imposition of disciplinary action where an individual has violated

this policy and where the Company learns of that violation from sources other than the EAP.

An employee may be required to submit to a substance abuse evaluation by our EAP and follow the recommendations of the Substance Abuse Professional. The employee will further be required to sign a release to ensure compliance with the EAP for attendance and follow-through with recommendations.

An employee who is terminated due to violation of this policy will be advised of the availability of EAP assistance and/or other assistance in the evaluation and treatment of substance abuse.

ENFORCEMENT

Employees are expected to cooperate with the Company in the investigation of possible violations of this policy. Accordingly, employees must report to their supervisor, the local HR Representative or other management personnel any known or suspected violations.

The Company reserves the right to utilize other means consistent with sound business practices to determine violations of this policy, including, but not limited to, searches of employee and Company property (see Property of Company and Employee section of this Handbook).

DISCIPLINARY ACTION

Violation of this policy will result in immediate disciplinary action, up to and including unpaid suspension and/or immediate termination of employment, even if an employee has voluntarily engaged in substance abuse counseling and rehabilitation prior to the incident of violation, as follows:

- A verified positive drug (controlled substance) test will result in immediate termination of employment or, in the case of an application, denial of employment.
- Any person who is tested under the provisions of this policy and who is found to have a breath alcohol concentration (BAC) of 0.02 percent or higher, but less than the greater of 0.08 percent and the maximum BAC permitted by applicable state law, will be relieved from duty, suspended and required to seek assistance and evaluation through our EAP. The person will not be permitted to return to work until released by the SAP and has a test result with a BAC of less than 0.02 percent. A person who is found to have a BAC of 0.02 percent or higher on subsequent alcohol test(s) conducted under this policy will be terminated.
- Any person who is tested under the provisions of this policy and who is found to have a BAC that equals or exceeds the greater of 0.08 percent and the maximum BAC permitted by applicable state law will be immediately terminated.
- Any DOT (CDL) Driver who is tested under the provisions of this policy and who is found to have a BAC of 0.02 percent or higher, but less than 0.04 percent, will be relieved from duty, suspended and required to seek assistance and evaluation through our EAP. The DOT (CDL) Driver will not be permitted to return to work until released by the SAP and has a test result with a BAC of less than 0.02 percent. A DOT

(CDL) Driver who is found to have a BAC of 0.02 percent or higher on subsequent alcohol test(s) conducted under this policy will be terminated.

- Any DOT (CDL) Driver who is tested under the provisions of this policy and who is found to have a BAC that equals or exceeds 0.04 percent will be immediately terminated.
- Any person, including a DOT (CDL) driver and non-DOT driver, directed to take a drug (controlled substance) and/or alcohol test based on reasonable suspicion will be relieved from duty, transported by VEOLIA Water to the testing site and will be suspended pending the Company's receipt of test results. If the test result is negative, the person will receive back pay in an amount equal to any wages lost while suspended. A positive test result indicating the prohibited use of drugs or alcohol will result in disciplinary action up to and including immediate termination.

Even if a person has voluntarily engaged in substance abuse counseling and rehabilitation prior to the incident of violation, following the recommendations of the SAP will be required as a condition of employment and will not stand alone to prevent the imposition of disciplinary action, including termination.

Any employee who has been terminated for a violation of this policy may seek re-employment with the Company no sooner than six (6) months following termination of employment. However, the Company is under no obligation to re-employ the former employee. The Company may require documentation that the applicant has been evaluated by a SAP and successfully completed rehabilitation. The former employee is subject to the same pre-employment drug testing required of all job applicants.

The Company may also report persons in violation of this policy to law enforcement authorities, if we in our sole discretion deem it necessary, useful or appropriate to do so and/or in accordance with applicable law.

Any person or visitor found in violation of this policy may be refused entry to, or be removed and barred from, Company premises. Such persons may be reported to law enforcement authorities if the Company in its sole discretion deems it necessary, useful or appropriate to do so and/or in accordance with applicable law.

DRUG (CONTROLLED SUBSTANCES) TESTING OF APPLICANTS

To ensure a safe, productive, efficient and substance-free workplace, we require drug (controlled substances) screening tests for job applicants prior to commencing employment and, as specified below, subject to applicable laws or customer contract requirements.

All job applicants who have been given a conditional offer of employment will be required to undergo a drug test prior to beginning employment with the Company. The pre-employment drug test is required to be completed within five (5) working days from the date of offer.

A positive test result, a positive dilute test result or a refusal to test determination will result in the revocation of any job offer that has been extended to such job applicant. An applicant with a negative dilute test result will be sent for a second drug test. A second

negative dilute test result or a refusal to test determination will result in the revocation of any job offer that has been extended to such job applicant. Applicants may reapply for employment no sooner than six (6) months after the date of the failed drug test. The Company may require documentation that the Applicant has been evaluated by a Substance Abuse Professional and successfully completed rehabilitation. The applicant will be required to pass another drug test as a condition of employment.

Applicants for CDL positions are required to sign a release authorization to permit the Company to obtain prior controlled substance and alcohol abuse violations of DOT rules. VEOLIA Water will contact previous employers for whom the driver applicant worked during the past two (2) years.

DRUG (CONTROLLED SUBSTANCES) AND ALCOHOL TESTING OF EMPLOYEES AND OTHERS

All employees are subject to any and all of the following types of controlled substance and alcohol testing, as set forth below, subject to applicable law or customer contract requirements: reasonable suspicion; random; post-vehicular accident; return-to-duty; confirmation; and follow-up. Controlled substance and alcohol testing will be conducted during, immediately following or immediately prior to the individual performing work for the Company.

A. Reasonable Suspicion Testing

Where the Company has reasonable suspicion that a person is using or is under the influence of drugs or alcohol in violation of this policy, the person will be required to take a drug and/or alcohol test within two (2) hours following the observation. If a reasonable suspicion test is not administered within two (2) hours following the observation, the supervisor will prepare and maintain a file record stating the reason why the test was not administered promptly. If the alcohol test is not administered within eight (8) hours, no further attempt will be made to administer the test; but the supervisor will prepare and maintain a file record of the observation and statement of why the test was not administered promptly.

Additionally, a description of the employee's conduct or other factors giving rise to the reasonable cause determination must be prepared and signed by a witness as soon as possible within 24 hours of the observed behavior, or before the results of the drug test are released, whichever is earlier.

After a reasonable-suspicion determination has been made, the employee may not perform any safety-sensitive function(s) until a BAC of less than 0.02 percent is received and a negative drug (controlled substance) test is confirmed.

The following is a non-exhaustive list of observed symptoms, as compared to the employee's "normal" behavior, and evidence that may be utilized in determining whether there is reasonable suspicion sufficient to require an employee to submit to drug and/or alcohol testing:

- Sudden mood or attitude changes, such as depression, laughter, irritability, panic, hallucinations, confusion, inattentiveness, aggressive behavior, unexplained burst or lack of energy and other changes that are different from the employee's normal

mood and attitude, especially if observed after breaks, meal periods or other occasions when the employee may have had an opportunity to use drugs or alcohol;

- Slurred speech, rapid speech, talkativeness;
- Hyper-body movements, twitching, poor muscular control or motor coordination;
- Runny nose, sniffles, itchy nose, white powder around nose;
- Bloodshot or watery eyes, dilated or constricted pupils, pupils that do not respond to changes in light, blank stare, rapid and involuntary eye movement;
- Needle marks and tracks on the body;
- Smell of alcohol, marijuana or solvents;
- Presence of drug paraphernalia, such as small pieces of foil or folded paper, safety razor blade, cigarette papers and remnants, pipes, alligator clips or hemostats;
- Observations of chronic or withdrawal effects of drugs or alcohol;
- Statements of personal observations by co-workers and other persons; or
- Following an industrial accident, which will prompt further investigation for reasonable suspicion.

Some of the above symptoms and evidence are not necessarily sufficient by themselves. The Company's decision of reasonable suspicion will be based on all of the surrounding circumstances.

The determination whether reasonable suspicion exists in a particular situation shall be made by the highest-ranking supervisor or Company official on site, **in conjunction with** Human Resources.

B. Random Testing

All DOT (CDL) Drivers will be randomly selected for unannounced random drug and/or alcohol testing. All non-DOT Drivers will be randomly selected for unannounced random drug testing. There is no random alcohol testing of non-DOT Drivers. Selection will be made by a scientifically valid method, using computerized random number generation that is matched with individuals' employee identification numbers. Each person will have an equal chance of being tested each time random selections are made. Employees or other persons selected for testing will be notified by their supervisor or HR Representative on the day they are to be tested immediately prior to being tested. The person selected must proceed to the testing facility immediately upon notification of his/her selection. A person's failure to report to the collection site or other refusal to submit to testing, or a positive test result, will be grounds for (1) in the case of an employee, disciplinary action up to and including termination of employment, and (2) in the case of other persons, corrective action up to a prohibition against performing work for and on behalf of VEOLIA Water.

For DOT (CDL) Drivers and non-DOT Drivers, tests will be conducted at a rate per year as specified by the U. S. Department of Transportation, other regulatory agency or as determined by the Company. The average number of DOT (CDL) Driver positions will be used when calculating the number of tests required. Any driver may be tested once a year, more than once a year or not at all due to the random selection process.

A DOT (CDL) Driver will be randomly tested for alcohol while the Driver is performing safety-sensitive functions, just before the driver is to perform safety-sensitive functions or just after the driver has ceased performing safety-sensitive functions.

In the event an employee is selected for a random test and is on vacation, leave of absence or temporary layoff during the entire testing period (month, quarter, etc.), he/she will not be required to undergo the test.

C. Post-Vehicular Accident Testing DOT (CDL) and Non-DOT Drivers

A post-vehicular accident alcohol and controlled substance test is required when there is reasonable suspicion to believe a driver has violated the provisions of this policy and, for DOT (CDL) Drivers, as further conditioned below.

Nothing in this policy should be construed as authorizing or requiring the delay of necessary medical attention for injured drivers or other persons following an accident. Also, the DOT (CDL) Driver or non-DOT Driver is not prohibited from leaving the scene of an accident for the period necessary to obtain assistance in responding to the accident or to obtain necessary emergency medical care.

The results of a urine test for the use of controlled substances or a breath alcohol test that is conducted by local, state or federal officials having independent authority for the test will be considered to meet the requirements of this policy, provided such test results are obtained by the Company.

Any person subject to the Commercial Driver's License (CDL) requirements who is involved in an accident while operating a CMV for and on behalf of the Company is subject to post-vehicular accident alcohol and controlled substance testing under the following conditions:

1. If the accident involved the loss of human life; or
2. The DOT (CDL) Driver receives a citation or is likely to receive a citation for a moving traffic violation arising from the accident, and there was bodily injury to any person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident; or
3. The DOT (CDL) Driver receives a citation or is likely to receive a citation for a moving traffic violation arising from the accident, and any vehicle involved in the accident is towed or transported from the scene of the accident as a result of the damage incurred in the accident.

With Regard to Post-Vehicular Accident Alcohol Tests

1. If the driver has not undergone an alcohol test within two (2) hours after the accident, the driver's supervisor will write and keep on file a report detailing why no test was promptly administered and take all necessary action to accomplish the test.
2. If the driver has not undergone an alcohol test within eight (8) hours after the accident, the driver's supervisor will write and keep on file the report described above and shall cease efforts to require a post-vehicular accident alcohol test.
3. A driver who is subject to post-vehicular accident testing must be available for an alcohol test, or the Company will consider the driver to have refused to undergo testing. The driver must not consume any alcohol during the eight (8) hours immediately following the accident or until after he/she has undergone an alcohol test, and then only if off duty.

With Regard To Post-Vehicular Accident Drug Tests and Controlled Substance Tests

If a post-vehicular accident controlled substance test is required, the DOT (CDL) Driver or non-DOT Driver must be tested as soon as possible and within 32 hours following the accident. If a DOT (CDL) Driver or non-DOT Driver has not submitted to a controlled substance test within 32 hours following the accident, the driver's supervisor will cease attempts to administer a controlled substances test and prepare and maintain a file record stating the reasons the test was not promptly administered.

A driver subject to post-vehicular accident testing shall remain readily available for such testing or may be deemed by VEOLIA Water to have refused to submit to testing.

D. Return-to-Duty Testing

Return-to-duty testing refers to breath alcohol and drug (controlled substance) testing conducted after a DOT (CDL) Driver or non-DOT Driver has engaged in prohibited conduct under this policy and completed any counseling prescribed by a SAP.

Prior to returning to duty, a driver must undergo a return-to-duty alcohol test with a result indicating a BAC of less than 0.02 percent.

Prior to returning to duty, a driver must undergo a return-to-duty controlled substances test with a result indicating a verified negative result for controlled substances use.

E. Follow-Up Testing

For a DOT (CDL) Driver, unannounced, follow-up breath alcohol testing and/or controlled substances testing must be given at least six (6) times within the first 12 months following return to duty and may continue up to 60 months following his/her return to duty. The number of tests, whether for both drugs and alcohol, and the duration of follow-up tests are determined by the SAP. Follow-up testing for alcohol will be performed when the DOT (CDL) Driver is performing safety-sensitive functions or immediately prior to performing or immediately after performing safety-sensitive functions.

For a non-DOT Driver, unannounced, follow-up breath alcohol testing and/or controlled substances testing may be given up to six (6) times within the first 12 months following return to duty and may continue up to two (2) years following his/her return to duty. Follow-up testing for alcohol will be performed when the non-DOT Driver is performing safety-sensitive functions or immediately prior to performing or immediately after performing safety-sensitive functions.

All other persons found in violation of this policy may be subject to unannounced, follow-up testing at any time for a period not to exceed two (2) years. The frequency and number of follow-up tests conducted will be at the sole discretion of the Company.

REFUSAL TO UNDERGO TESTING

Cooperation and compliance with all terms of this policy is a condition of employment or continued employment with the Company. Accordingly, if an employee refuses to undergo a drug or alcohol test, he/she will be deemed to have engaged in prohibited conduct and be subject to immediate termination. Any employee who fails to report for a drug or alcohol test within two (2) hours of being directed to report for such a test will be considered to have refused to take a test. Further, any employee who tampers with specimens or test results, otherwise interferes with the testing process or engages in conduct defined as "refusal to test" in the Definitions section of this policy will be subject to immediate termination of employment.

Job applicants who engage in similar conduct will not be hired.

TEST PROCEDURES

A. Drugs For Which the Company Will Test

The principal drugs for which the Company will test include marijuana, cocaine, opiates, phencyclidine (PCP), methamphetamine and amphetamine. We reserve the right to test for all illegal drugs.

B. Costs of Testing

The Company will pay the cost of all required drug and alcohol tests. If an individual chooses to have his/her split specimen tested, as provided below, the individual will be responsible for all costs of any split specimen testing. We will reimburse the cost of a split specimen analysis if the result fails to confirm the primary specimen findings.

For current employees, all time spent while undergoing a drug or alcohol test will be compensated as regular work time. Whenever appropriate, the Company will arrange for transportation to and from the specimen collection site. Job applicants will not be paid for time spent while undergoing a pre-employment drug test.

C. Testing Laboratories

All specimen analyses will occur at a laboratory selected by the Company or the third-party administrator and certified by the U.S. Department of Health and Human Services.

D. Specimen Collection Procedures

Individuals will be informed by their supervisor or HR Representative of the requirement that they undergo drug and/or alcohol testing. The supervisor or HR Representative will direct the individual to the designated specimen collection site. The employee will be required to show photo identification upon arrival at the test site.

All urine specimens will be collected in accordance with DOT Part 40 procedures. Individual dignity and privacy, both visually and aurally, will be afforded to the extent practicable. Appropriate safeguards will be maintained to prevent substitution, dilution, tampering or interference with the collection or testing of valid samples. Individuals will be required to empty their pockets. Additional measures designed to promote security and proper identification of samples will also be followed, including labeling samples and using chain of custody forms. Split samples will be collected for all employees.

An individual will be required to provide a specimen under direct observation by a same gender collector when: the individual engages in conduct that suggests he/she may have adulterated or substituted the specimen; previous tests have been cancelled due to invalid results; or the split specimen cannot be tested.

If an individual does not provide a sufficient amount of urine to permit a drug test (45 ml), he/she will be given the opportunity drink up to 40 ounces of fluid over a period of three (3) hours and provide a new specimen. If a sufficient specimen is still not provided, the employee will be referred to a physician for examination and evaluation.

Alcohol testing will be administered by a Breath Alcohol Technician (BAT) trained to utilize an Evidential Breath Testing device (EBT) that conforms to DOT requirements. A quality assurance plan developed by the manufacturer to ensure proper calibration shall be followed. The BAT shall use procedures outlined in Part 40 and shall report the test results to the individual and the Company-designated representative.

E. Medical Review Officer Procedure

All individuals whose test results are confirmed to be positive, substituted, adulterated or invalid will be so notified by the Medical Review Officer (MRO). Upon receiving notice of the test result, the individual will be given the opportunity to explain to the MRO any medical reasons that would account for the laboratory findings.

If the individual chooses to take advantage of this option, he/she must do so within 72 hours of receiving notice from the MRO of the confirmed positive test result. The MRO will consider the individual's explanation and, if the individual's explanation is acceptable to the MRO, the positive test result will be reported as a verified negative. If an adulterated, substituted or invalid result is determined to be caused by medication or a medical condition, the MRO will cancel the test. If the MRO determines that the individual's explanation is not satisfactory, the test result will be reported as a verified positive or a refusal to test. Individuals are required to contact the MRO as directed and may be required to undergo a physical examination as part of the MRO process. The MRO will disclose medical information if there is a safety risk or the individual may be medically unqualified under applicable laws and regulations (e.g. insulin dependent diabetic).

F. Right to Split Specimen Analysis

Urine specimens collected for drug testing are divided into two containers, each of which are labeled, sealed and initialed by the tested individual. This split sample permits the same urine specimen to be re-confirmed at a second DHHS laboratory, if necessary.

If the primary specimen is verified as positive, adulterated or substituted, the employee or applicant is entitled to request analysis of the split sample. The individual's request for testing of the split sample must be made within 72 hours of receiving notice of the test results. The employee or applicant must pay for the analysis of the split sample.

Split-sample testing must be conducted at a different laboratory but will be conducted according to government testing specifications at a DHHS-approved laboratory. The results of the split specimen are final and will supersede the primary specimen test results on all records.

The employee will be suspended until the final results of the split-sample analysis are received from the MRO. If the split specimen fails to re-confirm the original result, the employee will be reinstated with full pay. If the split specimen re-confirms the original result, the employee will be subject to immediate termination from employment. If the split specimen cannot be tested, the employee will be required to undergo another drug test collected under direct observation.

G. Confirmation Testing

To ensure drug test results are accurate, any initial drug screening test which indicates the presence of drugs or their metabolites above cut-off levels will be confirmed by re-testing the specimen using an alternative gas chromatography-mass spectrometry method (or its equivalent) to ensure reliability and accuracy of test results. The testing laboratory will report test results to the MRO.

Any initial alcohol test that indicates a BAC of 0.02 percent or higher will be confirmed by a second test not less than 15 minutes, nor more than 30 minutes, after the original test. The confirmation result is the final result and will be reported by the testing facility to the Company.

In the event of a positive dilute drug test result, no additional confirmation testing will be done. However, in the case of a negative dilute drug test result, the employee will be immediately directed to re-test. A confirmation negative dilute will be considered a positive drug test result.

CONFIDENTIALITY

All information gathered or disclosed during the testing process will be kept confidential to the extent possible. No references to an employee's rehabilitation, medical conditions or disabilities will be placed in an employee's personnel record. However, pursuant to the U.S. Drug-Free Workplace Act of 1988 or other applicable law, the Company will notify appropriate agencies of any employee's conviction for violating a criminal drug statute in the workplace within ten (10) days of receiving notification of such conviction. Drug and alcohol testing information on CDL employees will be

disclosed to applicable agencies and/or individuals, including subsequent employers, as required by DOT regulations.

An employee should disclose relevant and necessary information about medical conditions or legal drug use only with medical professionals involved directly in the testing procedure. Such information should not be disclosed to Company supervisors or other personnel, except as may be necessary concerning reasonable accommodation for a disability or potential emergency medical treatment.

Information gathered or disclosed during the testing process concerning an individual employee will be disclosed only on a need-to-know basis, such as to supervisors or other personnel involved in the decision to discipline the employee or in the implementation of that discipline. This confidential information will not be disclosed to any other party without the written consent of the employee, except pursuant to an administrative or legal procedure or process or to the extent permitted or required by law.

EDUCATION AND TRAINING

The Company will, from time to time, conduct drug awareness training sessions for its employees and supervisors, which will focus on details of this policy and its administration.

To comply with the U.S. Federal Motor Carrier Safety Administration (FMCSA) regulation 49 CFR 382.603, all supervisors of drivers of commercial motor vehicles are required to complete at least 60 minutes of training on alcohol misuse and at least 60 minutes of training on controlled substances use prior to assuming supervisory duties.

