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# **WORKING AGREEMENT**

**Between**

**PIPEFITTERS LOCAL  
UNION NO. 539**

**and**

**MINNESOTA MECHANICAL  
CONTRACTORS ASSOCIATION**

**St. Cloud, Minnesota**

**Effective May 1, 2005 - 4/30/08**

## WORKING AGREEMENT

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Company Name

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Address

**THIS AGREEMENT**, entered into this first day of May 2005, by and between the MINNESOTA MECHANICAL CONTRACTORS ASSOCIATION (hereinafter called the "Employer") representing and acting on behalf of their members (individually referred to as "Employer") who are engaged in the piping industry, in Area 03 of the territorial jurisdiction of Pipefitters Local 539, of the United Association of Journeymen and Apprentices of the Pipe Fitting Industry of the United States and Canada, AFL-CIO, hereafter called the "Union."

**WITNESSETH:**

WHEREAS, the Employer is engaged in the Piping Industry and in the performance of such work requires the services of competent, skilled and qualified Journeymen, and WHEREAS, the Employer and the Union desires to mutually establish and stabilize wages, hours and working conditions for journeymen and apprentices employed with the Employers, and further, to encourage closer cooperation and understanding between Employers and the Union in the Pipe Fitting Industry to the end that a satisfactory, continuous and harmonious relationship will exist between the parties to this Agreement. NOW, THEREFORE, The undersigned Employer and Union in consideration of the mutual promises and covenants herein contained mutually agree as follows.

### **ARTICLE I – *Union Recognition***

**Section 1.** The Union shall be the exclusive bargaining representative for all employees performing work within the described jurisdiction.

**Section 2.** The Minnesota Mechanical Contractors Association, Inc., (MMCA), is hereby recognized as the exclusive bargaining representative as to all of its present and future member contractors or any other contractor who has authorized it to act. Any member who resigns from MMCA shall be bound by this Agreement for its duration and any contractor who revokes his authorization shall be bound by this Agreement for its duration. The Employer's Association will furnish the Union with a list of contractors they are bargaining for.

## ARTICLE II – Jurisdiction

### Section 1. Trade or Work Jurisdiction.

- a) This Agreement covers the rules and working conditions of all journeymen and apprentices engaged in the installation of all pipefitting systems and component parts thereof, including fabrication, assembling, erection, installation, dismantling, repairing, reconditioning, adjusting, altering, servicing and handling, unloading, distributing, reloading, tying-on and hoisting of all piping material, appurtenances and equipment, by any method, including all hangers and supports of every description and all other work included in the trades jurisdictional claims of the United Association.
- b) *Rigging, Handling and Setting of Equipment* – Rigging or the handling and setting of the equipment coming under the jurisdiction of the United Association shall be handled in the following manner:

When the trucking firm has immediate need for the vehicle that is delivering the equipment, their personnel may unload same. After the first drop and regardless of where it may take place on the construction site, the members of the United Association covered by this Agreement shall take over and perform all the duties necessary to put the equipment or material in its final resting spot.

The above does not prevent the Employer from arranging with the trucking firm to furnish supervision after the first drop over the employees covered by this labor Agreement.

- c) *Fabrication* – As a primary working condition it is agreed that all pipe formations, systems, or controls, or component parts thereof, included within the list attached hereto and made a part hereof as Exhibit I, as amended from time to time as provided in this Agreement, shall be fabricated on the job site or in the shop of an Employer within the bargaining unit who is bound by this Agreement, except as otherwise mutually agreed upon with relation to any particular job.

Upon the execution of this Agreement, a committee shall be appointed or elected to be known as the Industry Fabrication Committee, consisting of six (6) members, three (3) to represent the Employer Association and three (3) to represent the Union. Each member shall serve upon said committee until his successor is chosen by the party selecting his predecessor. Two members present from each side shall be necessary for a quorum, and if in any meeting the representation is unequal, the side having a member absent shall have his vote to cast, so the in all meetings, voting strength shall be equal to both sides. The Committee shall have the power;

- (1) To make rules for the conduct of its business including provisions for defraying the expenses of the Committee in the administration and enforcement of its decisions.
- (2) To amend said Exhibit I, provided that any proposal for amendment shall be submitted in writing to the Employer Association and the Union at least ten (10) days in advance of

the scheduled meeting of the Industry Fabrication Committee at which time the proposal is to be considered.

- (3) This entire subsection (c) shall become effective on May 1, 1969. The list agreed upon at the time of execution of this Agreement shall be posted in the offices of the Employer Association and the Union and shall be made available to any Employer upon request. All employers specifically agree to abide by the conditions of this entire subsection (c), whether belonging to said Association or not.
- (4) The Committee shall endeavor to meet at least Quarterly for the purpose of review of the lists and possible alterations of the same, having in mind the purpose of preserving locally as much as possible within this bargaining unit, while meeting the current needs of the Industry.
- (5) If either side fails to provide its share of a quorum at any quarterly meeting, or if the Committee is deadlocked for more than thirty (30) days on a matter or interpreting or altering the list as is required herein, then either side by written demand on the other side may submit the matter to arbitration, and in that event, Sections 1 through 6c of Article IV herein shall apply. The written demand shall be served by certified mail.
- (6) Until the ruling on a questioned item is made as provided above, the contractor's designation of work and material shall be accepted without strike, slowdown, work stoppage, or lockout and without penalty in the event of a later ruling by the Committee adding the questioned item to the list referred to herein as exhibit I.

This Article shall not be effective as to customer contracts signed or bid by an Employer signatory hereto prior to May 1, 1969.

The word "fabricated" as used herein includes the work specifically described in the items on said list, Exhibit I.

- d) Work Preservation – As a primary working condition, the employees herein reserve the right to decline to commence work on any job where all of the work described in Exhibit II herein is not to be performed by said employees, except as otherwise mutually agreed upon with relation to any particular job. This provision is limited to such work that is to be performed on the job site of any Employer within the bargaining unit who is bound by this Agreement. It is understood that Article V does not apply where employees decline to commence work under this provision.

This clause (d) shall become effective only as to work contracted for on and after May 1, 1969.

## **Section 2. Territorial Jurisdiction.**

- a) Area 03 of Local 539 Trade or Jurisdiction shall extend into the following fourteen (14) counties: Big Stone, Todd, Swift, Pope, Kandiyohi, Chippewa, Stearns, Stevens, Morrison, Benton, Meeker, Lac Qui Parle and Yellow Medicine. Also, that part of Sherburne which

lies west of a line running northeasterly from the northern point of Wright County to the Southwestern tip of Mille Lacs County.

- b) Payments by Employer – The Employer agrees that whenever performing work in the Area of Local Union’s jurisdiction where the collective bargaining agreement provides for a higher basic hourly rate of a higher overtime rate, or lower hourly work day or work week, such collective bargaining agreement shall prevail. Further, on the same basis, the Employer agrees to make payments into legally established fringe benefit funds such as those for: Health & Welfare, Pension, the Credit Union and J.A.C., established pursuant to applicable collective bargaining agreements; and to pay all transportation, traveling time, board and room and expenses while in the jurisdiction of another affiliated Union.
- c) Reciprocity – The Employer further agrees when performing work in the jurisdiction of another Union of the United Association to be bound by all of the provision of the Working Agreement effective in that jurisdiction to the same extent as if signatory thereto, provided there is in force a like reciprocal clause in the Working Agreement of such other Union.
- d) Unorganized Territory – The provisions of this paragraph shall apply to all jobs in unorganized territory outside of the jurisdiction of the Local Union which is party hereto and is concerned in the matter.

### **ARTICLE III – Union Security**

**Section 1.** All Journeymen and apprentice hereunder, members of the Union now in the employ of the Employer shall remain members in good standing in the Union during the term of this Agreement. All journeymen and apprentices covered by this Agreement, hereinafter employed by the Employers, and who is not a member of the Union, shall become members of the Union on the earliest date provided by applicable Federal Law after their employment or the date of this Working Agreement, whichever is later, and shall remain members of the Union in good standing during the term of this Agreement.

**Section 2.** Either party to this Agreement shall have the right to re-open negotiations pertaining to Union Security when the federal laws applicable thereto have been changed, by giving the other party thirty (30) days written notice.

### **ARTICLE IV – Hiring**

The Union shall be the exclusive source of referrals of applicants for employment with the Employer.

**Section 1.** The Union agrees to furnish competent journeymen to the Employer, provided however, that the Employer shall have the right to determine the competency and qualification of its employees and to discharge any employee for any just and sufficient cause. The Employer

shall not discriminate against any employee by reason of his membership in the Union or his participation in its lawful activities.

**Section 2.** When the employer has requested the Union Office to furnish qualified journeymen to perform work within the scope of this Agreement, and the required number of workmen are not furnished, the Employer shall have the right to procure such journeymen from other available sources, provided however, that such workmen procured from other available sources, shall be required to by Employer to make application with the Union not later than sever (7) days after hiring.

**Section 3.** Selection of applicants for referral to jobs shall be done on a non-discriminatory basis and shall not be based on, or in any way affected by, Union Membership, by-laws, rules, regulations, constitutional provisions, or any other aspect or obligation of union membership, policies, or requirements. Such selection shall be made on the basis of the sequence in which applicants report to the Union as available for work, provided that an applicant may retain his proper sequence only if he possesses a state license, and if required a municipal license.

**Section 4.** No Discrimination – There shall be no discrimination in the selection, referral or employment of applicants because of race, color, or national origin in accordance with the existing law.

The above four sections of this Article shall be posted in places where notices to employees and applicants for employment are customarily posted.

**Section 5. Construction or Service and Maintenance Pre-Apprentice.** The Employer may employ Pre-Apprentices who will assist Journeymen and Apprentices as directed by Employer. Such employment will not be considered to be at a skill level high enough to be given credit as apprenticeship hours or experienced hours to qualify for a license exam. No Employer shall sign a competency card application for hours credited for a Pre-Apprentice. The total rate of pay for a Pre-Apprentice is twelve dollars and fifty cents (\$12.50). Pre-Apprentices shall be selected from a pool maintained and referred by the Union. A twenty-five cent (\$.25) per hour Working Fee Fund shall be deducted by the Employer from wages.

#### **ARTICLE V – *Union Representation/Access to Jobs***

**Section 1.** Authorized representatives of the Unions shall have access to jobs where employees covered by this Agreement are employed, providing they do not unnecessarily interfere with the employees or cause them to neglect their work, and further provided such Union Representative complies with customer rules.

**Section 2.** Job Steward - The member starting the job shall act as job steward until the business agent appoints a regular steward. The job steward shall represent the Union on the job to see that the Working Agreement between the Employer and the Union is enforced. He shall notify the business agent at once of any infractions of contract and of all grievances. All grievances which cannot be settled by the job steward shall be reported to the business agent for action.

## **ARTICLE VI – Employer Responsibility**

**Section 1.** Employers shall carry and keep in force Workers' Compensation Insurance for the benefit of members of the Union and shall pay state and federal unemployment and Employer's share of social security taxes upon all wages paid members of the Union.

**Section 2.** Copy of Report to Union – The Union shall be furnished with a copy of each Employer reporting from covering all required contributions.

**Section 3.** Injury – When an employee covered under this Agreement is injured on the job and requires medical attention, he shall get paid for the full day when the doctor recommends he should not report back to work, when proof of doctor's recommendation is given to the Employer.

## **ARTICLE VII – Fair Standards**

**Section 1. Subcontracting.** The Employer agrees not to sublet or contract out any work covered herein to be performed within the territorial jurisdiction of the Union unless the contractor to whom the work is sublet is in agreement with a Union affiliated with the United Association. This section shall apply to the extent permitted by applicable federal law.

**Section 2.** An Employer may work on any job in accordance with the rules and regulations of Local 539 and the United Association.

If there is more than one (1) owner to a shop, only one (1) can work without being a dues paying member of the United Association of Journeymen and Apprentices.

## **ARTICLE VIII – Apprentices**

**Section 1.** The Pipefitters Joint Apprenticeship Committee shall consist of eight (8) members; four (4) members to be appointed each by the Employers and by the Union. Each member shall serve upon said committee until his successor is appointed by the party appointing him. Said Committee shall have the power:

- A. To make rules and regulations for the conduct of its business, including provisions for defraying the expenses of the Committee in the administration and enforcement of the Apprenticeship Standards.
- B. To construe and apply the terms of the Apprenticeship Standards to effectuate the purpose for which they were written.

C. To investigate, hear, determine and settle any dispute or controversy arising out of, connected with, or pertaining to terms, provisions and conditions of the Apprenticeship Standards.

**Section 2.** Apprentices – Term “Apprentice” as used in this Agreement, shall mean only those apprentices certified by the Joint Apprenticeship Committee, as set up by the Union, and the Employers, and no apprentice shall work as a journeyman until certified as a journeyman by the Joint Apprenticeship Committee. Apprentice wage rates and ratio to journeymen shall be determined by the Joint Apprenticeship Committee.

**Section 3.** Any contractor bound by the terms of this Agreement shall also be bound by the Apprenticeship Standards as set fourth by the Pipefitters Joint Apprenticeship Committee.

**Section 4.** The Joint Apprenticeship Committee shall advertise and conduct OSHA 10-hour construction classes.

### **ARTICLE IX – *Benefits and Other Funds***

(a) Health and Welfare Fund

The Employer shall bear the entire cost of financing and administering the Health and Welfare Fund, through payments to be made for employees working within the jurisdiction of the Union in the amounts as set forth in the Appendix. This fund shall be operated under a Trust Agreement executed by the parties.

The fund may include non-bargaining unit office personnel of participating Employers as permitted by law.

(b) Credit Union

It is acknowledged that the sum allocated in the Appendix for Credit Union was originally negotiated as wages and was subsequently allocated by the Union as indicated in the Appendix, with the understanding that each employee is required to take a vacation of at least seven (7) consecutive days within a twelve (12) month period following May 1, provided that the sum so allocated to him are at least equivalent to forty (40) hours times his basic hourly rate. No employee shall do gainful work in the pipefitting industry while on vacation.

(c) Pension Plan

The Employer shall bear the entire cost of financing and administering the Pension Plan, through payments to be made for all employees working within the jurisdiction of the Union in the amounts as set forth in the Appendix. This plan shall be operated under a trust agreement executed by the parties.



(d) Pension Supplement

The Employer shall bear the entire cost of financing and administering the pension supplement plan through payments made for all employees working within the jurisdiction of the Union in the amounts set for the in the Appendix. This plan shall be operated under a trust agreement executed by the parties.

1. In the event the parties establish a participant-directed pension supplement plan, the employees covered by this Agreement shall direct contributions and earnings within guidelines established under a trust agreement executed by the parties.
2. In the event the trustees establish a pension program with a cash or deferred arrangement, employees covered by this Agreement shall have the option of contributing to the cash or deferred plan. A cash or deferred plan is a pension plan or plans which allow for varying contribution rates as selected by the participant.

In the event any of the fringe benefits listed above decreased, for whatever reason, a like amount will be added to the wage or credit union.

**ARTICLE X – Payments by Employer**

**Section 1.** Failure by an employer to pay wages as stated herein or failure to pay when due the other required payments stated in the Appendix and Article XXII shall constitute a breach of this Agreement and the Union involved shall have all rights afforded to it by law for such breach of this Agreement, including picketing and refusing to work, in addition to and in no way limited by, the grievance and arbitration procedures set forth in Article XVI herein.

The Employer shall pay the other required payments referred to above on or before the 20<sup>th</sup> day of the succeeding month or the payment shall be considered delinquent.

**Section 2.** The Employer herein agrees to conform with the trust agreements and the administrative rules now in effect or hereafter promulgated by the trustees of the various benefit funds, as fully as if specifically set forth herein, and the same are hereby incorporated by reference and made part of this Agreement. The said trust agreements and rules shall be available for inspection during business hours by all Employers and Unions at the office so the trustees of said funds. The Employers subject to this Agreement shall report and pay to the designated office of the benefit funds all contributions required under this Agreement on a periodic basis as determined by said trustees.

**Section 3.** In the event of default by any Employer in making said contributions and payments, the trustees or the Union involved, acting of behalf of the union members or beneficiaries of the funds, may take any legal action as they, in their sole discretion may determine, in order to effect collection of the amounts of wages or other payments which are in default. The Employer agrees to pay interest at the prime rate on any wages or other incurred in the collection thereof. This provision is in addition to such rights as the Union may have under law for breach of this

Agreement, including but not limited to, picketing and refusing to work. Said contributions and payments, for the purposes of enforcement of collection of the same against a delinquent Employer, shall be regarded as unpaid wages and entitled to the same penalties and priorities as unpaid wages.

**Section 4.** The Employer herein agrees that he shall remain liable and subject to all provisions of this Article with respect to default in the payment of wages, benefit contributions and other payments when due herein in the event (a) any joint venture in which he participates with one or more other employers under a separate or different name, or (b) any other party using his license in any manner, directly or indirectly, fails to make such payments when due, notwithstanding that such joint venture or other party operates as a partnership, association or corporation or operates under a name or style which is similar or different from the name ordinarily used by the Employer herein, and irrespective of his right to reimbursement from others.

**Section 5. Bonding Delinquent Employers.** In the event that an Employer fails or refuses to pay any of the payments due to the fringe benefits as outlined in the Appendix, and is so in default for a first instance during a twelve month period, such defaulting Employer within seven (7) days after such first instance, shall pay all arrearages owing to said fund or any of them and shall, in addition, post a bond approved by and deposited with the Twin City Pipe Trades Service Association or deposit cash in an amount fixed by the Service Association, conditioned and sufficient to pay all the payments due to all of said funds for a period of at least three (3) months in advance, and require the Employer to pay contributions once a week not later than three (3) working days (excluding Saturdays, Sundays, and holidays) after the close of the period for which contributions are due. Such weekly payment requirements shall continue for a period of fourteen (14) months.

**Section 6. Weekly Payments.** In addition to and not in lieu of all other remedies, if an Employer is delinquent once in paying required payments within a twelve (12) month period, the Union or Service Association shall, upon written notice, require the Employer to pay the required payments once a week not later than three (3) working days (excluding Saturdays, Sundays and Holidays) after the close of the period for which required payments are due. The weekly payment requirement shall continue for a period of twelve (12) months. When making such payments, the Employer shall pay to the Twin City Pipe Trades Service Association two dollars (\$2.00) per weekly contribution report for additional administrative costs.

If the Employer defaults in timely payments of required weekly contributions, the Union, shall, upon written notice, refuse to work and/or cancel and terminate forthwith, this Agreement with such Employer.

#### **ARTICLE XI – Reporting Pay**

Any employee after being hired and reporting for work at the regular starting time and for whom no work is proved shall receive pay for two (2) hours at the established hourly rate unless he has been notified before leaving home not to report, and any employee who reports for work and for whom work is provided shall receive not less than four (4) hours pay. However, the exception

shall be when weather or strike conditions make it impossible to put such an employee to work or where stoppage of work is occasioned thereby, or when an employee leaves work on his own accord.

In or to qualify for the pay proved for in this Article, the employee must remain on the job available for work during the period of time for which he receives pay unless released by the Employer. After starting work and work is stopped because of weather or strike conditions, the employee shall receive pay for the actual time on the job, but in no event, less that tow (2) hours. The Employer shall have sole responsibility to determine availability of work due to weather conditions subject to consultation with the Union.

### **ARTICLE XII – *Payday***

Wages at the established rates specified herein shall be paid in the shop or on the job before quitting time once a week and on a working day not later that three (3) working days after the close of the period for which wages are due except that men terminated will be paid in full at the time of termination.

Employer may mail employee’s pay check to his home or any other place employee designates, provided he receives check not later than three (3) days after end of pay period.

### **ARTICLE XIII – *Conditions of Employment***

**Section 1. Tools.** Union members shall furnish no tools or equipment by loan, rentals or otherwise.

All workmen shall accept the responsibility for the proper care of all tools, and/or equipment furnished by the individual Employer. Any workman who abuses the provisions of this section shall be subject to investigation by the Joint Labor Board and any disciplinary action it levies.

**Section 2. Other Conditions of Employment.** Journeymen and registered apprentices, parties to and recognized under this Agreement, shall not be required as a condition of employment to furnish the use of an automobile or other conveyance to transport men, tools, equipment or materials from shop to job, from job to job, or from job to shop; facilities for such transportation shall be provided by the Employer.

No journeyman or master shall drive a vehicle in pursuit of his craft unless the vehicle bears the name of the Employer.

No employee shall directly or indirectly, or by subterfuge, contract any work covered by the terms of this Agreement. No employer shall directly or indirectly, or by any subterfuge, sublet or contract to members of the Union all or any part of the labor services required by any contract of such Employer.

**Section 3.** All Local 539 members working in Local jurisdiction must work for an Employer having signed Local Agreement. Anyone found guilty of violating this rule may be dismissed by the Employer.

**Section 4.** All employees will be required to complete an approved First Aid Course on employee's own time. Ten hours training for Journeyman enforced by the Union.

**Section 5.** Condition of employment: Any dispute between the Employer and the employee shall be determined by a joint Task Force. The Task Force shall be composed of two members appointed by the President of the Minnesota Mechanical Contractors Association and two members appointed by the Business Manager of the Minneapolis Plumbers Local 15 or Minneapolis Pipefitters Local 539. The Task Force shall gather information and meet to resolve the dispute within one week of the Union and the Association being notified of the dispute. By mutual agreement of the Union and the Association, this time period may be extended. The Task Force has the power:

- A. To make rules and regulations for the conduct of its business, including provisions for defraying the expenses of the Task Force in the administration and enforcement of this Section.
- B. To construe and apply the terms of this Section to effectuate the purpose for which it is made.
- C. To investigate, hear, determine, and settle any dispute or controversy arising out of, connected with, or pertaining to the terms, provisions, and conditions of this Section.
- D. To award damages and assess costs and expenses for any breach or violation of this Section.

#### **ARTICLE XIV – *Work Stoppage***

**Section 1. Picketing; Work Stoppage.** Refusal to pass through a lawfully permitted picket line will not constitute a violation of this Agreement.

**Section 2. Conditions Where Work Stopped.** When a work stoppage occurs on a job site, and men are assigned to other non-stuck projects either by Union or Employer, the Union will make a special effort to return the men to their former Employer. Supervisory personnel will be permitted the right to cross a picket line to secure tools and equipment of Employer.

#### **ARTICLE XV – *Supervision***

**Section 1.** Foremen rate of pay shall prevail for the employee who is assuming full responsibility for any job requiring setting sleeves, reading plans, expediting materials and representing the Employer in meetings with architects, engineers, general contractors or their representatives on the general program of work for any job. No foreman shall supervise more than one job that requires a full time foreman and it is mandatory that there be a foreman

whenever four (4) or more journeymen and apprentices are employed on a job, or when the mechanical contract exceeds \$25,000, (excluding sheetmetal), it shall be up to the desecration of the Employer whether or not to use a foreman. An Employer may act as his own foreman.

**Section 2.** One foreman for ten journeymen and apprentices, two foremen for up to 20 journeymen and apprentices. When thirty men is reached, a general foreman will be added. No more that four foremen under one general foreman, and at no time, no one except foreman.

## **ARTICLE XVI – Grievances**

**Section 1.** A committee shall be appointed by majority vote of the parties hereto upon the execution of this Agreement to be known as the Joint Labor Board. Said Board shall consist of six (6) members, three (3) members to be appointed each by the Employers and the Union. Each member shall serve upon said Board until his successor is appointed by the party appointing him. Said Board shall have the power:

- A. To make rules and regulations for the conduct of its business including provisions for defraying the expenses of the Board in the administration and enforcement of this Agreement.
- B. To construe and apply the terms of the Agreement to effectuate the purpose for which it is made.
- C. To investigate, hear, determine and settle any dispute or controversy arising out of, connected with, or pertaining to the terms, provisions and conditions of this Agreement.
- D. To award damages and assess costs and expenses for any breach or violation of this Agreement.

**Section 2.** Any person for whose benefit this Agreement is made, aggrieved by the decision or award of the Board, may as herein provided but not otherwise, within ten (10) days after written notice of said decision or award, demand that said controversy or dispute be submitted to arbitration proceedings, as provided herein. Said demand shall be in writing and may be served within the said ten (10) days, upon any member of said board in the manner provided for the service of a Summons in the District Court of Minnesota.

**Section 3.** Any controversy arising over the interpretation of or adherence to the terms and provisions of this Agreement shall be settled by negotiation between the Union and the Employer. Any controversy, which cannot be so settled promptly, shall be referred to an Arbitration Board composed of two (2) representatives of the Union, (2) representatives of the Employer, and these four (4) shall select a fifth impartial person. (If the first four (4) cannot agree upon the fifth member with five (5) days, then the State Labor Conciliator upon request of either party shall be selected as said impartial members, in the following manner: Each side shall in rotation strike one name until four are eliminated, leaving the fifth as the impartial member. The side entitled to the first strike shall be determined by lot).

**Section 4.** The majority decision of this board shall be final and binding on both parties. All complaints must be registered within thirty (30) days by either party to this Agreement, and the decision reached within ten (10) days. If dispute is in regard to hours or wages, the settlement shall be retroactive as of the date of violation.

**Section 5.** Should any person fail to comply with the award of the arbiters as herein provided, upon the parties hereto may proceed as provided by the Minnesota Statutes of 1999, Section 572.08 to 572.30, inclusive.

**Section 6a.** In recognition of the work jurisdictional claims, it is understood that the assignment of work and the settlement of jurisdictional disputes with other Building Trades Organizations shall be adjusted in accordance with the procedure established by the National Joint Board or any successor agency of the Building Trades Department.

**6b.** "Decisions rendered shall be final, binding and conclusive on Employers that are parties to or have adopted this Agreement and on all Unions affiliated with a national or international Union affiliated with national or international Union that is a member of the Building and Construction Trades Department, whether or not parties to this Agreement"

**6c.** "This Article shall apply to any and all jurisdictional disputes, between or among Unions affiliated with the Building and Construction Trades Department, on all work covered by this Agreement and related work performed by the Employer, whether or not the Union involved in the jurisdictional dispute have any members employed by the Employer and or not, the Unions involved are in agreement with the Employer."

#### **ARTICLE XVII – *Temporary Heat***

**Section 1.** All temporary heat is recognized as the work of the heating contractor, maintenance by United Association members rather than some other craft wherever temporary heat is used. The same now applies, by extension of the original Agreement, to gas and oil-fired equipment and to refrigeration and air conditioning and other installations. This means that it is optional with the owner or Contractor whether to provide for temporary heat, but wherever temporary heat or cooling is provided, then the conditions under which it is maintained shall be governed by this Agreement, as long as all phases of maintenance are recognized as the work of the United Association until the general tests are completed and the job is accepted by the owner.

**Section 2.** All overtime over eight (8) hours per day and over forty (40) hours per week on a round-the-clock schedule shall be paid for at the rate prescribed in Article XXII.

**Section 3.** When temporary heating and cooling is on a spot check basis, the minimum time worked shall be one (1) hour per spot check.

## **ARTICLE XVIII – Savings Clause**

**Section 1.** If any provision of this Agreement shall by official governmental authority order or court decision be declared invalid, then such invalid provision shall be of no force or effect. In lieu thereof, the parties shall thereafter negotiate a valid provision.

## **ARTICLE XIX – Industry Fund**

**Section 1.** The Employer shall pay to the Minnesota Mechanical Contractors Industry Fund the sum outlined in the Appendices for every hour worked, including overtime hours, by journeymen, foremen, and general foremen, and apprentices and employees engaged in or performing the duties of any of them within the jurisdiction of the Union.

**Section 2.** The payments so made shall be used for industry promotional and related purposes, in accordance with the Trust Agreement of said Minnesota Mechanical Contractors Industry Fund.

**Section 3.** The Employer agrees to abide by the Trust Agreement developed and administered by the Minnesota Mechanical Contractors Association and accepts the Trustees selected and appointed in accordance with said Trust as his representatives and to administer the funds in the possession of said Fund.

## **ARTICLE XX - Duration**

**Section 1.** All provisions of this Agreement shall be in force and effect beginning May 1, 2005 unless otherwise specifically stated herein, and continue in force for a period ending April 30, 2008, and shall automatically continue in effect thereafter from year to year unless a notice for a change in this Agreement is given in writing by one party to the other at least sixty (60) days prior to any expiration date. Within two (2) weeks of such notification for a change in this Agreement, negotiations shall be commenced by the respective parties.

**Section 2.** Members of the parties hereto agree to report every grievance or violation of this Agreement to the Joint Labor or any member thereof immediately upon knowledge thereof and may be fined for not doing so. Such grievances or violations may be settled forthwith by duly authorized agents of the parties hereto. Any person aggrieved by such decision may appeal to the Joint Labor Board within twenty-four (24) hours thereafter and such appeal shall be determined by the Board within ten (10) days after such decision.

## **ARTICLE XXI – Renegotiation**

In the event the parties hereto mutually agree to renegotiate this Agreement prior to the expiration date, any modifications, deletions or additions thereto shall be binding on all signatory.

## ARTICLE XXII – *Working Conditions*

**Section 1. Hours of Work.** Eight (8) hours of work between the hours of 6:00 a.m. to 5:30 p.m., shall constitute a work day. Five (5) working days, Monday thru Friday, inclusive, totaling forty (40) hours, shall constitute a work week.

**Section 2. Overtime.** Overtime rates shall apply as follows: All work performed before and after the regularly scheduled eight hour work day shall be time and one half times the rate of pay except Sundays and holidays, which will be double time.

**Section 3. Emergency Work.** Emergency work shall be defined as that which is for the protection of life, health and property. Such emergency work performed other than regular working hours shall be paid for at one and one half times the hourly rate of pay if called on same day work is performed.

If there is a grievance about overtime pay, the joint labor board will decide.

**Section 4. Night Shifts.** There must be at least five (5) consecutive nights of work before the term night shift shall apply. When necessary to work a night shift, the men shall receive 15% over the journeyman rate of pay for a second and third shift.

**Section 5. Holidays.** Holidays shall be defined as observed within the territory covered by this Agreement as follows: New Year's Day, Memorial Day, July 4<sup>th</sup>, Labor Day, Thanksgiving Day and Christmas Day. If one of the holidays above falls on a Sunday, it shall be observed on Monday. Accordingly, if such an event occurs, work performed on Sunday shall be paid at double time for that day; worked performed on Monday, will be paid at double the straight time rate. No work shall be performed on Labor Day except in case of emergency.

**Section 6. Adherence.** Under no condition shall any one member of the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada, AFL-CIO deviate from the above Article XXII.

**Section 7.** By mutual consent of the Employer and the Union the starting and quitting time of a normal established work day of eight (8) hours for the one Employer may be set or changed for any or all employees.

**Section 8. Four 10-hour days.** With the approval of the employee and union, the Employer may initiate a scheduled 10-hour 4 consecutive-day work week, Monday through Friday, during the Daylight Savings Time period of the year, which starts the first Sunday of April and ends the last Sunday of October, Monday to Sunday. The first 40 hours shall be paid at straight time, the next 10 hours shall be paid at time and one half. Any hours worked after 50 hours shall be paid at double time.



**Section 9. Travel/Subsistence.** Mileage, Subsistence, Travel:

- A) 40 mile radius around the St. Cloud City Hall no mileage applies.
- B) Next 25 whole miles (41-65) miles 40.5¢ per mile. (Starting January 1, 2006, and changing every January 1, mileage shall be the Internal Revenue Service standard business mileage rate.)
- C) Travel in excess of 65 miles (whole miles) \$30.00 per day subsistence.
- D) Members address shall be official mailing address as it appears in Local 539 hiring hall data base.
- E) The employer may pay transportation costs to and from the jobsite at the beginning and completion of the job plus subsistence as described in C (*above*). All intermediate trips made at the direction of the Employer shall be paid for as described in C.
- F) When performing work in the jurisdiction of another Local Union the Employer further agrees to pay all transportation, traveling time, reasonable board and room and expenses mutually agreed upon between the Employer and employee while in the jurisdiction of the other Union.

**Section 10. Classification and Rates of Pay.** Journeymen, foremen and general foremen shall receive hourly rates of pay as set forth in Appendix "A". Apprentices shall receive hourly rates of pay as set forth in Appendix "B" or "C".

The amounts may be changed by a written sixty (60) days notices to the Contractor's Association. Any increase to the Working Fee Fund will correspond to a decrease of like amount in the Wage or Credit Union.

**Section 11. Benefit Funds.** The Employer shall pay into the applicable trust arrangement the required amounts in each of the following funds for each hour worked, including overtime hours at the overtime rate, (for example, for double time hours, all fringes shall be paid double time) by each journeyman, foreman, general foreman, and each apprentice or employee engaged in or performing the duties of any of them within the jurisdiction of the Union. For the purposes of this Agreement, applicable trust arrangement is interpreted to mean employers who have Local Union #539 members working in Local Union #455 jurisdiction will pay Local Union #539 fringes.

- Health and Welfare Fund
- Pension Fund
- Credit Union
- Apprentice and Journeyman Training Fund
- Industry Fund
- Working Fee Fund
- National Pension Fund

Pension Supplement Fund  
Industry Promotion Fund  
Political Action Fund

The above fringe benefits – Health an Welfare, Pension, Pension Supplement, Credit Union, Apprentice and Journeyman Training, Industry, Working Fee, National Pension, Industry Promotion, and Political Action funds – shall be paid in multiples of one-half (1/2) or full hours. This applies to straight time and overtime rates. All fringe benefits on overtime or shift premium shall be paid at overtime rates.

**Section 12. Fabrication.** Employers shall have the freedom to fabricate and install all materials fabricated by Union Association Pipefitter/Steamfitter members of a signatory employer. United Association Labels shall be required.

**ARTICLE XXIII – Residential and Maintenance**

The parties hereto agree to meet and study problem areas in the Pipefitting industry pertaining to single family dwellings, and also in the maintenance field.

**ARTICLE XXIV - Alcohol and Drug Policy**

Drug testing is allowed by the Employer under these circumstances: reasonable suspicion, pre-employment, post-incident, work opportunity mandated testing (owner, general or government required).

Employee will be given a dated card that shows successful test that is valid from exemption for pre-employment testing for one year from date of previous test. TEAM administers the testing procedures.

No database.

Allow for use of drug testing strips (commonly called 'quick test'), with use of confirmatory test.

All referrals who receive a negative test result shall be given two hours straight time pay by the Employer.

Any employee required by an employer to provide a specimen for testing during scheduled work hours will be paid compensation and fringe benefits for the actual time away from work.

Should the retest results be non-negative and the employee lose wages due to the initial non-negative test, the Employer shall pay the employee for lost time at the straight time rate if the confirmatory test is negative.

Industry Fund pays for drug test.

**IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be signed by their proper and duly authorized officers and representatives, effective as of the date herein set forth.

**MINNESOTA MECHANICAL CONTRACTORS ASSOCIATION**

\_\_\_\_\_  
Steven G. Pettersen, Executive Vice President

**PIPEFITTERS LOCAL NO. 539**

\_\_\_\_\_  
Mike Johnson, Business Manager

\_\_\_\_\_  
Russ Scherber, Assistant Business Manager

\_\_\_\_\_  
Larry Stull, Business Representative

\_\_\_\_\_  
Paul Batsche, Business Representative

\_\_\_\_\_  
Ben Dye, Business Representative

**FOR THE EMPLOYER:**

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Name of Association or Business

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Signature Title

---

Signature Title

**FOR THE UNION:**

---

Local Union No. 539

---

Local Number

---

Signature Title

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Signature Title

**Appendix "A" – Journeyman Rates of Pay**

Pipefitters Local No. 539 Area 03				
<b>JOURNEYMAN &amp; FOREMAN RATES OF PAY</b>				
	Effective Dates			
	<u>5/1/05</u>	<u>7/1/05</u>	<u>5/1/06</u>	<u>5/1/07</u>
<u>Base Wage</u>				
Journeyman*	\$26.99	\$25.67		
Foreman*	28.99	27.67		
General Foreman*	29.99	28.67		
<u>Fringe Benefits</u>				
Credit Union*	2.29	2.29		
Working Fee Fund*	.62	.62		
Pension	3.20	3.55		
Pension Supplement	2.75	2.75		
Health and Welfare	5.61	6.57		
Retiree Health Trust	1.95	1.95		
Apprentice Training	.37	.37		
MMC Industry Fund	.07	.08		
Int'l Training Fund	.05	.05		
<b>Total Package</b>	<u>\$43.90</u>	<u>\$43.90</u>	<u>\$45.71</u>	<u>\$47.50</u>
*Taxable				

The amounts may be changed by a written sixty (60) days notice to the Contractor's Association. Any increase to the Working Fee Fund will correspond to a decrease of like amount in the Base Wage or Credit Union.

Appendix "B" – Apprentice rates of pay

**ST CLOUD AREA**  
**PIPE FITTERS APPRENTICE WAGE SCALE**  
**EFFECTIVE MAY 1, 2005**

**Based on Total Package of \$43.90**

	<b>1<sup>st</sup> YEAR</b>	<b>2<sup>nd</sup> YEAR</b>	<b>3<sup>rd</sup> YEAR</b>	<b>4<sup>th</sup> YEAR</b>	<b>5<sup>th</sup> YEAR</b>
	50% of Total Pkg	58.75% of Total Pkg	67.5% of Total Pkg	76.25% of Total Pkg	85% of Total Pkg
<b><i>Taxable Base Wage</i></b>	<b>\$12.19</b>	<b>\$16.03</b>	<b>\$16.52</b>	<b>\$20.36</b>	<b>\$24.21</b>
Working Fee/Credit Union	1.51	1.51	1.61	1.61	1.61
<b>Taxable Total</b>	<b>\$13.70</b>	<b>\$17.54</b>	<b>\$18.13</b>	<b>\$21.97</b>	<b>\$25.82</b>
<b>Fringe Package</b>					
Health & Welfare	5.61	5.61	5.96	5.96	5.96
Retiree Health Trust	---	---	1.30	1.30	1.30
Pension	2.15	2.15	3.75	3.75	3.75
Apprentice Training	.42	.42	.42	.42	.42
Industry Fund	.07	.07	.07	.07	.07
<b>Total Fringes</b>	<b>\$8.25</b>	<b>\$8.25</b>	<b>\$11.50</b>	<b>\$11.50</b>	<b>\$11.50</b>
<b>Total Package</b>	<b>\$21.95</b>	<b>\$25.79</b>	<b>\$29.63</b>	<b>\$33.47</b>	<b>\$37.32</b>

**ST CLOUD AREA**  
**PIPE FITTERS APPRENTICE WAGE SCALE**  
**EFFECTIVE JULY 1, 2005**

**Based on Total Package of \$43.90**

	<b>1<sup>st</sup></b> <b>YEAR</b> 50% of Total Pkg	<b>2<sup>nd</sup></b> <b>YEAR</b> 58.75% of Total Pkg	<b>3<sup>rd</sup></b> <b>YEAR</b> 67.5% of Total Pkg	<b>4<sup>th</sup></b> <b>YEAR</b> 76.25% of Total Pkg	<b>5<sup>th</sup></b> <b>YEAR</b> 85% of Total Pkg
<b><i>Taxable Base Wage</i></b>	<b>\$10.99</b>	<b>\$14.83</b>	<b>\$15.32</b>	<b>\$19.16</b>	<b>\$23.01</b>
Working Fee/Credit Union	1.51	1.51	1.61	1.61	1.61
<b>Taxable Total</b>	<b>\$12.50</b>	<b>\$16.34</b>	<b>\$16.93</b>	<b>\$20.77</b>	<b>\$24.62</b>
<b>Fringe Package</b>					
Health & Welfare	6.57	6.57	6.57	6.57	6.57
Retiree Health Trust	---	---	1.95	1.95	1.95
Pension	2.38	2.38	3.68	3.68	3.68
Apprentice Training	.42	.42	.42	.42	.42
Industry Fund	.08	.08	.08	.08	.08
<b>Total Fringes</b>	<b>\$9.45</b>	<b>\$9.45</b>	<b>\$12.70</b>	<b>\$12.70</b>	<b>\$12.70</b>
<b>Total Package</b>	<b>\$21.95</b>	<b>\$25.79</b>	<b>\$29.63</b>	<b>\$33.47</b>	<b>\$37.32</b>

**Minneapolis Pipefitters  
Local #539  
Free-Zone Map**

**LOCAL #539  
JURISDICTION**

