

**MEMORANDUM OF AGREEMENT
INTERNATIONAL ASSOCIATION OF SHEET METAL, AIR, RAIL AND
TRANSPORTATION WORKERS
LOCAL NO. 265
AND
SMACNA GREATER CHICAGO
TO BE EFFECTIVE JUNE 1, 2017 THROUGH MAY 31, 2020**

1. All items of the 2017-2020 Collective Bargaining Agreement which are not affected by the following will remain as is in the new Agreement.

2. Term

Three years, effective June 1, 2017 and expiring May 31, 2020.

3. Wages

First year, June 1, 2017, through May 31, 2018, \$2.27 total increase to be allocated to existing wages and/or fringe benefits. A \$1.92 increase will be effective on June 1, 2017. An additional \$0.35 will be effective on December 1, 2017.

Second year, June 1, 2018, through May 31, 2019, \$2.32 total increase to be allocated to existing wages and/or fringe benefits as follows: A \$1.97 increase will be effective on June 1, 2018. An additional \$0.35 will be effective on December 1, 2018.

Third year, June 1, 2019, through May 31, 2020, \$2.42 total increase to be allocated to existing wages and/or fringe benefits as follows: A \$2.07 increase will be effective June 1, 2019. An additional \$0.35 increase will be effective on December 1, 2019.

4. Article III

The following is to be added to Article III:

SECTION 1. The Employer agrees that none but journeymen, apprentice, and Pre-apprentice sheet metal workers shall be employed on any work described in Article I and further, for the purpose of proving jurisdiction, agrees to provide the Union with written evidence of assignment on the Employer's or *Association* letterhead for certain specified items of work to be performed at a jobsite prior to commencement of work at the site. List of such specific items, which may be revised from time to time, as agreed to by and between SMACNA Greater Chicago and SMART, shall be provided to the Employer. *The written evidence may be submitted through our secure web based portal.*

5. Article IV

The following is to be added to Article IV:

SECTION 1. The Union agrees to furnish upon request by the Employer duly qualified journey- men, apprentice, and Pre-apprentice sheet metal workers in sufficient numbers as may be necessary to properly execute work contracted for by the Employer in the manner and under the conditions specified in this Agreement. The Union shall abide by federal, state and local EEO rules and regulations with the intent of providing quality minority and female labor to allow contractors to meet project requirements.

6. Article V

The following is to be added to Article V:

SECTION 2. The Association hereby recognizes the Union as the Collective Bargaining Representative of all the Employees covered by this Agreement. The non-member signatories who become parties to this Agreement do hereby likewise recognize the Union as the Collective Bargaining Representative of all Employees of said Employer and as is covered by this Agreement. In as much as the Union has requested recognition from the employer as the exclusive bargaining representative of the employees in the bargaining unit described herein under Section 9(a) of the National Labor Relation Act, and has submitted or offered to submit proof thereof in the form of signed and dated authorization cards, and the employer is satisfied that the Union represents a majority of its employees in the bargaining unit described herein, the employer hereby recognizes the Union as the exclusive collective bargaining representative of its employees on all present and future job sites within the jurisdiction of the Union, unless and until such time as the Union loses its status as the employees' exclusive representative as a result of an NLRB election requested by the employees. The employer agrees that during the life of this agreement it will not request a NLRB election and expressly waives any right it may have to do so.

7. Article VI

The following is to be added to Article VI:

SECTION 1. The regular working day shall consist of eight and one-half (8 ½) hours, with one-half (½) hour unpaid lunch period, in the shop or on the job between seven (7) a.m. and five (5) p.m. unless modified in local negotiations and the regular working week shall consist of five (5) consecutive eight (8) hour days' labor in the shop or on the job, beginning with Monday and ending with Friday of each week.

8. Article VIII

The following is to be added to Article VIII:

SECTION 1. The minimum rate of wages for journeymen sheet metal workers covered by this Agreement when employed in a shop *or on a jobsite* within the jurisdiction of the Union to perform any work specified in Article I of this Agreement shall be \$_____ per hour, except as hereinafter specified in Section 2 of this Article. (See Addendums 9 and 15)

SECTION 9. Wages at the established rates specified herein shall be paid once each week in the shop or on the job at or before quitting time on the same day of each week, and no more than two (2) days' pay may be withheld. Alternative payroll procedures, i.e., electronic and/or automatic deposit may be negotiated locally. However, employees when discharged shall be paid in full. *In the event layoff is not payoff, or pay is held more than 2 days', respective to the last hour worked, a daily penalty of 10% of the sum of 8hours x Building Trades Base Wage, shall be paid to the effected member(s).*

9. Article IX

The following is to be added to Article IX:

SECTION 3. Journeymen, Apprentice and Pre- apprentice sheet metal workers covered by this Agreement shall not use cell phones, PDA's, tablets or other electronic communication devices for personal business on paid time except in the case of an emergency. Employees shall not use personal electronic devices for business use.

10. Article XI

The following is to be added to Article XI:

SECTION 7. Youth to Youth - The Union and SMACNA Greater Chicago agree to meet and develop a more detailed plan to implement the Youth to Youth program during the length of this agreement.

11. Addendum No. 11 – Foremen, General Foremen and Superintendents

Addendum No. 11 is to be modified as follows:

Sheet Metal Workers' Foreman shall receive an additional 5% over scale per hour, General Foreman shall receive an additional 8% over scale per hour, and superintendents shall receive an additional 9% over scale per hour over the journeyman base rate.

12. Addendum No. 14 – Surety Bond

The following is to be added to Addendum No. 14 – Surety Bond:

Every Employer who is performing work specified in Article I of this Agreement within the area covered under this Agreement shall be required to furnish hire notification to the Union. This notification shall be done through our secure web based portal.

13. Addendum No. 15 – Fringe Benefits

The following is to be added to Addendum No. 15 – Fringe Benefits:

All Employers will submit benefit remittance and contributions monthly to SMART Local 265 as well as the National Benefit Funds. These contributions are due by the twentieth (20th) day of each month, for all of a Covered Employee's Hours of Work in the preceding month; unless otherwise agreed, such contributions and remittance data shall be transmitted electronically via the National Benefit Funds' secure online Internet Payment System, accessible at www.smwnbf.org (IPS Support Team can be reached via email: ips@smwnbf.org or by calling 800-231-4622). Should the Plan fail to receive the requisite contributions by the due date, the Employer will be delinquent and will be subject to all damages, interest and other charges applicable under the respective Trust Documents and federal law.

As of June 1, 2017, the vast majority of contractors already follow this procedure. However, this will be a new process for some. In consideration, there will be a 3-month grace period to support the learning curve of this process. The grace period shall end on September 1, 2017.

National Training - The Employer shall pay into the International Training Institute Fund direct, the sum of twelve cents (\$0.12) per hour for each hour worked for each sheet metal worker journeyman, apprentice and *pre-apprentice and pre-apprentice members* ***.

NEMI Fund - The Employer shall pay into The National Energy Management Institute Fund through the ITI, the sum of three cents (\$0.03) per hour for each hour worked for each sheet metal worker journeyman, apprentice and *pre-apprentice and pre-apprentice members* ***.

SMART Scholarship Fund - The Employer shall pay into the SMART, the International Association of Sheet Metal, Air, Rail and Transportation Workers Scholarship Fund the sum of one cent (\$0.01) per hour for each hour worked for each sheet metal worker journeyman, apprentice and *pre-apprentice and pre-apprentice members* ***.

S.M.O.H.I.T. - The Employer shall pay into the Sheet Metal Occupational Health Institute Trust the sum of two cents (\$0.02) per each hour worked for

each sheet metal journeyman, apprentice, and *pre-apprentice and pre-apprentice members* ***.

14. Addendum No. 18 – Service

Addendum No. 18 is to be modified as follows:

Section 1. SERVICE WORK

Service work shall be categorized as Service Work or Residential Service Work. Service Work shall include all service work other than single family homes. Residential Service Work shall be limited to residential single family homes.

Any employee not On Call, who is dispatched for any Service Work, shall be paid all hours worked including portal to jobsite, but not less than 2 hours pay.

Section 1 (a). On Call

Voluntary On Call During the Standard Work Week – Employees may volunteer for On Call Duty. Submission to voluntary On Call Duty listing shall not be a condition of employment. Compensation, if any, for such voluntary listing shall be as agreed between the Employer and the individual Employee. If the Employee is actually called to work, the Employee shall receive only the greater of the agreed Voluntary Standby Duty compensation, if any, or pay for the hours actually worked, portal to portal.

Mandatory On Call - Service Work- Any serviceman designated to be available for a specific time period, to be dispatched for emergency Service Work during the Employer's non-business hours, shall be compensated as follows:

<i>Days</i>	<i>Rate per Day</i>
<i>Monday-Friday.....</i>	<i>1 times Journeyman Base Rate</i>
<i>Saturday</i>	<i>1.5 times Journeyman Base Rate</i>
<i>Sunday</i>	<i>2 times Journeyman Base Rate</i>

If an employee is actually called to work, the employee shall receive only the greater of the minimum guarantee or pay for the hours actually worked including portal to jobsite.

Mandatory On Call - Residential Service Work - Any serviceman designated to be available for a specific time period, to be dispatched for emergency Residential Service Work during the Employer's non-business hours, shall be compensated as follows:

<i>Days</i>	<i>Rate per Day</i>
<i>Monday-Friday.....</i>	<i>.5 times Journeyman Base Rate</i>
<i>Saturday</i>	<i>.75 times Journeyman Base Rate</i>
<i>Sunday</i>	<i>1 times Journeyman Base Rate</i>

If an employee is actually called to work, the employee shall receive only the greater of the minimum guarantee or pay for the hours actually worked including portal to jobsite.

Section 2. TOOLS AND EQUIPMENT

The contractor shall furnish all tools and equipment necessary for the serviceman, to do his job, with the exception of non- power hand tools. (See Addendum 8)

Section 3. TRAVEL

If employee uses their own vehicle, they shall be paid the current IRS standard per mile for all work performed for the Employer.

Section 4. RESIDENTIAL SERVICE, RESIDENTIAL REPLACEMENT & MAINTENANCE WORK

Scheduled Residential Service, Residential Re- placement & Maintenance Work shall be defined as HVAC service performed in single family dwellings/units. The regular working day shall consist of eight (8) consecutive hours, (excluding one half (1/2) hour meal time), between the hours of 7:00 a.m. and 7:00 p.m., beginning with Monday and ending Saturday of each week.

For scheduled Residential Replacement and Service Work only, the work week may be de- fined as Monday through Saturday, between the hours of 7:00 am and 7:00 pm, however, once 40 hours have been worked in any given work week, all hours worked on Saturday shall be paid at one and one half (1½) time the regular rate. Additionally, all work performed after eight (8) hours in one day shall be paid at one and one half (1½) time the regular rate. Scheduled service work shall be defined as work scheduled with at least forty- eight (48) hours of advanced notice to the member. There shall be no disciplinary action taken against any member that refuses to work on Saturday.

15. Addendum No. 18 & No. 19

Addendum No. 18 & No. 19 is to be modified as follows:

ADDENDUM No. 18 & No. 19

The Union and SMACNA Greater Chicago agree to meet and develop a more detailed plan to address the needs of residential service work. This will include, but not limited to, on a trial basis, flat-rate clean and check at 1 ¼ the base rate, including travel.

16. Addendum No. 20 – Apprentices

The following is to be added to Addendum No. 20 – Apprentices:

SECTION 3. For apprentices beginning their indenture on or after September 1, 2017, the contribution rate to the 265 Local Pension Fund and the SRSF shall graduate at the same percentage as wages. The percentage shall be applied to the current Journeyman contribution rate for these funds.

17. Addendum No. 21 – Pre-Apprentices

Addendum No. 21 is to be modified as follows:

It is hereby agreed that the Employer may apply to the Joint Apprenticeship and Training Committee and the Joint Apprenticeship and Training Committee shall grant Apprentices and Pre- apprentices on the basis of the following schedule:

Journeymen	Apprentices	Pre-Apprentices
3	1	1
6	2	1
9	3	1
12	4	2
15	5	2
18	6	3

18. Addendum No. 22 – Aluminum Gutter Work

Addendum No. 22 is to be modified as follows:

Contractors will pay into the SMART Local 265's Health & Welfare Fund, Local 265 Supplemental Retirement Fund, *Industry Fund, National Training Fund, NEMI Fund, SMART Scholarship Fund, S.M.O.H.I.T. Fund, Savings Fund and Organizing Fund* at the appropriate rate per Local 265's Standard Form of Union Agreement.