ADDENDUM II - MADISON AREA

RESIDENTIAL ADDENDUM TO THE STANDARD FORM OF UNION AGREEMENT

This Residential Addendum is an addendum to the Standard Form of Union Agreement between the Madison Area Mechanical and Sheet Metal Contractors Association, Inc., hereinafter referred to as the Employer, and the International Association of Sheet Metal, Air, Rail and Transportation (SMART) Workers Local Union No. 18 SM Local Union No. 18, hereinafter referred to as the Union.

<u>Sec. 1</u> This Addendum covers the rates of pay, rules and working conditions of all employees of the Employer engaged in the fabrication, erection, installation, repair, replacement and servicing of all residential heating and air conditioning systems, and the architectural sheet metal work on such residences.

<u>Sec. 2</u> Residential shall be defined as applying to work on any single-family dwelling or multiple family housing unit where each individual family apartment is individually conditioned by a separate and independent unit or system.

Sec. 3 This Addendum is to be expanded to include retail commercial space (strip shopping centers) conditioned by 10 ton of air conditioning or less. This Addendum will also include gas fired residential furnaces, 5 ton and under, up to 8 systems per building. A system shall consist of a heating and a cooling unit. This Addendum will also include fast food and chain restaurants, a list of which having been supplied by a Labor-Management Committee set up for this purpose as soon after ratification of this Agreement as possible. This Labor-Management Committee will meet semi-annually during the course of this Agreement to update this list. Only new hires or existing residential journeyworkers are to work at this rate. No residential trainee will be employed on retail commercial space or fast food restaurant jobs. Journeyworkers and apprentices may be employed on this work, but at the normal building trades rate. The Residential Addendum Committee shall meet and if in agreement, make necessary changes to help the Addendum succeed in the light commercial area.

- <u>Sec. 4</u> (a) The Employer may make application to the Local Joint Adjustment Board to perform work on certain individual jobs or projects under the terms and conditions of this Addendum. Such application shall be accompanied by ample reason for such request.
- (b) If the Local Joint Adjustment Board determines that such application is valid and grants authority for same, such consent shall pertain to that particular job or project only, and shall not be construed as authority to perform work on any other job or project, except as outlined in Sections 1 and 2 of this Addendum. Notification shall be made to all signatory employers if the job or project is open to bidding under the terms of this Agreement.
- (c) If the Local Joint Adjustment Board, under 4(a) and 4(b), is unable to agree on the application of this Agreement to specific jobs or projects, either party shall then have the right to appeal the Agreement.
- Sec. 5 (a) The Employer agrees that building trades members and building trades apprentices so employed under this Addendum shall not forfeit or suffer any reduction in any fringe benefits as

outlined in the local basic Standard Form of Union Agreement.

- Sec. 6 (a) The regular day shall consist of eight (8) hours labor on the job between 6:00 a.m. and 6:00 p.m., and the regular work week shall consist of five (5) consecutive eight (8) hour days labor on the job, beginning with Monday and ending with Friday of each week. All full time or part-time labor performed during such hours shall be recognized as regular working hours and paid for at the regular hourly rate.
- (b) A four (4) day work week, consisting of four (4) ten (10) hour days between the hours of 6:00 a.m. and 6:00 p.m. may be scheduled Monday through Friday of each week. Four (4) ten (10) hour days can be worked Monday through Thursday or Tuesday through Friday or on non-consecutive days of a week, which include a holiday that falls on a Tuesday, Wednesday, or Thursday, or in other unusual situations as agreed to by the Employer, Employee and Local 18 at straight-time pay. Unless prohibited by Local, State or Federal law, all full time and part-time labor performed during the hours described in Section 6(a), shall be recognized as regular working hours and paid for at the regular hourly rate.

Hours worked in excess of eight (8) hours in a work day when a five (5) day week is scheduled, or ten (10) hours in a work day when a four (4) day week is scheduled, shall be paid at the rate of one and one-half (1-1/2) the basic straight time hourly wage rate.

A makeup day may be scheduled on Friday (if a four (4) day week is scheduled), or Saturday (if a five (5) day week is scheduled). A makeup day may be scheduled only in the event that a day's work has been lost due to reasons beyond the employer's control, such as fire, power failure, strikes, work stoppages, inclement weather conditions, or if the employee agrees. Employees will be paid at the straight time hourly wage rate for makeup days. It is recognized that makeup days can cause employees to work over forty (40) hours in a work week. Whether the regular work week be a scheduled four (4) day or five (5) day work week, when an employee's accumulated hours of work on regular days of the scheduled work week and the hours of work on a makeup day exceed forty (40) hours of work, then the employee shall be paid at the rate of one and one-half (1-1/2) times the basic straight time hourly wage rate for all hours in excess of forty (40) hours. Except as otherwise provided, pursuant to Section 8 of the Standard Form of Union Agreement, all work performed outside the regular working hours and performed during the regular work week, shall be at one and one-half (1-1/2) times the regular rate.

- (c) An Employer may not lay off, discharge or discriminate against any employee for refusal to work on a Saturday makeup day.
- (d) Employees shall be at the shop or project site at the scheduled starting time each day and shall remain until quitting time, except if an employee is instructed by the Employer to report to the shop for the purpose of picking up a truck to haul material or obtain material, or for transporting employees to and from any job, their starting time at the shop and quitting time back at the shop with the truck shall be at the regularly scheduled work day hours.
- (e) Work performed on New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day, or days locally observed as such, and Sundays, shall be paid at two (2) times the regular hourly rate.

(f) On Call Language

An employee who is required to be on-call on Saturdays, Sundays and Holidays shall be paid a \$50.00/day stipend. This stipend shall be waived for anytime an employee is called to work and actually works two or more hours.

Payment for actually performing work is governed by Article 8 of this collective bargaining agreement.

When an employee is on-call, he/she is required to report to work when called by the Employer.

- (g) No Foremen shall be required on Residential work.
- Sec. 7 (a) <u>SERVICE, MAINTENANCE, REPLACEMENT WORK</u> The work week shall consist of a scheduled forty (40) hour week; all work performed beyond the forty (40) hours shall be compensated for at one and one-half (1-1/2) times the basic hourly residential wage rate.
- (b) In the event a second or third shift is necessary, the work hours and premium pay shall be mutually agreed upon and incorporated as part of this Addendum, but in no case shall it exceed 15% for the second shift or 25% for the third shift. Shift work shall not be considered as such unless established for a period of five (5) days or more.
- (c) The parties hereto agree to promote, by any means possible, work covered under this Section and shall cooperate fully in the establishment of training courses and/or facilities, where none presently exist, in order to properly train sufficient personnel to maintain jurisdiction over this work and provide consumer satisfaction.
- <u>Sec. 8</u> The Employer shall provide, or pay, for all necessary transportation for transporting employees, tools and materials from shop to job, job to job, and job to shop during working hours.

Sec. 9 (a) The regular hourly wage package for Residential Construction Journeypersons (**Those** employed prior to June 1, 1994) shall be as follows:

RESIDENTIAL/CONSTRUCTION JOURNEYWORKER WAGE PACKAGE

	\$1.97	\$2.05	\$2.13
	June 2, 2019	May 31, 2020	May 30, 2021
Hourly Taxable Rate	\$ 29.89 ph		
Health & Welfare	8.65 ph		
National Pension Fund	11.55 ph		
Local Pension Fund	2.58 ph		
Local Training Fund	0.49 ph		
WRTP/Big Step	0.02 ph		
Drug Testing	0.02 ph		
International Training Institute	0.12 ph		
Local Industry Fund	0.26 ph		
NEMI	0.03 ph		
SMOHIT	0.02 ph		
Scholarship Fund	<u>0.01 ph</u>		
TOTAL WAGE PACKAGE	\$ 53.64	\$ 55.69	\$ 57.82

- (b) Apprentices covered by this Addendum shall be paid on a percentage basis as outlined in the Standard Form of Union Agreement, however, such percentage shall be based on the basic hourly journeyworker rate covered by this Addendum.
- (c) The Employer agrees that no employee shall suffer a reduction in wages or benefits due to the signing of this Addendum.
- (d) New Journeyworkers hired after June 1, 1994 shall be paid as follows:

RESIDENTIAL JOURNEYWORKER WAGE PACKAGE

	\$1.97	\$2.05	\$2.13
	June 2, 2019	May 31, 2020	May 30, 2021
Hourly Taxable Rate	\$ 32.71 ph		
Health & Welfare	8.65 ph		
National Pension Fund	4.04 ph		
Local Pension Fund	5.00 ph		
Local Training Fund	0.57 ph		
WRTP/Big Step	0.02 ph		
Drug Testing	0.02 ph		
International Training Institute	0.12 ph		
Local Industry Fund	0.26 ph		
NEMI	0.03 ph		
SMOHIT	0.02 ph		
Scholarship Fund	0.01 ph		
TOTAL WAGE PACKAGE	\$ 51.45	\$ 53.50	\$ 55.63

This only applies to Residential Journeyworkers <u>hired after June 1, 1994</u>. It does not apply to those commercial journeyworkers and apprentices on the payroll of an employer as of June 1, 1994, or those journeyworkers who sign down to work under this Addendum.

Sec. 10 RESIDENTIAL T	TRAINEE: Wages and Fringes as follows:
1 st - 1,000 Hours	65% of Residential Journeyworker base wage rate plus Residential Trainee Fringe Benefit Package
2 nd - 1,000 Hours	70% of Residential Journeyworker base wage rate plus Residential Trainee Fringe Benefit Package
3 rd - 1,000 Hours	75% of Residential Journeyworker base wage rate plus Residential Trainee Fringe Benefit Package
4 th - 1,000 Hours	80% of Residential Journeyworker base wage rate plus Residential Trainee Fringe Benefit Package
5 th - 1,000 Hours	85% of Residential Journeyworker base wage rate plus Residential Trainee Fringe Benefit Package
6 th - 1,000 Hours	90% of Residential Journeyworker base wage rate plus Residential Trainee Fringe Benefit Package

RESIDENTIAL TRAINEE SHEET METAL WORKERS												
	1	st	21	ıd	31	·d	4	h	5	h	6 ^t	h
	1.	000 Hrs.	1,	000 Hrs.	1,	000 Hrs.	1,	000 Hrs.	1.	000 Hrs.	1,	000 Hrs.
TAXABLE WAGE	\$	21.26	\$	22.90	\$	24.53	\$	26.17	\$	27.80	\$	29.44
Health & Welfare	\$	5.40	\$	5.40	\$	5.40	\$	5.40	\$	5.40	\$	5.40
Nat'l Pension Fund	\$	4.04	\$	4.04	\$	4.04	\$	4.04	\$	4.04	\$	4.04
Local Pension Fund	\$	2.58	\$	2.58	\$	2.58	\$	2.58	\$	2.58	\$	2.58
Local Training	\$	0.57	\$	0.57	\$	0.57	\$	0.57	\$	0.57	\$	0.57
WRTP/Big Step	\$	0.02	\$	0.02	\$	0.02	\$	0.02	\$	0.02	\$	0.02
Drug Testing	\$	0.02	\$	0.02	\$	0.02	\$	0.02	\$	0.02	\$	0.02
Int'l Training Inst.	\$	0.12	\$	0.12	\$	0.12	\$	0.12	\$	0.12	\$	0.12
Local Industry Fund	\$	0.26	\$	0.26	\$	0.26	\$	0.26	\$	0.26	\$	0.26
NEMI	\$	0.03	\$	0.03	\$	0.03	\$	0.03	\$	0.03	\$	0.03
SMOHIT	\$	0.02	\$	0.02	\$	0.02	\$	0.02	\$	0.02	\$	0.02
Scholarship Fund	\$	0.01	\$	0.01	\$	0.01	\$	0.01	\$	0.01	\$	0.01
TOTAL WAGE PACKAGE	\$	34.33	\$.	35.97	\$.	37.60	\$.	39.24	\$	40.87	\$	42.51

The Local Joint Apprenticeship Committee shall have an additional duty to authorize and administer the Residential Trainee Program. Each Trainee is required to attend night school classes for the duration of the training period. Classes will be set up by the Local Joint Apprenticeship Committee. The Local Joint Apprenticeship Committee shall have the authority to drop Trainees from the program who fail to attend school. Upon completion of the Residential Training period, Residential Sheet Metal Workers will receive 100% of the Residential Base Wage Rate plus the Residential Journeyworker Fringe Benefit Package. Preapprentices may be utilized for up to two (2) years prior to the 6,000 hour training period. The ratio of Residential Journeyworker to Residential Trainees and preapprentices shall be as follows:

Ratio - Residential Journeyworker	Combination Of Trainees & Preapprentices
1 – 3	5
4 – 7	7
8 - 10	11

<u>Sec. 11</u> The Employer agrees to be bound by the wages, hours and working conditions contained in the local basic or local Standard Form of Union Agreement on any work performed on commercial or industrial establishments, or on any work not specified in Sections 1, 2, 3, and 4 of this Addendum.

The Employer agrees to be bound by all of the provisions of the Standard Form of Union Agreement or local Basic Agreement with the exception of those Articles, Sections or provisions altered or amended by this Addendum.

 $\underline{\text{Sec. }12}$ This Addendum signed this 1st day of June, 2019, shall remain in full force and effect for the duration of the local basic or local Standard Form of Union Agreement.

MADISON AREA MECHANICAL & SHEET METAL CONTRACTORS ASSOCIATION INC.	LOCAL UNION NO. 18 OF SHEET METAL WORKERS' INTERNATIONAL ASSOCIATION	
Rady Farrell, Co-Chair	Michael Mooney, Co-Chair, President, Business Manager	
Robert Weise	Scott Bartz, Vice-Pres./Business Agent	
Thomas E. Duffy	Chad Ratz Chad Ratz	
Luke Heiar	Doug Lipke Lype	
Julie Walsh	Vern Rathert	

ADDEUNDUM III – MADISON AREA

BONDING PROVISION

Sec. 8.8 Bonding (or other indemnification as noted below) is required for the following funds if the Employer is delinquent in payments:

- Wisconsin Sheet Metal Health & Benefit Fund
- Madison Area Sheet Metal Workers' Education Fund
- Local Pension Fund
- National Pension Fund
- International Scholarship Fund

Upon an Employer becoming delinquent, the Employer will have seven (7) working days to either relieve the delinquency or provide a bond as noted in subsection (a) below. Additionally, a Representative of the Local Union will contact the Owner or Responsible Party of the Employer to ensure understanding of this point.

Sec. 8.8 (a) The following conditions will apply to the application of bonding requirements for Employers signatory to the Local Agreement as of October 1, 2007:

• Any Employer who becomes delinquent subsequent to October 1, 2007 will be required to obtain and present a bond payable to the trust funds as noted above in an amount equal to two (2) months of payments calculated by the average monthly payment over the previous three-year period and kept in force for a period of seven (7) years from the date of delinquency. The Employer must provide a copy of the bond to the Fund Office, Business Manager and the Association.

Sec. 8.8(b) The following conditions will apply to the application of bonding requirements for Employers that become signatory to the Local Agreement subsequent to October 1, 2007:

- A bond must be obtained and presented payable to the trust funds as noted above in an amount as noted below and kept in force for a period of one (1) year from the date the Employer becomes signatory:
 - o 1-5 Employees -- \$10,000
 - o 6-10 Employees -- \$20,000
 - o 11-20 Employees -- \$45,000
 - o 21 or more Employees --\$60,000
- At the end of the initial one-year period, the bond amount will be revised. The new bond amount is calculated as two months of payments based on the average monthly payment over a period of the previous twelve (12) months. The third year's bond amount will be calculated based on the average of the month thirteen (13) through twenty-four (24) payments and equal to two (2) months of payments.

- No bond will be required if the Employer has no delinquencies for a period of three (3) years. The conditions of Sec. 8.8(a) will then apply.
- The Employer must provide a copy of the bond to the Fund Office, Business Manager and the Association.

