

# **AGREEMENT**

**JULY 1, 2022 TO JUNE 30, 2025**

**BETWEEN**

**SABINE AREA SHEET METAL  
CONTRACTORS ASSOCIATION  
MULTI-EMPLOYER BARGAINING UNIT**

**AND**

**SHEET METAL WORKERS' LOCAL UNION  
NO. 54**

**WORKING RULES**

**OF**

**SHEET METAL WORKERS'**

**LOCAL UNION NO. 54**

**ORANGE, TEXAS**

BASIC UNION AGREEMENT  
Sheet Metal, Roofing, Ventilating and Air Conditioning  
Contracting Division of the Construction Industry

July 1, 2022 through June 30, 2025

Agreement entered into this first day of July 2022, by and between SABINE AREA SHEET METAL CONTRACTORS ASSOCIATION MULTI-EMPLOYER BARGAINING UNIT and each business establishment individually, whether represented by a contractor association or not, hereinafter referred to as the Employer, and Local Union No. 54 of the International Association of Sheet Metal, Air, Rail and Transportation Workers, hereinafter referred to as the Union for the jurisdiction of Local 54.

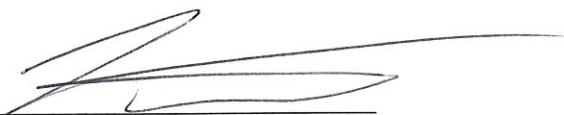
RECOGNITION AGREEMENT


The Union has requested that the Employer recognize it as the Section 9(a) representative of all employees in the Houston Sheet Metal Contractors Association Multi-Employer Bargaining Unit (MEBU). The Union has produced evidence of majority support among all of the MEBU employees and has provided proof of same. The Employer acknowledges and agrees that a majority of the MEBU employees have authorized the Union to represent them in collective bargaining. The Employer hereby recognizes the Union as the exclusive collective bargaining representative under Section 9(a) of the National Labor Relations Act for all employees performing the work described in Article I, Section 1 of the current collective bargaining agreement (CBA) on all present and future job sites within the jurisdiction of the Union.

Agreed this 1<sup>st</sup> day of July 2022.

Sabine Area Sheet Metal Contractors  
Association Multi-Employer Bargaining Unit

Local Union No. 54 of the International  
Association of Sheet Metal, Air, Rail,  
and Transportation Workers

By   
Chairman – Jeremy Kotlarz

By   
Chairman - Edward Gonzalez

This agreement covers rates of pay and conditions of employment for all Sheet Metal Journeyman, Apprentices, Classified Workers, Pre-Apprentices (a.k.a. Crew Workers) and other labor performing bargaining unit work who may be employed by Employers party to this agreement, in the following counties:

- |               |          |
|---------------|----------|
| Angelina      | Chambers |
| Hardin        | Jasper   |
| Jefferson     | Newton   |
| Orange        | Sabine   |
| San Augustine | Tyler    |

ARTICLE I.  
Jurisdiction of Work

Section 1. This agreement covers the rates of pay and conditions of employment of employees of the Employer engaged in but not limited to the: (a) manufacture, fabrication, assembling, handling, erection, installation, dismantling, conditioning, adjustment, alteration, repairing and servicing of all ferrous or nonferrous metal work and all other materials used in lieu thereof and of all HVAC systems, air conveyor systems, exhaust systems and air-handling systems regardless of material used including the setting of all equipment and all reinforcements in connection therewith; (b) all lagging over insulation and all duct lining; (c) testing and balancing of all air-handling equipment and duct work; (d) the preparation of all shop and field sketches whether manually drawn or computer assisted used in fabrication and erection, including those taken from original architectural and engineering drawings or sketches; (e) metal roofing; and (f) all other work included in the jurisdictional claims of International Association of Sheet Metal, Air, Rail and Transportation Workers.

ARTICLE II.  
Subcontracting of Work

Section 1.

(a) No Employer shall subcontract or assign any of the work described herein which is to be performed at a job site to any contractor, subcontractor or other person or party who fails to agree in writing to comply with the conditions of employment contained herein including, without limitations, those relating to union security, rates of pay and working conditions, hiring and other matters covered hereby for the duration of the project.

(b) Subject to other applicable provisions of this Agreement, the Employer agrees that when subcontracting for prefabrication of materials covered herein, such prefabrication shall be subcontracted to fabricators who pay their employees engaged in such fabrication not less than the prevailing wage for comparable sheet metal fabrication, as established under provisions of this Agreement.

ARTICLE III.  
Work Protection

Section 1. The Employer agrees that none but Journeymen, Apprentice, Classified Worker and Pre-Apprentice (a.k.a. Crew Worker) 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 letterhead for certain specified items of work to be performed at a jobsite upon written request. List of such specific items, which may be revised from time to time, as agreed to by and between SMACNA and SMART shall be provided to the Employer.

ARTICLE IV.  
Hiring Hall, Referral Rules and Procedures

Section 1.

(a) The Union agrees to furnish upon request by the Employer duly qualified Journeymen, Apprentice, Classified Worker and Pre-Apprentice (a.k.a. Crew Worker) 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.

(b) The Union agrees to furnish upon request by the employer, Journeymen and Apprentice sheet metal workers with the required ISTC training prior to employment. The ISTC training cost will be paid by the contractor (unless it applies to a shutdown 30 days or less, the Journeyman and Apprentice will be compensated at their regular hourly pay rate for time spent in training, without fringe benefits as these hours will not count as hours performing bargaining unite work).

Section 2.

(a) In the interest of maintaining an efficient system of production in the industry, providing for an orderly procedure of referral of applicants for employment, preserving the legitimate interests of employees in their employment status within the area, and of eliminating discrimination in employment because of membership or non-membership in the Union, the parties hereto agree to the following system of referral of applicants for employment.

(b) The Union shall be the sole and exclusive source of referral of applicants for employment.

(c) The Employer shall have the right to refuse any applicant for employment.

(d) The Union agrees that the Employer or his Representative shall be the sole judge of hiring or rejecting any job applicant. The Employer agrees to exercise his right to hire or to reject any job applicants without regard to union membership, non-membership, race, color, religion, national origin, age, sex or disability.

(e) The Union shall maintain a register of applicants (out of work list) for employment to be considered by the Employer in filling such positions.

(f) In the event the Union fails to comply with a request for applicants within forty eight hours, the Employer may directly hire such applicants and refer them to the Union, within seven (7) days.

Section 3. "Journeyman" means a person who (1) has successfully completed a sheet metal apprenticeship program registered with the U. S. Dept. of Labor Bureau of Apprenticeship and Training or (2) has successfully completed a skill identification examination demonstrating a sufficient degree of skill and training to be a journeyman sheet metal worker and have at least four (4) years actual practical working experience at the sheet metal trade.

Section 4.

- (a) The Union shall maintain an “out of work list” which shall list the applicants available for employment in each classification.
- (b) Applicants shall remain on the “out of work list”, so long as they initial the list at least every sixty (60) days, or until they accept employment within the sheet metal craft that is for a period of seven (7) days or more for each work referral. If applicants for work fail to initial the “out of work list” for a period of sixty (60) days, their name will be dropped from the “out of work list” until they re-sign the “out of work list”.
- (c) The Joint Labor Chairmen may review these hiring hall rules and regulations from time to time, and make changes that are necessary to better serve the members.

Section 5.

- (a) Employers shall advise the Business Manager of the Local Union of the number of applicants needed. The Business Manager shall refer applicants to the Employer as named by the Employer from the out of work list.
- (b) Registered applicants for employment may solicit their own job, provided that upon securing a job they obtain a referral from the union prior to employment.
- (c) Applicants, after being hired by the Company, shall report to the Steward and give his referral to the Steward for return to the Union Hall at the next regular meeting.
- (d) Employer agrees to furnish each employee with a termination slip at the time of termination, and provide a copy to the Union within 24 hours of termination. The termination slip shall provide the employees name, reason for termination, location of discharge and signature of the shop or jobsite foreman.

Section 6. An Appeals Committee is hereby established, composed of one (1) member appointed by the Union, one (1) member appointed by the Sabine Area Sheet Metal Contractors Association, and a public member appointed by both of these members. In the event the Union member and the Association member cannot agree upon such public member, the public member shall be selected by the other two (2) committee members from a list of five (5) Labor Arbitrators furnished by Federal Mediation Conciliation Services. It shall be the function of the Appeals Committee to consider any complaint of any employee or applicant for employment arising out of the Administration by the Local Union of Section 1 through 8 of this Article. The Committee shall be convened upon approval of a two-thirds majority of the members in attendance at the Regular Executive Board meeting when the complaint is presented. The Appeals Committee shall have the power to make a final and binding decision on any such complaint, which shall be complied with by the Local Union. The Appeals Committee is authorized to issue procedural rules for the conduct of its business but it is not authorized to add to, subtract from, or modify any of the provisions of this Article and its decision shall be in accord with this Article.

Section 7. A copy of the referral procedures set forth in this Agreement shall be posted on the bulletin board at the office of the Local Union and in the office of the Employers who are parties to this Agreement.

Section 8. Apprentices shall be hired and transferred in accordance with the Apprenticeship provisions as established by the Apprenticeship Standards for the Sheet Metal Contracting Industry in this area upon the approval of the Business Manager.

#### ARTICLE V.

#### Union Membership Requirements

Section 1. The Employer agrees to require membership in the Union, as condition of continued employment of all employees performing work specified in Article I of this agreement, within eight (8) days following the beginning of such employment or the effective date of this Agreement, whichever is the later, provided the Employer has reasonable ground for believing that membership is available to such employees on the same terms and conditions generally applicable to other members and that membership is not denied or terminated for reasons other than the failure of the employee to tender the periodic dues and initiation fee uniformly required as a condition of acquiring or retaining membership.

Section 2. If during the term of this Agreement the Labor-Management Relations Act of 1947 shall be amended by Congress in such manner as to reduce the time within which an employee may be required to acquire union membership, such reduced time limit shall become immediately effective instead of and without regard to the time limit specified in Section 1 of this Article.

Section 3. The provisions of this Article shall be deemed to be of no force and effect in any state to the extent to which the making or enforcement of such provision is contrary to law. In any state where the making and enforcement of such provisions is lawful only after compliance with certain conditions precedent, this Article shall be deemed to take effect as to involved employees immediately upon compliance with such conditions.

Section 4. The Employer agrees that upon receipt of an authorization signed by an Employee, each Employer shall deduct, on a cents per hour basis, from the Employees paycheck each week, Dues and/or working assessment or equivalent, in the amount certified by Local 54. Employer agrees to remit all monies collected to the Financial Secretary/Treasurer of Local Union 54, P. O. Box 920636, Houston, Texas 77292-0636, on a monthly basis. All monies collected for the previous month must be remitted to the address above within five (5) days of the next month following the month in which the monies were collected, along with a list of employee names, social security numbers, and amount remitted for each. (BOTH PARTIES AGREE TO AN INDEMNIFICATION CLAUSE RELIEVING EMPLOYER OF LIABILITY FOR USE/MISUSE OF FUNDS AND HOLD HARMLESS EMPLOYER FROM ANY AND ALL LEGAL ACTION.)

#### ARTICLE VI.

#### Hours of Work, Overtime, Shift Work and Holidays

Section 1.

(a) The regular working day shall consist of eight (8) hours in the shop or on the job between six (6:00 a.m.) and five (5:00 p.m.) and the regular work week shall consist of five (5) consecutive eight (8) hour days (except as provided for in Article VI, Section 5) labor in the shop or 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 rates, except as otherwise provided pursuant to Section 4 of this Article. All work performed outside the regular working hours and performed during the regular workweek, shall be at one and one-half (1-1/2) times the regular rate for all hours worked.

(b) Work performed on Saturday in the shop or on the jobsite shall be paid at one and one-half (1-1/2) times the regular rate, and all hours worked on Sundays and holidays shall be paid at two (2) times the regular rate. The regular working hours may be changed to meet conditions on the job or in the shop by mutual agreement between the Employer and Business Manager.

(c) All hours worked in excess of forty (40) hours per week shall be paid at the rate of one and one-half (1 ½) times the regular rate, provided the Employee had the opportunity to have worked the initial forty (40) hours, Monday through Friday. If working four ten (4-10) hour days, the same shall apply.

If an employee is hired, terminated, has an excused absence as defined in (1), (2), or (3) below or a holiday falls in the middle of the week, the employee will not be penalized for overtime already accumulated.

- (1) Absences due to medical reasons are excused when documented by a letter from the doctor;
- (2) Absences due to a death in the immediate family, defined as parents, spouses, siblings and children are excused when documented;
- (3) Jury duty is an excused absence when documented.

(d) Workers shall be at their place of work at the starting time. Place of work shall be the location or floor where the physical work is performed on a new construction job site, as well as on a tenant build out, remodeling or repair job. Workers shall be at their place of work until quitting time unless another location has been established by the foreman or superintendent.

## Section 2.

(a) New Year's Day, Memorial Day, July 4th, Labor Day, Thanksgiving Day and Friday after Thanksgiving Day, and Christmas Day or days locally observed as such, and Sundays, shall be recognized as holidays. All work performed on holidays shall be paid at two (2) times the regular rate. Pre-Apprentices (a.k.a. Crew Worker) must work more than forty (40) hours before overtime applies. Pre-Apprentices (a.k.a. Crew Worker) shall not be paid in excess of one and one-half (1-1/2) times their rate of pay.

(b) If a recognized holiday falls on Sunday, the following Monday will be observed. If a recognized holiday falls on Saturday, the preceding Friday will be observed.

Section 3. It is agreed that all work performed outside of regular working hours during the regular workweek and on holidays shall be performed only upon notification by the Employer to

the Local Union in advance of scheduling such work. Preference to overtime and holiday work shall be given to men on the job on a rotation basis so as to equalize such work as nearly as possible.

Section 4. Shift work and the pay and conditions therefore shall be only as follows:

(a) The union agrees that Employers may establish a second and third shift for shop or field work, provided that the second and third shift, when established, shall continue for at least one regular week including the weekend, unless work is prevented or interrupted by acts over which the Employer has no control. Any job less than five (5) consecutive days must be approved by Local Union.

(b) Shift work provisions apply to all Foremen, Journeymen, Apprentices, Classified Workers and Pre-Apprentices (a.k.a. Crew Worker) who perform any full time or part time work on second or third shift except the Pre-Apprentice will receive 35% of the journeyman shift differential.

(c) Shift work begins at the end of first or second shift and can be worked on a five eight hours, or four ten hour day basis.

(d) Shift differential pay shall be paid in addition to employees regular basic wage rate as follows:

Second Shift	\$1.50 per hour.
Third Shift	\$2.00 per hour.

(e) Overtime shall be paid at the appropriate one and one-half (1-1/2) or two (2) times the applicable regular basic wage rate of employees for all hours worked in excess of eight (8) or ten (10) hours on second or third shift.

(f) Apprentices may be allowed to work on any shift which is not in conflict with their obligations to attend the Sheet Metal Workers' Local Union 54 Joint Apprenticeship and Training classes.

(g) No Foremen, Journeymen, Apprentices, Classified Workers or Pre-Apprentice (a.k.a. Crew Worker) may be employed on both the first shift and the second or third shift in the shop or at the jobsite.

(h) In the event that an employee is required to start work before the regular starting time on either the second or third shift, then the applicable overtime rate would be paid, calculated at the base rate plus the shift differential. This provision may be modified to meet conditions on the job or in the shop by mutual agreement between the employer and the Business Manager.

Section 5. Four Ten-Hour Day Provision.

(a) At the option of the Employer, the standard work day shall be an established consecutive ten (10) hour period between the hours of six (6:00) a.m. and six (6:00) p.m., exclusive of a thirty (30) minute lunch period. Forty (40) hours per week shall constitute a week's work, Monday through Thursday, inclusive in the event the job is down eight (8) hours or more because of inclement weather at the jobsite, then Friday can, at the option of the Employer, be worked as a make-up day at straight time not to exceed ten (10) hours or forty (40) hours for the week.



(b) In the shop only the Employer may split the crews between Monday and Friday. Straight time will be designated by the Employer and the Union.

Section 6. After completion of sixteen (16) hours of work, employees shall have eight (8) hours off.

Section 7.

(a) If work cannot be performed during the regular scheduled work week due to inclement weather or other acts of God, then Saturday can, at the option of the Employer, be worked as a make-up day at straight time not to exceed ten (10) hours per day or forty (40) hours for the week.

(b) Employer may schedule ten (10) hour work days Monday through Friday at straight time to compensate for time lost due to Holidays recognized in this Agreement during the week of the Holiday or the week prior to the Holiday not to exceed forty (40) hours of either week.

Section 8. No employee shall be required to work more than five (5) hours from the starting time of his shift without a half-hour period to be taken on the employee's time. When employees are required to work more than three (3) hours beyond their scheduled quitting time, a lunch shall be furnished by the contractor. The lunch shall be consumed on the contractor's time. In the event all employees agree to work straight through without a meal being provided and consumed on the employer's time, such employees will receive a ten (\$10.00) dollar meal ticket.

ARTICLE VII.  
Travel and Transportation

Section 1. When employed in a shop or on a job within the limits of SMART Local Union 54 jurisdiction, as stated in this agreement, employees shall be governed by the regular working hours specified herein and shall provide for themselves necessary transportation within the said limits from home to shop or job at starting time, and from shop or job to home at quitting time. The Employer shall provide, or pay the owner of the vehicle, at the federal rate per mile, for all necessary additional transportation during working hours, except for one (1) move per day within ten (10) miles.

Section 2.

(a) When Journeymen sheet metal workers are required to perform work outside the geographical jurisdiction covered by this Agreement they shall receive not less than one hundred and twenty five dollars (\$125.00) per day for board and lodging, or, the Employer may provide for board and lodging if agreed to by both parties in writing. If an employer sends an employee to perform work outside of the territorial jurisdiction of the United States of America or Canada, travel pay and/or subsistence arrangements shall be negotiated locally. The parties intend travel pay to fairly compensate employees for travel, not to place contractors at a competitive disadvantage due to geographic location or to create artificial barriers against out-of-area contractors.

(b) Employees shall not incur any loss of income due to delays or waiting on arrival of materials or equipment.

(c) Employers shall pay the owner of the vehicle used for transportation the federal rate per mile as vehicle expense.

(d) All travel time shall be paid at the regular hourly rate. Travel time and mileage shall be measured by the most direct route starting from shop.

## ARTICLE VIII. Provisions

Section 1. The minimum rate of wages for Journeymen sheet metal workers, Apprentices, Classified Workers and/or Pre-Apprentices (a.k.a. Crew Worker) covered by this Agreement when employed in a shop or on a job within the jurisdiction of the Union to perform any work specified in Article I of this Agreement shall be (see Addendum #1), except as herein after specified in Section 2 of this Article.

Section 2. On all work specified in Article I of this Agreement, fabricated and/or assembled by Journeymen, Apprentices, Classified Workers and/or Pre-Apprentice (a.k.a. Crew Worker) sheet metal workers within the jurisdiction of this Union, or elsewhere, for erection and/or installation within the jurisdiction of any other collective bargaining areas or Local Union affiliated with International Association of Sheet Metal, Air, Rail and Transportation Workers, whose established wage scale is higher than the wage scale specified in this Agreement and Addenda, the higher wage scale of the jobsite Union shall be paid to the employees employed on such work in the home shop or sent to the jobsite.

Section 3. The provisions of Section 2 of this Article, Section 1 (b) of Article II, and Section 1 of Article III shall not be applicable to the manufacture for sale to the trade or purchases of the following items:

1. Ventilators
2. Louvers
3. Automatic and Fire Dampers
4. Radiator and air conditioning unit enclosure
5. Fabricated pipe and fittings for residential installation and light commercial work as defined in the locality
6. Mixing (attenuation) boxes
7. Plastic skylights
8. Air diffusers, grilles, registers
9. Sound attenuators
10. Chutes
11. Double wall panel plenums
12. Angle rings

Section 4. The provisions of Section 2 of this Article shall not be applicable to AIR POLLUTION CONTROL SYSTEMS fabricated for the purpose of removing air pollutants, excluding air conditioning, heating and ventilating systems. In addition, the provisions of Section 2 of this Article will not be applicable to the manufacture of spiral pipe and fittings for high-pressure systems.

Section 5. Except as provided in Section 2 and 6 of this Article, the Employer agrees that Journeymen sheet metal workers hired outside of the territorial jurisdiction of this Agreement shall receive the wage scale and working conditions of the Local Agreement covering the territory in which such work is performed or supervised.

Section 6.

(a) When the Employer has any work specified in Article I of this Agreement to be performed outside of the area covered by this Agreement and within the area covered by another Agreement with another union affiliated with the International Association of Sheet Metal, Air, Rail and Transportation Workers, and qualified sheet metal workers are available in such area, he may send no more than two (2) sheet metal workers per job into such area to perform any work which the Employer deems necessary, both of whom shall be from the Employer's home jurisdiction. All additional sheet metal workers shall come from the area in which the work is to be performed. Journeymen sheet metal workers covered by this Agreement who are sent outside of the area covered by this Agreement shall be paid at least the established minimum wage scale specified in Section 1 of this Article, but in no case less than the established wage scale of the local Agreement covering the territory in which such work is performed or supervised, plus all necessary transportation, travel time, board and expenses while employed in that area, and the Employer shall be otherwise governed by the established working conditions of that Local Agreement.

(b) If employees are sent into an area where there is no local Agreement of the International Association of Sheet Metal, Air, Rail and Transportation Workers covering the area then the minimum conditions of the home local shall apply.

Section 7. In applying the provisions of Section 2, 5, and 6 of this Article VIII, the term "wage scale" shall include the value of all applicable hourly contractual benefits in addition to the hourly wage rate provided in said Sections.

Section 8.

(a) Welfare Benefits contributions shall not be duplicated. When sheet metal workers are employed temporarily outside the jurisdiction of their home local union, the parties signatory to this Agreement agree to arrange through the Health and Welfare Trust Fund to transmit health and welfare contributions made on behalf of the employee to the Health and Welfare Fund in the employee's home local union.

(b) The parties to this Agreement agree to establish a system for continuing health and welfare coverage for employees working temporarily outside the jurisdiction of the local collective bargaining agreement when health and welfare contributions are transmitted on their behalf by trust funds from other areas.

(c) When sheet metal workers are temporarily employed outside the jurisdiction of their home local union, the parties signatory to this agreement shall arrange to transmit any 401 (k) contributions required to be made to a 401 (k) plan where the work is performed to a 401 (k) plan established for the employee's home local union, and/or to the National Supplemental Savings Fund. This obligation is conditioned upon a suitable reciprocity arrangement being agreed to by the trustees of such plans.

Section 9. Wages at the established rates specified herein shall be paid weekly in the shop or on the job at or before quitting time on designated payday of each week, and no more than two (2) days pay will be withheld. However, employees, when discharged, shall be paid in full. The employer shall furnish a separate or detached stub on all checks showing the total earnings, the total regular hours, total overtime hours and the amount of each deduction. All time sheets and work schedules shall be kept on company time at employer's expense. Exceptions for these situations of an emergency nature over which an employer had no control, employees who are not paid their wages at the regular quitting time on payday shall be entitled to compensation for waiting time computed at the overtime rate.

Section 10. Journeymen, Apprentice, Classified Worker and Pre-Apprentice sheet metal workers with the required skills who report for work at the request of the Employer and are not placed at work shall be entitled to two (2) hours pay at the established rate. This provision, however, shall not apply under conditions over which the Employer has no control. The Union will inform the applicant that it is necessary to complete the I-9 Form and that he must have the proper identification with him before placement.

Section 11. Each Employer covered by this Agreement shall employ at least one (1) journeyman sheet metal worker who is not a member of the firm on all work specified in Article I of this Agreement. However, it will be permissible for an owner-member to be the journeyman sheet metal worker.

Section 12.

(a) Contributions provided for in Section 12 (b) of this Article will be used to promote programs of industry education, training, negotiation and administration of collective bargaining agreements, research and promotion, such programs serving to expand the market for the services of the Sheet Metal Industry, improve the technical and business skills of employers, stabilize and improve Employer-Union relations, and promote, support and improve the employment opportunities for employees. No part of any such payments, however, shall be used for any other purpose except as expressly specified above.

(b) The Employer shall pay the Sheet Metal and Air Conditioning Contractor's National Industry Fund of the United States (IFUS) Twenty-four cents (\$0.24) per hour for each hour worked on and after the effective date of this Agreement by each employee of the employer covered by this Agreement. Payment shall be made on or before the 20th day of the succeeding month and shall be remitted to IFUS, 4201 Lafayette Center Drive, Chantilly, Virginia, 20151-1209, or for the purpose of transmittal, through Sabine Area Sheet Metal Contractors Association.

(c) The IFUS shall submit to the International Association of Sheet Metal, Air, Rail and Transportation Workers, not less often than semi-annually written reports describing accurately and in reasonable detail the nature of activities in which it is engaged or which it supports directly or indirectly with any of its funds. One time per year, the IFUS shall include in such written report a financial statement attested to by a certified public accountant containing its balance sheet and detailed statement of annual receipts and disbursements. Further specific detailed information in regard to IFUS activities or its receipts and/or expenditures shall be furnished to the International Association of Sheet Metal, Air, Rail and Transportation Workers upon written request.

(d) Grievances concerning the use of IFUS funds for purposes prohibited under Section 12 or for violations of other subsections of this Section may be processed by the International Association of Sheet Metal, Air, Rail and Transportation Workers directly to the National Joint Adjustment Board under the provisions of Article X of this Agreement. In the event such proceeding results in a deadlock, either party may, upon ten (10) days-notice to the other party, submit the issue to final and binding arbitration. The Arbitrator shall be selected by the Co-Chairmen of the National Joint Adjustment Board. The Arbitrator shall be authorized to impose any remedial order he deems appropriate for violations of this Section, including termination of the Employer's obligation to contribute to the IFUS. The authority of the Arbitrator is expressly limited to a determination of a deadlocked issue under this Section, (Section 12, Article VIII), and no other.

### Section 13.

(a) Contributions provided for in Section 13(b) of this Article will be used to promote programs of industry education, training, negotiation and administration of collective bargaining agreements, research and promotion, such programs serving to expand the market for the services of the Sheet Metal Industry, improve the technical and business skills of employers, stabilize and improve Employer-Union relations, and promote, support and improve the employment opportunities for employees. No part of any such payments, however, shall be used for any other purpose except as expressly specified above.

(b) The Employer shall pay to the Sabine Area Sheet Metal Contractors Association (the local industry fund) twelve cents (\$0.12) per hour for each hour worked on or after the effective date of this Agreement by each employee of the Employer covered by this Agreement. Payment shall be made monthly on or before the 20th day of the succeeding month.

(c) The local industry fund shall furnish to the Business Manager of the Union, not less often than semi-annually, written reports describing in reasonable detail the nature of activities in which it is engaged or which it supports directly or indirectly with any of its funds. One time per year, the local industry fund shall include in such written report, a statement attested to by a certified public accountant and containing its balance sheet and detailed statement of receipts and disbursements. Further specific detailed information in regard to local industry fund activities or its receipts and/or disbursements shall be furnished to the Business Manager of the Union upon his written request.

(d) Grievances concerning use of local industry fund monies to which an Employer shall contribute for purposes prohibited under Section 13(a) or for violations of other subsections of this

Section shall be handled under the provisions of Article X of this Agreement. The National Joint Adjustment Board shall be authorized to impose any remedial order for violation of this Section, including termination of the Employer's obligation to contribute to the local industry fund.

(e) The fund shall pay for meeting room expenses incurred by the Local Joint Adjustment Board and negotiating committees, as well as provide hardhats and safety glasses including but not limiting to, over the glass style, to be worn over prescription glasses, which meet or exceeds ANSI Z87 standards. The Fund will also reimburse the employee the cost of steel toe shoes up to \$10.00. Employee must submit to the Local Industry Fund, a copy of original purchase receipt. Claims for reimbursement will be honored up to one (1) year from date of purchase and only one (1) claim per year.

(f) Any employee wearing prescription glasses, subject to employment which requires ANSI Z87 safety glasses, has the option to purchase ANSI Z87 prescription glasses. The Local Industry Fund will reimburse those employees the difference of cost up to \$30.00. Employee must submit to the Local Industry Fund, P.O. Box 6082, Beaumont, TX 77705, a quote for prescription glasses and a copy of original purchase receipt for ANSI Z87 approved prescription glasses. Claims for reimbursement will be honored up to one (1) year from date of purchase and only one (1) claim per year.

(g) Unemployed sheet metal workers whose ISTC Basic Training is expiring, will be offered the opportunity to ISTC Basic Training renewal, to be paid by the Local Industry Fund. Workers will receive a \$40 stipend from the Local Industry Fund for such renewal.

Section 14. The Union and the Employer recognize that the contributions provided in Sections 12(b) and 13(b) of this Article support activities that benefit the entire sheet metal industry. It is essential that the Employer support these activities, even though it may be performing sheet metal work under the provisions of a separate project agreement or maintenance agreement.

Therefore, hours worked for purposes of determining the contributions required under Sections 12(b) and 13(b) of this Article shall include all hours worked by each employee of the Employer under any project agreement or maintenance agreement, unless specifically excluded by the terms of a written addendum that is negotiated by the Contractors' Association and the Local Union that are parties to this Agreement.

Section 15. Effective as of the date of this Agreement the employers will contribute to the International Training Institute for the Sheet Metal and Air Conditioning Industry (ITI) twelve cents (\$0.12) per hour for each hour worked by each employee (including all Journeyman, Apprentices, Classified Workers and Pre-Apprentices) of the employer covered by this Agreement. Payment shall be made on or before the 20th day of the succeeding month and shall be remitted as designated by the Trustees of the ITI, or for purposes of collection and transmittal through the National Benefits Fund Office, 8403 Arlington Blvd., Suite 300, Fairfax, VA 22031.

Effective as of the date of this Agreement the employers will contribute to the National Energy Management Institute Committee (NEMIC), a jointly administered trust fund, three cents (\$0.03) per hour for each hour worked by each employee (including all Journeyman, Apprentices,

Classified Workers and Pre-Apprentices) of the Employer covered by this Agreement. Payment shall be made on or before the 20th day of the succeeding month and shall be remitted as designated by the Trustees of the NEMIC, or for the purposes of collection and transmittal through the National Benefits Fund Office, 8403 Arlington Blvd., Suite 300, Fairfax, VA 22031.

Effective as of the date of this Agreement the employers will contribute to the Sheet Metal Occupational Health Institute Trust (Institute) two cents (\$0.02) per hour for each hour worked by each employee (including all Journeyman, Apprentices, Classified Workers and Pre-Apprentices) of the Employer covered by this Agreement until the Institute Trustees determine that the Trust is financially self-sufficient. Payment shall be made on or before the 20th day of the succeeding month and shall be remitted as designated by the Trustees of the Institute, or for purposes of collection and transmittal through the National Benefits Fund Office, 8403 Arlington Blvd., Suite 300, Fairfax, VA 22031.

The parties agree to be bound by the separate Agreements and Declarations of Trusts establishing the International Training Institute for the Sheet Metal and Air Conditioning Industry, the National Energy Management Institute Committee, the Sheet Metal Occupational Health Institute Trust, and the Industry Fund of the United States and the separate agreements and declarations of trust of all other local or national programs to which it has been agreed that contributions will be made. In addition, the parties agree to be bound by any amendments to said trust agreements as may be made from time to time and hereby designate as their representatives on the Board of Trustees such trustees as are named together with any successors who may be appointed pursuant to said agreements.

The parties authorize the trustees of all national funds to cooperatively establish uniform collection procedures to provide for efficient and effective operation of the various national trusts.

Section 16. In the event that the Employer becomes delinquent in making contributions to any national or local Fund, the Union may withdraw all employees from the service of the Employer with notice of such delinquency by the trustees. The withdrawal of such employees from the service of the Employer shall not constitute a violation of any provision of this Agreement.

Section 17.

(a) The Employer shall comply with any bonding provisions governing local Funds that may be negotiated by the local parties and set forth as a written Addendum to the agreement. The Employer shall likewise comply with bonding requirements established by the National Funds.

(b) When an Employer is performing any work specified in Article 1 of this Agreement outside of the area covered by this Agreement with a local union affiliated with the International Association of Sheet Metal, Air, Rail and Transportation Workers, the Employer shall comply with uniformly applied bonding requirements of that local area that are reasonable and necessary to insure the timely payment of any contribution that may be required to local and National Funds, but in no event shall such bonds be in excess of three (3) months estimated contributions to local and national Funds.

(c) An Employer that has been delinquent in making contributions to any national or local fund shall, upon written notification of the trustees or local union, make the specified payment to such fund at weekly intervals. Such obligation shall continue until the Employer has not been delinquent in making contributions for a period of two (2) consecutive months.

Section 18. NPF ALTERNATIVE SCHEDULE

This Article/Section relates to the Employer's obligation to contribute to the Sheet Metal Workers' National Pension Fund ("NPF").

The Parties to this Agreement adopted the NPF's first Alternative Option of the Funding Improvement Plan (FIP) in effect on the date this Agreement was entered into. The Employer will contribute to the NPF at the hourly rates set forth in this Agreement, in accordance with the FIP First Alternative Option and the NPF's Trust Document (copies of these documents have been made available to the parties and are available at [www.smwnpf.org](http://www.smwnpf.org)). The First Alternative Option and the NPF Trust Document, as amended are incorporated into this Agreement.

The First Alternative Option of the FIP requires a Contribution Rate increase of 2% on July 1, 2021. As of the date this Agreement was entered into, it was unknown if any Contribution Rate increases will be required under the FIP after 2021. In the event that the NPF Trustees determine that Contribution Rate increases are necessary after 2021, monies shall be automatically allocated from the existing wage and fringe package, and/or reallocated from any increases to the wage and fringe package provided for under this Agreement, to NPF required contributions in an amount sufficient to cover the Contribution Rate increase(s) required by the FIP.

The Employer will pay its required monthly NPF contributions no later than the 20<sup>th</sup> day of the month, after the month in which Covered Employment was performed. Failure to pay on time and in full will constitute a delinquency and subject the Employer to interest, liquidated damages, fees and costs as set forth in the Trust Document.

The Employer shall transmit contributions and remittance data electronically via the National Benefit Funds' secure online Internet Payment System ("IPS"), accessible at [www.smwnbf.org](http://www.smwnbf.org) (contact the IPS Support Team via email at [ips@smwnbf.org](mailto:ips@smwnbf.org) or by calling 800-231-4622).

ARTICLE IX.

Hand Tools, Trucks and Autos

Section 1. Journeymen, Apprentices, Classified Workers and Pre-Apprentice (a.k.a. Crew Worker) sheet metal workers covered by this Agreement shall provide for themselves all necessary hand tools.

Section 2.

(a) Journeymen, Apprentice, Classified Worker and Pre-Apprentice (a.k.a. Crew Worker) sheet metal workers covered by this Agreement will not be permitted or required as a condition of employment to furnish the use of 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 to be provided by the Employer, except as provided in WORKING RULES, ADDENDUM #3, Section 13.

(b) This provision shall not restrict the use of an automobile or other conveyance to transport its owner and personal tools from home to shop or job at starting time or from job to home at quitting time except as provided in WORKING RULES, ADDENDUM #3, Section 13.

## ARTICLE X. Grievance Procedure

The Union and the Employer, whether party to this Agreement independently or as a member of a multi-employer bargaining unit, agree to utilize and be bound by this Article.

### Section 1.

(a) Grievances of the Employer or the Union, arising out of interpretation or enforcement of this Agreement, shall be settled between the Employer directly involved and the duly authorized representative of the Union, if possible. Both parties may participate in conferences through representatives of their choice. The local Employers' Association or the Local Union, on its own initiative, may submit grievances for determination by the Board as provided in this Section. The grievance procedure set forth in this Article applies only to labor-management disputes.

(b) To be valid, grievances must be raised within thirty (30) calendar days following the occurrence giving rise to the grievance, or, if the occurrence was not ascertainable, within thirty (30) calendar days of the first knowledge of the facts given rise to the grievance.

### Section 2.

(a) Grievances not settled as provided in Section 1 of this Article may be appealed by either party to the Local Joint Adjustment Board where the work was performed or in the jurisdiction of the employer's home local and such Board shall meet promptly on a date mutually agreeable to the members of the Board, but in no case more than fourteen (14) calendar days following the request for its services, unless the time is extended by mutual agreement of the parties or Local Joint Adjustment Board. The Board shall consist of representatives of the Union and of the Local Employers' Association and both sides shall cast an equal number of votes at each meeting. Except in the case of a deadlock, a decision of a Local Joint Adjustment Board shall be final and binding.

(b) Notice of appeal to the Local Joint Adjustment Board shall be given within thirty (30) days after termination of the procedures prescribed in Section 1 of this Article, unless the time is extended by a mutual agreement of the parties.

### Section 3.

(a) Grievances not disposed of under the procedure prescribed in Section 2 of this Article, because of a deadlock or failure of such Board to act, may be appealed jointly or by either party to a Panel, consisting of one (1) representative appointed by the Labor Co-Chairman of the National Joint Adjustment Board and one (1) representative appointed by the Management Co-Chairman of the National Joint Adjustment Board. Appeals shall be mailed to the National Joint Adjustment

Board.\* Notice of appeal to the Panel shall be given within thirty (30) days after termination of the procedures prescribed in Section 2 of this Article. Such Panel shall meet promptly but in no event more than fourteen (14) calendar days following receipt of such appeal, unless such time is extended by mutual agreement of the panel members. Except in the case of a deadlock, the decision of the panel shall be final and binding.

(b) In establishing the grievance procedure of the Standard Form of Union Agreement, it was the intent of the International Association of Sheet Metal, Air, Rail and Transportation Workers and the Sheet Metal and Air Conditioning Contractors' National Association, Inc. to establish a method for resolving grievances permitting appeals for out-of-area Employers from the grievance arbitration procedures established for the territory in which work is performed. An Employer who was not a party to the Labor Agreement of the area in which the work in dispute is performed may appeal the decision of the Local Joint Adjustment Board from that area, including a unanimous decision, as well as a decision of any alternative arbitration tribunal established for that area, and request a Panel hearing as set forth in Section 3 of this Article, providing such appeal is approved by the Co-Chairmen of the National Joint Adjustment Board. Such a right of appeal shall exist despite any contrary provision in the agreement covering the area in which the work is performed.

(c) For the purpose of this Section, an Employer who is party to the Labor Agreement of the area in which the work in dispute is performed, but has no permanent shop within the area served by the Local Joint Adjustment Board that rendered the unanimous decision, may also be entitled to appeal a deadlocked or unanimous Local Joint Adjustment Board decision, and request a Panel hearing.

Section 4. Grievances not settled as provided in Section 3 of this Article may be appealed jointly or by either party to the National Joint Adjustment Board. Submissions shall be made and decisions rendered under such procedures as may be prescribed by such Board. Appeals to the National Joint Adjustment Board shall be submitted within (30) days after termination of the procedures described in Section 3 of this Article. The Procedural Rules of the National Joint Adjustment Board are incorporated in this Agreement as though set out in their entirety. (Copies of the procedures may be obtained from the National Joint Adjustment Board.\*)

Section 5. A Local Joint Adjustment Board, Panel and the National Joint Adjustment Board are empowered to render such decisions and grant such relief to either party as they deem necessary and proper, including awards of damages or other compensation.

Section 6. In the event of noncompliance within thirty (30) calendar days following the mailing of a decision of a Local Joint Adjustment Board, Panel or the National Joint Adjustment Board, a local party may enforce the award by any means including proceedings in a court of competent jurisdiction in accord with applicable state and federal law. If the party seeking to enforce the award prevails in litigation, such party shall be entitled to its costs and attorney's fees in addition to such other relief as is directed by the courts. Any party that unsuccessfully challenges the validity of an award in a legal proceeding shall also be liable for the costs and attorney's fees of the opposing parties in the legal proceedings.

Section 7. Failure to exercise the right of appeal at any step thereof within the time limit provided therefore shall void any right of appeal applicable to the facts and remedies of the grievances involved. There shall be no cessation of work by strike or lockout during the pendency of the procedures provided for in this Article. Except in the case of a deadlock, the decision of the National Joint Adjustment Board shall be final and binding.

Section 8.

(a) In addition to the settlement of grievances arising out of interpretation or enforcement of this agreement as set forth in the preceding sections of this Article, any controversy or dispute arising out of the failure of the parties to negotiate a renewal of this Agreement shall be settled as hereinafter provided:

(b) Should the negotiations for a renewal of this Agreement or negotiations regarding a wage/fringe re-opener become deadlocked in the opinion of the Union representative(s) or of the employer(s) representative, or both, notice to that effect shall be given to the National Joint Adjustment Board.

(c) If the Co-Chairman of the National Joint Adjustment Board believe the dispute might be adjusted without going to final hearing before the National Joint Adjustment Board, each will then designate a panel representative who shall proceed to the locale where the dispute exists as soon as convenient, attempt to conciliate the differences between the parties and bring about a mutually acceptable agreement. If such panel representatives or either of them conclude that they cannot resolve the dispute, the parties thereto and the Co-Chairman of the National Joint Adjustment Board shall be promptly so notified without recommendation from the panel representatives. Should the Co-Chairman of the National Joint Adjustment Board fail or decline to appoint a panel member or should notice of failure of the panel representatives to resolve the dispute be given, the parties shall promptly be notified so that either party may submit the dispute to the National Joint Adjustment Board.

(d) In addition to the mediation procedure set forth above or as an alternate thereto, the Co-Chairman of the National Joint Adjustment Board may each designate a member to serve as a subcommittee and hear the dispute in the local area. Such committees shall function as arbitrators and are authorized to resolve all or part of the issues. They are not, however, authorized to deadlock and the matter shall be heard by the National Joint Adjustment Board in the event a subcommittee is unable to direct an entire resolution of the dispute.

(e) The dispute shall be submitted to the National Joint Adjustment Board pursuant to the rules as established and modified from time to time by the National Joint Adjustment Board. The unanimous decision of said Board shall be final and binding upon the parties, reduced to writing, signed and mailed to the parties as soon as possible after the decision has been reached. There shall be no cessation of work by strike or lockout unless and until said Board fails to reach a unanimous decision and the parties have received written notification of its failure.

(f) Any application to the National Joint Adjustment Board shall be upon forms prepared for that purpose subject to any changes which may be decided by the Board from time to time. The representatives of the parties who appear at the hearing will be given the opportunity to present

oral argument and to answer any questions raised by members of the Board. Any briefs filed by either party including copies of pertinent exhibits shall also be exchanged between the parties and filed with the National Joint Adjustment Board at least twenty-four (24) hours in advance of the hearing.

(g) The National Joint Adjustment Board shall have the right to establish time limits which must be met with respect to each and every step or procedure contained in this section. In addition, the Co-Chairman of the National Joint Adjustment Board shall have the right to designate time limits which will be applicable to any particular case and any step therein which may be communicated to the parties by mail, facsimile, or telephone notification.

(h) Unless a different date is agreed upon mutually between the parties or is directed by the unanimous decision of the National Joint Adjustment Board, all effective dates in the new agreement shall be retroactive to the date immediately following the expiration date of the expiring agreement.

Section 9. Employers not contributing to the Industry Fund of the United States (IFUS) will be assessed a fee to be determined periodically by the Administrator of the National Joint Adjustment Board. Proceeds will be used to reimburse IFUS for costs of arbitration under the provisions of Article X.

Section 10.

(a) In addition to the settlement of disputes provided for in Sections 1 through 8 of this Article, either party may invoke the services of the National Joint Adjustment Board to resolve disputes over the initial establishment or amendment of terms for specialty addenda, if the provisions of Article 10 have been adopted in their entirety, and without modification.

(b) Such a dispute may be submitted upon the request of either party any time that local negotiations for such an agreement or amendment thereof have been unsuccessful. Such a dispute shall be submitted to the National Joint Adjustment Board pursuant to final and binding upon the parties. There shall be no strike or lockout over such a dispute.

Section 11. In administering and conducting dispute resolution activities under the arbitration procedures of the Standard Form of Union Agreement, the National Joint Adjustment Board, the International Association of Sheet Metal, Air, Rail and Transportation Workers, the Sheet Metal and Air Conditioning Contractors' National Association, Inc., and their representatives, are functioning as arbitrators and not as the representative of any entity that is party to such dispute. Therefore, they shall enjoy all of the rights, privileges, and immunities afforded to arbitrators under applicable law.

\*All correspondence to the National Joint Adjustment Board shall be sent to the following address: National Joint Adjustment Board, P. O. Box 220956, Chantilly, VA 20151-1219.

ARTICLE XI.  
Apprenticeship System

Section 1. All duly qualified Apprentice shall be under the supervision and control of a Joint Apprenticeship and Training Committee composed of an equal number of trustees, half of whom shall be selected by the Employers and half by the Union. There shall be a minimum of 4 trustees. Said Joint Apprenticeship and Training Committee shall formulate and make operative such rules and regulations as they may deem necessary and which do not conflict with the specific terms of this Agreement, to govern eligibility, registration, education, transfer, wages, hours, working conditions of duly qualified Apprentices and the operation of an adequate Apprentice system to meet the needs and requirement of the trade. Said rules and regulations when formulated and adopted by the parties hereto shall be recognized as part of this Agreement.

Section 2.

(a) The Joint Apprenticeship and Training Committee designated herein shall serve for the life of this Agreement, except that vacancies in said Joint Apprenticeship and Training Committee caused by resignation or otherwise, may be filled by either party hereto, and it is hereby mutually agreed by both parties hereto, that they will individually and collectively cooperate to the extent that duly qualified Apprentices be given every opportunity to secure proper technical and practical education experience in the trade, under the supervision of the Joint Apprenticeship and Training Committee.

(b) The parties will review the needs for specialized and skill-upgrade training and cooperate to establish necessary programs which will then be supervised by the Joint Apprenticeship Training Committee.

Section 3. It is the understanding of the parties to this Agreement that the funds contributed by signatory Employers to the International Training Institute and any Local Joint Apprenticeship and Training Fund (Local JATC) will not be used to train apprentices or journeymen who will be employed by employers in the Sheet Metal Industry not signatory to a collective bargaining agreement providing for contributions to the International Training Institute and a Local JATC. Therefore, the trustees of the International Training Institute and Local JATC shall adopt and implement a Scholarship Loan Agreement Program which will require apprentices and journeymen employed by signatory Employers to repay the cost of training either by service following training within the union sector of the industry or by actual repayment of the cost of training if the individual goes to work for a non-signatory employer in the Sheet Metal Industry. The cost of training shall include the reasonable value of all International Training Institute and Local JATC materials, facilities and personnel utilized in training. If a Local JATC does not implement the Scholarship Loan Agreement, the Local JATC shall be prohibited from utilizing International Training Institute materials and programs.

Section 4. It is hereby agreed that an authorized Employer Representative shall apply to the Joint Apprenticeship and Training Committee and the Joint Apprenticeship and Training Committee shall grant Apprentices on the basis of one (1) Apprentice for each three (3)

Journeyman regularly employed throughout the year. Provided, however, an Employer will not be entitled to a new Apprentice if the Employer has an Apprentice on layoff for lack of work.

Section 5. Each apprentice shall serve an apprenticeship of up to five (5) years and such apprentices shall not be in charge of work on any job and shall work under the supervision of a journeyman until apprenticeship terms have been completed and they have qualified as journeyman.

Section 6.

(a) A graduated wage scale for Apprentices shall be established and maintained on the following percentage basis of the established basic wage rate of Journeymen sheet metal workers:

1. The following schedule is for Apprentices:

First Year	First Half	55%	Second Half	59%
Second Year	First Half	63%	Second Half	67%
Third Year	First Half	71%	Second Half	75%
Fourth Year	First Half	79%	Second Half	83%

2. Fringe benefits for these Apprentices will be on the same basis as the journeyman, except the NPF contribution will be on their percentage basis. After completion of the second half of the fourth year, the Apprentice will advance to journeyman status and receive 100% of the journeyman basic wage rate.

(b) This section shall not have the effect of reducing the wage progression schedule of any Apprentice who was indentured prior to the effective date of this Agreement.

Section 7. The parties will establish on a local basis the SMART Youth-to-Youth program (the program) and the procedures to enable all apprentices to participate in the program. The activities of the program that deal with organizing and other traditional union activities shall be funded by the Local Union through a check-off in compliance with the provisions of Section 302 (c) of the Labor-Management Relations Act of 1947. Youth-to-Youth apprentices are to be volunteers. These volunteers will be from shops using an appropriate ratio and shall not be punitive to any employer.

Section 8.

(a) The parties agreed that concentrated apprenticeship training is preferable to night-schooling and urge the Joint Apprenticeship and Training Committee to implement concentrated training during the term of this Agreement.

(b) The parties recognize that previous experience in the industry can be considered when evaluating and placing sheet metal workers into the apprenticeship program and the JATC shall work cooperatively with the parties in establishing standards for placing employees into the program. The parties shall also address the need to provide continuity in health care for those workers entering the program with prior experience in the industry. Classified Workers and Pre-Apprentices (a.k.a. Crew Worker) shall not endure wage reductions when making application for

the apprenticeship or when successfully placed into the apprentice program, with the approval of the JATC. When such apprentice changes employers, the wage rate will be mutually determined between the employer and the union.

Section 9. The parties agree that that career-long skill upgrade training is necessary for an effective workforce and agree to undertake those measures available to them to encourage continuing training for sheet metal journeymen. A subcommittee shall be formed with an equal number of members from the MEBU and the Local Union. The Committee will quarterly assess continuing education training needs for Journeymen and work with the local JATC to carry out such training.

ARTICLE XII.  
(See ADDENDUM #4 also)  
Pre-Apprentice (a.k.a. Crew Worker)

Section 1.

(a) It is hereby agreed that the Employer may apply to the Local Union and the Local Union shall grant Pre-Apprentice (a.k.a. Crew Worker) on the basis of one (1) Pre-Apprentice (a.k.a. Crew Worker) for each Apprentice employed by the Employer as per schedule below, provided, however, that an Employer who employs one or more Journeymen will be entitled to at least one Pre-Apprentice (a.k.a. Crew Worker). If an Apprentice is not available for hire, a Pre-Apprentice (a.k.a. Crew Worker) may be employed.

Journeyman	1	2	3	3	3	3
Apprentice	0	1	1	1	1	1
Classified Worker	0	1	0	1	1	0
Pre-Apprentice	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
(a.k.a. Crew Worker)	2	7	12	18	24	29

(b) In the event the Employer is entitled to employ a Pre-Apprentice (a.k.a. Crew Worker) and the Union fails to comply with the Employer's written request to furnish a Pre-Apprentice (a.k.a. Crew Worker) within forty-eight (48) hours, the Employer may hire such employees and refer them to the Local Union for enrollment within seven (7) days.

(c) Health and Welfare will be provided for the individual Classified Worker and Pre-Apprentice (a.k.a. Crew Worker) effective July 1, 2022 by making hourly contributions, for all hours worked to the Sheet Metal Workers' National Health Fund on the same forms as the journeymen and apprentices. The hourly rate for the employee only is \$2.12 paid by the employer. The employee may choose to have a payroll deduction for family coverage at the equivalent Journeyman rate.

(d) Pre-Apprentices (a.k.a. Crew Worker) shall be enrolled as applicants for future openings in the apprenticeship program. The Joint Apprenticeship and Training Committee shall evaluate the qualifications of Pre-Apprentices (a.k.a. Crew Worker) for such openings during the first year

of employment. No Pre-Apprentice (a.k.a. Crew Worker) shall be retained beyond (1) year unless the Pre-Apprentice (a.k.a. Crew Worker) has been found to be qualified as an applicant.

(e) The wage scale for Pre-Apprentice (a.k.a. Crew Worker) shall be thirty-five percent (35%) of the wage rate of Journeymen sheet metal workers. Health and Welfare coverage shall be arranged on behalf of the pre apprentice (a.k.a. Crew Worker) by the parties. Pre-Apprentice (a.k.a. Crew Worker) maximum wage rate will not exceed 75% of the Journeyman's base pay rate and will have the option to advance to the apprentice program. Pre-Apprentice (a.k.a. Crew Worker) will receive annual increases, inclusive of benefits based upon no less than thirty-five percent (35%) of the journeymen annual increase. Interim merit increases will be cumulative when determining annual increases.

(f) Pension contributions will be paid on all hours worked beginning with the first payroll period after 90 days in the amount of five percent (5%) of the journeyman pension fund contribution, to the next whole cent, or a minimum of twelve cents (\$0.26) per hour, whichever is greater, for each hour worked on or after the effective date of this agreement. The parties shall make all necessary arrangements so that any Pre-Apprentice being reclassified shall experience no break in benefits coverage.

(g) No Pre-Apprentice (a.k.a. Crew Worker) employed by an Employer signatory to this Agreement will be sent to work at a jobsite outside the jurisdiction of this Local Union (except for truck drivers and related duties [i.e. loading, unloading, moving and transporting of materials). By approval of the Business Manager of the effected Local Unions the Pre-Apprentice (a.k.a. Crew Worker) may work outside the Local 54 jurisdiction.

(h) Pre-Apprentice (a.k.a. Crew Worker) shall work under the direct supervision of a Journeyman on the jobsite or in the shop.

(i) For organizing purposes, a new applicant will be dispatched as a Pre-Apprentice (a.k.a. Crew Worker) and will be evaluated for thirty (30) days by the employer and the Union. Such applicant will be allowed to demonstrate all skills he or she is capable of performing. Upon evaluation, said applicant will be placed accordingly and the employer will immediately notify the Union of the applicant's status and pay rate.

### ARTICLE XIII. Classified Worker

Section 1. Classified workers may be employed in the following ratio:

- (a) One classified for any Employer who employs an apprentice:
- (b) Thereafter, the ratio will be one (1) classified worker for each additional two (2) apprentices. Thereafter alternate as follows: 1-1, 1-2, etc.



- (c) In the event of a reduction in force the classified will be laid off before the apprentice to keep the ratios as stated above. If there is a special circumstance, then prior approval between employer and Business Manager is required.
- (d) It is not the intent of this Article to eliminate or reduce the incentive for application into the Apprentice Program. Classified Workers will be enrolled into the apprenticeship program after being employed by the employer for two (2) years. The joint Apprenticeship and Training Committee shall evaluate the qualifications of Classified Workers for such openings.

Classified workers may perform any work covered by Article 1 of what they are capable and will work under the general direction of a journeyman. The wage rate for classified workers will not be less than forty percent (40%) and no more than ninety percent (90%) of the journeyman wage rate. They shall be covered by the Sheet Metal Workers National Health Fund according to Article XII, section 1 (c). Pension contributions shall be at forty percent (40%) of the journeyman contribution rate.

Section 2. Dues “check off” for Classified Worker. Upon receipt of a signed individual’s authorization from any Classified Worker covered under this Agreement, the company shall withhold from such employee’s earnings, a service fee equivalent to the first three (3) hours of wages each month, and any other obligations under the terms and conditions specified in the individual’s authorization. Deductions shall be made from the first pay period of each month of said employee and promptly remitted to the Financial Secretary of the Union together with a list of names of the employees to who said moneys are to be credited. Shall any employee have no earnings due him on the first payday of any month, deductions shall be made from the next succeeding pay period of the employee.

In the event the Employer is entitled to employ a classified worker and the Union fails to comply with the Employer’s written request to furnish a classified worker within forty-eight (48) hours, the Employer may directly hire such employees, and refer them to the Union Hall within seven (7) days.

#### ARTICLE XIV. Labor Management Relations

Section 1. SMACNA and the SMART are committed to promoting productive and cooperative labor-management relations. In furtherance of this goal, the local Employers’ association and the local Union agree to establish a labor-management committee which shall meet on a regular basis, but not less often than quarterly, to discuss industry issues of mutual concern. Such committees will strive to improve communications, understand and respond to industry direction and trends, and resolve common issues collaboratively.

#### ARTICLE XV. No Discrimination

Section 1. In applying the terms of this Agreement, and in fulfilling their obligations thereunder, neither the Employer nor the Union will discriminate in any manner prohibited by law.

ARTICLE XVI.  
Duration of Contract

Section 1. This Agreement, Article I through XV and Addenda Numbers 1 through 11 attached hereto shall become effective on the first day of July, 2022 and remain in full force and effect until the thirtieth day of June, 2025 and shall continue in force from year to year thereafter unless written notice of reopening is given not less than ninety (90) days prior to the expiration date. In the event such notice of reopening is served, this Agreement shall continue in force and effect until conferences relating thereto have been terminated by either party by written notice, provided, however, that, if this Agreement contains Article X, Section 8, it shall continue in full force and effect until modified by order of the National Joint Adjustment Board or until the procedures under Article X, Section 8 have been otherwise completed.

Section 2. If, pursuant to federal or state law, any provision of this Agreement shall be found by a court of competent jurisdiction to be void or unenforceable, all of the other provisions of this Agreement shall remain in full force and effect. The parties agree to meet and negotiate a substitute provision. If negotiations are unsuccessful, the issue may be submitted for resolution by either party pursuant to Article X, Section 8 of this Agreement.

Section 3. Notwithstanding any other provision of this Article, or any other Article of this Agreement, whenever an amendment to the Standard Form of Union Agreement shall be adopted by the sponsoring national associations any party to this Agreement, upon the service of notice to all other parties hereto, shall have this Agreement reopened thirty (30) days thereafter, for the sole and only purpose of attempting to negotiate such amendment or amendments into this Agreement for the duration of the term hereof. There shall be no strike or lockout over this issue.

Section 4. The Union agrees that during the life of this Agreement, if the Union negotiates a construction and/or erection Agreement with an Employer not a party to this Agreement covering the same type or character of work in the same territory at a wage scale less than those stipulated in this Agreement, then in such event, such lower wage scale or conditions and terms shall accrue to the benefit of Employers party to this Agreement, and shall automatically become part of this Agreement, providing the Union does not correct such conditions within thirty (30) days from the time of notice of such in writing by the Association or one of its members.

Section 5. Each employer hereby waives any right it may have to repudiate this Agreement during the term of the Agreement, or during the term of any extension, modification or amendment to this Agreement.

Section 6.

(a) By execution of the Agreement the Employer authorizes SABINE AREA SHEET METAL CONTRACTORS ASSOCIATION MULTI-EMPLOYER BARGAINING UNIT to act as its collective bargaining representative for all matters relating to this agreement. The parties agree

that the Employer will hereafter be a member of the multi-employer bargaining unit unless this authorization is withdrawn by written notice to the multi-employer bargaining unit and the Union at least 150 days prior to the then current expiration date of the Agreement.

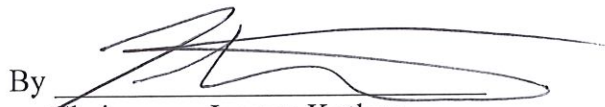
(b) THIS BASIC UNION AGREEMENT HAS PROVIDED FOR THE INCLUSION OF PREAPPRENTICE (a.k.a. Crew Worker). THE PURPOSE OF THIS IS TO MAKE CONTRACTORS MORE COMPETITIVE WITH NONUNION COMPETITION. TO ACHIEVE THAT OBJECTIVE EMPLOYERS AGREE TO MINIMIZE MULTIPLE MARKUPS.

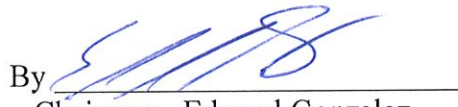
(c) The Standard Form of Union Agreement is a recommended contract form that is revised from time to time by the International Association of Sheet Metal, Air, Rail and Transportation Workers. In establishing such a recommended contract form, neither the International Association of Sheet Metal, Air, Rail and Transportation Workers, nor the Sheet Metal and Air Conditioning Contractor's National Association Inc. has acted as the bargaining representative of any entity that may adopt all or part of the language of the Standard Form of Union Agreement. Furthermore, neither the International Association of Sheet Metal, Air, Rail and Transportation Workers nor the Sheet Metal and Air Conditioning Contractors' National Association, Inc., shall be deemed to be a party to any such collective bargaining agreement including such language.

(d) In witness whereof, the parties hereto affix their signatures and seal this 1<sup>st</sup> day of July, 2022.

Sabine Area Sheet Metal Contractors  
Association Multi-Employer Bargaining Unit

Local Union No. 54 of the International  
Association of Sheet Metal, Air, Rail,  
and Transportation Workers

By   
Chairman – Jeremy Kotlarz

By   
Chairman - Edward Gonzalez

ADDENDUM #1  
(to ARTICLE VIII)  
Basic Wage Rates

Section 1.

(a) Effective date for wages and fringe benefits:

	7/1/2022	7/1/2023	7/1/2024
<b>Building Trades Journeyman Basic Wage</b>	<b>31.24</b>	<b>\$32.21</b>	<b>\$33.18</b>
(\$0.50 per hour Credit Union Savings Plan Deduction after taxes)			
National Pension	\$8.02	\$8.02	\$8.02
Local Health & Welfare Fund	\$4.60	\$4.60	\$4.60
SASMI (3%)	\$1.32	\$1.35	\$1.38
International Training Institute	\$0.12	\$0.12	\$0.12
N.E.M.I.	\$0.03	\$0.03	\$0.03
S.M.O.H.I.T.	\$0.02	\$0.02	\$0.02
Local Training Fund	\$0.47	\$0.47	\$0.47
Industry Fund	\$0.26	\$0.26	\$0.26
College Fund	<u>\$0.05</u>	<u>\$0.05</u>	<u>\$0.05</u>
<b>TOTAL PACKAGE</b>	<b>\$46.13</b>	<b>\$47.13</b>	<b>\$48.13</b>

(b) If at any time during the life of this Agreement, the International Association of Sheet Metal, Air, Rail and Transportation Workers eliminates the constitutional requirements regarding contributions to the NEMI and/or SMOHIT funds then the employers agree to remit those amounts to the Local Training Fund.

(c) Effective July 1, 2022 the Employer agrees to contribute three percent (3%) of gross taxable wages, Health and Welfare, and National Pension Fund, including all yearly increases listed above and shall remit contributions to the Stabilization Agreement of the Sheet Metal Industry, for all hours worked by Journeymen and Apprentices.

(d) This Agreement expires June 30, 2025.

ADDENDUM #2  
(to ARTICLE VIII)  
Benefit Funds and Insurance

Section 1. Employer contributions or funds withheld from employees' wages approved by this Agreement shall be transmitted to the designated Trusts and shall be stated on the forms provided by the Trusts and copies to be distributed as per form instructions. The Employer shall, on the request of any of the Trusts, make available any and all records that may be required in the sound and efficient operation of the Plans required by this Agreement.

Section 2.

Effective July 1, 2022, and until termination of this Agreement, it is agreed that each Employer shall contribute and pay into the Sheet Metal Workers' National Pension Fund, Sheet Metal Workers' National Health Fund, National Energy Management Institute Fund, Sheet Metal Workers' International Training Institute, Sheet Metal Occupational Health Institute Fund, SASMI, Apprentice Fund, and College Fund for those amounts specified in Addendum #1, for all hours worked (both straight time and overtime) by Foremen, Journeymen, and Apprentices in accordance with the terms of the Agreement and Declaration of Trust establishing such Funds as amended.

Section 3. National Pension Fund

Effective July 1, 2022, and until termination of this Agreement, it is agreed that each Employer shall contribute and pay into the Sheet Metal Workers National Pension Fund an amount as specified in Addendum #1 for all hours worked (both straight time and overtime) by Foremen, Journeymen, Apprentices, Classified Workers and Pre-Apprentices (a.k.a. Crew Worker) in accordance with the terms of the Agreement and Declaration of Trust establishing such Fund, as amended. Apprentice pension contributions will be in accordance with Article XI Section 6 (a). Classified worker pension contribution rate as specified in Article XIII Section 1. Pre-Apprentice pension contributions will be in accordance with Article XII Section 1 (f).

Section 4. Health & Welfare Fund.

Effective July 1, 2022, and until termination of this Agreement, it is agreed that each Employer shall contribute and pay the Sheet Metal Workers' National Health Fund an amount as specified in Addendum #1 for all hours worked (both straight time and overtime) by Foremen, Journeymen, Apprentices, Classified Workers and Pre-Apprentices (a.k.a. Crew Worker) in accordance with the terms of the Agreement and Declaration of Trust establishing such Fund, as amended. Amount of contribution on the Classified Worker and Pre-Apprentice (a.k.a. Crew Worker) will be as specified in Article XII Section 1 (c).

Section 5. Apprentice Training.

It is further agreed that for the duration of this Agreement, each Employer shall contribute and pay into the Sabine Area Local Joint Apprenticeship and Training Fund, an amount as specified in Addendum #1, for all hours worked (both straight time and overtime) by Foremen, Journeymen, and Apprentices in accordance with the terms of the Trust Agreement establishing such Fund, as may be amended.

Section 6. College Fund

Effective July 1, 2022, it is agreed that each employer shall contribute and pay the Sabine Area Sheet Metal College Fund an amount specified in Addendum #1, for all hours worked by Foremen, Journeymen, and Apprentices in accordance with the terms and conditions of the Agreement and Declaration of Trust establishing such Funds as amended.

Section 7. SASMI (Stabilization Agreement for the Sheet Metal Industry)

Effective July 1, 2022 the Employer agrees to contribute three percent (3%) of gross taxable wages, Health and Welfare, and National Pension Fund contributions to the Stabilization Agreement of the Sheet Metal Industry, for all hours worked by Journeymen and Apprentices in accordance with the terms of the Trust Agreement establishing such fund, as may be amended. Contributions will be remitted as per Article VIII Section 15, National Benefit Funds.

Section 8. PAL Political Fund

(a) The employer agrees to honor political contribution deduction authorizations from employees who are represented by the Union in the following form:

VOLUNTARY AUTHORIZATION OF CONTRIBUTION  
FROM PAYROLL TO THE SHEET METAL WORKERS'  
INTERNATIONAL ASSOCIATION POLITICAL ACTION LEAGUE  
("SMART-PAL")

I hereby authorize my Employer to deduct from my paycheck five cents (\$0.05) for each hour worked, and to forward that amount to SMART-PAL, and five cents (\$0.05) for each hour worked, and to forward that amount to the Sheet Metal Workers Local 54 PAC Fund. This authorization is signed voluntarily and with the understanding that my voluntary contributions to SMART-PAL and/or AFL-CIO Committee on Political Education Political Contribution Committee ("COPE-PCC") and/or the SMW Local 54 PAC Fund will be used to make political contributions and expenditures in connection with federal, state and local elections. I am aware that the contribution is subject to the prohibitions and limitations of the Federal Election Campaign Act, that the suggested five cents (\$0.05) an hour donation is only a guideline, that I am free to contribute more or less than the suggested amount without reprisal and the International Association of Sheet Metal, Air, Rail and Transportation Workers and its affiliated local unions will not favor or disadvantage me by reason of the amount of my contribution or my decision not to contribute. This authorization may be revoked at any time by mailing notices of revocation by U.S. Registered or Certified Mail, Return Receipt Requested, to the Treasurer, SMART-PAL, 1750 New York Avenue, N.W., Washington, D.C. 20006, SMW Local 54 PAC Fund and to my employer. Contributions or gifts to SMART-PAL and the SMW Local 54 PAC Fund are not deductible as charitable contributions for federal income tax purposes.

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Authorized Signature

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Name (Please Print or Type)

Address

Street \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Local Union No. \_\_\_\_\_ Social Security No. \_\_\_\_\_

(b) Collection and transmittal of PAL money shall be remitted consistent with the terms and conditions of local funds. The political contribution deduction shall be made on each pay period, during which an employee who has performed compensated service has in effect a voluntarily executed political contribution deduction authorization. The money shall be remitted monthly and will include a list of employee names, social security numbers, hours worked and amount remitted for each, to:

P.A.L. VOLUNTARY CONTRIBUTION FUND  
C/O UNION FIDELITY FEDERAL CREDIT UNION  
1415 North Loop West, Suite 110  
Houston, Texas 77008

Section 9. Credit Union Savings Plan.

(a) Effective July 1, 2022 the employer agrees to withhold (after taxes) the amount specified in Addendum #1 and deposit into the Credit Union Savings Plan for each employee.

(b) These deductions shall be transmitted weekly and will include a list of employee names, social security numbers, and amount remitted for each, to:

UNION FIDELITY FEDERAL CREDIT UNION  
1415 NORTH LOOP WEST, SUITE 110  
HOUSTON, TEXAS 77008

(c) Foremen, Journeymen and Apprentices shall be considered as employees for the purpose of participating in the Credit Union Savings Plan.

(d) In addition to amounts specified in Addendum #1, upon receipt of an authorization form furnished by the Credit Union and signed by the employee, employer agrees to withhold (after taxes) any additional amount requested as stated on the form, and remit to the Credit Union Savings Plan on a weekly basis.

(e) Employee will be limited to one (1) change during twelve (12) consecutive months of employment per Employer. Voluntary cessation in the Credit Union Savings Plan will constitute a change.

(f) Employees who have signed an authorization form for one Employer must re-sign an authorization form for any new Employer in order to continue additional deductions.

(g) Each employee for whom a separate savings account is established, hereunder, shall execute with Credit Union the usual instruments setting forth the conditions under which savings accounts are established and controlled. Money deposited into individual interest bearing savings accounts, shall at all times, remain the exclusive property of the individual employee from whose pay the money was deducted. Each individual employee shall have the right to leave such monies on deposit or withdraw all or any part of such deposits as desired.

(h) Pre-Apprentices (a.k.a. Crew Worker) may participate on a voluntary basis.

Section 10. Contributions.

(a) The Union and the Employers recognize that the Trustees of the Sheet Metal Workers' Local Union No. 54 Joint Apprenticeship and Training Fund and Local Health and Welfare Fund named in this Agreement have a fiduciary responsibility for the collection, custody and disbursement of the contributions called for in this Agreement.

(b) Collection and transmittal of the National Funds shall be as per Article VIII, Section 15 of this Agreement.

Therefore, the Trustees will establish a uniform Collection Policy, to which the parties signatory to this Agreement will comply. Such Policy shall include, but not be limited to the following:

1. Liquidated damages and interest for late payments
2. Payroll audits to assure that all contributions required by this Agreement are being paid
3. Bonds to insure payment of the contribution due. The bonds will apply to foregoing Local and National Funds
4. New signatory Employers will prepay fringe benefits for thirty (30) days, or until Fringe Benefits Bond becomes effective.

(c) Notwithstanding any other provision of this Agreement to the contrary, including the grievance procedure and the no-strike clause, the Union may refuse to furnish labor to, and employees shall have the right to withhold services from any Employer who has failed to pay wages and/or benefits or who has failed to post the appropriate bond in accordance with this Agreement and the Collection Policy.

Section 11. Insurance.

Employers agree to carry the following insurance to protect employees, and the Employer shall file with the Union a Certificate of such insurance containing ten (10) day notice of cancellation.

(a) Insurance under Workmen's Compensation Act. The Employer agrees to carry insurance under the Workmen's Compensation Act of Texas on each employee.

(b) Coverage under State and Federal Unemployment Compensation Act. In order to insure all employees against the hazards of unemployment resulting through no fault of their own, it is agreed by and between the parties hereto, that Employers not already required to pay contributions under the State Employment Compensation Act, shall voluntarily elect to become subject thereto and liable for payments of contributions thereunder in the manner pursuant thereto, and shall mail



certificate of coverage to Sheet Metal Workers' Local Union No. 54; said election to become effective as of the date of signing this Agreement locally.

Section 12. 401(k) S.M.W. National Supplemental Savings Fund

(a) The Employer hereby agrees to become a party to the Agreement and Declaration of Trust establishing the Sheet Metal Workers' National Supplemental Savings Fund ("Trust Agreement"), a copy of which is annexed to this Agreement and made a part hereof, and agrees to be bound by all the terms and provisions of the Trust Agreement (including all amendments thereto), provided, however, that such amendments may not increase the Employers' contribution obligation beyond that provided for in this Article and the Standard Form of Participation Agreement ("Participation Agreement"). The Employer further agrees to designate as its representative on the Board of Trustees of the Fund such Trustees as are named pursuant to the Trust Agreement as Employer Trustees.

(b) The Employer agrees to enter into a Participation Agreement, a copy of which is annexed to this Agreement and made a part hereof, and agrees to be bound by all the terms and provisions of that Participation Agreement.

(c) The Employer agrees to enter into salary reduction agreements with all employees covered by this Agreement for all hours worked; to withhold from the employee's paycheck the amount elected by the employee; and to forward the salary reduction amounts to the Sheet Metal Workers' National Supplemental Savings Plan by the 15<sup>th</sup> day of the month for amounts withheld in the prior month.

ADDENDUM #3  
(to ARTICLE VIII)  
Working Rules

Section 1. On each pay day Employer shall furnish each employee with a pay voucher showing; 1) hours worked, 2) gross pay, 3) premium pay time, 4) itemized deductions, and 5) net pay.

Section 2. Journeymen sheet metal workers, Apprentices and Classified Workers covered by this Agreement will provide for themselves all necessary hand tools, but they will not be required to have as part of their tools any 2-foot square, 2 or 4-foot straight edges, hand punches longer than 10 inches, any electric drills, burring machines, emery wheels or similar tools.

Section 3. Any Employer who employs Journeymen represented by Local Union No. 54 in a shop shall designate a foreman who shall be paid foreman's wages of not less than \$1.50 per hour over the prevailing Building Trades Journeyman scale. In the event the shop employs more than four (4) men, the foreman rate shall be no less than \$2.00 per hour premium. No foreman shall be allowed to supervise over eight (8) men.

Section 4. Any Employer, who employs personnel represented by Local Union No. 54 on a project, when three (3) or more employees are employed on the project, shall designate one journeyman as foreman who will be paid foreman's wages. However, when the employee reports

to the shop at starting time and the Employer provides transportation to and from the jobsite, returning the employee to the shop at quitting time, foreman's pay is not required, unless said project is scheduled for five (5) or more consecutive days. No foreman shall be allowed to supervise over eight (8) men.

Section 5. Only one Employer from each firm shall be permitted to handle tools in the shop on sheet metal work under rules governing Journeymen.

Section 6. All shops must provide clean, sanitary toilets, clean sinks or basins, soap and towels and sanitary drinking fountains with ice water during warm weather. On the jobsite the Employer will provide sanitary drinking water with ice during warm weather on the level of work being performed, or not more than two (2) levels up or down.

Section 7. It is agreed that at each shop and/or job where five (5) Journeymen sheet metal workers are employed, one of these five (5) men shall be over the age of fifty-three, if available, provided that he shall have actively been employed as a sheet metal worker in the Local No. 54 area for the previous five (5) years. This ratio of employment shall be maintained so long as Journeymen over the age of fifty-three are available, provided they are physically able and qualified to perform their assigned duties.

Section 8.

(a) The Union may appoint a steward being paid not less than the Journeyman's scale to act as its steward, and he shall be allowed reasonable time to attend to the usual duties of the steward and such time shall be paid by the Employer at the proper rate of pay. The steward or his designated assistant shall be on the job at all times during the performance of the duties and work covered by this Agreement. In the event overtime is worked, one of the men working overtime will be designated steward by shop steward. The Union shall notify the Employer of the appointment of each steward. The steward will be the next to the last employee laid off on any reduction of force, provided the Employer agrees the steward is the best qualified for the work assigned.

(b) Before a steward can be terminated from any shop or job, the Employer shall notify Sheet Metal Workers' Local Union No. 54, and the steward, at least twenty-four (24) hours prior to said termination. No Steward will be discharged for performing his duties.

(c) Before a Steward can terminate his employment from a shop or job, the Steward shall notify Sheet Metal Workers' Local Union No. 54, and the Employer, at least twenty-four (24) hours prior to said termination. The two preceding paragraphs do not apply when termination is mutually agreed by said three parties.

Section 9.

(a) Foremen, Journeymen, Apprentices, Classified Workers and Pre-Apprentices (a.k.a. Crew Worker) covered by this Agreement shall not be permitted or required as conditions of employment to furnish hard hats or welding gloves. Employers are to provide hard hats, welding hoods, welding glasses, welding gloves, leathers, safety goggles/glasses, respirators, and other safety equipment as required at the shop and on the job. At the conclusion of the job or his employment, the employees shall return same to said Employer.

(b) Employer will furnish NOMEX in good, clean condition.

(c) Employer will provide adequate first aid supplies in the shop and on each jobsite.

Section 10. Employers agree that if a Foremen, Journeyman, Apprentice, Classified Worker or Pre-Apprentice (a.k.a. Crew Worker) is injured in the shop or on the job during working hours and is sent home by the doctor, such employee shall be paid at least eight (8) hours straight time pay for that day.

Section 11. Employers agree that if a Foremen, Journeymen, Apprentice, Classified Worker or Pre-Apprentice (a.k.a. Crew Worker) is injured in the shop or on the job during working hours and is sent to the doctor for treatment and returns to work, shall lose no pay for such visit. On any return visits as prescribed by the doctor, they shall be paid no more than two (2) hours for such visits. However, if employee elects to see a doctor in a different town or city than of the doctor first consulted after injury, employee shall be on his own time.

Section 12. The Employer agrees, upon written request from the Union, to fill out and return to the Union, United States Department of Labor Forms for determination of wages on work performed within the geographical jurisdiction of Local Union 54 on a project by project basis. Forms to be furnished by the Union.

Section 13. Employee may be allowed to carry one (1) extension cord and one (1) 1/4" or 3/8" drill motor furnished by the Employer from job to job.

Section 14. No employee may be employed by more than one (1) Employer at a time.

ADDENDUM #4  
(to ARTICLE XII)

Duties of the Pre-Apprentice (a.k.a. Crew Worker)

Section 1. Duties of the Pre-Apprentice (a.k.a. Crew Worker) shall not include the following:

- (a) Pattern lay-out/development
- (b) Drafting of sketches
- (c) Coil line operation
- (d) Plasma cutting systems

However, this provision will not be applicable to Pre-Apprentices (a.k.a. Crew Worker) employed under organizing provision, Article XII Section 1 (i).

Section 2. The Pre-Apprentice (a.k.a. Crew Worker) will receive Health & Welfare benefits in accordance with Article XII Section 1 (c).

Section 3.

(a) Pre-Apprentice (a.k.a. Crew Worker) will be allowed to use hand tools required to perform their duties.

(b) Pre-Apprentices (a.k.a. Crew Worker) will be required to furnish hand tools required to perform their duties.

Section 4. Pre-Apprentice (a.k.a. Crew Worker) shall be procured through the “out-of-work list” or by name request from Employer providing Pre-Apprentice (a.k.a. Crew Worker) is available for employment.

Section 5. Dues “check off” for Pre-Apprentice (a.k.a. Crew Worker). Upon receipt of a signed individual’s authorization from any Pre-Apprentice (a.k.a. Crew Worker) covered under this Agreement, the company shall withhold from such employee’s earnings, a service fee equivalent to the first three (3) hours of wages each month, and any other obligations under the terms and conditions specified in the individual’s authorization. Deductions shall be made from the first pay period of each month of said employee and promptly remitted to the Financial Secretary of the Union together with a list of names of the employees to who said moneys are to be credited. Shall any employee have no earnings due him on the first payday of any month, deductions shall be made from the next succeeding pay period of the employee.

Section 6. In the event the Employer is entitled to employ a Pre-Apprentice (a.k.a. Crew Worker) and the Union fails to comply with the Employer’s written request to furnish a Pre-Apprentice (a.k.a. Crew Worker) within forty-eight (48) hours, the Employer may hire such employees and refer them to the Local Union for enrollment within seven (7) days.

#### ADDENDUM #5 SUBSTANCE TESTING POLICY

Section 1.

(a) Substance testing is warranted in three work situations. These are: pre-employment screening, probable cause, and work opportunity mandated testing. The establishment of an EAP is recommended.

(b) Probable cause is included in a very broad context. Probable cause may be indicated in a variety of situations, including but not limited to, an individual’s liability for a time loss and/or property damage accident.

(c) The testing issue is subject to and governed by state regulation. Therefore, state testing provisions must be investigated prior to the implementation of any testing program.

Section 2. Alcohol/substance abuse is recognized as a treatable illness. The desired result is rehabilitation. The preferred procedure is rehabilitation. The preferred procedure is through referral to a locally operated industry Employee Assistance Program (EAP). The EAP should provide employee and supervisor educational programming, individual and family counseling, as well as treatment referral services. Workplace problems arising out of an employee’s relationship with substance abuse may warrant a variety of management responses, including referral for treatment, testing, disciplinary action, or even termination of employment.

Section 3. General Provisions.

(a) Certain circumstances support substance testing as a warranted vehicle for determining possible impairment and/or a propensity for substance abuse. These include:

1. Pre-employment screening.
2. Probable cause.
3. Work opportunity mandated testing.

(b) Whenever testing is utilized it shall be accomplished through dignified and humane procedures insuring complete confidentiality of specimen custody and test results. The individual being tested and the EAP shall have access to the test results. The sheet metal employer (or JATC) and union shall be notified of the positive or negative results, only.

(c) For all testing, tests shall be conducted by qualified and accredited laboratories which comply with the Scientific and Technical Guidelines for Federal Drug Testing Programs and the Standards for Certification of Laboratories Engaged in Urine Drug Testing for Federal Agencies issued by the Alcohol, Drug Abuse and Mental Health Administration of the United States Department of Health and Human Services, or standards established by the applicable State having jurisdiction, whichever are the more stringent; maintain high quality control procedures; and, follow manufacturer's protocols. All initial positive tests shall be subject to a confirmation assay, such as a Gas Chromatography with Mass Spectrometry (GC/MS). The levels of detected substances for determining positive results shall be those established as legitimate by the Alcohol, Drug Abuse and Mental Health Administration of the United States Department of Health and Human Services, or those established by the State having jurisdiction, whichever are the more stringent.

Section 4. Pre-Employment Screening.

(a) The screening of new prospective employees (job applicants), may be implemented to ascertain whether an applicant is capable of safely performing the duties of and meeting the prerequisites for the employment proffered. Therefore, pre-employment drug/alcohol testing of applicants, for sheet metal positions covered by the terms of a collective bargaining agreement may screen out those with a substance abuse problem.

(b) Journeymen, Apprentice and Classified Worker job applicants shall be paid one (1) hour's pay at their regular rate for traveling to and from the testing facility, except that no applicant will be paid who fails to pass the drug screening process. All those failing the drug test that request re-testing, will be totally responsible for all additional testing, expenses, and time. If employee does not complete specified job or 40 hours worked, whichever occurs first, employer may deduct from his/her final check, actual drug test hour.

(c) First time referrals of Journeyman, Apprentice, Classified Worker and Pre-Apprentices (a.k.a. Crew Worker) must have a clean initial drug screen before being hired by the employer. When hired, Employee will be paid one (1) hour straight time on his next paycheck for the screening.

Section 5. Probable Cause.

Substance testing may be implemented when there is "probable cause". Probable cause shall be defined as those circumstances, based on objective evidence about the employee's conduct in the workplace that would cause a reasonable person to believe that the employee is demonstrating signs of impairment due to alcohol or drugs. Examples of objective evidence include, when an employee shows signs of impairment such as difficulty in maintaining balance, slurred speech, erratic or atypical behavior, otherwise appears unable to perform his/her job in a safe manner.

Section 6. Work Opportunity Mandated Testing.

In all situations where an employer is required to agree to a testing program in order to qualify as a bidder on the project, testing may be required, but only if performed in accordance with these standards and applied uniformly to all personnel having access to the workplace. There shall be no discrimination against any employee who refuses a job assignment to a project that has drug testing.

TESTING IN ANY OF THE ABOVE SITUATIONS SHALL BE CONDUCTED AND GOVERNED IN ACCORDANCE WITH THE GENERAL PROVISIONS OF THIS POLICY STATEMENT.

ADDENDUM #6  
MARINE WORK

Section 1. All work covered by this agreement is to be performed on a vessel in a location such as a dry dock, wharf, in tow, or offshore will be termed Marine Work.

Section 2. Rates of Pay & Working Hours

(a) The first eight (8) hours worked Monday through Friday will be paid at the regular rate. All additional hours worked will be paid at one and one half (1- 1/2) times the regular rate.

(b) All hours worked on Saturday, Sunday, and Holidays will be paid at one and one half (1- 1/2) times the regular rate.

(c) The Employer shall designate a Building Trades Journeyman as foreman who shall be paid foreman's wages. See Addendum #3 Working Rules Section 4.

Section 3. Terms & Conditions-Offshore Marine Work

(a) Normal Working Days and Hours will be scheduled by vessels owner representative. All work performed offshore shall be minimum twelve (12) hours per day calendar day.

(b) Travel time shall be paid at the regularly hourly rate. Travel time and mileage shall be measured by the most direct route starting from shop.

(c) Waiting time shall be paid at the regularly hourly rate for all hours spent waiting for transportation to and from offshore vessel. Waiting time accrues after transportation has begun, either to or from vessel.

1. In the event that Work, Travel and Wait Time exceeds 12 hours, employee(s) at their own discretion may stop and seek reasonable lodging and meals to be provided by the employer.

2. When job is completed and transportation is not available the next day at employee's regularly scheduled shift, employee(s) will remain on the clock and shall be paid no less than the regularly hourly rate not to exceed 12 hours.

ADDENDUM #7

ARCHITECTURAL MANSARD ADDENDUM

Section 1.

(a) This Addendum covers the rates of pay, rules and working conditions of all employees of the Employer engaged in the fabrication, erection, installation, repairing, and replacing of all architectural sheet metal work. Any employer signatory to this Addendum must have a signed Basic Union Agreement with Sheet Metal Workers Local Union #54. The Employer agrees that on any specified conditions not covered in this Addendum, the Basic Union Agreement shall apply.

Section 2. Work crews for this Addendum will be in the order shown below:

Building Trades Journeyman	1	0	1	0	1	0
Apprentice	0	1	0	1	0	1
Classified Worker	0	1	0	0	0	1
Pre-Apprentice	3	1	1	1	1	2
(a.k.a. Crew Worker)	4	7	9	11	13	17

Section 3. This Addendum is not applicable to architectural work performed in an Industrial or Marine setting.

Section 4. The Employer shall designate a Building Trades Journeyman as foreman who shall be paid foreman's wages. See Addendum #3 Working Rules Section 4.

Section 5. The signing of the Basic Union Agreement and negotiated Addenda thereto shall be a prerequisite to becoming a party to this Addendum.

Section 6. Employers agree to notify the Business Manager in advance and in writing as to location and duration of any job prior to utilizing this Addendum. Employees will be notified of these provisions prior to being assigned to job.

Section 7. It is expressly agreed and understood, that on any specific conditions not enumerated in this Addendum, the Basic Union Agreement to which the Employer is a signatory party shall apply.

ADDENDUM #8  
INDUSTRIAL, MARINE, & HVAC ADDENDUM

Section 1. This Addendum covers the rates of pay and conditions of employment of all employees of the Employer engaged in the (a) installation, manufacture and fabrication of all ferrous or non-ferrous metal work and all other materials used in lieu thereof, regardless of material used and all linings, (b) the preparation of all shop and field sketches whether manually drawn or computer assisted used in fabrication and erection, including those taken from original architectural and engineering drawings or sketches, for manufacturing and fabrication of industrial components and products.

Section 2. Work crews for this Addendum will be in the order shown below:

Building Trades Journeyman	1	2	3	3	3	3
Apprentice	0	1	1	1	2	1
Classified Worker	0	1	0	1	1	1
Pre-Apprentice	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
(a.k.a. Crew Worker)	<b>3</b>	<b>9</b>	<b>15</b>	<b>22</b>	<b>30</b>	<b>37</b>

Section 3. Foremen will be determined as per Addendum No. 3, Working Rules, Section 3 & 4.

Section 4. The signing of the Basic Union Agreement and negotiated Addenda thereto shall be a prerequisite to becoming a party to this Addendum.

Section 5. It is expressly agreed and understood, that on any specific conditions not enumerated in this Addendum, the Basic Union Agreement to which the Employer is a signatory party shall apply.

Section 6. Any Employer signatory to this Addendum must have a signed Basic Union Agreement with the International Association of Sheet Metal, Air, Rail and Transportation Workers and Sheet Metal Workers' Local Union No. 54.

Section 7. If an Apprentice is not available for hire, a Pre-Apprentice (a.k.a. Crew Worker) may be employed.

ADDENDUM #9  
HVAC LIGHT COMMERCIAL AND TENANT WORK

Section 1. All tenant HVAC work, all construction projects that are of 250,000 square feet of "conditioned" floor space or less shall be considered "light commercial" work.

Section 2. Work crews for this Addendum will be in the order shown below:

Building Trades Journeyman	1	0	1	1	1	0
Apprentice	0	1	0	1	0	1



Classified Worker	0	1	0	0	0	1
Pre-Apprentice	2	0	3	2	1	0
(a.k.a. Crew Worker)	<b>3</b>	<b>5</b>	<b>9</b>	<b>13</b>	<b>15</b>	<b>17</b>

The crew mix matrix is intended for use in the field and not manufacturing. However, the crew mix matrix may be used for the assembly of duct and fittings whether accomplished off site, at the project site, or in the shop.

Section 3. This Addendum shall apply to heating, ventilation and air conditioning work only.

Section 4. Tenant work shall be defined as the installation of diffusers, grilles, ductwork and other appurtenances located in areas subject to lease and not included in the base contract.

Section 5. The Employer shall designate a Building Trades Journeyman as foreman who will be paid foreman’s wages. See Addendum #3 Working Rules Section 4.

Section 6. The signing of the Basic Union Agreement and negotiated Addenda thereto shall be a prerequisite to becoming a party to this Addendum.

Section 7.  
Employers agree to notify the Business Manager in advance and in writing as to location and duration of any job prior to utilizing this Addendum. Employees will be notified of these provisions prior to being assigned to job.

Section 8. It is expressly agreed and understood, that on any specific conditions not enumerated in this HVAC Light Commercial and Tenant Addendum, the Basic Union Agreement to which the Employer is a signatory party shall apply.

ADDENDUM #10  
HVAC SMALL LIGHT COMMERCIAL  
(Includes all School and Churches)

Section 1. HVAC work, all construction projects that are of 100,000 square feet of “conditioned” floor space or less, and all schools and churches, regardless of size, shall be considered “small light commercial” work.

Section 2. Work crews for this Addendum will be in the order shown below:

Building Trades Journeyman	1	0	1	0	1	0
Apprentice	0	1	0	1	0	1
Classified Worker	0	1	0	0	0	1
Pre-Apprentice	3	1	1	1	1	2
(a.k.a. Crew Worker)	<b>4</b>	<b>7</b>	<b>9</b>	<b>11</b>	<b>13</b>	<b>17</b>

The crew mix matrix is intended for use in the field and not manufacturing. However, the crew mix matrix may be used for the assembly of duct and fittings whether accomplished off site, at the project site, or in the shop.

Section 3. This Addendum shall apply to heating, ventilation and air conditioning work only.

Section 4. The Employer shall designate a Building Trades Journeyman a foreman who will be paid foreman's wages. See Addendum #3 Working Rules Section 4.

Section 5. The signing of the Basic Union Agreement and negotiated Addenda thereto shall be a prerequisite to becoming a party to this Addendum.

Section 6. Employers agree to notify the Business Manager in advance and in writing as to location and duration of any job prior to utilizing this Addendum. Employees will be notified of these provisions prior to being assigned to job.

Section 7. It is expressly agreed and understood, that on any specific conditions not enumerated in this Addendum, the Basic Union Agreement to which the Employer is a signatory party shall apply.

#### ADDENDUM #11 CODE OF EXCELLENCE

##### WHAT IS THE CODE OF EXCELLENCE POLICY

Our members demonstrate on a continuing basis skills and professionalism that are the industry standard. While we have and continue to recognize the commitment of these individuals, our Code of Excellence Program is designed for SMART local unions to promote and establish a uniform best practices format that will instill a sense of pride in the union and bring out the best from all our members. The SMART Code of Excellence Program is our action plan to establish policies designed to demonstrate and showcase the skills and professionalism of SMART members. In essence, the Code of Excellence Program is a marketing and action policy designed to develop a pride of ownership in our members that demonstrates the professional workmanship and productivity provided by SMART members every workday on every jobsite.

The basic tenets of the Code of Excellence Program shall be to provide to SMART, the employer and client:

- Members of SMART who provide the highest level of quality at the highest level of performance;
- Who use superior craft skills; and
- Who have proven best work practices.

The Code of Excellence Policy is therefore a written policy of the culture of SMART designed to instill a sense of pride and professionalism in our membership. When adopted and implemented, the uniformity of this Code of Excellence Policy shall demonstrate to employers and their clients that contracting the services of SMART members is synonymous with contracting excellence.

The Code of Excellence Program is an internal SMART program and therefore not dependent on external forces. This allows the success of the Code of Excellence Program to rest solely within the control of the SMART leadership and members.

The Code of Excellence Program, therefore, must have the total support of the local union membership at all levels, and in particular the full commitment of local union leadership who must set the example in promoting the policies set forth.

With adoption and implementation at the local union level, it shall be incumbent upon the Business Manager with the assistance of their Business Representatives to participate actively in enforcement of all provisions set forth in the Code of Excellence Program.

### CODE OF EXCELLENCE PROGRAM DESIGN COMPONENTS

The Code of Excellence Program is designed to be flexible and to be used in every local union within SMART. Specific issues of concern to local union leaders and memberships can be incorporated into the Code of Excellence Program; however, the key components of the Code of Excellence Program must be consistently applied if the program is to be successful.

The key components of the Code of Excellence Program and which must remain consistent are:

1. Commitment – The Code of Excellence Program requires a commitment by the local union at every level of leadership, with membership acceptance, to abide by the responsibilities stated within the program.
2. Business Manager – The Business Manager or his/her designee is empowered to address workplace issues with members and to communicate to employers the individual workplace needs requiring management involvement.
3. Member Professionalism – SMART members have a responsibility to their union and fellow members to present themselves and represent their local union in a professional manner. This includes meeting employer and end-user expectations about the work we perform.
4. Member Responsibility – It is incumbent upon each member to assist each other in meeting our Code of Excellence Standards.
5. Consequences – Members must clearly understand the consequences if we fail to meet the customer's needs. Our ability as a union to ensure good wages and working conditions is directly related to our ability to perform.

### IMPLEMENTATION OF THE CODE OF EXCELLENCE

The Code of Excellence Program is an internal SMART program. Therefore, implementation of the program shall be accomplished at the local union level using the following steps:

1. Presentation to all Local Union Leadership – The program shall be presented by a SMART International Representative to the officers and leaders of the local union.
2. Adoption by Officers – Local union officers and leadership shall discuss the provisions of

the program and develop necessary local provisions for inclusion into the document. After adoption by the Officers, the local union leadership then commits through a recommendation by the local union Executive Board that implementation of the Code of Excellence Program be adopted by the full membership.

3. Adoption by Membership – Following adoption by local union leadership, the program is presented to local union membership for adoption.
4. Local Officers and Leadership Training – Upon request of the local union, the International will assist in training local union leadership on the goals and implementation of the program.
5. Presentation to Local Union Membership – Presentations will be provided to the membership by the local union with assistance from the International. Through this process, the expectations necessary to achieve the acceptable level of professionalism and productivity for each SMART member will be discussed and defined.
6. Presentation to Employer – Once the local union adopts the Code of Excellence Program, the Business Manager or his/her designee presents the program to the Employer.

## SMART MEMBERSHIP COMMITMENT

As we face unprecedented competition for the services provided by the membership of SMART, we must recognize our primary marketable qualities are our skills, productivity and professionalism. To succeed we must present to the end-user, be it contractor or end-user clients, the value in using SMART members. This requires that each member conforms to and supports the Code of Excellence Program responsibilities set forth below. As a result, our promise of professionalism and productivity is met every day by every member. The future of our membership and SMART is dependent upon our ability to establish our added value to the employers and end-users within the sheet metal industry.

## SMART RESPONSIBILITIES

The Business Manager of the local union will have ultimate responsibility for implementation and administration of the Code of Excellence Program. The program structure is designed to ensure that the Business Manager or his/her designee shall be the first point to resolve Code of Excellence Program issues quickly and effectively.

Our responsibilities include the following:

### Working Time

- First and foremost, our members shall adhere to our core principle of productivity, eight hours work, for eight hours pay.
- All members shall adhere to established contractual starting and quitting times and shall meet their responsibility to their fellow members and employers by arriving to work on time and ready to work.
- Break and lunch periods are limited to the time allowed by the contract, or agreement(s).
- Members shall meet their responsibility not to leave the jobsite without proper approval.
- When absent the member shall contact supervision in advance of their established starting time to confirm such absence.

- All members shall be productive and efficient, with idle time kept to a minimum.
  - Personal cell phone usage shall be limited to appropriate break times or lunch periods, or emergency use as defined by the Business Manager.
  - Members shall meet their contractual responsibility to eliminate work disruptions on the job.
  - All members shall work toward the goal of completion of projects on or under the allotted time.

#### Safety

- Safety, being a primary concern for both our members and contractors, members shall meet their obligation to perform work safely and effectively, following employer and industry established rules.
- Members will meet their contractual and personal responsibility to utilize proper safety equipment and safety methods.
- Members will participate in OSHA 10/30 courses as offered by the local union when required by their collective bargaining agreements.

#### Tools

- In meeting their responsibility as highly skilled and qualified craftsmen, all members shall carry the necessary and proper tools as required by the collective bargaining agreement.
- Members shall meet their responsibility in taking care of the equipment and tools provided by the employer.

#### Fitness for Duty

- Members shall meet their responsibility of being fit for duty by accepting work for which they have the requisite skills and training.
- Members shall exhibit and maintain a level of craftsmanship recognized to be within the industry standard.
- Members shall meet their responsibility to be fit for duty, with zero tolerance for substance abuse.
- As representatives of their local union and the employer, all members will be professional in appearance.
- The wearing or display of inappropriate materials shall not be tolerated.
- The Business Manager or his/her designee and leaders on the job shall work with other members who have displayed unacceptable work habits so that each member on the job meets a standard of quality and productivity second to none.

#### Labor / Management Relations

- Members shall respect the property of the contractor and end-users, and graffiti and other forms of destruction and waste will not be tolerated.
- Members shall respect all legal facility rules of the client and/or end-user.
- Activities which cast the International Association or the local union in disrepute shall not be tolerated.
- Any inappropriate behavior toward another member or group of members shall not be

tolerated.

- Inappropriate behavior toward customer representatives or employer representatives shall not be tolerated.
- The goal of the SMART Code of Excellence Program is to promote professionalism within the total membership of SMART and a sense of pride in our membership.

## EMPLOYER RESPONSIBILITIES

The ultimate responsibility of managing the work and projects falls within the control of the employer. With such responsibility, our signatory employers, and if applicable our employer associations, have a responsibility to manage their jobs effectively. Therefore, to build confidence and trust in the Code of Excellence Program, the employer must meet its responsibilities in addressing job performance issues, including the following:

- To address ineffective supervisors, including superintendents, general foremen, and foremen.
- To ensure proper job planning, supervision and layout, to minimize down time.
- To make available the proper types and quantities of tools, equipment and materials to ensure job progress.
- To ensure proper maintenance, care, storage, and security for employer-provided equipment and tools and employee-provided tools.
- To demonstrate to the customer the efficiency of our partnership, the employer will ensure there are adequate numbers of employees to perform the work efficiently and, conversely, to limit the number of employees to the work at hand.
- To provide the necessary jobsite leadership to eliminate problems and provide effective solutions.
- To instill in supervisors the necessary positive attitude that the SMART local union, their members and the employer are working together.
- To ensure that jobsite leadership takes the necessary ownership of mistakes created by management decisions.
- To eliminate unsafe work conditions and ensure that proper safety training, equipment, and methods are utilized.
- To address concerns brought forth by the Business Manager or his/her designee. If the problem is not resolved at the lowest level of management, the Business Manager or his/her designee may choose to address the issue with higher levels of management.
- If the issue is not resolved, the local union or employer may call for a labor-management meeting to resolve concerns or issues.
- To treat all employees with dignity and respect.
- To discipline fairly and reasonably.

## MEMBERSHIP DISPUTE RESOLUTION CRITERIA

The success of the Code of Excellence Program is dependent upon the acceptance and understanding by each member of the scope of their responsibilities as established within the program.

It must be understood that a truly successful workplace environment can only be achieved by participation of both SMART and the Employer in meeting their responsibilities. The union's role is to address with its members any individual problems that are brought to its attention to ensure the union's obligation to live up to the promise of providing a skilled and professional workforce to the employer and the end user is maintained and improved.

### UNION RESPONSIBILITIES

- The Business Manager or his/her designee will work with members through a process of mentoring to correct and solve problems related to job performance.
- On a regular basis, the Business Manager or his/her designee will communicate with management on Code of Excellence Program issues. This will then be communicated to SMART members through the local union leadership.
- If an individual member is not meeting established responsibilities under the program and the correction of such adverse behavior cannot be achieved through mentoring between the local union leadership, member peers and the individual member, the local union Executive Board shall have the responsibility to review, evaluate, and address such problems with the individual member. If the member is unwilling or unable to meet his/her obligation under the Code of Excellence Program, the local union shall be empowered to take necessary action up to and including filing of appropriate charges under the Constitution and Ritual of SMART.

The following is inconsistent with the conduct required under the Code of Excellence Program.

1. Refusal of jobs or unavailable (no returned call) upon call from the dispatcher for work shall upon the third violation result in removal from the out of work list and placement in the "inactive file."
2. Not showing for work when dispatched, which shall be deemed to be a violation of the Constitution, and may subject the member to local union charges and trials.
3. Acceptance of employment or job under false pretenses, such as no adequate skills for the job, which shall also be deemed a violation of the Constitution, and may subject the member to local union charges and trials.
4. Conduct resulting in termination by an employer for cause, which shall be documented upon the attached form which is to be supplied by the local union. If the employer indicates that a terminated employee is not eligible for rehire, such designation shall be honored by the dispatch office for a minimum of 180 days. Provided that, if the local union determines to process a grievance contesting such a termination, such termination shall not be considered as being for cause until a Local Joint Adjustment Board, a Panel, the National Joint Adjustment Board (or any alternative procedures negotiated by the local parties) determines that such termination was for cause, or the grievance process is otherwise completed without invalidating the termination.

The Business Manager and/or his/her designee, as well as the employer, must endeavor to correct performance problems with individual members at the workplace, so that their performance meets the standards of the Code of Excellence Program. However, there will be instances where the local union ultimately must withhold contractual referral privileges from those members that have demonstrated that they are either unwilling, or incapable, of meeting acceptable standards of workplace behavior. In such circumstances, employers have a reciprocal obligation to terminate employees for cause, rather than merely laying them off, so that such employees are not simply referred for employment with another employer. A disciplinary action plan shall be implemented which establishes a "Three Strikes Policy" for violation of the Code of Excellence Program provisions. Such plan shall provide that, in any case where there are three separate instances within a 24-month period where the employee has been convicted of constitutional violation under points 2 or 3 or has been subject to termination under point 4, in any combination, the member's referral privileges shall be suspended indefinitely.

The member may appeal the suspension to the Local Joint Adjustment Board, a Panel, the National Joint Adjustment Board (or any alternative procedure negotiated by the local parties), which shall have authority to reduce the period of any suspension of referral privileges, if it determines that fairness and equity require such action under the circumstances of the particular case or to terminate the suspension when it determines that the underlying causes for the suspension have changed so that the member deserves to be restored to referral privileges.