

**Southern California Airconditioning and
Refrigeration Service Master Labor Agreement**

2011 – 2012

Between

**The Airconditioning, Refrigeration and Mechanical
Contractors Association of Southern California
(ARCA/MCA)**

And

**The Southern California Pipe Trades
District Council 16 (DC 16)**

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- 1. Los Angeles and Orange Counties**
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- 4. San Diego and Imperial Counties**
- 5. Kern, Inyo and Mono Counties (Bakersfield)**
- 6. San Luis Obispo, Santa Barbara and Ventura Counties (Tri-County)**

SERVICE MASTER LABOR AGREEMENT

This Agreement is entered into the first day of September 2011, by and between the Airconditioning, Refrigeration and Mechanical Contractors Association of Southern California, Inc., (ARCA/MCA), hereinafter referred to as the "Association," for and on behalf of all its present and future members and such other contractors who have authorized ARCA/MCA to bargain on their behalf with full and unequivocal authority to bind them in collective bargaining on a multi-employer basis, with Southern California Pipe Trades District Council 16 of the United Association, for and on behalf of all employees represented by it and its following affiliated Local Unions 78, 114, 230, 250, 345, 364, 398, 403, 460, 484, 494, 582 and 761, hereinafter referred to as the "Union."

WITNESS

The purpose and intent of this Agreement, which is entered into by and between the parties specified above by mutual consent of both parties, is to:

- A. Establish and set forth in this Agreement rules and regulations to govern employment, wages and working conditions of the classifications established herein.
- B. To encourage closer cooperation and better understanding between employers and employee members of this particular craft.
- C. Recognizing that employers are engaged in service work in Southern California and, in the performance of their present and future contracting operations, are employing and will employ employees under the terms of this Agreement, and that the employers want to be assured of their ability to procure employees in sufficient number to assure continuity of work in the completion of their contracts; this Agreement is intended to establish regional uniform rates of pay, hours of employment, and working conditions for the employees covered herein.

ARTICLE 1 GENERAL DEFINITIONS

1.01. "Scope Of Service Work" This Agreement shall apply to and cover all work performed by the Employer, and all of its subdivisions and branches performing work under the geographical scope of this Agreement, in order to keep existing mechanical and refrigeration systems within occupied facilities operating in an efficient manner. This work shall include the inspection, service, maintenance, start-up, testing, balancing, adjusting, repair, modification and replacement of mechanical and refrigeration equipment including related piping connections and controls in addition to all other HVACR service, maintenance and operations work in order to meet customer obligations. This Agreement shall also apply to all types of market refrigeration work. Recommissioning and repair of existing building systems within unoccupied buildings is considered service work. Building HVACR systems maintenance and operations in occupied and unoccupied facilities shall also be considered service work. Any other work under the control of the Employer that falls in the jurisdiction of the Union, but not in the scope of work described above, shall be done in accordance with the applicable District Council 16 Master Labor Agreement. The following are within the scope of work:

- A. Energy Management Systems as used herein is defined as the efficient energy utilization through control of building HVACR loads as well as the related areas of fire alarm, fire safety and security control systems.
- B. Refrigerant Reclamation and Recovery as used herein is defined as the recovery, decontamination, reclamation and reprocessing of any refrigerant regulated by a local, state, or federal governing agency during servicing, or removal from service, of any refrigeration system so that the refrigerant can be reused or recycled.
- C. It is the intent of the Association and Union to increase the work opportunity of the refrigeration fitters on work claimed by other crafts and non-union competition in the energy conservation and DDC control systems market. On all retrofit control system installations, all work necessary to build, install, and program control

components and interconnecting low voltage wiring shall be done in accordance with all state and local codes by signatory contractors and union employees.

D. Service work on any device used for heat recovering or used to increase the efficiency of the systems and devices used to utilize solar energy, geothermal energy, and any other natural phenomena that might be harnessed to provide or supplement the energy required to operate the heating, ventilating, airconditioning and refrigeration systems described herein.

1.02. "Contractor" is a person, partnership, or corporation engaged in air conditioning or refrigeration, and licensed when required by the State of California.

1.03. "Journeyman Airconditioning and Refrigeration Fitter" is a person who has been actively engaged in learning and assisting in the trade of installing and servicing airconditioning and refrigeration equipment for a period of five (5) years or more, and who is a qualified airconditioning and refrigeration fitter.

1.04. "Airconditioning and Refrigeration Fitter Apprentice" is a person indentured to a Joint Journeymen and Apprentice Training Committee established by the Union and the Association and operating under the Apprenticeship Standards for the Airconditioning and Refrigeration Industry for the State of California. He shall be referred to in this Agreement as an Apprentice.

1.05. "Employee" as used herein is defined as a person performing work in a classification covered by this Agreement.

1.06. "Employer" as used herein is a contractor signatory to this Agreement or bound thereby.

1.07. "Jurisdictional Dispute" Each party agrees to support the other should the jurisdiction of this Agreement be challenged by an organization not party to this Agreement. If a conflict or jurisdictional dispute should exist, the Company shall contact the Union and assign the disputed work to employees under this Agreement until such dispute is settled through the grievance and arbitration procedure of the Agreement.

1.08. "Geographic Jurisdiction" This Agreement shall apply to all employees of the contractors employed to perform or performing the work covered or set forth herein in the territorial jurisdiction of District Council 16.

1.09. "Union" as referred to in this Agreement shall mean Southern California Pipe Trades District Council 16.

1.10. "Tradesman" is a person employed to perform the work described in Section 5.09 of this Agreement.

1.11. "MES" Mechanical Equipment Servicemen (MES) must have practical working experience in their trade. They may be required to pass an examination as to their skills. Their scope of work shall include all work necessary to keep existing HVACR and all controls systems of any type operating in an efficient manner. Mechanical Equipment Servicemen may assist journeyman in the repair of centrifugal and absorption machines, open-screw chillers and ammonia systems for the purpose of further developing their technical skills, provided a journeyman is on the job site. Mechanical Equipment Servicemen may attain journeyman status with sufficient training, work experience and passing an appropriate test. A Mechanical Equipment Serviceman's duties can be modified by agreement of the parties. The MES hourly wage rate shall not be less than 50% or more than 80% of the applicable journeyman rate.

ARTICLE 2
COLLECTIVE BARGAINING AGENTS AND COVERAGE

2.01. "Bargaining Agents" The Association and the individual Employers recognize the Union as the sole and exclusive collective bargaining agent for the classifications established herein doing airconditioning and refrigeration work. No other craft shall supervise airconditioning and refrigeration work.

2.02. "Terms of this Agreement" The Union and its affiliated local unions affirm that no provision contained in their Constitution, Bylaws, working rules or regulations will prevent compliance with the terms of this Agreement. The Association affirms that no provisions contained in its Constitution or Bylaws will prevent compliance with the terms of this Agreement. In the event of any conflict arising, the Agreement will prevail.

2.03. "Association" The Union recognizes the Association as the sole collective bargaining agent for its members who have assigned their bargaining rights to them and for any Employer who becomes a member or signatory to the Agreement during the term of this Agreement.

2.04. "Signatories" Upon request, but not more than annually, the Association shall submit to the Union a list of its members who have assigned their bargaining rights to the Association. Upon request, but not more than annually, the Union shall submit to the Association a list of all contractors signatory to this Agreement and the Independent Agreement. The exchange of information herein shall include the names of officers and owners of each contractor. The Employer shall set forth at the end of the Agreement the following information: Employer's firm name, California Contractor's license number and classification, address, telephone number, insurance carrier and bonding company.

2.05. "Future Locations" This Agreement shall cover all future locations within the geographic jurisdiction of District Council 16 which the Employer may operate during the term of this Agreement or extension thereof, including operations as the result of expansion or change within the industry.

2.06. "Membership" All members of the Association or those who subsequently become members of the Association and signify their intention of being a party to this Agreement, shall continue to be bound by the terms of this Agreement regardless of whether or not they retain membership in good standing in the Association.

2.07. "Successors" This Agreement shall be binding upon the successors and assignees of the Employer. In the event of a sale or other transfer of controlling interest, the Employer shall inform the purchaser or transferee of its obligations under this Article to assume the Agreement.

2.08. "Contract" If any employer attempts to utilize the contract of another trade to do the work covered by this Agreement, or fails to abide by the settlement of a jurisdictional award under this Agreement, the Union shall have the right to have the employees covered by the contract removed without arbitration or liability from the Association or a signatory contractor.

2.09. "Work Covered" The Employer agrees that all work covered under this Agreement shall be performed by the Employer under the terms and conditions of this Agreement. In the event any work covered by this Agreement is, has or will be performed by anyone other than employees working for employers in accordance with the provisions of this Agreement, the Employer agrees to redo the work or pay the equivalent of wages and fringe benefits lost by employees covered by this Agreement. If the Joint Grievance Board or its Sub-Committee so rules, the award will be deposited into an appropriate Industry Trust Fund within ten (10) days of receipt of the decision of the Joint Grievance Board. If two (2) or more employers are involved on such work, the Joint Grievance Board shall decide which employer or employers are liable and the amount of

liability. The Joint Grievance Board shall determine the specified bid guide to be used in determining damages.

2.10. "R.M.E., R.M.O." Any employer, who owns or acts as an R.M.E. or R.M.O., or who has a financial interest in any business, doing the same or similar work covered by this Agreement and said entity is not signed to the Labor Agreement shall be subject to damages assessed by the Joint Grievance Board.

2.11. "Special Meeting" The Union shall have the authority to call a special meeting through the Association of any segment of the industry to meet and discuss problems specific to that segment of the industry.

2.12. "Pirating" No employer shall induce the employee of another employer covered by this Agreement to leave the employment of such other employer.

ARTICLE 3 UNION SECURITY

3.01. "Members in Good Standing" The Employer agrees that all employees employed by the Employer for a period of thirty-one (31) days continuously, or cumulatively, within the multiple employer unit, shall become and remain members in good standing of the appropriate local union, upon terms and qualifications not more burdensome than those applicable to other applicants for membership.

3.02. "Member Not in Good Standing" In the event that an employee fails to become or remain a member in good standing as provided herein, the employee shall be discharged by the employer upon written notification from the appropriate local union. Prior to delivering this written notification the local union shall advise the employee in writing, with a copy to the employer and ARCA/MCA, of the employee's failure to comply with this Article and shall give the employee seventy two (72) hours to comply.

A. In the event an employer fails to comply with a request to discharge an employee under this Article, the damage for such a violation shall be wages and benefits, payable to the appropriate health and welfare fund, for every hour worked by the employee after the written notice is received.

3.03. "Administrative Dues"

A. Any Employer covered by this provision of the Agreement hereby agrees to add Administrative Dues to the taxable wages. The Employer will deduct, after taxes, from the wages each payroll period of any employee doing work covered by this Agreement the Administrative Dues as provided for in this Agreement. The Employer will remit such sums with the appropriate Trust Fund's monthly contribution reporting form provided the employees in question have signed a current authorization card authorizing such deduction.

B. Such assignment and authorization shall become effective as of the date it is executed. The authorization shall be irrevocable for the period of one (1) year or until the termination of the current Agreement, whichever occurs earlier. This assignment and authorization shall be automatically renewed and shall be irrevocable for successive periods of one (1) year each or for the period of each succeeding Collective Bargaining Agreement between the Employer and Union, whichever period shall be shorter, unless written notice is given by the employee to the employer and the Union not less than ten (10) days nor more than fifteen (15) days immediately prior to the expiration of each period of one (1) year or of each applicable Collective Bargaining Agreement, whichever occurs earlier.

C. The Union reserves the right during the term of the collective bargaining agreement to adjust the administrative dues deducted from the employee's gross pay provided the employee has a current Administrative Dues Authorization on file with the local union and provided the local union has provided a copy of such Authorization to the Employer. The Union shall be required to provide the Association with advance notice of any change in the administrative dues as required in Section 11.01 (E) of this Agreement. It

is also understood and agreed that any adjustment in the Administrative Dues will at no time result in an increased cost to the Employer.

ARTICLE 4 MANAGEMENT RIGHTS AND RESPONSIBILITIES

4.01. "Exclusive Right" Except as they are limited by the terms of this Agreement, the prerogatives of management include, but are not limited to, the exclusive right to hire, promote, demote, transfer, discharge, increase or decrease the work force to meet the needs of the business, and to maintain the efficiency of the operation. Any of the rights, powers or authority the Employer had prior to the signing of this Agreement are retained by the Employer except those specifically abridged, delegated or modified by this Agreement.

ARTICLE 5 HIRING AND REFERRALS

5.01. "Exclusive Hiring" Employers shall hire employees covered by this Agreement by calling the appropriate local union for job referrals. The local union shall refer the required number of job applicants to cover the Employer's request. In the event the local union is unable to furnish job applicants within forty-eight (48) hours of a request, the Employer may obtain job applicants, except for apprentices, from any other source, provided such job applicants register with the local union at the time of hiring. An Employee hired from another source must become a member of the appropriate local union in accordance with Article 3.

5.02. "Registration" Qualified applicants shall be registered on the appropriate out-of-work book in order of time and date of registration. Qualified applicants may identify and list any special skill which they possess.

5.03. "INS – I-9 & Driving Record" Prior to dispatch of any employee or applicant for employment, the local union shall verify that person's employment eligibility under the Immigration Reform and Control Act of 1986. The local union shall complete a U.S. Immigration and Naturalization Service Form I-9 for each employee and applicant for employment prior to dispatch. A copy of the completed I-9 form shall accompany the dispatch slip. The local union's verification of employment eligibility hereunder does not eliminate the employer's independent legal obligation to confirm employment eligibility and maintain an I-9 form. The local union shall obtain from the member a current copy of a D.M.V. report for the sole purpose of verifying the driving record of each employee or member/applicant it dispatches for employment. This current D.M.V. report must be dated within ninety (90) days of the dispatch date. Upon request, a copy of the D.M.V. report will be faxed to the employer at the time of interview or prior to hire. The local union may destroy D.M.V. reports and I-9 forms ninety (90) days after the dispatch.

5.04. "Seniority" It is the desire of the parties to this Agreement that those employees who have previously worked for signatory Employers for the periods set forth herein shall enjoy seniority rights as provided herein.

5.05. "Journeyman Out-of-Work Books" Each local union shall establish and maintain three (3) Service Journeymen out-of-work books. Only qualified journeymen shall be entitled to register on the out-of-work books. Each job applicant shall be required to furnish to the local union and employer, if required, such data, records, names and information relating to former employment as is necessary to determine qualification to register on the out-of-work books. Applicants, with five years of experience working in the airconditioning and refrigeration trade, shall be required to pass a journeymen's examination administered by the local union. In order to register on each out-of-work books, the journeymen must meet the following qualifications:

BOOK 1 Certified journeymen or journeymen who have worked at least 1,260 hours within the previous two (2) years within the local union's jurisdiction for employers signatory to this Agreement.

