# WORKING AGREEMENT

# BETWEEN

# EMPLOYERS OF LINOLEUM, CARPET AND SOFT TILE WORKERS

# AND

# LINOLEUM, CARPET AND SOFT TILE WORKERS DISTRICT COUNCIL 16 - LOCAL UNION 1237

# EUREKA, CALIFORNIA

# AFFILIATED WITH

# INTERNATIONAL UNION OF PAINTERS AND ALLIED TRADES

# AFL-CIO

# EFFECTIVE

# JULY 1, 2016 - JUNE 30, 2019

# COLLECTIVE BARGAINING AGREEMENT

This agreement, entered into this 1st day of June 2016 between Signatories, first party, hereinafter called the Employer and the Linoleum, Carpet and Soft Tile Workers - District Council 16, Local Union 1237, Eureka California of the Brotherhood of Painters and Allied Trades, second party hereinafter referred to as the Union.

**WITNESS:**

Whereas, the Union and the Employer, in the interest of the general public desires the maintenance of a sound and harmonious relationship between them for the future. Now therefore, the parties hereto agree as follows:

**ARTICLE 1: JURISDICTION**

The area jurisdiction of District Council 16 / Local 1237 shall extend throughout the territorial jurisdiction of Painters and Allied Trades, Local 1237, (Humboldt and Del Norte Counties, California).

**ARTICLE 2: OUT-OF-AREA WORK**

The Employer party hereto shall, when engaged in work outside the geographic jurisdiction of the Union party to the Agreement, comply with all of the lawful clauses of the Collective Bargaining Agreement in effect in said other geographic jurisdiction and executed by the employers of the industry and the affiliated Local Unions in the jurisdiction, including but not limited to , the wages hours, working conditions, fringe benefits and procedure for settlement of grievances set forth therein; provided however, that where no affiliated Union has a current effective agreement covering such out-of-area work, the employer shall perform such work in accordance with this agreement; and provided further that as to employees employed by such employer from within the geographic jurisdiction of the Union party to this agreement and who are brought into an outside jurisdiction, such employee shall be entitled to receive the wages and conditions effective in either the home or outside jurisdiction whichever are more favorable to such employees. In situation covered by the last proviso fringe benefit contributions on behalf of such employees shall be made solely to their home funds in accordance with their governing documents, and the difference between the wages and benefit contributions required by the away funds and the home funds, if any, shall be paid to the employees as additional wages. This provision is enforceable by the District Council or Local Union in whose jurisdiction the work is being performed, both through the procedure for settlement of grievances set forth in its applicable collective bargaining agreement and through the courts, and is also enforceable by the Union party to this agreement, both through the procedure for settlement of grievances set forth in this agreement and through the courts.

1. The contractor or the employer party to this agreement, when engaged in work outside the geographical jurisdiction of the Union party to this agreement, shall employ not less than fifty percent (50%) of the workers employed on such work from the residents of the area where the work is performed, or from among persons who are employed the greater percentage of their time in such area.

2. Employers signatory to this Agreement shall not attempt to engage in any work covered by this Agreement in any area outside the geographical jurisdiction of the Agreement through the use or device of another business or corporation which such Employer controls or through the use or device of a joint venture with another Employer or contractor in any outside area without first consulting with the Union for the purpose of establishing to the Union's satisfaction that the use of such device is not for the purpose of taking advantage of lower wages or conditions that are in effect in the home area of such Employer, and if the Union is not so satisfied, the Union has the option of canceling the Agreement.

**ARTICLE 3: OUT-OF-AREA-EMPLOYERS**

Employers from outside the jurisdictional area of the Union party to this Agreement shall employ not less than 50% of the workers from the Local Union having the work and area jurisdiction of the job site. All jobs must maintain at least 50% - 50% ratio.

1. When an employer whose principal place of business is outside the jurisdictional area of the Union party to this Agreement and said Employer brings steady employees from the outside area, the employees shall not go to work until they have a referral slip from the Union party to this Agreement.

**ARTICLE 4: UNION RECOGNITION AND UNION SECURITY**

1. The employer recognizes, acknowledges and agrees that it has satisfied itself that District Council 16 represents a majority of its employees employed to perform bargaining unit work and that the Union is that collective bargaining representative for such employees. The Contractor specifically agrees that the Union has offered to demonstrate its majority status or has done so and it is establishing or has established a collective bargaining relationship within the meaning of Section 9-(a) of the National Labor Relations Act by this Agreement and or by the execution of previous Agreements.

2. It shall be a condition of employment that all workmen covered hereby shall become and remain members in good standing of the Union on or after eight (8) days employment whether continuous or accumulative.

3. All workmen accepted into membership shall thereafter maintain their continuous good standing in the Union as a condition of employment by paying regular monthly union dues and admission fees uniformly paid by other members in the same classification in the Union in accordance with its rules.

4. In the event that a workman fails to render the admission fee or that a member of the Union fails to maintain his membership in accordance with the provisions of this section, the Union shall notify the Employer, in writing, and such shall constitute a request of the Employer to discharge said individual workman immediately.

5. In the event the Employer fails or refuses to discharge said individual workman within 48 hours after being notified by the Union, the Union shall be free to remove all workers from working for this Employer until said individual workman is discharged. If the Union chooses to withdraw all workers as authorized in this Section, it shall not constitute a violation of any actual or implied "no strike" obligation under this Agreement.

**ARTICLE 5: PICKET LINES**

Employees covered by this agreement shall have the right to respect any legal primary picket line validly established by any bona fide labor organization, and the Union party to this agreement has the right to withdraw employees covered by this agreement whenever the employer party to the agreement is involved in a legitimate primary labor dispute with any bona fide labor organization. It shall not be a violation of this Agreement, and it shall not be cause for discharge or disciplinary action, in the event an employee refuses to enter upon any property involved in a lawful primary labor dispute, or refuses to go through or work behind any lawful primary picket line of the Union party to this Agreement, and including lawful primary picket lines at the Employer's own place of business or jobs.

1. Recognizing the "Special problems" in the Construction Industry based upon the close relationship between contractors and subcontractors at the job site of the construction, alteration, painting, or repair of a building, structure, or other such work and the friction that is created when Union and non-union employees are required to work side-by-side, it shall not be a violation of this Agreement and it shall not be a cause for disciplinary action or discharge in the event an employee refuses to enter upon any such construction site where non-Union employees are employed and which would require the employee to work "shoulder-to-shoulder" or along side the non-union employee or employees, or refuses to remain on such a job site when non-union employees are engaged in such construction on the job site. This clause shall apply only to job sites where the Union's members are working, whether it be on a construction site of the Employer or at any other job site.

2. If any employee leaves the job site due to Section 5, no Employer shall be held responsible for wages or fringe benefits after such action has been taken.

## ARTICLE 6: SCOPE OF WORK

1. By way of illustration and not limitation, the jurisdiction applies to all work including and related to the installation of resilient floor, wall, and ceiling materials commonly referred to as carpet, linoleum, vinyl, rubber, cork, asphalt, concrete polishing, vinyl composite mastipave, synthetic grass, prefinished hardwood, laminates, engineered wood, all applications of pre-finished and laminate floors, epoxy, urethane, plastics, metal, and all similar materials in sheet, tile or liquid form.

Installation on floors, walls, ceilings, stairs, fixtures, furnishings, or exterior applications on structures, patios, pool perimeters, sport fields, area ways, all other like or similar applications, whether permanent or temporary.

Measuring, cutting, fabrication, packaging, pickup, delivery and handling of materials and tools that are used by the floor covering industry.

Preparatory removal of floor covering, wall covering, adhesive and underlayments. The sanding, patching, sealing and priming of the installation surface.

Installation of lining felt, carpet, pad, underlayment compositions, leveling compounds or any material used as a base for the finished surface.

Applications and fitting of fasteners, protective and decorative trim relating to the installation such as tackless, tape, nosing, top set or butt-to-base, cap, corner beads, edging, hinging and all other accessories and related sundries.

Repair, finishing, coating, sculpturing, insets and such other processes relating to the industry.

2. The terms and conditions contained in this Agreement shall apply uniformly to all such work performed within the territorial jurisdiction of the Union.

## ARTICLE 7: TRADE PRACTICES

A. It is the intent of this agreement to recognize two classifications of Employers which are:

1. Installing Dealers are those who regularly stock floor covering merchandise for sale and installation and who regularly employ a staff of mechanic to perform the installation.
2. Labor Shops are those whose principal function is to supply only labor and installations sundries to their customers, and the customers who do no regularly employ mechanics to install their floor covering materials.

B.

1. Floor covering Contractors whose principal business is set forth in the rules and regulations of the California Contractors State License Board.
2. General Building Contractors as defined by the rules and regulation of the California Contractors State License Board.

3. Other Employers: Employers who are permitted by the State License Law to perform work covered by this Agreement shall sign and be bound by the provisions of this Agreement.
4. Specialty Contractors who have a State Specialty Contractors License to perform work covered by this Agreement.

C. All parties to this agreement recognize the need for labor shops in the industry. However, certain practices have arisen involving labor shops which threaten serious harm to the industry as a whole, namely:

1. Some labor shops regularly fail to comply with the provisions of this Agreement relating to fringe benefit payments and overtime, thereby enabling them to bid jobs lower than shops and dealers who abide by the Agreement.

2. Certain installing dealers regularly sub-contract labor to labor shops engaging in the aforesaid practice, thereby enabling said dealers to bid lower than other dealers who comply with this Contract as to their own employees, or sub-contract only to shops which so comply. Both Employers and the Union have found it extremely difficult to detect and prevent said practices.

Therefore, the parties hereto, believing that it is in the best interest of all participants in this industry, both Employers and employees, to ensure compliance with this Contract, adopt the following provisions as they only practical means of achieving said objective:

1. Each dealer signatory hereto shall either hire all his own mechanics or contract out all his work to signatory labor shop; however, in the event that the Union is unable to furnish mechanics to a dealer or labor shop then they shall have the right to contract a specified amount of work, which shall not be in such quantity, as to cause any unemployment to any mechanics then employed by the dealer. Any mechanic becoming unemployed by reason of the dealers misuse of the right to sub-contract, shall automatically become

2. employed by the signatory labor contractor and shall remain employed until completion of the "specified amount" of work or until employee is called back to work by his last employer and shall remain employed until the completion of the sub-contracted work:

3. Each dealer signatory shall refrain from contracting out unit work now being performed by his employees covered by this Agreement.

4. The foregoing shall not prohibit a basic hard-surface shop from sub-letting carpet installations if this is their current practice, or a basic carpet shop from sub-letting the hard surface under similar circumstances.

D. For the purpose of this Agreement, and Employer or Owner-Mechanic shall be anyone who is sole or party owner, a member or a corporation as a stockholder, an officer, or has any authority to effectively establish the policy of the shop.

E. The Employer or Owner-Mechanic agrees that during the period of this Contract that no more than one such person qualifying as an Employer or Owner-Mechanic shall be allowed to work with tools of the trade. The Employer or Owner-Mechanic also agree that during the period of this contract and agree further that he will not work on any job without a Journeyman in his employ. An Employer working with the tools shall observe the same hours as provided herein for Journeymen. Owner-Mechanics shall divide all overtime work covered by this Agreement equally with Journeyman employees. Owner-Mechanics shall not be issued a permit to work overtime in a job alone.

F. A signatory concern shall not be permitted to hire Journeymen on a piecework basis (work paid for at a rate based on the amount done rather than on the time employed). It will be a violation of this Agreement for a Journeyman to contract or sub-contract any work or job. No employee shall perform work within the jurisdiction of this Agreement except as an employee of any Employer signatory to a contract with the Union.

G. No workman shall be allowed to contract until he first secures all insurances and licenses as required by State Law and becomes a Contractor party to the Agreement. No contractor signatory to this Agreement will be allowed to work for any other Contractor as a workman. The Union and the Employers agree there shall be no double identity of contractor and workman.

H. In the interest of protecting the general public and this trade, no apprentice shall be recognized as a working partner of a firm nor will be allowed to work as a foreman over a Journeyman.

I. Should any Employer signatory hereto sublet any of the work covered by this Agreement, it must be sublet to a firm that is a party to this Agreement, unless such a firm is not available.

**ARTICLE 8: HOURS OF WORK**

Workday shall be eight (8) continuous hours with 30 minutes off for lunch and shall be between. 6:00 a.m. and 6:00 p.m., Monday through Friday. All work performed on Saturday shall be paid at one and one-half (1½) times the minimum Base Wage Rate. All work performed on Sunday and Holidays shall be paid at two (2) times the minimum Base Wage Rate.

**ARTICLE 9: SHOW UP TIME**

Unless an employee has been notified by the end of his workday, he shall consider himself employed the following day. If an employee has been notified to report to and is not then employed, he shall receive two hours pay at regular rate.

A. Mechanics shall not be employed for a period of less than one-half day (4 hours) from 6:00 a.m. to 4:30 p.m. Mechanics shall be paid for actual hours worked for after four (4) hours.

**ARTICLE 10: TOOLS**

All Journeymen covered by said Agreement must have in their possession or control when reporting at a job under this Contract, all hand tools generally possessed by a mechanic, excluding, however, a heavy roller, tile cutter, power stretcher and butane torch. Shop will pay (half) ½ the cost on seaming irons.

JOURNEYPERSON UPGRADE TRAINING:

A program shall be offered by the District Council (or Local Union) Apprenticeship Program for advanced or upgraded journeyperson training for all journeypersons working under this Agreement. Journeypersons shall be required to take such courses in accordance with the following rules: Rules and Regulations of the District Council 16 STAR Program

**ARTICLE 11: WAGES**

(a) For Journeyman Carpet Linoleum Resilient Tile and all other floor covering layers:

1. Effective July 1, 2016 $1.00 increase.
2. Effective January 1, 2017 $0.30 increase.
3. Effective July 1, 2017 $1.00 increase.
4. Effective July 1, 2018 $1.00 increase.

The wage rate for foreman shall be not less than one dollar ($1.00) per hour above the straight time hourly wage scale for Journeymen. Employer will notify the Union in writing the name of each designated foreman.

(b.) In order to provide funds for Vacation, the employer agrees to pay to the designated depository the sum of eight percent (8%) of all gross wages, over and above all other compensation for all employees.

(c.) Each individual Employer and each Union Party to this Agreement hereby agrees to the continuation of the existing Group Health and Welfare Plan jointly administered by Management and the Union. Each individual Employer shall contribute to the Trust Fund established under said Plan six dollars and twenty-nine cents ($6.29) per hour for each straight time hour worked forty (40) hours per week maximum under this Agreement by each of his employees. Worked holiday hours will be deemed straight-time hours worked for this purpose up to a maximum of eight (8) hours per holiday. No individual Employer shall be liable for contributions of any other individual Employer.

(d.) Both Employer and Union agree that the Trustee of the Plan can and do from time to time change the benefits and contribution rates. Therefore, during the life of this contract any benefit increase during the term of the agreement (other than already agreed herein) will be divided equally between the employer and the existing wage package.

(e.) For each hour or portion thereof, for which an employee receives pay, the Employer shall make a contribution to the IUPAT Union and Industry National Pension Fund in the amount of two dollars and twenty cents ($2.20) per hour in accordance with Article 17 of this Agreement. Effective July 1, 2016 the Employer contribution to the pension Fund shall be two dollars and ninety-seven cents ($2.97) per hour of which a total of seventy-seven cents $0.77 shall be allocated to the International Union of Painters and Allied Trades Industry Pension Fund for the sole purpose of deficit reduction.

(f.) As agreed in this newly ratified contract between the employer, the employees and a representative of the Carpet Resilient Floor Coverers Union Local 1237 as their Collective Bargaining Agent, it is understood that should the employees exercise the option of having a higher amount taken from their new hourly wage increase from that year, to be allocated into their Pension Fund instead of having the entire hourly wage increase applied to their payroll check, they should have the right to request it to their employer for further review of that option as agreed by both parties.

(g.) The bargaining parties expressly agree that Employees covered by this Agreement shall not receive any additional benefits for the California Paid Sick Leave Statute (Labor Code 245-249) and any other city, county or local paid sick leave ordinance that can be waived or opted out of through collective bargaining.

**ARTICLE 12**

The Employers agree to state on all paycheck stubs or statements each pay day an itemized account of the employee's earnings and deductions, which will include straight time hours worked and overtime hours worked, the hourly rate of pay, mileage and other expenses and any and all deductions from the gross earnings made for any reason covered by such pay check.

Each employee shall be paid his wages and all other compensation due in full not later than 4:30 p.m. of the fifth ($5^{th}$) work day following close of the work week, or immediately upon termination.

A. Wage rate shall be the minimum amount paid to employees. Incentives may be given in addition at Employers option, so long as all employees are treated equitable.

B. In addition to any and all rights conferred either by law of by the terms of this agreement, the Union shall have the right to picket to strike or both, any Employer who breaches this contract. The Union shall also have the right to suspend the Contract with such Employer.

## ARTICLE 13: APPRENTICES

A. Ratio: One apprentice to each three regularly employed Journeymen, or fraction thereof. The apprentice wage scale shall be paid. Raise every six months as per State Apprentice Agreement; wage scale and ratio subject to the Agreement. Apprenticeships in the trade shall be regulated and controlled by a Joint Apprenticeship Council composed equally of employers and employees. Any shop employing 3 or more journeymen must employ at least one apprentice.

B. In the event of lay-off, the ration of remaining apprentices to Journeymen shall not exceed the ratio as stipulated in Section A.

C. Apprentice Wage Brackets:

| | | | |
|---|---|---|---|
| 1st six months | 50% | 5th six months | 70% |
| 2nd six months | 55% | 6th six months | 80% |
| 3rd six months | 60% | 7th six months | 90% |
| 4th six months | 65% | 8th six months | 95% |

Advancement of apprentices shall not be construed as automatic. The joint Apprenticeship Committee shall determine advancement and particular wage bracket of each apprentice employed hereunder.

D. No apprentices shall be supplied to the Labor Shop until it has been in business for six months, made proper application for an apprentice, and otherwise met all of the provisions of the Agreement.

E. Apprentices when starting at the trade shall be required to apply to the Union for registration and two months after date of registration they must apply for admission. Any helper who is not registered as an apprentice or enrolled as an apprentice member of this Union shall not be allowed to help Journeyman in any way or manner whatsoever. Lifting help will be provided where necessary for safety and where no Union helper is available to send.

F. Apprentices shall be employed for a minimum of 120 hours per month, for the first 6 months of their apprenticeship. Any apprentice employed less than 120 hours will be paid for 120 hours. (Note: This is not to be construed to mean an apprentice shall be paid, who voluntarily takes time off or who does not work because of illness, although such apprentice shall be compensated for time lost because of conditions beyond the control of the Employer).

G. All apprentices entering the trade after the effective date of this Agreement shall be bound to their Employers and/or Local Joint Apprenticeship Committee by contract in writing for a period of four (4) years; in conformity with regulations established by the members of the Local Joint Apprenticeship Committee.

H. A Journeyman shall accompany all apprentices sent to jobs, or former Journeyman (now an owner) until said apprentice has had two and one-half (2 ½) years experience at the trade.

I. The period of apprenticeship shall be four (4) years, totaling a minimum of not less than eight thousand (8,000) hours of reasonable continuous employment. The first five hundred (500) hours will be considered as a tryout or probationary period. The work day and work week for the Apprentice and conditions associated therewith shall be the same as that of the Journeyman except that minors shall be employed in accordance with the State Law governing the employment of minors. The apprentice shall enroll in and attend classes when available.

**ARTICLE 14: JOINT APPRENTICESHIP AN TRAINING FUND**

The bargaining parties agree that the Floor Covering Industry Education Trust Fund shall be merged with the Northern California Floor Covering Joint Apprenticeship and Training Trust Fund so long as the Trustees of both funds determine that it is in the best interests of the participants. In the event of the merger the Northern California Floor Covering Joint Apprenticeship and Training Trust Fund shall expand their Board of Trustees to include one (1) Labor and one (1) Management Trustee from among the existing Floor Covering Industry Education Trust Fund's Board of Trustees.

1. There has been established an Apprenticeship Agreement and Declaration of the Trust Fund. The Union and the undersigned Employers agree that the Northern California Floor Covering Joint Apprenticeship and Training Trust Fund as the established Trust Fund referenced to in Article 14 of this Collective Bargaining Agreement. Effective on the date of this agreement, all contributions for Apprenticeship Training referenced in Schedule A will be remitted to Northern California Floor Covering Joint Apprenticeship and Training Trust fund. The detailed basis of the administration of the Apprenticeship Fund shall be pursuant to the Agreements and Trust declarations adopted by the Associations and the Union, which shall be binding upon all Employers' signatory to or bond by this agreement. The Employer hereby agrees to be bound as a party to the terms and provisions of the trust establishing the Apprenticeship Trust Fund, and said agreement is made a part hereof by reference. Employer acknowledges receipt of the Trust Agreement for said fund, and irrevocably appoints and designates the present Employer trustees and their successors as its agents.

2. The employment and supervision of personnel to administer the program shall be the responsibility of the trustees of the apprenticeship and training fund.

3. The contribution rate shall be set forth in Schedule A and shall be paid on all hours worked.

**ARTICLE 15: HEALTH AND WELFARE FUND**

Each individual Employer agrees to be bound by all the terms and conditions of the Painters Welfare Trust Agreement ("Trust Agreement"), as those documents may be amended from time to time, including specifically Article III of said Trust Agreement which amongst other things provided for:

A. Contribution due dates and liquidated damages for delinquent contributions; and

B. Responsibilities of Employers in maintaining adequate records and cooperating with the Joint Board.

**ARTICLE 16: VACATION FUND**

In order to provide funds for vacation, the Employer agrees to pay to the designated depository the sum of 8% of all gross wages over and above all other compensation for all employees.

**ARTICLE 17: HOLIDAYS**

Double-time shall be paid for all work performed on Sundays. New Year's Day, Washington's Birthday (3rd Monday in February), Memorial Day (last Monday in May), Independence Day, Labor Day, Thanksgiving, Day after Thanksgiving and Christmas. No work will be permitted on Labor Day except upon written approval of the Union Executive Board.
A holiday that falls on a Sunday shall be deemed to fall on the following Monday. A holiday that falls on Saturday shall be deemed to fall as the holiday on the prior Friday.

No discriminatory action shall be taken against any workman for his refusal to perform work on the holidays designated in this Section.

**ARTICLE 18: IUPAT UNION AND INDUSTRY PENSION FUND**

The only agreement between the Employer(s) and the Union parties to this Agreement regarding pensions or retirement for employees covered by this Agreement is as follows:

A. Commencing with the 30th day of April 2011, and for the duration of the Agreement and any renewals or extension thereof, the Employer agrees to make payments to the IUPAT Union and Industry Pension Fund for each employee covered by this Agreement, as follows:

B. For each hour or portion thereof for which an employee receives pay, the Employer shall make a contribution of $2.97 to the above named Pension Fund; $2.97 to be allocated to the IUPAT Union and Industry Pension Plan and $0.00 to be allocated to the IUPAT Union and Industry Annuity Plan.

C. For the purpose of this Article, each hour paid for, including hours attributable to show up time, and other hours for which pay is received by the employee in accordance with the Agreement, shall be counted as hours for which contributions are payable.

D. Contributions shall be paid on behalf of any employee starting with the employee's first day of employment in a job classification covered by this Agreement. This includes, but is not limited to apprentices, helpers, trainees and probationary employees.

E. The payments to the Pension Fund required above should be made to the IUPAT Union and Industry Pension Fund, which was established under an Agreement and Declaration of Trust, dated April 1, 1967. The Employer hereby agrees to be bound by and to the said Agreement and Declaration of Trust, as amended from time to time, as though he had actually signed the same.

F. The Employer hereby irrevocably designates as its representatives on the Board of Trustees such Trustees as are now serving or who will in the future serve, as Employer Trustees, together with their successors. The Employer further agrees to be bound by all actions taken by the Trustees pursuant to the said Agreement and Declaration of Trust, as amended from time to time.

G. All contributions shall be made at such time and in such manner as the Trustees require; and the Trustees at any time conduct an audit in accordance with Article VI, Section 10 of the said Agreement and Declaration of Trust.

H. If an Employer fails to make contributions to the Pension Fund within twenty days after the date required by the Trustees, the Union shall have the right to take whatever steps are necessary to secure compliance with this Agreement and other provision hereof to the contrary notwithstanding, and the Employer shall be liable for all costs of collection of the payments due, together with attorney fees and such penalties as may be assessed by the Trustees. The Employer's liability for payment under this Article shall not be subject to or covered by any grievance or arbitration procedure or any "no-strike" clause which may be provided or set forth elsewhere in this Agreement.

I. The Pension Fund and Annuity Plan adopted by the Trustees shall at all times conform with the requirements of the Internal Revenue Code so as to enable the Employer at all times to treat contributions to the IUPAT Union and Industry Pension Fund as a deduction for income tax purposes.

**ARTICLE 19: SPECIAL ADMINISTRATIVE DUES FUND**

A. Effective June 1, 1971 the Employer hereby agrees to deduct from the weekly wages of all employees coming within the scope of this Agreement, a Special Administrative Dues in the amount of 3% of net wages. Such payment will be payable at the same place and in the manner as called for in Article 20. Remittances shall be due between the first and the 15th day of each month succeeding the month for which deductions were made during the proceeding calendar month, provided that the employees have individually signed a valid authorization card authorizing such deduction.

B. The Union agrees to furnish the Employer with authorization cards for each employee for the deduction above referred to and such authorization shall be effective when filed with the Employer.

C. Effective June 1, 1978 or any subsequent June 1st, during the term of this Agreement, the Union shall have the right to instruct the Employer to increase the deductions, under this Article, to additional amounts.

D. The Union agrees to indemnify and hold harmless the Employer against any and all claims, demands, suits and liability that shall arise out of and by reason of this deduction made by the Employer in reliance upon the written authorization furnished to the Employer under the provisions of this Article.

## ARTICLE 20: ADMINISTRATION OF FUNDS

This agreement recognizes the following Funds as established by Articles 14, 15, 16, 18, 19, 28, 29 and 30. It is the intent of this Article to describe the administrative responsibilities and procedures that apply to each of these Funds:

Health and Welfare Fund
Pension Fund
Vacation Fund
Special Administrative Dues Fund
IUPAT Finishing Trades Initiative
Work Preservation Fund
Labor Management Cooperative Initiative Fund
Northern California Floor Covering Joint Apprentice Training Fund
IUPAT PAT-PC
Unity Action

A. Payment of the amounts due under the foregoing Fund requirements shall be made monthly to a depository by the 15th of the following month for the pay periods ending in the previous month. Employers whose payments are not received by that time shall be considered delinquent.

B. Upon delinquency and default the Union shall consider the same as a substantial breach of this contract and shall immediately withdraw its members from the delinquent shop or take whatever action is appropriate to secure payments of the delinquent amounts and insure that further changes are not incurred until the delinquency is paid up. It is the intent of this Agreement that the responsibility for enforcement of this clause shall be that of the Union. Employees removed from the job shall be compensated for time lost but not to exceed three days.

C. In addition, thereto, the Trustees may maintain legal action in an appropriate court for any and all of the following; an accounting, injunction, recovery of the delinquent payment, reasonable attorney and accountant's fees which Employer here agrees to pay, costs of suit and any other relief that may be appropriate under the circumstances. Nothing herein shall limit the right of the Union to independently take such action against the delinquent and defaulting Employer as it deems necessary to enforce such payment, notwithstanding any no-strike clause in this Agreement, and such action by the Union shall not be deemed a breach of this Agreement. In the event the Union withdraws its members from the delinquent and defaulting Employer's employment the said Employer shall be liable for the earnings reasonable lost by this employees because of such action by the Union.

D. Each employer party hereto agrees to make the contributions to all of the before mentioned funds and make the required reports for each of his employees covered by this Agreement irrespective of where the job site is located. Such contributions shall continue during the term of this Agreement irrespective of where the job site is located. Such contributions shall continue during the term of this Agreement or any extension thereof.

E. Central Collections Systems

“The Employer, shall with respect to any and all contributions or other amount that may be due and owing to the IUPAT and its related or affiliated Funds or organizations, including, but not limited to, the IUPAT Industry Pension Plan, the IUPAT Industry Annuity Plan, the IUPAT Finishing Trades Institute (IUPAT-FTI), the painters and Allied Trades Labor Management Cooperation Initiative, the IUPAT Political Action Together (and any and all other affiliated International organizations as they may be created or established in the future), upon receipt of a written directive to do so by the affiliated Funds or organizations, make all required payments, either directly or through an intermediate body, to the ‘Central Collections” Unit of the International Union and its affiliated Funds and organizations. Such contributions shall be submitted on appropriate form, in such format and with such information as may be agreed to by Central Collections.”

**ARTICLE 21: TRANSPORTATION**

A. The Employer shall pay employee’s transportation and living expenses in full for actual expenses incurred for such out of town work.

B. Where travel is beyond shop but does not necessitate staying away over night, the Contractor will pay travel time at straight time, but employee must report to the shop. The Employer shall be liable for one car for each five (5) passengers or less.

**ARTICLE 22: REMOVAL OF EMPLOYEES**

It is further agreed that if Union members who are covered by this Agreement are Withdrawn from employment upon the order of an officer, of an International or of District Council 16 with which they are affiliated, such withdrawal shall not constitute or be considered or construed as a violation of this agreement. Nonpayment of wages or any or all fringe benefits shall be grounds for work stoppage.

**ARTICLE 23: GRIEVANCE AND ARBITRATION**

**1. DEFINITION AND PROCEDURE**:

For all purposes of this Agreement, a grievance is any dispute or controversy between the Company, the Union and the employee covered by this Agreement, involving the meaning, interpretation or application of the provisions of this Agreement.

**2. PROCEDURES:**

Such grievances shall be handled in the following manner:

**(a)** The aggrieved employee or Union representative shall present the grievance in writing to the designated representative of the company and shall meet with that representative to discuss the grievance.

**(b)** If no settlement or resolution is reached within ten (10) working days after the meeting referenced above, it may be submitted, at the request of either party, to arbitration by written notice to the other party within fifteen (15) working days from the date of the above-referenced meeting.

**3. ARBITRATOR:**

If the parties cannot reach agreement on selecting an impartial arbitrator, either the Union or the Company may request the State of California Conciliation Service to submit a list of five (5) arbitrators to the parties. The list shall contain only established arbitrators in the state of California. Each party shall alternately scratch two (2) names from the list, the first scratch being selected by lot, and the person remaining shall be the arbitrator.

**4. HEARING:**

The impartial arbitrator shall hold a hearing as soon as practicable, and shall issue an award which shall be final and binding upon the Union, the Company and any employee involved in the grievance or dispute.

**5. AMEND AGREEMENT:**

The arbitrator shall have no authority to amend, add or subtract from this Agreement, except where specifically authorized to do so by this Agreement.

**6. EXPENSES FOR ARBITRATION:**

The party losing the arbitration shall pay the arbitrator's charges. Cost of the hearing room shall be shared by both of the parties. The cost of the transcript, if requested by both parties, shall be shared equally. If there is any question as to who lost the arbitration, the arbitrator shall decide who shall pay the expenses of the arbitrator whether in whole or in part.

**7. TWELVE (12) DAY LIMIT:**

Matters not presented to the Employer or the Union in writing within a period of twelve (12) working days after the action, lack of action or condition constituting the basis of the complaint occurs, shall be deemed waived and shall not be subject to the grievance procedure or arbitration procedure as set forth above.

**8. UNION ECONOMIC OR LEGAL ACTION:**

Such action shall be handled in the following manner:

**(a)** In the event of a failure by the Employer to pay the wages or fringe benefits by this Agreement, and the Employer raises no question concerning the interpretation or operation of this Agreement, or concerning his obligation to pay, the Union may seek remedies as it sees fit with respect to the Employer and any economic action taken will not be considered a violation of this Agreement. However, the Union may, if so desires, utilize the provisions of this Section with respect to the Employer.

**(b)** Before resorting to any economic remedy as above permitted, the Union must give the Employer involved ten (10) business days' written notice of its intention to take such economic action. No economic action may be taken by the Union prior, if prior to concerning the interpretation or operation of this Agreement or concerning his obligation to pay wages or fringe benefits in dispute, and had deposited the full amount in dispute with the appropriate Trust Fund to be held by the Trust until the matter is resolved under the procedures set forth within.

## ARTICLE 24: HIRING

It is agreed that all union journeymen covered hereby shall be or become, not more than Eight (8) days after employment and remain continuously, members in good standing of the Union signatory hereto and on whose behalf this Agreement is executed as a condition of employment, and that all workmen who are members at the time of their employment herein under shall continuously remain members in good standing as a condition of employment.

A. The Employer shall have entire freedom of selectivity in hiring and, subject to the grievance procedure set forth in this Agreement, may discharge any employee for any cause which he may deem sufficient, provided there shall be no discrimination on the part of the Employer against any employee for any Union activity. When an employee is hired and is found to be incompetent, he or she upon his or her discharge shall be paid for the actual time worked.

B. In the employ of workmen for all work covered by this Agreement, the following provisions shall govern:

1. The Union shall establish and maintain an open and non-discriminatory employment list for employment of workmen of this particular trade, indentured apprentices previously employed by Employers in the multi-employer unit included in this Agreement and non-member workers who may make application for a place on the list.

2. Whenever desiring to employ workmen, the Employer shall call upon the Union or its Representative, for any such workmen as they may from time to time need, and the Union or its Representative shall immediately furnish the Employer the required number of qualified and competent workmen needed by the Employer.

3. The Union or its Representative will furnish each such required competent workman entered on said list to the Employer by use of a written referral, which shall be given by the Union to the workman dispatched, and will furnish such workman from the Union's open listing in the manner and order following:

4. The specifically named workmen who have been recently laid off or terminated by an Employer now desiring to re-employ the same workmen provided they are available for employment.

C. Competent journeyman mechanics that have been employed by Employers within the units covered by this Agreement during the previous six (6) months.

1. Reasonable advance notice (but not less than 24 hours) will be given by the Employer to the Union or its Representative upon ordering such workmen, and in the event that within 48 hours after such notice, the Union or its Representative shall not furnish such workmen, the Employer may procure workmen from any other source or sources.

2. If workmen are so employed, the Employer shall within 24 hours report to the Union or its Representative such workmen by:

   1. Name of workman
   2. Address
   3. Social Security Number
   4. Classification
   5. Union affiliation, if any

3. Non-union installers employed by the Employer for a period of eight (8) days continuously or accumulatively within the multiple employer unit and procured in accordance with this Agreement, shall become members of the Union signatory, hereto immediately, upon terms and qualifications not more burdensome than those applicable at such times to other applicants to the Union. All Union members covered by this Agreement shall as a condition of employment tender the full and uniform admission fees in effect in the Local Union. All workmen accepted into membership shall thereafter maintain their continuous good standing in the Union as a condition of employment by paying regular monthly Union fees uniformly paid by other members in the same classification in the Union in accordance with its rules. In the event that a workman fails to render the admission fee or that member of the Union fails to maintain his membership in accordance with the provisions of this Section, the Union shall notify the Employer, and such notice shall constitute a request to the Employer to discharge said individual workman with forty eight (48) hours, (Saturdays, Sundays and holidays excluded) for failure to maintain continuous good standing in the Union in accordance with its rules above referred to in this paragraph, and the Employer shall discharge such workman at the end of such period.

D. Top Workplace Performance Clause

1. Should any person referred for employment be terminated for cause, his or her referral privileges shall be suspended for two weeks. Should the same individual be terminated for cause a second time within a twenty-four (24) month period, his or her hiring hall privileges shall be suspended for two months. Should the same individual be terminated for cause a third time within a twenty-four (24) month period, his or her referral privileges shall be suspended indefinitely.

2. A termination shall not be considered a “for cause” for purpose of this provision if the person referred for employment has filed a grievance challenging the propriety of his or her termination, unless and until the grievance is resolved in a manner that affirms the

termination for cause. For the purpose of this provision, a decision of the District Council Joint Trade Board and/or an arbitrator shall be final and binding.

3. The provisions in subsections (1) and (2) notwithstanding, a Termination Review Committee, composed of the members of the District Council Joint Trade Board [or alternatively, if there is no Joint Board, "composed of two (2) members appointed by the Business Manager/Secretary Treasurer of the District Council and two (2) members appointed by the Employer Association"] may, upon written request of the applicant, vacate or reduce the period of suspension should the Committee determine, following inquiry or investigation, in its sole and complete discretion, that equity requires such action."

**ARTICLE 25: SALE OR ASSIGNMENT OF BUSINESS**

This Agreement shall be binding upon the parties hereto, their heirs, executors, administrators, successors, purchasers and assigns/in the event that all or an effective controlling interest in the Employer's business is sold, transferred, assigned, or if the Employer becomes a party to any joint venture, or if an Employer who was or is a sole proprietor or partner accepts employment as responsible managing officer of responsible managing employee(an agreement to so act shall constitute employment for the purpose of this Agreement), the Employer agrees that a condition and part of the consideration for such sale, transfer, or assignment, or entry into joint venture or employment shall be the agreement of the purchase, transferee, assignee, participants in the joint venture or Employer, as the case may be, to be bound by all the terms and conditions of this Agreement.

**ARTICLE 26:**

The Union shall not have any duty enforceable by law by reason of the contract to be Employers or to its members which shall give rise to negligent actions or damage actions against the Union by reason of any member of the Union, in the performance of his work, or in safety regulations, orders statutes, or laws in the course of performance of work. Any provisions in this contract notwithstanding, the right to inspect the job site and the provisions respecting competence and skill of workmen, is intended to apply in labor relations affairs and shall have no application or give rise to any rights or impose any duties with regard to negligent actions, or damage actions tribal by courts or juries in the civil courts.

**ARTICLE 27: SAVING CLAUSE**

In the event that any provision of this Agreement is finally held or determined to be illegal or void by any applicable judgment or decree of a court of competent jurisdiction as being in violation of any law ruling or regulation of any governmental authority or agency having jurisdiction of the subject matter of this agreement, the remainder of the agreement shall remain in full force and effect unless the parts so found to be void or illegal are wholly inseparable from the remaining portions of this agreement. The Employer and the Union further agree that if and when any provision of this agreement is held or determined to be illegal or void, they will promptly enter into negotiations concerning the substance thereof.

**ARTICLE 28: OUT OF AREA WORK**

The Employer party hereto shall, when engaged in work outside the geographical jurisdiction of the Union party to the Agreement, comply with all of the lawful clauses of the collective bargaining agreement in effect in said other geographical jurisdiction and executed by the Employers of the industry and the affiliated Local Unions in that jurisdiction, including but not limited to, the wages, hours, working conditions, fringe benefits and procedure for settlement of grievances set forth therein; provided however, that as to employees employed by such Employer from within the geographical jurisdiction of the Union party to this Agreement and who are brought into an outside jurisdiction, such employee shall be entitled to receive the wages and conditions effective in either the home or outside jurisdiction, whichever are more favorable to such employees, and fringe benefit contributions on behalf of such employees shall be made solely to their home funds in accordance with their governing documents. This provision is enforceable by the Local Union or District Council in whose jurisdiction the work is being performed, both through the procedure for settlement of grievances set forth in its applicable collective bargaining agreement and through the courts, and is also enforceable by the Union party to this Agreement both through the procedure for settlement of grievances set forth in this Agreement and through the courts.

**ARTICLE 29: WORK PRESERVATION FUND**

1. There has been created a separate and independent entity, the Painting and Drywall Work Preservation Fund organized pursuant to the laws of the State of California, as a non-profit California Corporation. The purposes for which this corporation is formed are to expand the work and job available to signatory Employers and employees, and to advance and preserve the industry by promoting high standards and fair competition. These purposes are consistent with those established under the authority of the Labor Management Cooperation Act of 1978, USC Section 175 (a) and 29 USC Section 186 (c) (9).

2. The affairs of the Work Preservation Fund are governed by a Board of Directors comprised of equal members representing labor and management, plus one neutral member, elected by a majority vote of the Board of Directors.

3. The Employer shall be obligated to pay for the work Preservation fund six cents ($0.06) on each employee covered under this Agreement for each hour worked. A full hour contribution shall be paid on any portion of an hour worked. Pursuant to and under the terms of this Agreement, the Floor Covering Associations Trust Funds shall collect such contributions for the work Preservation Fund and shall thereafter each month forward said monies to the Work Preservation Fund.

Appropriate records shall be kept and maintained by both the Floor Covering Associations and the Trust Funds and the Work Preservation Fund as to the collection, transmittal and amounts of funds collected on forms to be provided exclusively by the Floor Covering

4. Association Trust Funds. The parties agree that the contributions shall be transmitted to the current administrator.

5. The contribution rate shall be set forth in Schedule A and shall be paid on all hours worked.

**ARTICLE 30: LABOR MANAGEMENT CORPORATION INITIATIVE FUND**

1. There has been established a Labor Management Cooperation Initiative for the purpose of improving relationships within the floor covering and related industries. Effective, on the date of this Agreement, a minimum Employer contribution of ten cents ($0.10) per hour for all hours worked has been adopted by the Floor Covering Association, Central Coast Counties, the Northern California Flooring Association; on behalf of those of their regular members who have authorized their inclusion in the coverage of this Agreement and Employers whose primary place of business is located within the jurisdiction of the Union and will be binding upon all Employers signatory to or bound by this Agreement.

2. The contribution rate shall be set forth in Schedule A and shall be paid on all hours worked.

**ARTICLE 31: IUPAT-FTI**

1. We hereby establish under this Collective Bargaining Agreement a provision for affiliation with the IUPAT Finishing Trades Institute (IUPAT-FTI) and further provide a minimum contribution of ten cents ($.10) per hour for each Journeyman and Apprentice employee covered under this Agreement.

**ARTICLE 32: VOLUNTARY PAYROLL DEDUCTION OF POLITICAL CONTRIBUTION**

1. Each member hereby authorizes and directs the employers to deduct from their pay the sum of five cents ($0.05) for each hour worked, as a contribution to the Political Action Together-Political Committee (PAT-PC) of the International Union of Painters and Allied Trades. Each Employer agrees to make payments to the Political Action Together-Political Committee (PAT-PC) of the International Union of Painters and Allied Trades for each employee covered by this Agreement, as follows:

   a. For each hour or portion thereof, for which an employee receives pay, the Employer shall make a contribution of five cents ($0.05) to PAT-PC.
   b. For the purpose of this Article, each hour paid for, including hours attributable to show up time, and other hours for which pay is received by the employee in accordance with this Agreement, shall be counted as hours for which contributions are payable.
   c. Contributions shall be paid on behalf of any employee starting with the employee's first day of employment in a job classification covered by this Agreement. This includes, but not limited to, apprentices, trainees, and probationary employees.

**ARTICLE 33: TERM OF AGREEMENT**

This Agreement shall be in effect for the period of three (3) years July 1, 2016 to June 30, 2019 and from year to year thereafter unless it or any portion thereof is reopened by either party giving sixty (60) days notice in writing to the other, prior to the expiration of the current year, or intention of reopen.

**ARTICLE 34:**
Should any part of this Agreement by in violation of or contrary to any existing or subsequently enacted legislation, such invalid Section or Sections shall be inoperative and of no force or effect, provided that the remaining portions of this Agreement shall remain in full force and effect notwithstanding.

A. It is further agreed by the parties hereto that should any portion, party or provision herein contained by invalid or an unfair practice and subsequently be validated by any future legislation or judicial interpretation, or by the repeal of any existing invalidating legislation, then the said invalid provision shall become valid and operative from the moment of its validation or from the effective date of the repeal of the invalidating legislation.

**EFFECTIVE THIS FIRST DAY OF JULY 2016**

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| **District Council No. 16** | ______________________________ **Company Name (Print)** |
| ______________________________ **Randy Rojas** **Business Representative** | ______________________________ **Employer Name (Print)** |
| ______________________________ **Date** | ______________________________ **Employer Name (Sign)** |
| | ______________________________ **Date** |