

MEMORANDUM OF AGREEMENT
 TO THE UA NATIONAL MINIMUM STANDARD AGREEMENT
 FOR A COMMERCIAL PIPE FABRICATION SHOP

Between All Local 400 Fabricators and Contractors signatory to the National Minimum Standards Agreement for a Commercial Pipe Fabrication Shop and Local 400 of the United Association.

It is mutually understood that the public can best be served, and progress maintained and furthered, in the Commercial Pipe and Fabrication Industry, only if there is a sound and reasonable working arrangement between the Employer and Employee. It is further understood that the best means of attaining a sound and reasonable working arrangement is through peaceful and common-sense negotiation. It is further understood Local 400 Fabricators are players in the global market with global non-union competition. Therefore, it is in the best interest of Local 400 (and its members) that certain considerations be given to capture and retain market share. To attain this objective, all parties involved, through their respective representatives, agree as follows:

1. Fabrication contractors shall be signatory to the UA National Minimum Standard Agreement for a Commercial Pipe Fabrication Shop's Agreement for use of the United Association Pipe Fabrication Union Label.
2. In accordance with Article VIII of the National Minimum Standard Agreement, the following wages and working conditions shall apply:

**BUILDING TRADES JOURNEYMEN FABRICATORS
 WAGES***

<u>JOURNEYMAN FABRICATORS – 2018/2019</u>	
BASE RATE	\$36.74 PER HOUR
ORGANIZING FUND	.20 PER HOUR
UNION DUES CHECK-OFF	1.00 PER HOUR
MARKET RECOVERY	1.25 PER HOUR
BUILDING FUND	.47 PER HOUR
TAXABLE WAGES	\$39.66 PER HOUR
WELFARE	\$9.09 PER HOUR
PENSION FUND	9.16 PER HOUR
APPRENTICESHIP FUND	.06 PER HOUR
EDUCATION FUND	.72 PER HOUR
TOTAL PACKAGE	\$58.79 PER HOUR

The wage rates and fringe benefit contributions for each of the employers' Pipe Fabrication Shops shall be in accordance with the established local Construction Agreement negotiated by the Local Union and the recognized local contractors' group in the area in which the Pipe Fabrication shop is located.

All new employees who fail the weld test(s) will not be compensated for their time spent weld testing.

BUILDING TRADES APPRENTICE FABRICATORS

Apprentices shall be entitled to and governed by the following conditions: All contributions to be the full amount on all hours worked. Apprentices will be compensated for their daytime school hours on a straight-time basis with contributions paid accordingly. The Local apprenticeship committees, as operated under the state law, shall develop and follow the local apprenticeship standards.

TRADE AND WORK JURISDICTION OF METAL TRADES EMPLOYEE CLASSIFICATION

The Metal Trades position is integral to the fabrication industry. This position encompasses all ranges of skill from entry level to the skilled Metal Trades professional. An individual may pursue a Building Trades apprenticeship if that is their goal.

The Employer agrees that work directly connected with the fabrication of induction pipe bends, including the operations of induction bending machines, welded pipe assemblies and/or pipe formations, regardless of the type of material or method of joining, shall be performed by Building Trades Journeymen or Apprentices at the respective regular and accepted Building Trades Journeymen or Apprentice wage rate in effect in the area where the pipe fabrication shop is located, except as noted.

Metal Trades employees may perform the following work assignments in and around the shop relating to the making of pipe bends, the fabrication of piping, and fabrication of other miscellaneous products:

1. The unloading, handling, placing into stockpiles or bins the piping, valves, fittings, etc., which will be fabricated into assemblies or formations and the loading of piping and materials onto railroad cars or trucks.
2. The handling of piping to and through any furnaces and the tamping or packing process for the making of bends.
3. The operation and swamping of all cranes, fork lift trucks, trucks and all other shop-handling equipment.
4. Operation of all pre-heat and stress relieving equipment.
5. Re-facing of flanges or operations of a nature which must be performed on a drill press, lathe, boring mill or other machine tool.
6. The manufacture of any products other than those normally accepted as pipe bends, pipe formations or welded pipe assemblies.
7. Cutting, beveling, threading, bending, and welding of pipe to be used for, but not limited to, such products as light stanchions, handrails, directional signs, flag poles, pipe supports, etc.
8. Threading and grooving of pipe.
9. All cutting and beveling of pipe to length.
10. Grinding, cleaning, blasting, painting, marking of pipe, plugging ends, disassembling, assembling and protecting valves, piping, etc.

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11. Making and installing pipe and flange end protectors.
12. Rolling and welding seams in the manufacturing of roll plate pipe which is formed by rolling or by use of dies.
13. The fabrication and threading of cast iron and ductile iron spools.
14. The operation of any equipment necessary to manufacture catalog articles.
15. Operation of submerged arc welding, including the root pass.
16. Operation of the Automatic Weld Machine (i.e. Roto weld, robotic).
17. Extruder
18. Bending only pipe formations associated with welded pipe. All induction bending and tube bending (Instrumentation) would be excluded. (Metal Trades wage and benefit package shall be a minimum equal to Metal Trades III performing this work.)
19. Manufacturing of catalog items such as pipe, fittings, hangers or supports.

Metal Trades Welder operating a Submerged Arc, i.e. #15 or Automatic Weld Machine, i.e. #16, will be advanced into a Building Trades program after a period of 4800 work hours. Union testing requirements must be accomplished to gain Building Tradesman classification. Metal Trades Welder wage and benefit package will be a minimum equal to Metal Trades III.

Annual wage and benefit increases will equal the Journeymen Fabricators after the 4800 work-hour requirement has been met.

All benefits will be paid on an hour worked basis. When the wages are paid at the overtime rates of either time and one-half or double time, fringe benefits will be paid at the straight time rate.

**METAL TRADESMEN
WAGES**

Please see Exhibit "A" for all Metal Trades Wage Rates

HOURS OF WORK—OVERTIME AND FOUR TEN-HOUR DAYS

Observed per the UA National Minimum Standard Agreement for a Commercial Pipe Fabrication Shop.

HOLIDAYS

Observed per the UA National Minimum Standard Agreement for a Commercial Pipe Fabrication Shop.

Miscellaneous

The Employer will provide for the purchase of prescription safety glasses of up to or at least one-hundred dollars (\$100.00 based on cost) once per calendar year, provided the glasses are purchased through the Employer. Glasses or frames damaged during work activity will be replaced at the cost to the Employer in full.

The Employer will reimburse at least fifty dollars (\$50) towards the purchase of required safety-toed footwear each calendar year.

The Employer will provide reimbursement up to \$125 annually for rain gear, winter gear, and hard hat liners, if needed for job requirements (preapproved).

Employer will provide channel locks, level, ruler, or one-inch wide tape measure.

All current metal trades employees paid at base rates greater than the newly negotiated rates will be grandfathered until the negotiated rates meet or exceed the current base rates being paid. All past accumulated hours worked, or classes taken will be given credit. All wage and benefit changes shall apply as per this agreement to all grandfathered employees. No employee shall receive a pay cut. Employees will be evaluated on years of service with Local 400 working in the industry and will be classified within the appropriate classification on this basis with accompanying benefit package.

Any metal trades employee who is granted a building trades apprenticeship shall receive the higher of the two base rates until the apprentice base rate meets or exceeds the base rate being paid and will automatically receive the effective building trades benefit package.

All metal trades employees will be paid their classification designation regardless of layoff or change of employer.

DURATION

All provision of this Agreement shall be in force and effect beginning October 1, 2018, unless otherwise specifically stated herein, through February 26, 2023 and shall automatically renew from year to year unless a notice for a change in the Agreement is given in writing by one party to the other at least sixty (60) days prior to any expiration date. Within two (2) weeks of such notification for a change in the Agreement, negotiations shall commence between the respective parties.

DISCLAIMER

All items in conflict with or not specifically covered in this memorandum shall be governed by the UA National Minimum Standard Agreement for a Commercial Pipe Fabrication Shop.

RENEGOTIATION

In the event the parties hereto mutually agree to renegotiate this Agreement prior to the expiration date, any modifications, deletions, or additions thereto shall be binding on all signatories.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their proper and duly authorized officers and representatives, effective as of the date herein set forth.

FOR THE EMPLOYER:

FOR THE UNION:

Local Union No. 400

All Local 400
Fabricators and Contractors Signatory
to the National Minimum Standard
Agreement for a Commercial Pipe
Fabrication Shop

By: John P. Panell
Contractor Representative

By: [Signature]
Union Representative

Dated: 8-8-18

Dated: 7/24/2018

Plumbers & Steamfitters Local 400 - Fox River Valley

Exhibit A Rates Effective 10/01/2018 - 06/02/2019

Description	UA National Minimum Standard Agreement for a Commercial Pipe Fabrication Shop			
	Metal Trades Trainee*	Metal Trades I	Metal Trades II	Metal Trades III
Base Rate	\$ 11.00	\$ 12.00	\$ 13.50	\$ 17.00
Check-off (Dues)*	\$ 0.39	\$ 0.44	\$ 0.44	\$ 0.44
Building Fund	\$ -	\$ -	\$ -	\$ -
Vacation	\$ -	\$ 0.25	\$ 0.50	\$ 0.75
Taxable Hourly	\$ 11.39	\$ 12.69	\$ 14.44	\$ 18.19
401K Match **	\$ -	\$ -	\$ 1.00	\$ 1.50
Welfare***	\$ 5.34	\$ 5.34	\$ 5.34	\$ 5.34
Education	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07
International Training Fund	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10
Industry Advancement	N/A	N/A	N/A	N/A
AER	\$ -	\$ -	\$ -	\$ -
Total Package	\$ 16.90	\$ 18.20	\$ 20.95	\$ 25.20

* Dues and benefits will begin the first Monday of the month following 30 days of employment.

** 401K will match up to the amount shown. If the employee elects not to participate in the 401K, they will forfeit the match. If they participate at a level below the potential match, they will forfeit the remainder of the possible match.

***Health Insurance increases will be added to the employer's expense annually only if required. (Note: the increases will be kept to the same percentage as is currently in place with the Health fund trustees and building trades continuing to subsidize the Metal trades health insurance program at the current percentage/rate.) The Employer's Metal Trades Insurance (MTI) per hour contribution cannot exceed 59% of the Building Trades Insurance (BTI) per hour contribution.

****(MTI \$5.34 hour rate divided by BTI \$9.09 hour rate = 59%)

To move from Trainee to Metal Trades I- need to complete OSHA 30 along with twelve months' employment. If terminated for cause during the first six months, the individual is eligible to go to the hall for placement, which starts the 6 months over.

To move to Metal Trades II -- 6,000 work hours along with union benefits class (3 years- which includes the first 12 months as a trainee)

To move to Metal Trades III --14,000 work hrs. (7 years)

Metal Trades employees will receive (at minimum) an annual performance and compensation review.

When an employee moves from one employer to another, it is up to the new employer to set the wage based on the above level and the individual's skill set as it relates to the new employer's opportunity.

An employer can pay over the start wage to any amount at any level if they choose; however, that rate may not translate to the next contractor.

All fringe benefits and dues check off are calculated on hours worked.

**** further conversation with contractors and union facilitated by MCA with regard to the hiring hall referral process for pipe shop fabrication.

*****Metal Trades Insurance (MTI)/Building Trades Insurance (BTI) per hour contributions 2018