

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

2024 – 2029

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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SERVICE MASTER LABOR AGREEMENT

This Agreement is entered into the first day of September 2024, 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, 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.

BOOK 2 Journeymen who have worked at least 1,260 hours within the past two (2) years for employers performing covered work in District Council 16's territorial boundaries.

BOOK 3 Any other person who qualifies as a journeyman.

5.06. "Referrals of Journeymen" Upon the request of an Employer for Journeymen, each local union shall refer qualified and competent Journeymen in such numbers as requested by the Employer. Referrals shall be made in accordance with the following procedure:

1. Certified Journeymen and Journeymen shall be referred for interviews from Book 1 in successive order as their names appear on the out-of-work list until Book 1 has been exhausted.
2. Journeymen shall be referred for interviews from Book 2 in successive order as their names appear on the out-of-work list until Book 2 has been exhausted.
3. Journeymen shall be referred for interviews from Book 3 in successive order as their names appear on the out-of-work list.

A. These above procedures shall be followed except:

1. An Employer may call their General Foreman and Foremen by name.
2. An Employer may request by name a Certified Journeymen off Local 250 Book 1, within the jurisdiction of Local 250.
3. An Employer may call by name any Journeyman who had worked for that employer in the past.
4. Request by an Employer for a Journeyman with special skills and abilities shall be honored in the order in which the names appear on the appropriate out-of-work book.

B. The Employer retains the right to reject journeyman job applicants. Any applicant rejected shall not be re-dispatched to the same Employer provided the Employer so notifies the local union in writing. Any applicant rejected shall be entitled to report back to the local union and retain their place on the out-of-work book.

On referrals, an Employer may interview an applicant not previously employed by them, without paying show-up time. If necessary, a second applicant may be interviewed without paying show-up time. Thereafter, all applicants shall be paid two (2) hours show up time for their interview.

C. Any employee who is referred to a "short job" which is defined as a job which is called out at less than fifteen (15) days shall retain their place on the out-of-work book upon being laid off. Employees who quit a "short job" shall not be entitled to retain their place on the out-of-work book.

5.07. "Apprentices" Apprentices shall be employed in accordance with the State of California Apprenticeship Standards for the Airconditioning and Refrigeration Trade.

5.08. "Dispatching of Apprentices" Each local union shall establish and maintain one (1) Apprentice out-of-work book. Apprentices shall be dispatched to signatory employers or employers signed to an approved Trust Participation Agreement by period of apprenticeship in successive order as their names appear in the book. The local union shall send a copy of the dispatch slip to the appropriate Joint Apprentice Training Committee (JAC or JATC) hereinafter collectively referred as "Apprenticeship Committees". The Employer will e-mail to the local union the results of pre-employment interviews for all apprentices on an industry approved form. The complete records of all apprentices shall be available to the local union and Association by the Director of Training. Employers shall assign work to apprentices in accordance with the standards and/or rules of the apprenticeship program.

The ratio of Apprentices to Journeymen shall not be greater than:

- A.** One (1) Apprentice and/or one (1) Tradesman to the first (1) Journeyman. This will be the only situation that allows the Apprentice to Tradesman ratio to out number the Journeymen.
- B.** One (1) or two (2) Apprentices, or one (1) Apprentice and one (1) Tradesman to two (2) Journeymen.
- C.** Two (2) Apprentices and one (1) Tradesman, or one (1) Apprentice and two (2) Tradesmen to three (3) Journeymen. Apprentices may take the place of Tradesmen in 5.08.

D. Two (2) Apprentices and Two (2) Tradesmen to four (4) Journeymen.

E. The ratio continues...

Signatory Employers shall as a minimum, employ Apprentices on the following basis.

A. When an Employer has hired two (2) Journeymen and one (1) Tradesman, the next employee shall be an Apprentice.

B. After hiring the sixth (6th) Journeyman, one (1) Apprentice shall be hired for every five (5) Journeymen. Through the first twenty (20) Journeymen the following requirements must be met.

One (1) Apprentice to five (5) Journeymen.

Two (2) Apprentices to ten (10) Journeymen.

Three (3) Apprentices to fifteen (15) Journeymen.

Four (4) Apprentices to twenty (20) Journeymen.

Thereafter, as required above, one Apprentice shall be hired for every five (5) Journeymen.

5.09. "Dispatching of Tradesmen"

A. The appropriate local union shall establish and maintain one (1) out-of-work book for Tradesmen. Tradesmen shall be referred from the out-of-work book in successive order as their name appears in this book. The work of the Tradesmen shall be limited to performing the following:

1. Installation, and service of airconditioning equipment not to exceed fifteen (15) nominal tons. This includes the installation of related sheet metal work on all package equipment.

2. Service and of refrigeration equipment not to exceed five (5) horse power.

3. Installation and service of food and beverage vending machines.

4. De-scaling and clearing of air and water cooled condensers, cooling towers, coils, and evaporative condensers and water treatment.

5. All work pertaining to general building maintenance.

6. Installation and service of self-contained wall and window units and appliances.

7. Truck driving, demolition and setting of display cases, including receiving, unloading, joining together, caulking, framing and trimming.

8. Routine maintenance on any equipment such as filter changing, cleaning condensers, cooling towers and evaporative condensers, oiling, greasing, belt changing, chemical water treatment, and general house cleaning.

9. Suite development, tenant improvement and specialty stores less than 5,000 square feet.

10. All work on single dwellings, apartment dwellings, trailers, coaches and mobile homes.

11. All pipe wrapping and waterproofing where tar or similar material is applied for protection of piping.

12. Operation of vibrating machine.

13. Coating and grouting of all pipe joints and holes of chases allied to the airconditioning and refrigeration industry.

14. Clearing and cleaning of all debris from all pipe, equipment, fixtures, appurtenances and parts of building where Employers work is installed.

15. Grouting, dry packing, and diaphering of joints, holes or chases including paving over joints.

16. Temporary piping and dirt work for building site preparation.

17. Operating jackhammers, pavement breakers, chipping guns, concrete saws and spades to cut holes, chases and channels for piping systems.

18. Loading, unloading and distributing materials at job-sites.

19. Putting away materials in storage bins at the shop or in job-site security storage area.

20. All digging, grading, backfilling and ground preparation for all types of pipe to all points on the job-site.

21. Demolition of piping and fixtures for remodeling and additions.

22. Setting up and tearing down workbenches, ladders, and job shacks.

23. All clean up and sweeping of contractors shop, yard or job-site.

24. Watchman or flagman.

25. "Convenience Store" There shall be no classification restrictions on work performed in convenience stores. Convenience stores are defined as 7/11's; AM-PM Mini Marts; Chevron Mini Marts, etc.

B. Any Employer who assigns tradesmen to journeymen or apprentice work, except as set forth herein, shall be cited before the Joint Grievance Board. No journeyman may be laid-off as a result of hiring a tradesman.

5.10. "Conditions" An Employer shall apply the wages, benefits, hours, and working conditions set forth in this Agreement even though an employee is not a member of the Union.

5.11. "Transfers" No Employer signatory to this Agreement shall transfer an employee to another signatory Employer.

5.12. "Dispatch Order" Every employee covered by this Agreement shall have a dispatch order listing their present employer in their possession at all times. Such dispatch orders shall be furnished by the Local Union to employees upon their referral to an employer. It is the responsibility of the employee to obtain dispatch orders on their own time. The Local Union shall notify an employer that one of their employees does not possess a current dispatch order upon receipt of this information.

5.13. "Ineligibility of Re-hire" The Employer will give the Local Union written notice of any ineligibility of re-hire.

5.14. "Permanent Assignment" Included in this Agreement is any employee permanently assigned to a building or a building complex.

ARTICLE 6 GRIEVANCE AND ARBITRATION

6.01. "Joint Grievance Board" There is hereby established in each region a Joint Grievance Board composed of three (3) representatives selected by the Association and three (3) representatives selected by the Union. Each party shall designate alternate representatives. A quorum shall consist of two (2) representatives of the Association and two (2) representatives of the Union. There shall be an appointed Chairman and Secretary, which shall be rotated between the parties on an annual basis. There is hereby established a subcommittee of the Joint Grievance Board composed of one (1) Association representative and one (1) Union representative.

6.02. "Controversies" All controversies relating to the interpretation or application of this Agreement, to any incidental legal right or duty resulting from this Agreement, or to any alleged violation thereof, shall be settled in accordance with the provisions of this Article, except as otherwise set forth in this Agreement. Such a controversy is a grievance within the meaning of this Article. In the event an employer is delinquent in the payment of wages or fringes required by this Agreement, the Trustees of the appropriate trust fund, the Union or the Association, shall have the right to institute legal proceedings, or take any other legal steps to collect any wages or fringes that may be due, without the necessity of complying with any of the procedures set forth in this Article. A grievance which is not brought or processed within the time limits provided in this Article will be considered waived and settled.

6.03. "Grievances or Disputes" All grievances or disputes must be brought to the attention of the other party in writing on an approved grievance form within ten (10) working days of when the aggrieved party knew or should have known of the events which give rise to the grievance or dispute.

STEP 1 Within ten (10) working days from the notification of the grievance or dispute, a meeting between a representative of the Local Union and a representative of the Employer shall take place at a mutually agreeable time and location. The parties may mutually agree to no more than a ten (10) working day

extension of this meeting. In the event no such meeting takes place, the grieving party must comply with Step 2 within five (5) working days after the meeting was scheduled to occur or fifteen (15) working days after notification, whichever is later.

STEP 2 In the event the grievance is not settled in the preceding step, the grievance shall be referred in writing within ten (10) working days to the Subcommittee for their decision.

STEP 3 The Subcommittee shall meet on the second Wednesday of the month if any grievances have been filed within the preceding month. The Subcommittee, by mutual Agreement, may schedule more than one meeting a month. Both members of the Subcommittee must be present to consider grievances. However, should one Subcommittee member or any party fail to attend without prior consent, the grievance shall automatically be referred to the Joint Grievance Board within ten (10) working days.

A. The Subcommittee shall hear all grievances and render a decision on whether there has been a violation of the Agreement. If a violation is found, they shall order an appropriate remedy.

B. In the event the Subcommittee is deadlocked, the grievance shall automatically be referred to the Joint Grievance Board.

C. Any decision of the Subcommittee is appealable to the Joint Grievance Board by the filing of a written appeal to them within seven (7) working days following receipt of the Subcommittee's written decision.

STEP 4 The Joint Grievance Board shall meet within ten (10) working days of receipt of an appeal or the referral from the Subcommittee to hear the grievance. In the event there is no quorum for the first meeting, a second meeting shall be rescheduled within five (5) working days of the first scheduled meeting. Should the second meeting not occur within the allotted time frame, the grievance shall automatically be referred to the Impartial Arbitrator.

A. In the event the Joint Grievance Board is deadlocked or fails to meet within the time set forth above, an Impartial Arbitrator shall be selected to hear and decide the grievance. If the Joint Grievance Board is unable to agree upon an Impartial Arbitrator, a F.M.C.S. Panel of seven (7) arbitrators shall be selected and one (1) arbitrator shall be selected off the panel.

6.04. "Grievance and Arbitration" All decisions on grievances processed through this grievance and arbitration procedure shall be binding upon all parties to this Agreement. To assure that the parties promptly comply with arbitration awards, it is directed that all arbitration awards include as part of a remedy that should it be necessary to enforce an arbitration award through court proceedings, the monetary amount of any award shall be doubled and the prevailing party shall be entitled to reasonable attorney's fees and court costs.

6.05. "Joint Grievance Board" The Joint Grievance Board's, Subcommittee's, and Impartial Arbitrator's authority shall include, but, not be limited to:

A. Dismissing a grievance.

B. If there is a finding of violation by a signatory then by Award to take the following action against a signatory:

1. To fix damages and take appropriate proceedings to collect such damages, including upon reasonable notice, stop payment orders to persons owing money to such signatory and cancellation of the Agreement.
2. To reimburse the aggrieved for any losses.
3. To require a bond of a signatory upon delinquency of wages or fringes.
4. To issue an order of contract compliance.

C. To inspect books, payroll records and accounts of any signatory pertaining to any grievance either by itself or through its representative. Such records shall be available upon forty-eight (48) hours notice.

D. To issue an order to any signatory to appear at the Airconditioning and Refrigeration Training Center, or other location in connection with a grievance.

E. Any damages collected shall be paid to the person damaged; or paid to the appropriate Pension or Health and Welfare Fund.

6.06. "Arbitration" The costs of conducting an arbitration hearing, i.e. arbitrator's fees, court reporter's fees, and site expenses, shall be borne equally by the parties. All other costs related to the arbitration shall be borne by the party incurring such costs.

6.07. "Amendments" The Joint Grievance Board, its Subcommittee, or an Impartial Arbitrator shall not have the power to change or amend the terms of this Agreement.

6.08. "Waiver of PAGA and class action claims" Pursuant to California Labor Code Section 2699.6, the Parties hereby expressly and unambiguously waive the provisions of the California Private Attorneys General Act (PAGA), Labor Code Section 2698, *et seq.*, and agree that none of the provisions of that statute apply to any of the employees covered by the collective bargaining agreement between the undersigned Parties (the "Agreement"). The parties further agree that this Agreement prohibits any and all violations of the California Labor Code sections identified in Labor Code §§ 2699.5 and 2699(f) as well as any others that would be redressable by PAGA, and that such claims shall be resolved exclusively through the Grievance-Arbitration procedure contained in this section and shall not be brought in a court of law or before any administrative agency such as the California Labor Commissioner.

An arbitrator presiding over an arbitration conducted pursuant to the Grievance/Arbitration Procedure shall have the authority to make an award of any and all remedies otherwise available under the California Labor Code, except for an award of penalties that would be payable to the Labor and Workforce Development Agency.

All claims or disputes involving alleged violations of the Industrial Welfare Commission Wage Order 16, the California Labor Code, and the Fair Labor Standards Act, and all derivative claims under Cal. Business & Professions Code section 17200, *et seq.*, as well as for associated penalties, not otherwise covered by the Service Master Labor Agreement, shall be subject to final and binding arbitration pursuant to the Employment Arbitration Rules of the American Arbitration Association. The Employer shall pay all fees and costs related to the services of the American Arbitration Association and the services of the Arbitrator. To the extent permitted by law, all such claims or disputes shall be brought by or on behalf of the employee in their individual capacity only and not as a member of any purported class, collective or representative proceeding, and the Arbitrator shall not have the authority to fashion a proceeding as a class, collective or representative action or to award relief to a group or class of employees in one arbitration proceeding. Nothing herein shall prohibit the parties from entering into an agreement to consolidate grievances before the Arbitrator for hearing.

To initiate a grievance under this section alleging a statutory violation, the aggrieved employee must file within the time limits prescribed by the statute(s) which are claimed to be violated. Once a grievance is filed, the Union, the aggrieved employee and the Contractor shall meet within thirty (30) calendar days, or other time as mutually agreed upon, to discuss and attempt to resolve the grievance. If the parties are unable to resolve the grievance, the matter shall be referred to arbitration through the American Arbitration Association.

This Agreement shall apply to any representative PAGA claims and class action claims that arise or are pending during the term of the parties' current collective bargaining agreement, regardless of when they were filed with any court or administrative agency.

ARTICLE 7

STRIKES, LOCK-OUTS AND PICKET LINES

7.01. "Strike or Lock-out" There shall be no slow-down or cessation of work by strike or lock-out with relation to any grievance pending final settlement of the grievances as provided in Article 6 unless stated otherwise in this Agreement. If this section is violated, the injured party may seek relief in the appropriate court.

7.02. "Work Stoppage" There shall be no stoppage or slow-down of work by strike or lock-out on account of jurisdiction.

7.03. "Picket Lines" Members of the Union shall not be required to go through picket lines on an ongoing construction job or picket lines established by strikes when either are authorized by the Building and Construction Trades Council or by the Central Labor Council having jurisdiction in the area where the strike occurs. Employees shall not be discharged or disciplined for refusing to cross such picket lines, with the exception of picket lines established at a facility which provides for the preservation of perishable products or human life, in the interest of public health and safety.

ARTICLE 8

TRAINING

8.01. "Training" The Airconditioning and Refrigeration Industry requires the services of highly skilled Journeymen. Technical advances in the Industry make it essential that all classifications continuously keep themselves abreast of the Industry through study and education. Without fully trained and competent employees, neither the Employer nor the Union will be able to maintain the working conditions provided for in this Agreement, nor adequately serve the public. Further, the Union and employees have the responsibility that the employees shall take advantage of available study and education for the improvement of their abilities. However, while providing all necessary training, the Union and the Association agree that the training curriculum for the Mechanical Equipment Serviceman (MES) will not include training on centrifugals, absorption machines, open-screw chillers and ammonia systems.

8.02. Non-bargaining unit employees of the employer, or the employer's vendors or contractors, may assist bargaining unit employees on work of a technical nature related to testing, monitoring, diagnosing performance problems, and computer and communication systems only for the purpose of satisfying emergency requirements of the customer, or for the purpose of instruction and training.

8.03. The Joint Journeyman and Apprentice Training Center ("JJATC"), shall administer the Apprentice turn-out test and the UA Star Certification test to determine if the apprentice has the skills to be classified as a journeyman. The apprentice will be required to pass both tests to become a journeyman.

8.04. The parties agree to the direct entry of apprentices into the apprenticeship program who qualify as "organizational apprentices" or through the United Association Programs, subject to meeting the minimum conditions established by the Joint Apprenticeship Committees.

8.05. "Joint Journeyman and Apprentice Training Trust" There is hereby established a Joint Journeymen and Apprentice Training Trust (J.J.A.T.T.). The operation of this Trust is controlled by the Trust documents.

- A.** Each year the J.J.A.T.T. will approve a budget for the following year. The J.J.A.T.T. will collect and receive all training money provided for under this Agreement, and disburse same in accordance with the budget.

- B. The Agreement of Trust establishing the J.J.A.T.T., whose terms are not inconsistent with this Agreement, as amended from time to time, is incorporated herein and made a part hereof.

8.06. "Director of Training, Director of Finance and Training Coordinator"

A. The J.J.A.T.T. shall determine the qualifications and selection of a Director of Training for the Joint Journeymen and Apprentice Training Program. The J.J.A.T.T. will be responsible on an ongoing basis for evaluating the performance of the Director of Training. The Director of Training shall operate under the direction of the Board of Trustees, except between Committee meetings the Director of Training shall report to the Chairman and Secretary of the Trust, who shall jointly provide direction to the Director of Training. The Director of Training will regularly communicate with all trustees to ensure that both labor and management are equally informed of the training center activities. The compensation paid to the Director of Training shall be determined by the Board of Trustees, however, it is agreed that such compensation shall not be less than the wage and benefit package of the Certified General Foreman classification provided for in the Los Angeles and Orange County Wage and Benefit Schedule of the Southern California Service Master Labor Agreement. Such compensation will be paid on the basis of a fifty-two week calendar year.

B. The J.J.A.T.T. shall determine the qualifications and selection of a Director of Finance for the Joint Journeymen and Apprentice Training Program. The J.J.A.T.T. will be responsible on an ongoing basis for evaluating the performance of the Director of Finance. The Director of Finance shall operate under the direction of the Board of Trustees, except between Committee meetings the Director of Finance shall report to the Chairman and Secretary of the Trust, who shall jointly provide direction to the Director of Finance. The Director of Finance will regularly communicate with all trustees to ensure that both labor and management are equally informed of the training center financial activities. The compensation paid to the Director of Finance shall be determined by the Board of Trustees.

C. The Trust may employ a Training Coordinator who shall report to the Director of Training on all matters. It is the responsibility of the Training Coordinator to carry out the directives of the Director of Training and to follow all policies and rules of the JJATT. The compensation paid to the Training Coordinator shall be determined by the Board of Trustees, however, it is agreed that such compensation shall not be less than the wage and benefit package of the Certified Foreman classification provided for in the Los Angeles and Orange County Wage and Benefit Schedule of the Southern California Service Master Labor Agreement. Such compensation will be paid on the basis of a fifty-two week calendar year

8.07. "J.J.A.T.T. Successor" In the event the J.J.A.T.T. shall cease functioning for any reason, the Committee shall remain in effect for the sole purpose of winding up the affairs of the Trust. Any funds remaining thereafter shall be used for the training of apprentices.

8.08. "Scholarship Loans" The J.J.A.T.C. shall grant a scholarship loan to each apprentice in an amount set forth in an Apprentice Scholarship Agreement and promissory note to be signed by the apprentice at the time of indenture.

A. Such loan shall defray the costs of the training, necessary equipment, maintenance, and all costs of operating a training facility, including salaries and related materials where applicable.

B. The Apprentice Scholarship Agreement and promissory note shall include the terms for repayment of the scholarship loan and the remedies available to the J.J.A.T.C. in the event of a breach of either the Scholarship Agreement or the promissory note.

8.09 "Training Voucher Program" The Union and the Association recognize the need for continuous training to maintain a fully qualified workforce; therefore, the J.J.A.T.T. is directed to establish a Training Voucher Program. The Training Voucher Program is to enable the employers to receive periodic training

vouchers in a direct relationship to the amount of annual contributions paid. Training vouchers will be used for the cost of journeyman labor associated with training, limited only to wages, provided the training session is industry related and has been previously approved by the J.J.A.T.T. The Union and the Association agree to continue their support of the voucher program that has been designed to supplement the offsite training programs used throughout the industry. Notwithstanding the terms and conditions provided for in this Agreement, the parties agree that when an employee is participating in an approved voucher program training session, the benefit costs provided for in this Agreement are not required to be paid (the hourly wage, and paid time off are to be paid).

8.10 "Apprenticeship Committee" – There is hereby established an Apprenticeship Committee, at each local union covered by this agreement, which shall be composed of not more than five (5) labor representatives selected by the Union and not more than five (5) management representatives selected by the Association. All training of duly qualified apprentices shall be under the supervision and control of the Apprenticeship Committee. The Apprenticeship Committee shall formulate such rules and regulations as it deems necessary and which do not conflict with the terms of this Agreement, to govern eligibility, registration, education, and the training of all qualified apprentices, and the operation of an adequate apprentice system to meet the needs and requirements of the trade. Said rules and regulations, when formulated and adopted by the Apprenticeship Committee's, shall be recognized as part of this Agreement. Each apprentice shall be under the supervision of a journeyman, and the journeyman currently supervising shall co-sign the job evaluation report to the Apprenticeship Committee.

ARTICLE 9 GENERAL CONDITIONS OF WORK

9.01. "Supervision" There shall be a journeyman designated as a working foreman who shall have supervision of other employees on any job having three (3) or more employees.

9.02. "Uniforms" If the Employer requires that uniforms be worn by its service employees then the Employer shall pay for the cost of the uniforms and periodic laundering of same. The employee shall be responsible for the return of all uniforms furnished when terminated or separated from their Employer.

9.03. "Subcontracting" The Employer agrees not to subcontract United Association work except to another signatory to a United Association Agreement.

9.04. "Safety" The Employer shall be required to furnish all safety equipment in accordance with State and Federal law and the employee shall use said equipment when required. Employees required to work in an area where they are exposed to acids, caustics, asbestos, hazardous substances, or other hazardous conditions, shall be provided adequate equipment, clothing and other protection by the Employer acceptable to California State Accident Commission and CAL-OSHA.

A. Any employee injured on the job or shop to the extent of requiring a doctor's care and which injury prevents them from working, shall be paid a full days wages for the date of injury. If the injured employee is required to return to the doctor designated by the Employer, then the Employer will be required to pay for time lost from work for subsequent visitations. If, however, the employee chooses to visit a doctor other than the one designated by the Employer for subsequent visits after the day of injury and the appointment is made during normal working hours, then the employee shall not be paid for time lost during the work day.

9.05. "Care of Tools" Each employee may, as a condition of employment, be required to sign a receipt for all new and serviceable hand tools issued to them, and upon termination shall be required to pay one-half of the original cost of any lost or missing tools. The Employer must repair or recondition any tool turned in by the

employees as not being in operating condition, or must furnish them a new tool in lieu thereof. The Employer must provide a storage area for the toolboxes within the shop or truck or on the job-site. Loss of hand tools for which the employee has signed, through theft or forced entry, either from the locked shop, locked truck or locked storage area on the job-site, shall be the responsibility of the Employer.

A. Employees doing service work may be required to furnish their own hand tools. No such tools shall exceed fourteen (14") inches in length. Pipe threading and pipe cutting tools, vises, welding torches, power tools and instruments for measuring temperatures, pressure, air velocities, voltage, amperages, etc. shall not be deemed hand tools and shall be furnished by the Employer. Tools supplied by the employee which are broken or damaged or stolen shall be repaired or replaced by the Employer.

B. The Employer shall provide to each employee an inventory form, approved by the Union and the Association. The employee shall list all personal hand tools which are reasonable and necessary to the performance of their work. The Employer shall be responsible for any loss caused through theft or forced entry either in a shop, truck or locked storage on the job-site, provided the employee makes a police report thereof.

C. If an Employer requires an employee to inventory company truck stock outside normal working hours, the employee will be paid the appropriate hourly wage rate including paid time off.

9.06. "Business Representative" The Local Union Business Representative shall have access to all jobs and shops at all time during working hours, with the exception of security clearance requirements. The contractor and the Association will offer assistance in the event the business representative has trouble in obtaining access.

9.07. "Pay Provisions":

A. Payday shall be once a week with no more than four (4) days withheld. Any time not turned in by an employee shall be paid the next following pay-day. If an Employer willfully fails to pay any wages of an employee who is discharged, the wages of such employee shall continue as a penalty from due date thereof at the same rate until paid, but not to continue more than thirty (30) work days, or as provided under California law, whichever is greater.

B. Payroll checks must bear the authorized signature of the Employer to whom the men are dispatched. The employee shall receive a check stub from each showing the Employer's name and address, pay period covered, regular and overtime hours worked, paid time off contributions, and all other deductions required by law. If an Employer issues a check with insufficient funds in the bank for payment, they shall be required to issue only certified checks for the duration of the job or for ninety (90) days, whichever is longer. The Employer shall reimburse the employee immediately by certified check for the N.S.F. check issued and for bank charges and fees assessed for such check.

C. "Direct Deposit" At the option of the Employer, and with the employee's written consent, employees may be paid by direct deposit.

D. "Payroll Records" The Union shall have the right to examine payroll records of the Employer at reasonable times and upon reasonable notice.

9.08. "Service Work" It is recognized by all signatories that for the benefit of the public, Employer and the employee, special obligations exist on the part of the Employer and the employee in connection with the needs of the public in regard to service work and the special conditions applicable to serving the public, including the providing of service outside of regular working hours. The service employee is a representative of the Employer in dealing with the general public and in many instances the Employer's sole representative. It is, therefore, necessary that the service employee not offend the customers of the Employer and will observe proper customer relations and personal appearance.

A. The service employee will, prior to commencement of work, notify the Employer upon the first job each day, the name and place of such job, or, if the service employee has no assignment, will notify the Employer of that fact.

B. The service employee will carefully make out in writing all paperwork, such as time cards, work orders, and work authorizations when requested. The employee will mail such paperwork to the Employer the same day. Careless and incorrect reports on work done shall be the service Employee's responsibility to correct without additional expense to the Employer. The Employer shall furnish employees with a duplicate copy of their weekly time card upon request. In the event an Employer assigns a service employee a portable electronic device for the purpose of performing their job in the field, all time associated with training for the use of the device will be at the Employer's expense. If an employee is required to re-enter or recreate the information which was previously entered into the device by the employee because of a transmission or device failure that was no fault of the employee, such time spent will be at the Employer's expense.

9.09. "Regional Addendums" There will be five Southern California regional addendums with HVACR service terms, conditions, wage and benefit schedules. The five regional addendums will be (1) Los Angeles and Orange Counties, (2) San Bernardino and Riverside Counties, (3) San Diego and Imperial Counties, (4) Bakersfield: Kern, Inyo and Mono Counties and (5) Tri County: San Luis Obispo, Santa Barbara and Ventura Counties.

9.10. "Home Local Union" When an employee is assigned to work service outside their home local union jurisdiction within District Council 16 for more than eight hours in a standard work week within any one jurisdiction, and when the hourly wage rate in the jurisdiction where the employee is working differs from that of their home local union, the higher rate shall apply after the first eight hours of work. All of the legally negotiated fringe benefit contributions or deductions under the employee's home local union's agreement shall be paid only to the Trustees of the Fringe Benefit Funds of the home local union. If an Employer wants to transfer an employee from outside of District Council 16, such employee must be cleared in through the Local Union the employee is working in and is subject to the terms and conditions of employment, including trust fund contributions, under this Service Master Labor Agreement and applicable regional addendum.

9.11. "New Licensed Contractor" Any employee covered under the terms of this Agreement who desires to enter into the refrigeration and airconditioning business as a licensed contractor shall in writing notify the local union to which they are affiliated prior to going into business. The local union upon receipt of this notification shall inform ARCA/MCA in writing.

9.12. "Non Discriminatory Referrals" The referral of all applicants for employment and employment shall be on a non-discriminatory basis and shall be without regard to race, creed, gender, age, physical handicap, national origin, or any other prohibited basis of discrimination, and shall not be based on or in any way affected by Union membership, by-laws, rules, regulations, constitutional provisions, or any other aspect of Union membership, policies or requirements. Wherever there is a masculine reference within this Agreement, such reference likewise applies to employees who are feminine.

9.13. "Non Discrimination" It is expressly agreed that neither the Employer nor the Union shall discriminate against any individual with respect to the terms and conditions of employment provided herein, because of race, creed, gender, age, physical handicap, national origin, or any other prohibited basis of discrimination. Wherever there is a masculine reference within this Agreement, such reference likewise applies to employees who are feminine.

ARTICLE 10 STEWARDS

10.01. "Stewards" The local union may select, when necessary, one (1) steward to an Employer, except

where employers operate in more than one area the local may select one (1) steward per area. The local union will select a steward on the basis of such employee's tact and diplomacy. A steward shall be a working employee and they shall be permitted to perform their duties during working hours. The local union agrees that such duties shall be performed as expeditiously as possible, and the employer agrees to allow stewards a reasonable amount of time for the performance of such duties. The local union shall notify the employer of the selection of the steward and the employer, before laying off or discharging a steward, shall notify the local union four (4) working days prior thereto of their intention to do so, unless the discharge is for cause. In no event shall an employer discriminate against a steward or lay them off or discharge them on account of any action taken by them in the proper performance of their duties. A steward shall be offered hours of work and overtime comparable hours offered to other employees on similar work. On lay-off for lack of work, the steward shall be the last laid off of those engaged in similar work.

10.02. "Disputes" The steward may receive grievances and disputes from employees and these matters shall be reported to the local union for processing as a formal grievance. In addition, the steward may attempt to adjust amicable minor differences or misunderstandings arising out of the interpretation or application of this Agreement.

10.03. "Violations" Any alleged violation of this Article shall be treated as a grievance under Article 6.

ARTICLE 11 WAGES AND BENEFITS

11.01. "Wages and Benefits" The Wage and Benefit Schedules of this Agreement sets forth the wages and benefits for employees covered by this Agreement. The following economic increases are for the Journeyman classification, with the appropriate percentage being applied to the other classifications, and to be allocated by the Union except as noted. Tradesmen will receive their appropriate percentage increase based on their dispatch rate, and MES will see their appropriate percentage increase based on their dispatch percentage.

Los Angeles and Orange Counties (LA/OC)

A. Effective September 1, 2024, the Los Angeles and Orange Counties (LA/OC) journeyman classification will receive an additional \$3.75 per hour increase to be allocated by the Union. The remaining classifications will receive the historical percentage allocation of this increase.

B. Effective September 1, 2025, the Los Angeles and Orange Counties (LA/OC) journeyman classification will receive an additional \$2.75 per hour increase to be allocated by the Union. The remaining classifications will receive the historical percentage allocation of this increase.

C. Effective September 1, 2026, the Los Angeles and Orange Counties (LA/OC) journeyman classification will receive an additional \$2.75 per hour increase to be allocated by the Union. The remaining classifications will receive the historical percentage allocation of this increase.

D. Effective September 1, 2027, the Los Angeles and Orange Counties (LA/OC) journeyman classification will receive an additional \$2.75 per hour increase to be allocated by the Union. The remaining classifications will receive the historical percentage allocation of this increase.

E. Effective September 1, 2028, the Los Angeles and Orange Counties (LA/OC) journeyman classification will receive an additional \$2.75 per hour increase to be allocated by the Union. The remaining classifications will receive the historical percentage allocation of this increase.

San Bernardino and Riverside Counties (SBR)

F. Effective September 1, 2024, the San Bernardino and Riverside Counties (SBR) journeyman classification will receive an additional \$3.38 per hour increase to be allocated by the Union. The remaining classifications

will receive the historical percentage allocation of this increase.

G. Effective September 1, 2025, the San Bernardino and Riverside Counties (SBR) journeyman classification will receive an increase of \$2.48 per hour. The remaining classifications will receive the historical percentage allocation of this increase.

H. Effective September 1, 2026, the San Bernardino and Riverside Counties (SBR) journeyman classification will receive an increase of \$2.48 per hour. The remaining classifications will receive the historical percentage allocation of this increase.

I. Effective September 1, 2027, the San Bernardino and Riverside Counties (SBR) journeyman classification will receive an increase of \$2.48 per hour to be allocated by the Union. The remaining classifications will receive the historical percentage allocation of this increase.

J. Effective September 1, 2028, the San Bernardino and Riverside Counties (SBR) journeyman classification will receive an increase of \$2.88 per hour to be allocated by the Union. The remaining classifications will receive the historical percentage allocation of this increase.

San Diego and Imperial Counties (SD)

K. Effective September 1, 2024, the San Diego County and Imperial Counties (SD), journeyman classification will receive an increase of \$3.49 per hour to be allocated by the Union. The remaining classifications will receive the historical percentage allocation of this increase.

L. Effective September 1, 2025, the San Diego County and Imperial Counties (SD), journeyman classification will receive an increase of \$2.56 per hour to be allocated by the Union. The remaining classifications will receive the historical percentage allocation of this increase.

M. Effective September 1, 2026, the San Diego County and Imperial Counties (SD), journeyman classification will receive an increase of \$2.56 per hour to be allocated by the Union. The remaining classifications will receive the historical percentage allocation of this increase.

N. Effective September 1, 2027, the San Diego County and Imperial Counties (SD), journeyman classification will receive an increase of \$2.56 per hour. The remaining classifications will receive the historical percentage allocation of this increase.

O. Effective September 1, 2028, the San Diego County and Imperial Counties (SD), journeyman classification will receive an increase of \$2.96 per hour to be allocated by the Union. The remaining classifications will receive the historical percentage allocation of this increase.

Kern, Inyo and Mono Counties (BK);

P. Effective September 1, 2024, the Kern, Inyo and Mono Counties journeyman classification will receive an additional \$3.45 per hour increase to be allocated by the Union. The remaining classifications will receive the historical percentage allocation of this increase.

Q. Effective September 1, 2025, the Kern, Inyo and Mono Counties journeyman classification will receive an additional \$2.53 per hour increase to be allocated by the Union. The remaining classifications will receive the historical percentage allocation of this increase.

R. Effective September 1, 2026, the Kern, Inyo and Mono Counties journeyman classification will receive an additional \$2.53 per hour increase to be allocated by the Union. The remaining classifications will receive the historical percentage allocation of this increase.

S. Effective September 1, 2027, the Kern, Inyo and Mono Counties journeyman classification will receive an additional \$2.53 per hour increase to be allocated by the Union. The remaining classifications will receive the historical percentage allocation of this increase.

T. Effective September 1, 2028, the Kern, Inyo and Mono Counties journeyman classification will receive an additional \$2.93 per hour increase to be allocated by the Union. The remaining classifications will receive the historical percentage allocation of this increase.

San Luis Obispo, Santa Barbara and Ventura Counties (TC)

U. Effective September 1, 2024, the San Luis Obispo, Santa Barbara and Ventura Counties journeyman classification will receive an additional \$3.26 per hour increase to be allocated by the Union. The remaining classifications will receive the historical percentage allocation of this increase.

V. Effective September 1, 2025, the San Luis Obispo, Santa Barbara and Ventura Counties journeyman classification will receive an additional \$2.39 per hour increase to be allocated by the Union. The remaining classifications will receive the historical percentage allocation of this increase.

W. Effective September 1, 2026, the San Luis Obispo, Santa Barbara and Ventura Counties journeyman classification will receive an additional \$2.39 per hour increase to be allocated by the Union. The remaining classifications will receive the historical percentage allocation of this increase.

X. Effective September 1, 2027, the San Luis Obispo, Santa Barbara and Ventura Counties journeyman classification will receive an additional \$2.39 per hour increase to be allocated by the Union. The remaining classifications will receive the historical percentage allocation of this increase.

Y. Effective September 1, 2028, the San Luis Obispo, Santa Barbara and Ventura Counties journeyman classification will receive an additional \$2.79 per hour increase to be allocated by the Union. The remaining classifications will receive the historical percentage allocation of this increase.

11.02. "Conditions of Wages and Benefits"

A. The Employer shall pay for every hour worked.

B. Tradesmen upgrading to apprentice will not suffer a reduction in the hourly wage rate when transitioned.

C. Administrative dues are included in the base wage for all classifications. After taxing, deduct the appropriate Administrative Dues from their wages and send that amount, which will be included in the "composite rate," to the Trust Office. The Employer must have "Authorization for Administrative Dues" form on file and remit the fringe (composite) package to the Trust Office.

D. Adjustments in the hourly rates shall become effective on the nearest Monday of the date established for such increase. That is to say those adjustments that are to become effective on Monday, Tuesday or Wednesday shall be effective on such Monday. Adjustments that are to become effective on Thursday, Friday, Saturday or Sunday shall become effective on the following Monday.

E. When an adjustment in the economic package of this Agreement is to be allocated by the Union, the Association will provide the Union a reminder notice ninety (90) days prior to the effective date of such adjustment, and the Union shall be required to provide the Association with the allocation not less than sixty (60) days prior to its effective date. The Association will be responsible for notifying its membership of the new allocation. In the event the Union fails to meet the required sixty (60) days advance notice, such adjustment will then become effective on the first of the month following sixty days from the date the allocation is received by the Association.

F. **"Probationary Period for MES and Tradesmen"** The first six (6) months of employment in the industry for Mechanical Equipment Servicemen (MES) and Tradesmen may be a probationary period. For the Employer to utilize a Probationary MES and Tradesmen, the Employer must send an email to the Local Union with the employee's full name, date of hire, and contact information before the MES or Tradesmen performs covered work. During this six (6) month probationary period the Employer is obligated to pay only the total taxable wage (wage and the paid time off pay) but shall not be obligated to pay the remainder of the economic package provided in the Wage and Benefit Schedule for hours worked by the probationary MES or

probationary Tradesman. At any time during the probationary period the Employer may voluntarily choose to pay the entire economic package on hours worked by the probationary employee provided the Employer notifies the Local Union and the Trust Fund office in writing or by email of the effective date of such benefit contributions. At the time of initial employment, the Employer must notify the Local Union and the Trust Fund office in writing or by email of the hire date of a probationary employee and also indicate whether or not the economic package will be paid at the beginning of the probationary period. If an Employer fails to notify the Local Union and Trust Fund office before performing covered work as required herein, the Employer shall be required to pay the economic package from the first day of performing covered work. During the probationary period, employees will be subject to union hiring hall fees.

11.03. "Paid Time-Off Fund" (PTO)

A. In the computation of payments for the Paid Time-Off Fund, the amount provided therein shall be added to the hourly wage of the employee for every hour worked and all payroll deductions made therefrom. It is the intent of the parties that the Paid Time-Off Fund will cover various paid time off benefits, including but not limited to, vacation, holidays, sick time, parental leave, personal time and jury duty. No such benefits shall be otherwise provided, and the parties expressly and clearly and unmistakably waive the right of employees to any vacation payout under Cal. Labor Code § 227.3 and to any sick leave entitlement under Cal. Labor Code § 246 (the Healthy Workplaces, Healthy Families Act), Los Angeles City Ordinance 184320, Section 187.04, or any other local ordinance or statute requiring employers to provide sick leave.

B. The hourly rate payable to the Paid Time-Off Fund as set forth in the Wage and Benefit Schedule of this Agreement may be decreased by six cents (\$0.06) per hour (or such other uniform amount upon notice duly given by the Union) for each employee who has authorized, in writing, an hourly contribution in this amount, to be deducted from the employee's Paid Time-Off Fund contribution and transmitted to a Federal Political Action Committee sponsored by the Union or its parent organization. Each Employer will transmit this deduction with the deduction for the Paid Time-Off Fund. The appropriate Industry Joint Trust Fund shall be responsible for the administration of this program. In no event may the Paid Time-Off Fund deduction and the political contribution deduction exceed the total amount set forth for the Paid Time-Off Fund in the Wage and Benefit Schedule of this Agreement.

11.04. "ARCA/MCA Association" The Employer shall pay the ARCA/MCA Association Dues for every hour worked in the amount provided for in the Wage and Benefit Schedule of this Agreement. Such amount is to be included in the composite rate and paid monthly to the Joint Trust Depository.

11.05. "P.I.P.E." The Employer agrees to participate in the P.I.P.E. Labor Management Cooperation Committee Trust Fund by paying or causing to be paid the amounts provided in 11.01. Participation in P.I.P.E. is conditioned upon the P.I.P.E. Trustees creating at a minimum one service trustee position for the Union and one trustee position for the Association. The Employer agrees to abide by and comply with all of the terms, conditions, and provisions of the Agreement and Declaration of Trust, as amended and revised, which establishes this Trust Fund.

11.06. "PPNPF" For the Wage and Benefit Schedules attached to this Agreement that require contributions to be made to the Plumbers and Pipefitters National Pension Fund, the Employer agrees to make contributions to the Plumbers and Pipefitters National Pension Fund in accordance with the Revised Standard Form of Participation Agreement dated May 2001, which is incorporated herein by reference.

ARTICLE 12 WORKING HOURS AND OVERTIME

12.01. "Work Day" Notwithstanding 12.01 (A) below, working hours shall consist of eight (8) consecutive hours worked between the hours of 5:00 a.m. and 7:00 p.m., with a minimum thirty (30) minute and

maximum one (1) hour lunch break, in five (5) consecutive days of six (6) Monday through Saturday. The maximum working hours at straight time per week shall be forty (40) hours. The employee required to remain at home after 8:00 a.m. during their regular straight time hours shall be on the payroll for the Employer for such time unless the Employer gives them twelve (12) hours prior notice. The Employer will provide eight (8) hours of work on Saturday for each employee who works the Tuesday through Saturday shift.

A. Different starting and quitting times may be established by agreement for single shift operations between the Employer and the Local Union for such conditions as hot weather, traffic, where another craft or crafts on the same job or project have different starting and quitting times and such crafts have a direct effect on work covered by this Agreement, or for other mutually satisfactory reasons. Such deviation of starting time shall not subject the Employer to overtime rates as specified in this Agreement.

B. Notwithstanding the terms and conditions provided for in the collective bargaining agreement, the workweek is modified for those employees attending the training programs for the Mechanical Equipment Serviceman (MES) and the Tradesman. Such employees will be permitted to work a nine hour straight time work day, when work is available, in place of the normal eight hour straight time work day. In addition, such employees are also permitted to work a four hour straight time work day, when work is available, on any day that the employee attends class.

12.02. "Reporting for Work" Any employee, after being hired and reporting for work at the regular starting time and for whom no work is provided, shall receive pay for two (2) hours at the prevailing rate of wages, unless they have been notified by the Employer before leaving their home not to report. Any workman who reports to work, and for whom work is provided, shall receive not less than four (4) hours pay, except as set forth in Section 12.04 of this Agreement. However, the exception shall be when a strike or acts of God make it impossible to put such an employee to work, where stoppage of work is occasioned thereby, or when a workman leaves their work of their own accord. An employee reporting for work at the regular starting time at a shop or job, and for whom no work is available, due to acts of God, will receive no pay for reporting time.

12.03. "Computing Overtime" For the purpose of computing overtime the twenty-four (24) hour day shall begin at the actual start time of the previous normal workday.

A. "Overtime Rates" On service work in excess of straight time provisions contained in this paragraph, the rate of pay shall be one and one-half (1½) times the regular hourly rate. On Sundays, employees shall be paid portal to portal with a minimum of three (3) hours. On holidays, the rate shall be double the hourly rate.

B. "Overtime Fringes and Paid Time Off" All fringe benefit contributions paid on overtime hours shall be at the regular hourly contribution rate, except those contributions paid on overtime for Paid Time Off shall be paid at one and one half (1½) times the regular hourly contribution rate.

*****EFFECTIVE September 1st, 2026, the following provisions will replace 12.03A and 12.03B*****

C. "Overtime and Double-time Rates" Work performed outside of the regular workday hours established in Section 12.01 or over eight (8) hours in a workday shall be compensated at one and one-half (1.5x) times the hourly rate of pay, up to twelve (12) hours. Double-time (2x) shall be paid for all hours worked beyond twelve (12) hours in a workday.

D. "Weekend and Holiday Rates" Saturdays: Employees shall be paid at one and one-half (1.5x) times the hourly rate of pay for the first twelve (12) hours. Double-time (2x) shall be paid for all hours worked beyond twelve (12) hours on a Saturday. Sundays: Employees shall be paid portal-to-portal with a minimum of three (3) hours. Compensation shall be at one and one-half (1.5x) times the hourly rate of pay for the first twelve (12) hours worked. Double-time (2x) shall be paid for all hours worked beyond twelve (12) hours. Holidays: Employees shall be paid portal-to-portal at double (2x) the hourly rate for all hours worked on a holiday.

E. "Overtime/Double-time Fringes and Paid Time Off" All fringe benefit contributions paid on

overtime/double-time hours shall be at the regular hourly contribution rate. However, for Paid Time Off contributions, any overtime/double-time hours shall be compensated at one and one-half (1½) times the regular hourly contribution rate.

12.04. "Overtime Service Calls" It is recognized by the employees and employers that for the mutual benefit of our industry and in the interest of preserving Union service work, that the employee shall assume on an equitable basis the responsibility to be available after hours to serve the needs and requirements of the customer. The Employer shall post five (5) working days prior to the first of the month, the monthly "On Call" schedule. If the employee is unable to meet their assignment, he shall notify the Employer prior to the effective date of the schedule. The Employer will divide and rotate such service calls equitably considering so far as possible the wishes of the employees. An employee may be on-call for no more than 7 consecutive days unless agreed upon by the employee. The Employer shall pay the employee for making such service calls as follows:

A. Monday through Saturday, except Holidays, two (2) hours pay at time and one-half, or time and one-half for hours worked, whichever is greater.

B. Sundays, three (3) hours pay at time and one-half (1½), or time and one-half (1½) for hours worked, whichever is greater.

C. Holidays, three (3) hours pay at double time or double time for hours worked, whichever is greater.

D. Emergency Travel Time will be paid at the appropriate overtime rate (wages, paid time off). Fringe contributions will only be required to be paid to Health & Welfare & Defined Contribution Trust Fund for each travel time hour.

E. If an employee is required to be on call outside of the regular workday or work week, they shall receive \$25.00 for each weekday (Monday through Thursday) and \$30.00 for each Friday, Saturday, Sunday, or Holiday. This on-call fee shall be considered as compensation for maintaining the required facilities for this purpose.

12.05. "Shift Work" When the nature of the work requires multiple shifts, a shift shall consist of no less than three (3) consecutive working days. This does not apply to a single shift where the hours of the single shift is outside the regular workday. Shift work shall be subject to the following conditions:

1. The employee shall be notified at least twenty-four (24) hours in advance of the shift work.

2. The shift(s) shall be eight (8) consecutive hours, exclusive of lunch, between 3:30 p.m. and 7:00 a.m.

3. All shift work shall be paid at fifteen (15%) percent over the employee's regular straight time hourly rate of pay.

4. Shift work shall be subject to the applicable overtime rates. Overtime hourly wage rates shall be based upon the hourly rate provided in subparagraph 3 above.

5. Employers may schedule shift work for less than three (3) consecutive days provided upon termination of the shift, the employees are provided an eight (8) hour schedule for their next scheduled work day or pay in lieu of work.

12.06. "Holidays" The following days are recognized as holidays:

New Year's Day, Presidents Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day and Christmas Day. If any of the above Holidays fall on Sunday, the Monday followed shall be considered a legal Holiday, and if on a Saturday, the previous Friday shall be considered a legal Holiday.

12.07. "Rest Period" Every employee shall have a rest period of eight (8) hours in every twenty-four (24) hours. Every hour worked after an employee has worked sixteen (16) consecutive hours shall be paid at one and one half (1 1/2) times the hourly wage rate until the employee is provided an eight (8) hour rest period.

12.08. "4/10s" A service and repair Employer may establish a four (4) day ten (10) hour workweek for a minimum of six (6) months. The Employer may establish Monday through Thursday, Tuesday through Friday, and Wednesday through Saturday workweeks. This schedule shall operate as set forth below:

A. Establish a regularly scheduled week of work which includes not more than four (4) work days of not more than ten (10) hours each, so long as the employee receives two (2) consecutive days off within each work week, provided that:

B. The Employer is not required to pay overtime for the ninth and tenth hours worked during such workday.

C. If an employee on such four (4) day schedule is required or permitted to work more than ten (10) hours in any workday, the overtime rate shall apply to such employees for those hours worked in excess of the tenth hour on that workday.

D. Any employee on such a schedule who is required or permitted to work on more than four (4) work days shall be compensated at the overtime rate for the first eight (8) hours on such additional work days and double the employee's regular rate of pay for work in excess of eight (8) hours on those work days.

ARTICLE 13 TRANSPORTATION AND SUBSISTENCE

13.01. "Report to Shop" All employees may be required to report for work at the shop and finish the day's work at the shop without any compensation provided for in this Agreement.

13.02. "Parking" When free parking is not available within one eighth (1/8) mile of the job or project the Employer shall reimburse the employee at the lowest rate available within said one eighth (1/8) mile, provided the employee presents a signed and dated receipt for each parking expenditure.

13.03. "Gas and Oil" Employees assigned a company vehicle shall be provided a company gasoline credit card to be used solely for the purchase of fuel and oil only as per company policy or instructions from a company representative.

13.04. "Service and Repair" Normal service and repair of the vehicle shall be carried out per company policy or instructions from a company representative. Employees shall promptly submit gas, service, and maintenance receipts as required by the Employer.

A. "Trucks" In the event of a breakdown of the truck, the employee shall immediately notify the Employer and shall thereupon carry out the instructions of the Employer, being paid at the appropriate hourly wage rate including paid time off. Employees shall follow Company policy on the use of Company vehicles.

B. When the service employee uses the Employer's truck going to and from work, the service employee shall keep the vehicle clean. Truck washes will be paid by the Employer. For the benefit of the Employer and the safety of the employee it shall be the responsibility of the Employer to pay for the costs of keeping the truck in first class mechanical condition.

13.05. "Subsistence" The employer shall furnish to the employee living expenses of one-hundred-twenty-five dollars (\$125.00) per night, or actual expenses that are reasonable and verified, such expenses shall include three (3) meals and costs of lodging, when the employee is required by the employer to remain out-of-town overnight. Such living expense shall be paid for nights during holidays and weekends when the employer requires an employee to remain out-of-town overnight. When required by the employer to travel by air outside normal working hours, the employee shall be paid one hour at the appropriate hourly wage rate before departure and one hour at the appropriate hourly wage rate upon return to the point of departure.

ARTICLE 14 DISCHARGES

14.01. "Discharges" Employers shall have the right to discharge any employee who has worked for the Employer over ninety (90) calendar days for good cause such as dishonesty, insubordination, incompetency, intoxication, unbecoming conduct, or failure to perform work as required. No employee shall be discharged or discriminated against because of membership or activity in their Local Union nor shall any employee be discharged or discriminated against for making complaint to appropriate Federal and State agencies or the Union on matters relating to health, safety, or work place conditions. Employees who are employed less than ninety (90) calendar days can be terminated at the discretion of the Employer provided no such employee shall be terminated for union activity. Employees with less than ninety (90) calendar days of employment may only grieve a discharge on the basis that the discharge was for engaging in Union activity.

14.02. "Termination Slip" Upon the termination of an employee, the Employer shall give to such employee a termination slip which shall set forth the reason for termination and must be signed by an Owner, Officer or Manager of the Employer. At the time of termination, the Employer shall notify the appropriate local union of the termination.

ARTICLE 15 MAINTENANCE OF UNION WAGES AND CONDITIONS

15.01. "Owner-Member Obligations" Every owner who works with the tools shall sign the Master Agreement and for all purposes is considered an Employee under this Agreement, including the obligation to maintain their membership in the Union. All owners/members of the Union who performs airconditioning and refrigeration work, as defined in Article 1, shall pay all fringes (except Paid Time Off Pay)) as required in this Agreement on the basis of 130 hours per month for the first two (2) years of a new contractor signing the agreement for the first time and 160 hours per month thereafter, except for the Pension Plan which at the discretion of the employer may be increased to 167 hours per month for a full pension credit even though pension coverage may not be available to said partner or sole proprietor by virtue of the Pension Trust rules based upon Internal Revenue Service rules and regulations.

15.02. "Owners Working" Not more than two (2) owners of a signatory employer may work with the tools. The restriction on the number of owners working with the tools may be waived by mutual consent between the Local Union and Association for the purpose of organizing non-union contractors. Upon signing this Agreement, the employer shall designate the owner(s) working with the tools by notifying the Local Union, the Association (ARCA/MCA), and the appropriate Trust Funds in writing of their designation. Such designation can only be changed upon request and with approval by the Local Union.

15.03. "Piece Work" No employee shall contract for work covered by this Agreement with any Employer whether on a fixed price, time and material or piece work basis or other than for hourly wages as an employee. Nor shall any employee receive a commission and/or bonus for parts installed on any job. The Employer shall not permit any employee to perform work on any basis other than for an hourly wage. Any Employer responsible for the violation of, or employee who violates this paragraph, shall be assessed damages under the grievance procedure of \$200.00 per day for each violation, paid to the appropriate pension Trust Fund.

15.04. "Moonlighting" No employee shall perform work covered by this Agreement on their own account. If an employee performs work on their own account, or uses equipment, parts, or materials belonging to the Employer, the employee may be assessed damages a minimum of \$1,000.00 with a maximum \$5,000.00 or

suspended a minimum of a year to a maximum of three (3) years from work for any signatory, Employer, or both.

A. Except as provided in paragraphs 15.01 and 15.02 no employee who holds a Contractor's License will be permitted to work on work covered by this Agreement unless they submit evidence that they have made their license inactive through procedures specified by the State Contractors' License Board.

15.05. "Truck Signs" Every Employer shall have their firm name affixed in place on both sides of each truck used by the firm for airconditioning and refrigeration work, in letters at least three (3) inches high and strokes at least one-quarter of an inch wide in compliance with State law. Failure to comply with this Section shall subject the Employer to a \$50.00 per vehicle per day penalty, payable to the appropriate Pension Trust Fund.

ARTICLE 16 COOPERATION

16.01. "Cooperation" Upon request, the Union agrees to cooperate with the Association and the Employer in matters involving governmental rules and regulations where these affect the business of the Employer, and the ability to provide employment. Likewise, the Association agrees to cooperate with the Union in matters relating to governmental rules and regulations affecting the interests of the membership.

ARTICLE 17 MOST FAVORED EMPLOYER

17.01. "Most Favored Employer" In the event the Union hereafter enters into any Agreement with any employer engaged in airconditioning and/or refrigeration work which is more favorable to that Employer than the terms of this Agreement, then the Union shall immediately submit to the Association a copy of such Agreement. The Association shall have the option to adopt the terms of said Agreement, or parts thereof, entered into by the Union and such other Employer covering only that particular type of work. This Agreement shall thereupon be deemed amended accordingly.

17.02. "Project Agreements" Notwithstanding Section 17.01 of this Agreement, should the Union negotiate a Project Agreement (i.e.: an agreement limited to a single project), the terms and conditions of that Project Agreement shall be available to all signatory Employers that are bidding that Project.

17.03. "Favored Nations" In the event the Union negotiates a more favorable economic package with any other association or individual employer, the employers signatory to this Agreement shall be entitled to adopt that more favorable economic package by reducing the basic hourly wage by the difference in cost for each classification contained in the Wage and Benefit Schedule of this Agreement. For purposes of this Section, the economic package shall be defined as the total hourly costs (wages and benefits) as provided in the Wage and Benefit Schedule of this Agreement, including the ARCA/MCA Association dues.

ARTICLE 18 SPECIAL OPENING OF THIS AGREEMENT

18.01. "Special Opening" This Agreement or any part thereof, may be opened during the term of this Agreement only upon joint consent and must be in writing by the Association and the Union. The Union shall notify employees working under this Agreement of any agreed upon modifications and/or changes. The Association shall notify all employers of any agreed upon modifications and/or changes.

ARTICLE 19
JOINT INDUSTRY COUNCIL

19.01. "J.I.C." There is hereby established in each region a Joint Industry Council (J.I.C.) composed of no more than four (4) representatives selected by the Union and four (4) representatives selected by the Association. Meetings must be held on an annual basis to discuss Industry issues as they relate to this Agreement and to recommend programs for the betterment of this Industry. Either the Union or the Association may call additional meetings if Industry issues have arisen which necessitate such a meeting.

19.02. "Safety Committee" The Joint Industry Council may appoint a Safety Committee composed of Labor and Management to promote safety in this Industry.

ARTICLE 20
JOINT BOARDS, COMMITTEES, COUNCILS OR TRUSTS

20.01. "Boards" This Article applies to any Joint Board, Committee, or Trust established by this Agreement. Members shall be selected by the Union and the Association.

20.02. "Currently Employed" All Association representatives must have experience in the air conditioning and refrigeration industry and be currently employed in a responsible managing position and/or consulting arrangement with a signatory employer.

20.03. "Chairman and Secretary" The Chairman and the Secretary shall be selected, one (1) officer from the Association and one (1) officer from the Union. The term for each position shall be one (1) year and shall rotate between the Association and the Union, unless the Board votes to extend the current term.

ARTICLE 21
AIRCONDITIONING, REFRIGERATION AND MECHANICAL CONTRACTORS
ASSOCIATION PROMOTION FUND

21.01. "ARCA/MCA Association Dues" The Airconditioning, Refrigeration and Mechanical Contractors Association of Southern California (ARCA/MCA) shall provide for its members education, training, and other benefits offered by membership. The Association reserves the right during the term of the collective bargaining agreement to adjust the Association dues. Notwithstanding Section 17.03 of this Agreement, it is understood by the parties that the Association dues are not considered part of the economic package when allocating economic increases and that a change in the Association dues amount will not affect the total economic package of the employees.

ARTICLE 22
TARGET PROJECTS

22.01. "Organizing" When necessary to organize non-union Employers and/or recover lost work, the Union and Association may identify certain work by temporarily adjusting the terms of this Agreement to meet these conditions.

ARTICLE 23
SUBSTANCE ABUSE POLICY

23.01. The Regional Joint Industry Council (J.I.C.) is responsible for the administration of the Substance Abuse Policy. Any dispute that arises under this Substance Abuse Policy shall be submitted to the grievance and arbitration procedure set forth in this Agreement. The success of this program revolves around the

cooperative effort of both the Association and the Union to properly monitor the application of the process as described herein. Therefore, it is agreed to by the parties that only signatory Employers that are also signatory members of the Association may utilize the application of this Article.

23.02. The Union and the Employers recognize the problems drug and alcohol abuse have created in the industry and the need to develop drug and alcohol abuse prevention programs. Accordingly, the parties agree that in order to enhance the safety of the work place and to maintain a drug and alcohol free work environment, individual employers may require applicants and/or employees to undergo drug and alcohol screening. The parties agree that if an individual Employer implements a screening program, the following items have been agreed upon by Labor and Management.

23.03. This Substance Abuse Policy shall only apply to applicants and employees dispatched under the terms of this Agreement.

23.04. It is understood that the use, possession, transfer, or sale of alcohol, illegal drugs, narcotics, or other unlawful substances is absolutely prohibited while employees are on the Employer's job premises, while working on any site in connection with work performed under this Agreement, or during the performance of the job.

23.05. All applicants for employment will undergo a drug and alcohol screening prior to being allowed to report to the job-site. Each applicant must pass the drug and alcohol screening as a condition of employment.

23.06. Applicants that do not pass the drug and alcohol screening will not be placed on the Employer's payroll or receive any compensation. The Employer agrees to pay the cost for administering the drug and alcohol screening.

23.07. After an applicant is employed, the employee involved in an industrial accident that results in an injury to the employee, another person, or damage to plant, property or equipment, shall be tested for drugs or alcohol.

23.08. The Employer may require an employee to be screened for alcohol and drugs when the Employer has reasonable cause to believe that an employee is impaired. Observation must be made by at least one Union member along with an Employer representative. If the employee refuses to test, the employee is subject to immediate termination.

23.09. Applicants and employees who are taking medications prescribed by a physician shall notify the Employer of the medication. It is understood that the unsafe use of prescribed medication, or where the use of prescribed medication impairs the applicant's or employee's ability to perform work, is a basis to refuse the applicant/employee employment.

23.10. The establishment or operation of this Policy shall not curtail any right of an employee found in any law, rule, or regulation. Should any part of this Policy be found unlawful by a court of competent jurisdiction or a public agency having jurisdiction over the parties, the remaining portions of the policy shall be unaffected and the parties shall enter negotiations to replace the affected provision.

23.11. An employee who tests positive under this policy shall be entitled to one opportunity to enter a rehabilitation program at the employee's expense. When such a program has been successfully completed, the Employer shall be entitled to test the employee monthly for a period of one year from the date the employee returns to employment following the successful completion of the rehabilitation program. Any future failure to pass a drug or alcohol screening shall be grounds for immediate termination.

23.12. A sufficient amount of a fluid sample or hair follicle shall be taken to allow for two (2) different tests. In the event a question or positive result arises from the first test, a second test must be utilized before action can be taken against the employee or applicant.

23.13. The Union and the Employers recognize their responsibility to ensure a safe and drug free working environment, therefore, notwithstanding any other provisions contained in this Agreement, the Employers reserves the right to implement a random drug testing program for all employees covered under the terms of this Agreement and in accordance with the following provisions:

A. All safeguards of the existing drug/alcohol testing program shall be applicable, except that random testing, as defined herein, shall now be a component of that program.

B. The Employer shall randomly select a sufficient number of bargaining unit employees ("employees") for testing during a twelve month period so that not less than 15% of the employees are randomly tested and not more than 33% are randomly tested.

C. The Employer shall make the selection of employees for random testing by a scientifically valid method, such as a random number table or a computer-based random number generator that is matched with the employee's social security numbers, payroll identification numbers, or other comparable identifying numbers. Under the selection process used, each employee shall have an equal chance of being tested each time selections are made.

D. The Employer shall maintain records for at least three years reflecting its selection method and processes.

E. The Union may, upon prior written request, inspect those records at any time to determine if the Employer has adopted and is using a scientific method.

F. The Employer shall ensure that the dates for administering random tests are spread reasonably throughout the year.

G. The Employer shall ensure that random tests are unannounced to anyone ahead of time, other than those persons absolutely necessary to carry out the selection and testing.

H. The Employer shall require that each employee who is notified of selection for random testing proceeds to the test site immediately; provided, however, that if an employee is performing a safety-sensitive function at the time of notification, the Employer shall instead ensure that the employee ceases to perform the safety-sensitive function in a safe manner and proceeds to the testing site as soon as possible.

ARTICLE 24 SEVERABILITY

24.01. If any term or provision of this Agreement is, at any time during the life of this Agreement, adjudged by a court or administrative body of competent jurisdiction to be in conflict with any law, such term or provision shall become invalid and unenforceable. In the event that this should occur, the Union and Association shall meet and bargain in good faith over the affected term or provision. Such invalidity or unenforceability shall not impair or affect any other term or provision of this Agreement.

ARTICLE 25 ENTIRE AGREEMENT

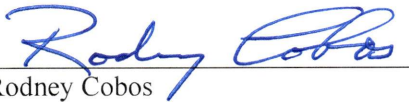
25.01. "Additional Agreements" This Agreement sets forth the entire agreement between the parties. There are no existing understandings, side letters or other agreements between the parties on the matters covered herein, except those attached hereto as an Addendum. Nothing herein shall prohibit the Association and the Union during the term of this Agreement from entering into additional agreements as provided within this Agreement.

ARTICLE 26 EFFECTIVE DATE AND TERMINATION

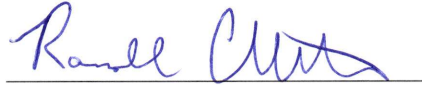
26.01. This Master Agreement shall commence on September 1, 2024, and shall remain in effect through and including August 31, 2029, and continue in effect from year to year thereafter unless written notice of change or termination is given by one party or the other at least sixty (60) days prior to August 31, 2029, or any succeeding year.

26.02. If a signatory Employer decides to terminate participation of this Agreement, such notice of termination must be given in writing to the Union and the Association between January 1, 2029, and February 28, 2029, or any succeeding year.

IN WITNESS THEREOF:



Rodney Cobos
Business Manager
Southern California Pipe Trades
District Council 16



Randall Chenworth
Executive Director of ARCA/MCA
Airconditioning, Refrigeration, and Mechanical
Contractors Association of Southern California,
Inc. (ARCA/MCA)

**Addendum LA
Los Angeles and Orange Counties
(UA Local Union 250)**

**Addendum Section 1
CLASSIFICATION DEFINITIONS**

LA 1.01. A "**Certified Journeyman**" is a journeyman certified as such by the Journeymen Training Committee, as provided in this Agreement

LA 1.02. An "**Owner.**" includes a stockholder of a signatory except a stockholder of not more than fifteen percent (15%) of the stock of a signatory acquired prior to September 1, 1970, and not more than five percent (5%) of the stock of a signatory to this Agreement executed subsequent to September 1, 1970, as well as a partner or individual proprietor.

**Addendum Section 2
DELINQUENCIES**

LA 2.01. "Delinquencies" In the event any employer is delinquent and fails to pay any fringe benefits described in this Agreement, or fails to file the necessary deposit or bond as required in this Agreement, Local Union 250 shall have the right and the obligation to remove employees as provided in Section 2.02 of this Agreement. In addition to all other obligations, the Employer shall pay the men a maximum of sixteen (16) hours in wages and fringes for lost time or until the delinquency is satisfied, whichever is the lesser length of time.

LA 2.02. "Delinquent Employer" In the event Local Union 250 refuses and or fails to remove employees from a delinquent employer as provided in Section 2.01 within thirty (30) days of notice of such delinquency, confirmed by certified mail (copy to the Association) from the Trust Fund Office, the local union shall thereafter be liable for any delinquent contributions accruing thirty (30) days after receipt of the notice which the fund is unable to collect from the delinquent Employer. Local Union 250 shall be excused from the liability if it notifies the Fund and Association within the above thirty (30) days with an acceptable explanation of its inability to comply.

LA 2.03. "Delinquent Employer" Unpaid contributions become vested assets of the trust funds on the day they become delinquent.

**Addendum Section 3
TRAINING**

LA 3.01. "Training Committees" There is hereby established a Journeyman Training Committee (JTC) and a MES and Tradesman Training Committee (MESTC) each composed of four (4) labor representatives selected by the Union and four (4) management representatives selected by the Association. The J.J.A.T.C. shall provide the following for the education and training of employees covered by this Agreement:

A. Courses of instruction for the training in airconditioning and refrigeration work as the Committee may determine necessary.

B. Classroom facilities and training equipment for approved courses.

C. Instructors for the approved courses.

D. Require the journeymen, the instructors and the employers to make such progress reports on candidates for certification as the Trust may determine.

E. Evaluate candidates for certification and upon being satisfied of the journeyman's qualifications, issue a certificate, good for one (1) year, that the journeyman is a certified journeyman. Where the employee is

prevented from attending classes for an extended period by the Employer, they may have their certificate so extended for a period not to exceed one (1) year, upon the successful completion of a test approved and administered by the J.J.A.T.C.

F. Decertify journeymen proved to be incompetent or careless.

G. Employ such personnel as may be required.

H. Provide the tradesmen with not less than 96 hours of classroom instruction which equals three (3) hours per night for one (1) year.

I. Provide safety program for all classifications of employees.

J. Any appropriate change in the certification program to meet conditions and/or technology in the industry.

K. The parties encourage all journeymen to attend the J.J.A.T.C. Airconditioning or Commercial Refrigeration "Core" classes, which are offered to all certified journeymen on a voluntary basis.

LA 3.02. "Certification" The J.J.A.T.C. shall annually inform journeymen and employers that journeymen have the option to become candidates for certification by notifying the J.J.A.T.C. in writing of their intent. To be eligible, journeymen must pass their chosen certification class and meet the J.T.C.'s qualifications. Those who qualify are advanced on the annual date of this Agreement. The purpose of this program is to keep Local Union 250's air-conditioning and refrigeration journeymen knowledgeable of, and proficient in current service and construction innovations and procedure. Certification class selection should be made so that the knowledge and skill will be mutually beneficial to the journeyman and the employer. After each five (5) years of earned certification, the journeyman may petition the J.T.C. and if the Committee is satisfied based on prior certification that the journeyman is otherwise qualified, the J.J.A.T.C. may determine that the journeyman may receive a year's certification without evaluation.

LA 3.03. "Training Review" The parties agree to refer to the J.J.A.T.C. the responsibility to review the current training program and curriculum, and to revise such program and curriculum, and/or establish a new program and curriculum, for the certified classifications and the tradesman classifications.

Addendum Section 4 WAGES AND BENEFITS

LA 4.01. "Benefits Contributions"

A. The Employer shall pay to the Air Conditioning and Refrigeration Industry Joint Trust Funds benefit contributions for employees covered by this Agreement. The Employer agrees to make Trust Fund contributions on all employees dispatched by the Union to perform work in Job Classifications under this Agreement.

B. "Supervision Wage Rates" The foreman wage rate shall be 15% above journeyman. The general foreman wage rate shall be 25% above journeyman. These percentages will also apply to the contributions for Paid Time Off Pay.

C. "Health and Welfare Plan Secondary Reserve" The parties agree to allocate \$.10 per hour to the Health and Welfare Plan effective with hours worked on and after September 1, 2024, for the purpose of continuing a "secondary reserve." This secondary reserve was established because of the difficulty in accurately projecting the long term cost implications of health care. This secondary reserve is not to be used during the term of this Agreement by the Health and Welfare Board of Trustees for the purpose of (a) funding current benefit levels unless all other funds are insufficient, (b) discretionarily improving current benefit levels, and (c) is not to be used in the calculation of the reserves. If at any time this provision is found to be in violation of or conflicts with any regulatory provision, this secondary reserve is to be considered as part of the general funds of the Trust and the bargaining parties are to meet and determine how to reallocate the \$.10 per hour used in funding the secondary reserve.

D. "Allocations" \$.50 per hour shall continue to be allocated annually by the Union for the express purpose of improving the funding level of the local Retirement Fund, the Health and Welfare Fund and the

JJATT. This annual allocation by the Union is for the express purpose of improving the selected Fund's or Funds' funding level and not for the purpose of improving benefits. In or about April of each year, the Joint Industry Council (JIC) will meet to discuss the financial conditions and projected needs of the three Funds, which will include input from the Plan Professionals, and to further discuss the allocation based on general industry interests. The allocation decision shall be at the sole discretion of the Union. Each September such allocation shall be for a period of one year.

LA 4.02 "Air Conditioning and Refrigeration Industry Health and Welfare Trust Fund"

The Employer agrees to participate in a group health and welfare, paid time off plan established under a written Agreement and Declaration of Trust establishing the Airconditioning and Refrigeration Industry Health and Welfare Trust Fund, as amended and revised, which is incorporated herein and made a part hereof by reference. The employer shall pay or cause to be paid to said Trust Fund the amounts provided in the Wage and Benefits Schedule for and on account of health and welfare, paid time off benefits, according to such terms, conditions and provisions established by the Trustees of said Trust Fund. The Employer agrees at all times to abide by and comply with all of the terms, conditions and provisions of said Agreement and Declaration of Trust, as amended and revised.

A. If, during the term of this Agreement, the Trustees determine that a decrease in benefits is necessary, the Trustees will advise the Union and Association in writing giving them sufficient time to discuss and seek an alternative to decreasing benefits.

B. Employees on approved leave under the Family Medical Leave Act shall continue to be reported as active employees to the Airconditioning and Refrigeration Industry Health and Welfare Trust Fund. Employers shall contribute on the basis of 100 hours per month, or actual hours worked, whichever is greater. The Trust Fund contribution obligation for employees on approved leave under the Family Medical Leave Act shall be solely to the Airconditioning and Refrigeration Industry Health and Welfare Trust Fund.

C. Upon failure to pay or cause to be paid the amounts provided in the Wage and Benefit Schedule herein, which shall result in an employee being denied any such health and welfare coverage, the Employer shall be liable not only for all delinquent payment owed to the Trust Fund, but in addition, for a sum equal to the value of such benefits denied to the employee and payable to the employee, except that the Employer shall not be liable to any employee for failure to pay the contributions required if failure is due to an honest mistake or clerical error.

LA 4.03. "Air Conditioning and Refrigeration Paid Time Off Benefits" The Employer shall pay to the Airconditioning and Refrigeration Industry Health and Welfare Trust Fund, as amended and revised, the amounts provided in the Wage and Benefit Schedule for and on account paid time off for its employees. The Employer shall treat such payments for paid time off as wages and shall make all legal payroll withholding for income tax, social security, unemployment insurance, etc., from the total of wages, including paid time off pay, and shall then transmit the full amount of the paid time off contribution each month to said Trust. Vacations shall be taken with the mutual consent of the Employer and the employee. Paid Time Off benefits shall be paid to the employees in accordance with the policies and rules established by the Trustees.

LA 4.04. "Training Funds" The Employer agrees to participate in the JJATT and the United Association International Training Trust Fund respectively established under written Agreements and Declarations of Trust, as previously amended and revised, which are incorporated herein and made part hereof by reference.

A. The Employer shall pay the hourly contribution rates in the Wage and Benefit Schedule to each Training Fund.

B. The Airconditioning and Refrigeration Training Center will be available for use by the JJATT, the Union, and ARCA/MCA for the benefit of the industry.

LA 4.05. "Airconditioning and Refrigeration Industry Retirement Trust Fund" The Employer agrees to

participate in a group pension and retirement plan established under a written Agreement and Declaration of Trust establishing the Airconditioning and Refrigeration Industry Retirement Trust Fund, as amended and revised, which is incorporated herein and made a part hereof by reference. The Employer shall pay or cause to be paid to the Trust Fund the amounts provided in the Wage and Benefit Schedule for and on account of pension and retirement benefits for employees covered therein. The Employer agrees at all times to abide by and comply with all of the terms, conditions and provisions of said Agreement and Declaration of Trust, as amended and revised.

LA 4.06. "Pension Funding" It is the express desire of the bargaining parties to maintain the retirement fund so that it does not enter "critical status" under the Pension Protection Act of 2006 (PPA) and, if certified in "endangered status," establishes and maintains a Funding Improvement Plan, as required by the PPA, to improve the funded status to the level prescribed by the PPA and within the period of time prescribed by the PPA. To that end, the current contribution rate, based on the most recent actuarial valuation of the retirement fund using actuarial assumptions and methods selected by the retirement fund's Enrolled Actuary and approved by the Board of Trustees, is sufficient to avoid a critical status certification. In the event that during the term of this Agreement, the retirement fund is certified in critical status, the Trustees will develop and present to the bargaining parties a Rehabilitation Plan, as required under Internal Revenue Code Section 432, consisting of one or more schedules of revised contribution rates or benefit reductions designed to allow the plan to emerge from critical status within the time period prescribed by Code Section 432. In the event that the bargaining parties cannot agree on any of the schedules presented by the Trustees, the "default schedule", as currently defined in Code Section 432, shall take effect.

LA 4.07. "Airconditioning and Refrigeration Industry Defined Contribution Retirement Plan" The Employer agrees to participate in a defined contribution/profit sharing retirement plan established under a written Agreement and Declaration of Trust establishing the Airconditioning and Refrigeration Industry Defined Contribution Retirement Plan, as amended and revised, which is incorporated herein and made a part hereof by reference. The Employer shall pay or cause to be paid to the Trust Fund the amounts provided in the Wage and Benefit Schedule for and on account of pension and retirement benefits for employees covered therein. The Employer agrees at all times to abide by and comply with all of the terms, conditions and provisions of said Agreement and Declaration of Trust, as amended and revised. It is agreed by the parties hereto that the Trust will accept individual employee contributions through salary deductions as permitted by the Internal Revenue Code. The Employer agrees to make the appropriate wage deductions from Employees' salaries and remit those amounts as contributions in the same manner as for other Trust Funds set forth in this Agreement as required by Section LA 4.02.

LA 4.08. "Remedies"

A. Either the Union or the Trust Funds may bring legal proceedings against any employer to compel the payment of or to recover any money required to be paid under this Article. In the event such suit is brought against the Employer, the prevailing party shall be entitled to recover its reasonable attorney fees, all court costs, and all cost of collection.

B. The Employer agrees that on demand by the Trust described in this Article, he shall produce their books, records and other relevant and pertinent documents as described in the Trust's Policy for Reporting and Collection of Contributions for Fringe Benefits within three (3) working days and at a reasonable time and place so that the Trust or their representative may examine said books, records, or documents to determine if the Employer has made the contributions required by this Article.

C. The parties recognize and acknowledge that the regular and prompt payment of contributions as required by this Article is essential to the maintenance of the various Trust Funds and Plans, and that it would be extremely difficult to fix the actual expense and damages to the aforesaid Trust Funds which would result from a failure to pay within the time provided in LA 4.14 of this Agreement. Therefore, the Boards of Trustees of the various Trusts have established presumptions of the amount of damages resulting from such failure as set forth in the Trust's Policy for Reporting and Collection of Contributions for Fringe Benefits,

which shall be assessed delinquent Employers. The Board of Trustees, at their sole discretion, may waive payment of any such liquidated damages in a particular case upon good and sufficient cause being demonstrated to the Trustees.

D. In accordance with the Trust's Policy for Reporting and Collection of Contributions for Fringe Benefits, delinquent employers shall be liable for the payment of interest on the amount of delinquent contributions based on interest rates established under said policy.

E. In the event an employer is delinquent or fails to pay to the respective Trust Funds, the full amount owed pursuant to the Wage and Benefit Schedule as described in this Article, the Union shall have the right and obligation to remove its men from any and all jobs of the delinquent Employer as provided for in Section LA 2.02 of this Agreement.

LA 4.09. Surrender of "Surety Bond" or "Cash Deposit"

A. In the event any Employer's Surety Bond or Cash Deposit, as required under Section 4.12, is liquidated because of an Employer's failure to pay contributions as required under this Agreement, as directed by the Trustees, the Employer shall immediately post a Surety Bond or deliver a Cash Deposit in the amount and manner as provided in the Trusts' Policy for Reporting and Collection of Contributions for Fringe Benefits. The Trust Office shall notify the Union and Association of all the Surety Bonds and Cash Deposits it is maintaining.

B. Pursuant to the Trusts' Policy for Reporting and Collection of Contributions for Fringe Benefits, as directed by the Trustees, additional Cash Deposits or a Surety Bond may be required from the Employer in the event an Employer becomes delinquent in fringe benefits. As directed by the Trustees, seriously delinquent employers may be required to post a Surety Bond or make a Cash Deposit with the Trust Office up to twice the average contributions for six months plus a deposit of \$3,000.

C. The Surety Bond and/or Cash Deposit shall be used to pay and guarantee any monies payable under this Agreement or unpaid contributions to health and welfare, paid time off, and pension funds, and the contribution to the Joint Journeymen and Apprentice Training Trust, and for no other purpose. The Surety Bond proceeds and/or Cash Deposit shall be utilized and paid to the appropriate Trust Funds upon direction of the Trustees.

D. Said cash deposit shall remain on deposit as aforesaid for one (1) year. No request for a refund of the cash deposit shall be made and approved until the Employer has demonstrated that they have not been delinquent in any of the fringe benefit contributions for one (1) year immediately preceding said request.

LA 4.10. "Surety Bond" or "Cash Deposit" All Employers signed to the ARCA/MCA Service Master Labor Agreement before August 31, 2011 shall post an initial Surety Bond or make a Cash Deposit in the amount of \$3,000. All employers signing the ARCA/MCA Service Master Labor Agreement on or after September 1, 2011 shall post a Surety Bond or make a Cash Deposit in the amount of \$5,000.

LA 4.11. "Pension or Health and Welfare Coverage" Any Employer, whose employees are not now covered by the Airconditioning and Refrigeration Industry Health and Welfare Trust Fund (including paid time off) or the Airconditioning and Refrigeration Industry Retirement Trust Fund or the Airconditioning and Refrigeration Industry Defined Contribution Trust Fund, in order to be covered by said Trust Funds must comply with the terms, conditions and provisions established by said respective Trust Funds to become a contributing employer thereunder, unless such employers are signatories to this Agreement. An Employer may continue payments to said Trust Funds for their employees who have left the employment covered by this or any prior Agreement if allowed pursuant to the Rules and Policies of each said Trust.

LA 4.12. "Trust Office" The Board of Trustees of the Joint Trusts shall continue the operation of a Trust office. The Trust office shall check monthly benefit reports for proper payment of all benefits from employers, post employee's individual benefit payment record cards and obtain answers to questions of employees regarding the operation of any of the benefits, handle complaints in regard thereto, as well as applications for benefits, including all processing and mailing of forms for various benefits to the employees,

maintaining a list of delinquent employers and the financial status of all funds, transmitting such information to the Trustees of such funds as well as to the Association and the Union, and generally report to the Trustees.

LA 4.13. "Forms and Depository" The Employer shall make payment to the respective Trust Funds, the full amount owed pursuant to the Wage and Benefit Schedule in the form and on the dates specified by the Trust's Policy for Reporting and Collection of Contributions for Fringe Benefits. The form shall also provide for reporting and payment of Union and Association dues. Copies of all employers' reports shall be made available to the Union and the Association.

Addendum Section 5 TRANSPORTATION AND TRAVEL TIME

LA 5.01. "Zones" The Employer shall select one (1) market refrigeration (if applicable) construction and one (1) service and repair Zone Center from the following Zone Centers:

- (A) Los Angeles-7th – Broadway;
- (B) Long Beach-Long Beach City Hall;
- (C) Santa Ana-Santa Ana City Hall;
- (D) Van Nuys-Van Nuys City Hall;
- (E) Pomona-Pomona City Hall;
- (F) Palmdale-Palmdale City Hall;
- (G) Employee's primary residence.

LA 5.02. "Selection" Between September 1st and September 15th of any year in which this Agreement is in effect, each employer shall notify Local Union 250 in writing of the Zone Center selected.

LA 5.03. "Notification" If the Employer fails to so notify Local Union 250, they shall be deemed to have selected the zones they used during the prior year. Zones chosen under these provisions shall not be changed for the remainder of that current contract year.

LA 5.04. Where an employer has a valid branch operation with a permanent establishment and offices, the Employer may select Zone Centers for such establishment with the approval of the Joint Grievance Board.

LA 5.05. "Transportation"

A. When an employee is required to transport in their own automobile, personnel, service tools, whether personal or company owned, or material, from home to job, shop to job, job to job, or return, they shall be paid IRS rate per mile for each mile so traveled.

B. An employee required to report to the shop shall be paid time beginning when required to report to the shop and IRS rate per mile each way from shop to job, unless transportation is provided.

C. When on market refrigeration construction work the employee is required to report to a job within the fifty (50) mile radius of the Employer's Zone Center, the employee shall receive no transportation pay.

D. On jobs located more than fifty (50) miles from the Employer's Zone Center, the Employer shall have the option of paying:

1. The IRS rate per mile each way for the distance in excess of fifty (50) miles, or
2. Furnish transportation to and from the job.

LA 5.06. "Travel Time"

A. The Employer shall have the option of designating a fifty (50) mile radius or one hour of driving time. The designation shall be made pursuant to the procedures in Section 5.01.

B. When the employee is required to report for work at a job site within fifty (50) miles or one hour of the

Employer's Zone Center, they shall not be entitled to travel time pay or subsistence pay.

C. For all time traveled to and from a job beyond the fifty (50) mile limit or one hour from the Employer's Zone Center, the employee shall be paid travel time at their appropriate hourly wage rate including paid time off pay. No fringe benefit contributions are required to be paid providing the travel time occurs before or after the regular eight (8) hour work day.

Addendum Section 6
JOINT BOARDS, COMMITTEES, COUNCILS OR TRUSTS

LA 6.01. "Experience" Except for District Council 16's Business Manager, or their designee, and the Local Union 250 Business Manager, all other Local Union 250 representatives on any Joint Board, Committee, or Trust must be a vested participant of the Airconditioning and Refrigeration Fitters Pension Trust Fund and an employee working for an Employer which is signatory or subsequently becomes a signatory to the Service Master Labor Agreement, or a full time paid officer representing the local union.

**Addendum MR
Los Angeles and Orange Counties
(UA Local Union 250)**

MARKET REFRIGERATION

**Addendum Section 1
SCOPE OF WORK**

MR 1.01. The terms and conditions of the Service Master Labor Agreement apply to Market Refrigeration work, except as modified by this Market Refrigeration Addendum. This Market Refrigeration Addendum shall apply to all Food Store Service, Maintenance, Construction and Remodel of refrigeration and airconditioning work as defined in this Agreement.

**Addendum Section 2
GENERAL CONDITIONS**

MR 2.01. The Los Angeles and Orange Counties Market Refrigeration Wage and Benefit Schedule shall be 95% of the total costs for each classification of the Service Master Labor Agreement Los Angeles and Orange Counties Wage and Benefit Schedule.

MR 2.02. "Tradesman" The use of Tradesman shall not be limited or restricted during the term of this Agreement. A Tradesman shall be allowed to install condensate drains from the refrigeration fixture to the floor sink. A Tradesman shall be allowed to perform all routine maintenance regardless of size or location of the mechanical equipment being inspected or maintained, where this work is done as a periodic routine service, inspection and maintenance procedure by the Employer.

**Addendum Section 3
NEW CONSTRUCTION**

MR 3.01. "New Construction" is the custom prefabrication, erecting, installing, joining together, handling and setting up, dismantling for reuse, initial charging, start-up and testing, adjusting, system balancing, including hydronics and air in any form, of any equipment used in market refrigeration airconditioning.

MR 3.02. "Work Covered" All piping for the installation of market refrigeration and airconditioning equipment and systems, regardless of size; the setting and installation of all manufactured equipment, built-up and packaged, such as air handlers, condensers, towers, chillers, compressors, free standing coils, and the installation of re-heat coils and controls when attached, condensate drains and refrigerated market equipment.

MR 3.03. "General Foremen and Foreman" shall be selected solely by the Employer and they shall not apply or attempt to apply Union regulations, rules, by-laws, or provisions of the Union constitution. They shall comply with all provisions of this Agreement.

MR 3.04 "General Foreman"

A. On new construction jobs when two (2) or more foremen are employed on a job, one shall be designated General Foreman. On new construction jobs any person who supervises two (2) or more projects requiring foremen at separate geographical locations, shall be designated a General Foreman, excluding owners and project engineers who will not replace a Foreman or General Foreman.

B. "Foreman" A Foreman is defined as a working foreman who shall have supervision of other employees on a job having three (3) or more Employees. Foreman on construction supervising more than six (6) men

shall not work with the tools except in cases of emergency or purpose of instruction. Foreman on one (1) project shall not supervise more than twelve (12) men.

MR 3.05. "Test Runs" The operation and adjustment of all market refrigeration and airconditioning equipment during test runs immediately following installation shall be performed by a Journeyman and is construction work.

MR 3.06. "Overtime" On all new construction jobs, double time shall be paid for all hours worked over ten (10) hours, Monday through Saturday. When an employee is required to complete a previous work shift/assignment, the employee will remain on the appropriate overtime rate until such time that they are relieved from the job assignment for an appropriate rest period allowing for a reasonable commute time. An appropriate rest period is to be determined by mutual agreement. All hours worked on Sundays and Holidays will be paid at the double time wage rate. Time and one-half (1 1/2) shall be paid for all other overtime. For the purpose of computing overtime, the twenty-four (24) hour day shall start between 3:00 a.m. and 8:00 a.m.

MR 3.07. "Shift Work" Shifts may be established by the Employer for Food Store Remodel Work without restrictions on days or times provided twenty-four hour notice is given to the employee. When a second or third shift is worked a 15% shift premium shall be paid on all straight time hours worked. The premium shall be calculated from the employee's straight time hourly rate. A second or third shift may be worked without the necessity of a first or day shift. All other requirements for shift work, including shift premium and overtime pay shall be observed on the shifts.

MR 3.08. "Holidays" The following days are recognized as New Construction holidays: New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, the Friday after Thanksgiving and Christmas Day. If any of the above Holidays fall on Sunday, the Monday followed shall be considered a legal holiday, and if on a Saturday, the previous Friday shall be considered a legal holiday.

Addendum Section 4 TRANSPORTATION AND TRAVEL TIME

MR 4.01. "Zones" The Employer shall select one (1) market refrigeration (if applicable) construction and one (1) service and repair Zone Center from the following Zone Centers:

- (A) Los Angeles-7th – Broadway;
- (B) Long Beach-Long Beach City Hall;
- (C) Santa Ana-Santa Ana City Hall;
- (D) Van Nuys-Van Nuys City Hall;
- (E) Pomona-Pomona City Hall;
- (F) Palmdale-Palmdale City Hall;
- (G) Employee's primary residence.

MR 4.02. "Selection" Between September 1st and September 15th of any year in which this Agreement is in effect, each employer shall notify Local Union 250 in writing of the Zone Center selected.

MR 4.03. "Notification" If the Employer fails to so notify Local Union 250, they shall be deemed to have selected the zones they used during the prior year. Zones chosen under these provisions shall not be changed for the remainder of that current contract year.

MR 4.04. Where an employer has a valid branch operation with a permanent establishment and offices, the Employer may select Zone Centers for such establishment with the approval of the Joint Grievance Board.

MR 4.05. "Transportation"

A. When an employee is required to transport in their own automobile, men, service tools, whether personal or company owned, or material, from home to job, shop to job, job to job, or return, they shall be paid IRS rate per mile for each mile so traveled.

B. An employee required to report to the shop shall be paid time beginning when required to report to the shop and IRS rate per mile each way from shop to job, unless transportation is provided.

C. When on market refrigeration construction work the employee is required to report to a job within the fifty (50) mile radius of the Employer's Zone Center, the employee shall receive no transportation pay.

D. On jobs located more than fifty (50) miles from the Employer's Zone Center, the Employer shall have the option of paying:

1. The IRS rate per mile each way for the distance in excess of fifty (50) miles, or
2. Furnish transportation to and from the job.

MR 4.06. "Travel Time"

A. The Employer shall have the option of designating a fifty (50) mile radius or one hour of driving time. The designation shall be made pursuant to the procedures in Section 5.01.

B. When the employee is required to report for work at a job site within fifty (50) miles or one hour of the Employer's Zone Center, they shall not be entitled to travel time pay or subsistence pay.

C. For all time traveled to and from a job beyond the fifty (50) mile limit or one hour from the Employer's Zone Center, the employee shall be paid travel time at their appropriate hourly wage rate including paid time off pay. No fringe benefit contributions are required to be paid providing the travel time occurs before or after the regular eight (8) hour work day.

**Addendum SBR
San Bernardino and Riverside Counties
(UA Local Unions 364 and 398)**

**Addendum Section 1
TRAINING AND EDUCATION**

SBR 1.01. There is hereby established a Joint Journeyman and Apprentice Training Committee composed of four (4) representatives and their alternatives selected by the Union and four (4) representatives and their alternates selected by the Association. One (1) labor representative shall be the HVAC Director with the remaining representatives selected by the Union being either an officer, employee, or member of Local Union 398 and/or Local Union 364. A quorum shall be two (2) members of labor and two (2) members of management. Labor and management shall have equal voting power regardless of the number representatives present for any vote. A Chairman and Secretary shall be annually selected by labor and management with the positions rotating each year.

SBR 1.02. All duly qualified apprentices shall be under the supervision and control of the Joint Journeyman and Apprentice Training Committee. The Joint Journeyman and Apprentice Training Committee shall formulate and make operative such rules and regulations as it deems 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 requirements of the Industry. Said rules and regulations when formulated and adopted by the parties hereto shall be recognized as a part of this Agreement.

SBR 1.03. The Association, for and on behalf of its members signatory to this Agreement, or the individual employer, if not a member of the Association, may provide, yearly, prior to each school year, the following conditions for the education and training of journeymen employed under the terms of this collective bargaining Agreement. Such conditions shall be subject to the approval of the Joint Journeyman and Apprentice Training Committee.

- A.** Courses of instruction for the training of journeymen in such phases of refrigeration and air conditioning work as the Committee shall determine.
- B.** Qualified instructors for each course of such minimum ratio of instructor to journeymen as the Committee may determine.
- C.** Arrangements for classrooms and facilities, including necessary equipment for a minimum of six (6) hours evening instructions per week during the normal school year for each course.

Such conditions shall remain available throughout the normal school year following January 1st of any year this Agreement is in effect.

SBR 1.04. It is the intent of this Section to establish continuous employment of apprentices in the first and second year. Any employer employing first and second year apprentices will do so with continued employment in mind. Any dispute arising from this Section will be brought before the Joint Journeyman and Apprentice Training Committee.

- A.** The ratio between apprentices and journeymen will be as follows: One (1) apprentice for the first journeyman and one (1) apprentice for every two (2) journeymen thereafter.
- B.** Maintenance and service of refrigeration and air conditioning equipment. After working with a journeyman eighty (80) hours for the purpose of safety training, a beginning apprentice may work alone on maintenance only.
- C.** Apprentice wage rates will be the following percentages of the herein established journeyman wage rates;

pension, paid time off pay, and travel pay, except that Health, Industry Promotion Fund, and Training Fund contributions will be at the same rate per hour for all employees employed under the terms of this Agreement.

1st year period 50%
2nd year period 60%
3rd year period 70%
4th year period 80%
5th year period 90%

D. It is understood that the apprentices will be able to work alone after one (1) year.

E. In the event an Employer employing two (2) or more apprentices finds it necessary, due to lack of work, to layoff, the apprentice working at the lowest percentage year will be laid off first.

F. The intent of this type of apprenticeship program is strictly experimental and is not to be construed by any party as subject to any Most Favored Nations Clause. The purpose and intent is to ascertain if this type of program will upgrade the future mechanics without being detrimental to the Industry.

Addendum Section 2

GENERAL CONDITIONS OF WORK

SBR 2.01. When three (3) or more employees covered by this Agreement are employed on work or in a shop or when three (3) or more employees covered by this Agreement are employed on a job, one (1) shall be selected by the Employer as a foreman and they shall receive ten percent (10%) per hour above the Journeyman wage rate as established in this Agreement.

A. Foremen supervising more than six (6) men shall not, except in cases of emergency or for purposes of instruction, work with tools. Foremen shall handle only one (1) project and shall not supervise more than twelve (12) Journeymen except in fabricating yards or shops.

B. When two (2) or more foremen in one (1) classification are employed on a job, one (1) shall be designated General Foreman. Any person who supervises two (2) or more projects at separate geographical locations, shall be designated a General Foreman. A General Foreman shall receive not less than twenty percent (20%) per hour above the journeyman rate.

Addendum Section 3

WAGES AND BENEFITS

SBR 3.01.A. The Employer shall pay per hour the wage rates of pay for journeymen refrigeration and air conditioning mechanics during the time specified in this Agreement. An Employer may cancel any benefit not expressly provided for in this Agreement.

B. \$.50 per hour shall be reallocated annually by the Union for the express purpose of improving the funding level of the local Retirement Fund and the Health and Welfare Fund. This annual allocation by the Union is for the express purpose of improving the selected Fund's or Funds' funding level and not for the purpose of improving benefits. In or about April of each year, the Joint Industry Council (JIC) will meet to discuss the financial conditions and projected needs of the two Funds, which will include input from the Plan Professionals, and to further discuss the allocation based on general industry interests. The allocation decision shall be at the sole discretion of the Union. Each September such allocation shall be for a period of one year.

SBR 3.02. Members of an Employer's firm, who are partners, sole proprietors, or corporate officers who work with the tools of the trade, shall be required to make contributions to all trust funds at the rate of one hundred-thirty (130) hours per month for the first two (2) years of a new contractor signing the agreement for the first time and 160 hours per month thereafter, even though pension coverage may not be available to said

partners or sole proprietors by virtue of Internal Revenue rules and regulations, which may affect the tax exempt status of the Pension Trust.

SBR 3.03. Time of contributions and monthly reports: Contributions to each of the funds shall be due and payable on or before the tenth (10th) day of each month covering hours worked by each employee through the last payroll period in the prior calendar month. Each Employer shall file a monthly report with the Inland Refrigeration and Airconditioning Trust Fund on the form established by the Trustees of the Fund, and such report shall be filed regardless of whether or not the Employer has employed any employees in the month covered by the report. Unpaid contributions become vested assets of the trust funds on the day they become delinquent.

SBR 3.04. Delinquency or failure to make contributions or to file reports: Fringe benefit report forms and contributions are due on the first (1st) day of the month for the previous month and shall be paid no later than the fifteenth (15th) day of the month. Any Employer who fails to report or to make contributions due to any of the foregoing Funds before the 15th of the month in which it is due, shall be considered delinquent and, therefore, liable and subject to the following:

A. Each delinquent Employer who has failed to file the fringe benefit report form on or before the 15th of the month following the month which they are reporting shall pay to the trust funds as liquidated damages the sum of ten percent (10%) of all amounts due or two hundred U. S. dollars (\$200.00), whichever is greater.

B. Each delinquent Employer shall pay to the Fund involved interest on unpaid contributions and on delinquency charges and on liquidated damages at the maximum rate of interest permitted by law from the first day of the month following the month in which they are due and until paid.

C. The Trustees of the Fund involved shall, within sixty (60) days after an Employer is delinquent, instruct legal counsel to institute legal action to enforce collection. A delinquent Employer shall pay all reasonable attorney fees, court costs, and other expenses incurred in the enforcing or collection from such Employer. Each Employer agrees to make applicable books and records available for such purposes. Collection actions may be brought by the Trustees of the Fund in the name of the Fund, or in the name of the Trustees or in the name of any assignee, agent, or party to this Agreement as determined by the Trustees.

D. A delinquent Employer shall be liable to any employee affected by such delinquency for a sum equal to the value of the benefits lost to the employee by reason of delinquency of such Employer. Such sum shall be transmitted to such employee through United Association Local Union No. 364 or United Association Local Union No. 398. A delinquent Employer shall be liable to reimburse any Fund for the cost or value of any benefits which may be made available by the Trustees to any employee affected by the failure of the delinquent Employer to contribute or to report to the Health and Welfare Fund.

E. The Unions shall remove employees covered by this Agreement from the employment with a delinquent Employer providing advance notice of not less than twenty-four (24) hours is given of such action to the delinquent Employer. Such removal of employees and cessation of work by employees for such delinquent Employer shall continue until the Administrator of the Fund involved verifies that there is no money owing to the Fund by such Employer.

F. The Joint Board of Trustees is authorized to require a delinquent Employer to post with them a cash or a surety bond in an amount equivalent to double the average monthly contributions made to all Funds for the preceding year. Said cash or surety bond shall be used to guarantee continued future contributions to the Funds and to assure against future delinquencies by such Employer.

G. An Employer may be absolved of any or all of the following liabilities if they satisfy the Trustees that they failed to pay any contributions or to report because of an honest mistake, clerical error, or other reasons satisfactory to the Joint Board of Trustees. Whenever an Employer claims that his failure to make the required contributions was due to an honest mistake or clerical error and requests relief for that reason, it shall be considered provided, the Employer agrees in writing to an audit of their records by an auditor appointed by the Joint Board of Trustees. If this audit reveals to the Trustees that such failure to pay was not due to honest mistake or clerical error, then the Employer shall pay the cost of the audit; otherwise, the Trust Fund will pay

for the cost of the audit. Any Employer shall be entitled to credit for or refund of money paid to any Trust Fund by reason of clerical error or mistake and the Trustees are authorized to refund such monies. The acceptance of any contributions from any Employer shall not release or discharge them from the obligation to contribute for all hours worked under this Agreement for which no contribution has actually been received notwithstanding any statement, restriction, or qualification appearing on any check from any Employer.

SBR 3.05. Incorporation of Trust Agreement: The Trust Agreement for the Health and Welfare, Pension, Paid Time Off Fund, Training Funds (JJATT, A&J and National Training), and P.I.P.E. Trust Fund between the parties signatory hereto, are incorporated and made a part of this Agreement.

SBR 3.06. There is hereby established Boards of Trustees for the Health and Welfare, Pension and Paid Time Off Trust Funds composed of four (4) representatives and their alternates selected by the Union and four (4) representatives and their alternates selected by the Association. One (1) labor representative shall be the HVAC Director with the remaining representatives selected by the Union being either an officer, employee, or member of Local Union 364 and/or Local Union 398. One (1) management representative shall be the Executive Director of ARCA/MCA and the remaining representatives shall be management/supervisory representatives of signatory contractors.

SBR 3.07. "Southern California Pipe Trades Defined Contribution Fund" The Employer agrees to participate in a defined contribution retirement plan established under a written Agreement and Declaration of Trust establishing the Southern California Pipe Trades (SCPT) Defined Contribution Fund, as amended and revised, which is incorporated herein and made a part hereof by reference. The Employer agrees to make the appropriate pre-tax 401(k) wage deductions as elected by each Employee from Employees' pay and to remit those amounts as contributions in the same manner as for other Trust Funds set forth in this Addendum and in conformance with the SCPT Defined Contribution Trust Agreement. It is agreed by the parties hereto that the Trust will accept individual employee contributions through salary deductions as permitted by the Internal Revenue Code. The Employer agrees at all times to abide by and comply with all of the terms, conditions and provisions of said Agreement and Declaration of Trust, as amended and revised.

Addendum Section 4 TRAVEL

SBR 4.01. At the time of signing this Agreement, the signatory Employer shall designate on the Agreement its choice of zone center. The Employer may change its zone center once a year within thirty (30) days of September 1st of each year. One of the following (4) zone centers may be selected:

- A. Employee's primary residence
- B. Employer's shop or office location
- C. Office address of UA Local 364
- D. Office address of UA Local 398

SBR 4.02. Any Employer having more than one (1) shop and office, which are located within San Bernardino and Riverside Counties, may establish a zone center at each shop and office.

SBR 4.03. A. When an employee is required to transport in their own automobile, personnel, service tools, whether personal or company owned, or material, from home to a job, shop to job, job to job, or return, they shall be paid the IRS approved mileage rate for each mile so traveled.

B. An employee required to report to the shop shall be paid time beginning when required to report to the shop and the IRS rate per mile each way to shop from job, unless transportation is provided.

C. On jobs located more than (50) miles away from the Employer's Zone Center, the Employer shall have the option of paying:

1. The IRS approved mileage rate per mile each way for the distance in excess of fifty (50) miles or furnish transportation to and from job.

SBR 4.04. A. The Employer shall have the option of designating a fifty (50) mile radius or one hour of driving time. The designation shall be pursuant to the procedures in Section 4.01.

B. When the employee is required to report for work at a job site within fifty (50) miles or one hour of the Employer's Zone Center, they shall not be entitled to travel time pay or subsistence pay.

C. For all time traveled to and from a job beyond the fifty (50) mile limit or one hour from the Employer's Zone Center, the employee shall be paid travel time at their appropriate hourly wage rate including paid time off pay. No fringe benefit contributions are required to be paid providing the travel time occurs before or after the regular eight (8) hour workday.

SBR 4.05. PORTAL TO PORTAL PAY: On remote jobs sites on out-of-town work when an employee is required to report to any security guarded gate, they shall be paid mileage in addition to subsistence, unless the Employer furnishes transportation; and the employee shall report to the security guarded gate at the established starting time and leave the gate at the established quitting time.

**Addendum SD
San Diego and Imperial Counties
(UA Local Union 230)**

**Addendum Section 1
WORKING RULES**

SD 1.01. The Employer shall call the Union for technicians and the Union will supply technicians from the out-of-work list of installation and service technician members of Local 230. In the event the Union cannot furnish technicians acceptable to the Employer within 48 hours, the Employer may employ technicians from any source. The Employer will notify Local 230 of the employee's first day of employment.

SD 1.02. All points within San Diego County shall be in a "Free Travel Zone". Driving to the shop or first job of the day and returning home after the last job is on the workers time. Employees shall be paid their regular rate of pay from the time they cross outside the County line until they cross back into San Diego County that same day.

SD 1.03. Any reporting time provided under Section 12.02 where the employee is not required to remain at the shop or worksite shall not be considered hours worked for purposes of computing overtime.

SD 1.04. On or after September 1, 2012, for members seeking Journeyman status in the San Diego Region, other than through completing the apprenticeship program, one of the qualifications shall be a U.A. Star Certification. In addition, there shall be a written recommendation from the employee's current contractor.

**Addendum Section 2
401 (A) SUPPLEMENTAL RETIREMENT FUND**

SD 2.01. The Employer shall pay the appropriate hourly amount per hour worked for all covered technicians to the Southern California Pipe Trades Trust Fund, as an individual defined contribution to that Trust's 401 (A) Plan.

SD 2.02. A participant may give written authorization to the Employer to withhold an authorized amount per hour, or to increase or decrease the voluntary amount withheld, or to cease such voluntary withholding altogether. Such authorization shall continue in force from year to year, unless revoked in writing upon the Employer receiving the official notice from the Trust Fund and presented by the employee. Changes shall only be allowed on a quarterly basis.

**Addendum Section 3
WAGES AND BENEFITS**

SD 3.01. Journeymen working under this Agreement shall be paid the wage and benefit amounts as provided in the Wage and Benefit Schedule of this Agreement.

SD 3.02. MES, Tradesman and Apprentice working under this Agreement shall be paid the wage and benefit amounts as provided in the Wage and Benefit Schedule of this Agreement.

SD 3.03. Any Employer which elects to provide private medical and dental coverage for all of their technicians and dependents shall pay the current wages and benefits as provided for in the Wage and Benefit Schedule of this Agreement, except they shall not make the Health & Welfare contribution provided for in the Wage and Benefit Schedule of this Agreement. Those Employers that do not choose this option, or for any technician who has been rejected for such Employer's private medical and dental coverage, shall pay the

Health & Welfare contribution provided for in the Wage and Benefit Schedule of this Agreement to the Southern California Pipe Trades Trust Fund Health & Welfare Trust.

SD 3.04.A. The Employer shall contribute to the Southern California Pipe Trades Trust Fund the appropriate District Council No. 16 Dues Check-Off, and the appropriate Paid Time Off contribution amount, the appropriate Health & Welfare amount (if any), the appropriate National Pension contribution, the appropriate 401 (A) contribution amount. Unpaid contributions become vested assets of the trust funds on the day they become delinquent.

B. In accordance with Section 11.03 of this Agreement, the Wage and Benefit Schedule Vacation and Holiday will be modified to read Paid Time Off. For administrative purposes, such contributions will be made to the Southern California Pipe Trades Vacation and Holiday Fund.

SD 3.05. To the extent contractors participate in the following benefit plans, the written Agreements and Declarations of Trust, as amended and revised, are incorporated herein and made part of this Agreement by reference: Southern California Pipe Trades Pension, Southern California Pipe Trades Health and Welfare, Southern California Pipe Trades Vacation and Holiday, Southern California Pipe Trades 401(a), Southern California Pipe Trades Retiree Christmas, Joint Journeymen and Apprentice Training Trust (JJATT), Apprentice and Journeymen Training Trust (A&J), United Association International National Training, Piping Industry Progress and Education (P.I.P.E.), and the Plumbers and Pipefitters National Pension Fund.

Addendum Section 4 CONTRACTOR PROVIDED MEDICAL AND DENTAL INSURANCE

SD 4.01. It is agreed, that only signatory employers providing private medical and dental coverage for their technicians on December 1st, 2021, are grandfathered and allowed to continue private medical and dental coverage, as set forth herein. In the event such any eligible employer discontinues providing private coverage, such employer will no longer be eligible to provide private coverage and must convert their technicians under the Southern California Pipe Trades Health & Welfare Trust. For all such technician employees and their dependents, in lieu of coverage by the Southern California Pipe Trades Health & Welfare Trust, coverage may be through an HMO or an indemnity plan or the employee's choice of either and shall be at least comparable to plans such as Kaiser or Blue Cross, and will cover no less than major medical, hospitalization, emergency room care and office visits for the technician and dependents. It is understood that there may be limitations or exceptions for maternity, alcohol and drug abuse, mental or nervous disorders, home health care, chiropractic or osteopathic treatment. It is understood that each Employer's plan will be different in some respects and each Employer's plan, or any change in coverage, must be reviewed by Local 230 before implementation and found to be within the minimum acceptable guidelines.

SD 4.02. An indemnity plan will pay 80% of usual, customary and reasonable charges or by a schedule for basic medical, major medical and prescriptions. The technician will pay no more than a \$250 deductible per person per calendar year. Thereafter, the 80%-20% co-pay may last for up to another \$1,500 out-of-pocket and then will pay 100%. The co-pay will be \$1,500 per person, to maximum of 3. An HMO plan will have no deductible and no more than a \$15 fee or co-pay each for basic medical, major medical and prescriptions.

SD 4.03. The technician will pay no more than a \$50 deductible per person per calendar year. The plan will provide a schedule of between 50% and 80% coverage of usual, customary and reasonable charges, with a \$1,000 total plan benefit paid per person per calendar year. Some procedures, such as orthodontia, may be excluded.

SD 4.04. Coverage for each new employee participating in the "in-house" Company Medical Plan will begin no later than the first of the month following two (2) months of continuous employment

SD 4.05. After separation or termination, the Employer will continue coverage for the remainder of that month and will also pay the employee's premiums for the next two months. If this time is not sufficient to insure continuous coverage, due to reporting times to the Trust Fund (if the new employer utilizes the Trust Fund Plan), the local union will contact the previous employer and request an additional month of coverage. With the approval of the Business Manager of Local 230, the Employer may discontinue paying such premium earlier, should the employee work for a non-signatory firm. "COBRA." guarantees, that certain employee's have the right to elect to continue the private coverage, at their own expense and the Employer will be required to comply with such provisions.

SD 4.06. All Employers electing to provide in house medical and dental coverage shall submit monthly to Local 230 a list of all those technicians covered by such private medical and dental coverage. The Employer shall be responsible for making all premium payments in a timely manner and should it fail to make such premium payments, it shall be responsible for any lapses in coverage and shall also be required to either reinstate all affected technicians or to retroactively pay the appropriate hourly rate to the Health & Welfare Trust for all hours necessary to provide for no lapse in coverage. Any Employer who fails to provide such private coverage shall be required to participate in the Southern California Pipe Trades Trust Fund Health & Welfare Trust at the appropriate hourly contribution rate.

SD 4.07. In the event the cost of maintaining the Employer provided medical programs, as provided for under the Addendum SD of this Agreement, exceeds the Southern California Pipe Trades Benefit Plan's experience in any year, the Union and the Association agree to meet in an effort to determine an appropriate way to address the increase cost for the following year in a fair and equitable manner for both the employee and the Employer. In the event the parties are unable to resolve the matter, the issue shall be submitted to the Joint Grievance Board as provided for in this Agreement.

Addendum Section 5 TRAINING AND ADVANCEMENT

SD 5.01. There is hereby established a Joint Journeyman and Apprentice Training Committee composed of four (4) representatives and their alternatives selected by the Union and four (4) representatives and their alternates selected by the Association. Four (4) committee members are to be appointed by the Union and four (4) committee members are to be appointed by ARCA/MCA. A quorum shall be two (2) members of labor and two (2) members of management. Labor and management shall have equal voting power regardless of the number representatives present for any vote. A Chairman and Secretary shall be annually selected by labor and management with the positions rotating each year.

SD 5.02. All duly qualified apprentices shall be under the supervision and control of the Joint Journeyman and Apprentice Training Committee. The Joint Journeyman and Apprentice Training Committee shall formulate and make operative such rules and regulations as it deems 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 requirements of the Industry. Said rules and regulations when formulated and adopted by the parties hereto shall be recognized as a part of this Agreement.

SD 5.03. The Union shall provide CPR and First Aid training to all employees covered under this Agreement. New hires shall take this training within six (6) months of becoming a member. Should a member already have this training they will be required to produce documentation for their records.

SD 5.04. The Training Committee shall provide for:

- a. education and training of the journeymen and technicians covered by this Agreement.
- b. course of instruction for the training in airconditioning and refrigeration work as the Committee may determine necessary and appropriate.
- c. classrooms, facilities and training equipment for approved courses.
- d. instructors for the course or courses approved by the Committee.

SD 5.05. All employees under this Agreement shall take a minimum of forty (40) hours of technical training either in-house or outside per year, which qualify as legitimate training courses (union training center, other seminars, community colleges, etc.) and provide documentation to the Employer, if required, as a prerequisite to remaining in their present classification. This required forty (40) hours of training shall be completed to be eligible to receive any wage increase for that year.

SD 5.06. The Training Committee shall formulate and enforce such rules and regulations as it deems necessary and which do not conflict with the terms of this Agreement to govern eligibility, registration, education, transfer, the training of qualified employees, and the operation of an adequate system to meet the requirements of this trade. Such rules and regulations shall be recognized as part of this Agreement.

SD 5.07. The Business Manager of Local 230 may designate one technician from each Employer to serve as a liaison between the technicians and Local 230, concerning training and other matters to be mutually agreed upon by both parties.

SD 5.08. All training will be offered and available to all levels on a first come basis. Certificates of completion shall be given for all sessions satisfactorily completed. Upon request, a list of training classes successfully completed by the employee will be provided to the Employer by the Union. Additional documentation of completed training may be provided by the Employee.

Addendum Section 6 MAKE UP DAY AND ON CALL PAY

SD 6.01. "Make Up Day" A non-scheduled work-day (except Sundays and holidays) may be used to make up lost time during an employee's regular workweek. The makeup day must be in the same workweek as the time lost and be paid at the straight time rate for the first eight (8) hours or for hours that are under forty (40) hours in the workweek.

Addendum BK
Kern, Inyo and Mono Counties (Bakersfield)

Addendum Section 1
WAGES AND BENEFITS

BK 1.01. Employees working under this Agreement shall be paid the wage and benefit amounts as provided in the Wage and Benefit Schedule of this Agreement.

BK 1.02.A. To the extent contractors participate in the following benefit plans, the written Agreements and Declarations of Trust, as amended and revised, are incorporated herein and made part of this Agreement by reference: Southern California Pipe Trades Pension, Southern California Pipe Trades Health and Welfare, Southern California Pipe Trades Vacation and Holiday, Southern California Pipe Trades Retiree Christmas, Joint Journeymen and Apprentice Training Trust (JJATT), Apprentice and Journeymen Training Trust (A&J), United Association International National Training, Piping Industry Progress and Education (P.I.P.E.), and the Plumbers and Pipefitters National Pension Fund.

B. In accordance with Section 11.03 of this Agreement, the Wage and Benefit Schedule will provide for a Paid Time Off contribution. For administrative purposes, such contributions will be made to the Southern California Pipe Trades Vacation and Holiday Fund.

Addendum Section 2
TRANSPORTATION AND TRAVEL TIME

BK 2.01. "Zones" The Employer shall select one (1) service and repair Zone Center between the Employers place of business or the Employee's primary residence.

BK 2.02. "Selection" Between September 1st and September 15th of any year in which this Agreement is in effect, the Employer may change the selected Zone Center by submitting written notice the Union and the Association.

BK 2.03. "Transportation" A. When an employee is required to transport in their own automobile, whether personnel, service tools, whether personal or company owned, or material, from home to job, shop to job, job to job, or return, they shall be paid IRS rate per mile for each mile so traveled.

B. An employee required to report to the shop shall be paid time beginning when required to report to the shop and IRS rate per mile each way from shop to job, unless transportation is provided.

C. On jobs located more than fifty (50) miles from the Employer's Zone Center, the Employer shall have the option of paying:

1. The IRS rate per mile each way for the distance in excess of fifty (50) miles, or
2. Furnish transportation to and from the job.

BK 2.04. "Travel Time" A. The Employer shall have the option of designating a fifty (50) mile radius or one hour of driving time. The designation shall be made pursuant to the procedures in Section 2.01 above.

B. When the employee is required to report for work at a job site within fifty (50) miles or one hour of the Employer's Zone Center, they shall not be entitled to travel time pay or subsistence pay.

C. For all time traveled to and from a job beyond the fifty (50) mile limit or one hour for the Employer's Zone Center, the employee shall be paid travel time at their appropriate hourly wage rate including paid time off pay. No fringe benefit contributions are required to be paid providing the travel time occurs before or after the regular eight (8) hour work day.

Addendum TC
San Luis Obispo, Santa Barbara and Ventura Counties (Tri-County)

Addendum Section 1
WAGES AND BENEFITS

TC 1.01. Employees working under this Agreement shall be paid the wage and benefit amounts as provided in the Wage and Benefit Schedule of this Agreement.

TC 1.02.A. To the extent contractors participate in the following benefit plans, the written Agreements and Declarations of Trust, as amended and revised, are incorporated herein and made part of this Agreement by reference: Southern California Pipe Trades Pension, Southern California Pipe Trades Health and Welfare, Southern California Pipe Trades Vacation and Holiday, Southern California Pipe Trades Retiree Christmas, Joint Journeymen and Apprentice Training Trust (JJATT), Apprentice and Journeymen Training Trust (A&J), United Association International National Training, Piping Industry Progress and Education (P.I.P.E.), and the Plumbers and Pipefitters National Pension Fund.

B. In accordance with Section 11.03 of this Agreement, the Wage and Benefit Schedule Vacation and Holiday will be modified to read Paid Time Off. For administrative purposes, such contributions will be made to the Southern California Pipe Trades Vacation and Holiday Fund.

Addendum Section 2
TRANSPORTATION AND TRAVEL TIME

TC 2.01. "Zones" The Employer shall select one (1) service and repair Zone Center between the Employers place of business or the Employee's primary residence.

TC 2.02. "Selection" Between September 1st and September 15th of any year in which this Agreement is in effect, the Employer may change the selected Zone Center by submitting written notice the Union and the Association.

TC 2.03. "Transportation" A. When an employee is required to transport in their own automobile, men, service tools, whether personal or company owned, or material, from home to job, shop to job, job to job, or return, they shall be paid IRS rate per mile for each mile so traveled.

B. An employee required to report to the shop shall be paid time beginning when required to report to the shop and IRS rate per mile each way from shop to job, unless transportation is provided.

C. On jobs located more than fifty (50) miles from the Employer's Zone Center, the Employer shall have the option of paying:

1. The IRS rate per mile each way for the distance in excess of fifty (50) miles, or
2. Furnish transportation to and from the job.

TC 2.04. "Travel Time" A. The Employer shall have the option of designating a fifty (50) mile radius or one hour of driving time. The designation shall be made pursuant to the procedures in Section 2.01 above.

B. When the employee is required to report for work at a job site within fifty (50) miles or one hour of the Employer's Zone Center, they shall not be entitled to travel time pay or subsistence pay.

C. For all time traveled to and from a job beyond the fifty (50) mile limit or one hour for the Employer's Zone Center, the employee shall be paid travel time at their appropriate hourly wage rate including paid time off pay. No fringe benefit contributions are required to be paid providing the travel time occurs before or after the regular eight (8) hour work day.

**Addendum WBS
Wage and Benefit Schedules**

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