

MATERIAL HANDLER
MEMORANDUM OF UNDERSTANDING

BETWEEN
L.U. 569, IBEW
AND SAN DIEGO CHAPTER, NECA
COVERING SAN DIEGO AND IMPERIAL COUNTIES
Effective June 1, 2021 through May 31, 2024

Memorandum by and between the San Diego Chapter of the National Electrical Contractors Association and Local Union 569 of the International Brotherhood of Electrical Workers.

It shall apply to all firms who sign a Letter of Assent to be bound by the terms of this Memorandum.

As used hereinafter in the Memorandum, the term "Chapter" shall mean the San Diego Chapter of the NECA and the term "Union" shall mean Local Union 569 of the IBEW.

The term "Employer" shall mean an individual firm who has been recognized by an assent to this Memorandum.

ARTICLE I
TERM/CHANGES

Section 1.01. This Memorandum contract shall become effective **June 1, 2021** and shall continue in full force and effect through **May 31, 2024**, and each year thereafter except as it may be amended by either party giving a ninety (90) day notice to amend setting forth in the notice the desired changes. If no agreement is reached in negotiations, then at the request of either party, the issues shall be submitted to the CIR in the manner set forth in the Inside Agreement, Sections 1.02 and 1.03.

Section 1.02. Either party may request changes in this Memorandum provided the nature of such changes are specified in writing. The existing provisions of this Memorandum shall remain in full force and effect until a conclusion is reached in the matter of proposed changes.

Section 1.03. Any mutually agreed upon change may be made at any time.

Section 1.04. The Employer agrees to negotiate and bargain exclusively with Local Union 569 in respect to the above.

ARTICLE II SCOPE OF WORK

Material Handlers shall be permitted to do the following: handling and delivering of materials, equipment and tools used in the Employer's business of electrical contracting. They may make up orders, pick up and deliver, load and unload materials, tools and equipment. They may repair and maintain the Employer's tools and equipment in the Employer's shop (excluding electrical repairs).

This section shall not be construed to prevent an Employer, Journeyman, or Apprentice from performing the above described work.

Material Handlers shall not fabricate, assemble, alter or perform any work on electrical materials or equipment. Their work on any jobsite shall be limited to delivering, loading and unloading and distributing and picking up materials, tools and equipment.

ARTICLE III GRIEVANCE PROCEDURE

Should any difference arise affecting this Agreement between an employee and the employer, such differences shall be taken up in the following steps:

Section 3.01. The employee shall first discuss the problem with the Employer or the Employer's representative and will notify the Union Business Office. The Business Office of the Union will dispatch a representative to meet as soon as possible with the Employer or his representative (within 48 hours).

Section 3.02. If not resolved, the matter shall be referred to the Inside Agreement Labor Management Committee. For this purpose, Sections 1.04, 1.05 and 1.06 of the Inside Agreement are hereby adopted and made a part of this Memorandum.

ARTICLE IV UNION SECURITY

All employees covered by the terms of this agreement shall be required to become and remain members of the Union as a condition of employment from and after the thirty-first day following the date of

their employment of the effective date of this Agreement, whichever is later.

ARTICLE V WORK WEEK

Section 5.01. Five (5) days, Monday through Friday, shall constitute the work week. A normal work day is eight (8) consecutive hours of work between 7:00 a.m. and 3:30 p.m. with not more than a thirty (30) minute lunch period. A single shift of eight (8) consecutive hours between 6:00 a.m. and 6:00 p.m. may be established by the employer for a given job site. Verbal notification to the Business Manager of the Union shall be given, prior to commencing work, with written confirmation by the employer to follow unless otherwise permitted in this Agreement.

Section 5.02. Premium pay at the rate of one and one-half (1 1/2X) times the regular rate of pay shall be paid for work performed outside the regular working hours and on Saturdays. A minimum of two (2) hours call-in time shall be paid in case an employee is called in to perform work.

Section 5.03. Listed Holidays are as follows:

New Year's Day	Memorial Day	Labor Day	Thanksgiving Day
*President's Day	Fourth of July	Veteran's Day	Friday After Thanksgiving
			Christmas Day

If any of these days fall on Sunday, the following Monday shall be considered the Holiday. If Christmas or New Year's falls on Saturday, the Friday preceding will be considered the Holiday. Other Holidays which fall on Saturday shall be celebrated on that day.

Martin Luther King's birthday (3rd Monday in January) and Cesar Chavez's birthday (March 31) may also be taken as a personal holiday to recognize their contribution to organized labor. Employees must give notice in the prior week if work is to be missed. No employee will be penalized for taking this time off of work. If work is performed on this day, it will be paid at the regular rate of pay.

*President's Day is to be celebrated on the same day as the Federal holiday.

ARTICLE VI
WAGES

Section 6.01. There shall be three (3) classes of Material Handlers whose minimum rates of pay shall be:

	<u>6-1-21</u>
Class III	\$14.00*
Class II	\$15.00**
Class I	\$16.50**

Any portion of the scheduled wage increase can be allocated to the existing fringe benefit fund(s) at the option of the Local Union upon 90 days notice.

*Wage rate will at all times equal at least the California State Minimum Wage.

** Wage rate will at all times equal at least the California State Minimum Wage plus \$1.00 per hour.

***Wage rate will at all times equal at least the California State Minimum Wage plus \$2.50 per hour.

The advancement of Material Handlers to the next classification shall be at the discretion of the Employer and is subject to review at the request of either party to the Agreement.

Section 6.02. PAY DAY. Each Contractor shall post in his place of business a notice specifying a day and hour, not later than four thirty (4:30) o'clock p.m. as pay day (not Saturday, Sunday, or Holiday) and not more than three (3) days' pay shall be held back unless special permission is obtained from the Business Manager of the Union.

Section 6.03. When workmen are terminated, they shall be given a termination slip stating the reason for such termination. These slips shall be furnished by the Union in quadruplicate with a copy forwarded to the Local Union Office and NECA Office. No discriminatory action will be taken by the Union against the Employer or his supervisors for recording the reasons for termination.

Nothing in this section shall prohibit the right of the Union or employee from using the grievance procedure.

ARTICLE VII
HEALTH AND WELFARE/EMDT/LMCC
DUES DEDUCT/EMPLOYER REPORTS

Section 7.01. Commencing on the 91st calendar day after the initial date of employment, the Employer shall pay Health and Welfare contributions for all employees covered by this Memorandum through either of two options: (a) a Group Health Plan within the Employer's shop or (b) through the "B" Kaiser Plan (paid at \$3.00 per hour) offered by the San Diego Electrical Health and Welfare Trust. The parties agree that the benefits and benefit rates will remain the same for current employees. New benefit rates will only apply to employees new to this agreement.

Section 7.02. The Employer must notify the parties to the Memorandum, in writing, regarding the method for providing Health and Welfare coverage for employees. This notification shall be submitted within fifteen (15) days of signing this Memorandum or a Letter of Assent agreeing to be bound by this Memorandum.

Section 7.03. Option (a): Employers who provide Health and Welfare coverage through option (a): An Employer-sponsored Group Health Plan shall provide a minimum level of benefits equal to the coverage which is available under the "A" Plan of the San Diego Electrical health and Welfare Trust Plan. The parties to the Memorandum, in conjunction with the San Diego Electrical Health and Welfare Trust, shall determine equitability.

Section 7.04. Option (b): This Section shall be applicable for the Health and Welfare coverage option offered by the San Diego Electrical Health and Welfare Trust.

a. Effective 9/1/03, the contribution rate shall coincide with the rate being paid under the Inside Agreement for Plan "A" coverage (without Plan C subsidy) at the time work is being performed. In recognition of the base wage rates in the market covered by this Memorandum, it is agreed during the term of this Memorandum, that any increases required for the Health and Welfare contribution shall not be deducted from the hourly rate of pay.

b. Notwithstanding paragraph a, if the Health and Welfare contribution rate increases are required to pay for new benefits under Plan A, then such cost increases shall be deducted from the rate of pay.

Section 7.05. San Diego Electrical Industry Training Trust. Effective August 30, 2021, each signatory Employer shall make monthly contributions into the San Diego Electrical Industry Training Trust in the amount of fifteen (\$.15) cents per hour for each hour worked by each employee covered by the terms of this Memorandum. The total of such sums shall be paid monthly by the fifteenth (15th) of the following month to the Electrical Trust Funds.

Section 7.06. San Diego Electrical Industry Education and Manpower Development Trust. Each signatory Employer shall make monthly contributions into the San Diego Electrical Industry Education and Manpower Development Trust in the amount of ten cents (\$.10) per hour for each hour worked by each employee covered by the terms of this Memorandum. The total of such sums shall be paid monthly by the fifteenth (15th) of the following month to the Electrical Trust Funds, and accompanied by an approved transmittal form.

Section 7.07. Cooperative Fund. All Employers, subject to the terms of this Memorandum, shall contribute seven cents (\$.07) per hour worked for each hour worked by each employee covered by this Memorandum for the purpose of maintaining the Local Union 569, IBEW - San Diego County Chapter, NECA Labor-Management Cooperative Fund. This sum shall be forwarded monthly to the Fund.

Section 7.08. Dues Deduct. During the term of this Memorandum, the Employer agrees to deduct, from the employee's wages, any working dues which have been established by the Local Union 569 Bylaws. Said deduction shall only be made with written authorization by the employee.

This amount is to be remitted on the same report form as the Health and Welfare. The Trust Office shall remit the amount to Local Union 569 as soon as practical, but in no case later than the 30th day of the month in which it was received.

Section 7.09. Employer Reports. (a) Each Employer shall report monthly to the Trustees in writing upon the forms provided and mailed to him by the Trustees, the name of all his employees, together with total hours worked by each of said employees during each month. The Employer shall include payment and such other information as may be properly required by the Trustees or carriers.

Each contribution to the Trust Fund shall be made promptly and in any event on or before the 15th day of the month following in which it accrued, on which date said contribution, if not paid in full, shall be delinquent.

The parties recognize and acknowledge that the regular and prompt payment of Employer contributions to the Trust Fund is essential to the maintenance of these funds; therefore, any amount determined by the Trustees of such Trust Funds as liquidated damage shall be due and payable upon the day immediately following the date on which the contributions became delinquent.

(b) The Trustees of the Trust Funds are hereby authorized to examine and audit any signatory Employer's records of account which are pertinent to the payment of contributions to the respective Trust Funds including all payroll records, time cards, day sheets, payroll checkbooks, and Federal and State Employment Reports. Audits shall be conducted periodically at the Employer's place of business unless otherwise agreed by the Trustees.

Employers agree that the records will be made available to the Trustees of the Trust Funds or its agents within seven (7) working days from the date such audit is requested. If such audit discloses that there has been under-reporting by the Employer, he shall be chargeable for the under-reported amount and any delinquency charges that may be due. In the absence of adequate hourly time records, the gross monies received by the employee shall be divided by the basic hourly rate to determine the hours worked by the employee and to compute the amount of contributions due the respective Trust Funds by the Employer.

The Trustees shall establish audit procedures and shall determine the specific method for implementing such procedures to the extent provided for in the Trust Documents.

(c) The Trustees to the extent provided for in the Trust, shall be entitled to and may file legal action for the collection of any and all contributions and delinquency charges due and owing by any and all Employers hereunder and in the event such action is maintained and filed, in addition to recovering of payments due and owing, liquidated damages and legal rate of interest, the Employers hereunder agree to pay all costs of such suit or suits, together with reasonable attorney fees.

(d) Continued failure on the part of any Employer to make prompt payments of his contribution to the Trust or the failure to make the required reports and payments shall be deemed to be a breach of the collective bargaining agreement and the Employer shall be subject to the grievance procedure as provided for in this Memorandum. The parties to this Memorandum shall require the Employer to make any and all payments due or to become due by him under the terms of this Memorandum.

ARTICLE VIII
NATIONAL ELECTRICAL INDUSTRY FUND

Section 8.01. National Electrical Industry Fund. Each individual employer shall contribute an amount not to exceed one percent (1%) nor less than .2 of 1% of the productive electrical payroll, as determined by each local Chapter and approved by the Trustees, with the following exclusions:

1. Twenty-five percent (25%) of all productive electrical payroll in excess of 75,000 man-hours paid for electrical work in any one

Chapter area during any one (1) calendar year, but not exceeding 150,000 man-hours.

2. One hundred percent (100%) of all productive electrical payroll in excess of 150,000 man-hours paid for electrical work in any one Chapter area during any one (1) calendar year.

[Productive electrical payroll is defined as the total wages (including overtime) paid with respect to all hours worked by all classes of electrical labor for which a rate is established in the prevailing labor area where the business is transacted.]

Payment shall be forwarded monthly to the National Electrical Industry Fund in a form and manner prescribed by the Trustees no later than fifteen (15) calendar days following the last day of the month in which the labor was performed. Failure to do so will be considered a breach of this Memorandum on the part of the individual Employer.

Separability Clause

Should any provision of this Memorandum be declared illegal by any court of competent jurisdiction, such provision shall immediately become null and void, leaving the remainder of the Memorandum in full force and effect and the parties shall thereupon seek to negotiate substitute provisions which are in conformity with the applicable laws.

Section 8.02. NON-DISCRIMINATION. It is the continuing policy of the Employer and the Union that the provisions of the Collective Bargaining Agreement shall be applied to all employees without regard to race, sex, age, color, religious creed or national origin.

IN WITNESS HEREOF, the parties hereto have executed this Memorandum and shall be bound by all the provisions and conditions thereof.

Dated: _____

SIGNED:

Andrew Berg
San Diego Chapter, NECA
Executive Manager

Jeremy Abrams
IBEW Local Union 569
Business Manager

Robert W. Friar
San Diego Chapter, NECA
President

Joe Heisler
IBEW Local Union 569
President