



**HIGH PERFORMANCE**

**HIGH VALUE**

**NORTHERN CALIFORNIA  
FLOOR COVERING  
MASTER AGREEMENT**

**BETWEEN**

**DISTRICT COUNCIL 16**

**AND**

**FLOOR COVERING ASSOCIATION  
CENTRAL COAST COUNTIES**

**July 1, 2015 - June 30, 2019**

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## **COLLECTIVE BARGAINING AGREEMENT**

This Agreement is made and entered into as of the first day of July 2015 by and between the Floor Covering Association of the Central Coast Counties on behalf of their regular members who have authorized their inclusion in the coverage of this Agreement and on behalf of any Employers who in the future may authorize their inclusion in the coverage of this Agreement, Independent Floor Covering Employers signatory hereto, each of whom is hereinafter referred to as the "Employer", and District Council 16, of the International Union of Painters and Allied Trades, AFL-CIO, hereinafter referred to as the "Union".

### **WITNESSETH:**

Whereas, the Union and the Employer, in the interest of the general public, desire the maintenance of a sound and harmonious relationship between them for the future,

Now, therefore, the parties hereto agree as follows:

### **ARTICLE 1 JURISDICTION**

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

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

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

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

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

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

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

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

## **ARTICLE 2 OWNER MEMBERS**

1. Each Employer may designate no more than two (2) owners, partners or persons holding proprietary interest in the Employers business as Owner Members of the Union. Owner Members may perform work covered by this Agreement and the Employer shall not make Trust Fund contributions on behalf of Owner Members pursuant to Wage Schedule A, Owner Members shall contribute to all appropriate Trust Fund Subscriber Agreements.
2. Any worker or applicant for employment, who has or who obtains a Floor Covering Contractor's License, shall inactivate such license before seeking or accepting employment under the terms of this Agreement or he shall not work or be dispatched by the Union.
3. No Employer signatory to this Agreement shall be allowed to work for any other Employer as a worker on the payroll of such Employer. No worker shall be recognized as an Employer until he becomes signatory to this Agreement.

## **ARTICLE 3 HIRING & DISPATCHING**

1. The Employer shall request in writing from the Union when any additional workers are needed, and the Union agrees to refer workers to the Employer within twenty-four (24) hours, if available. If the Union is unable to furnish qualified workers to the Employer within forty-eight (48) hours after the Employer calls for them, the Employer shall be free to procure workers from any other source. However, the Employer shall require the workers so procured to present a work referral from the Union prior to putting the worker to work.
2. Notwithstanding the above, members in good standing with the Union may seek their own job and the Employer may have referred to it any applicant (who is registered on the Unions out of work list) by submitting a request by name to the Union.
3. The Employer shall require each new employee to present a written referral from the Union prior to putting the new employee to work.
4. When the Union, employee and Employer agree to reclassify an employee, the Employer shall require the employee to present a written referral from the Union prior to putting the employee to work at the new classification.
5. In the event the Employer fails to comply with these hiring procedures, the Union may utilize the dispute settlement or arbitration procedures set forth in this Agreement and may resort to such economic and legal remedies as it sees fit with respect to such Employer. Any economic action taken will not be considered a violation of this Agreement.

6. Every employee reporting for work within the scope of this Agreement shall have the appropriate tools of the trade for the phase of the craft for which he is reporting. Each worker shall procure and maintain the required tools at their own expense. The listing of appropriate tools of the trade are as set forth below:

**(a) Employee Furnished:**

**Carpet Tools:**

Awl, Base Mold Lifter, Carpenter's Hammer, Carpet Knife, Chalk Line, Hack Saw, Knee Kicker, Miter Box, Needle (straight & curved), Screwdrivers (flat & phillips), Sharpening Stone, Shears (carpet), Snips (metal), Spreaders, Stair Tool, Stanley Knife, Staple Gun (padding), Strip Cutters, Tack Hammer, Tape Measure (25'), Thimble(s), Tool Box, Trimmer, 6' Straight Edge and 3" Heat Seaming Iron.

**Hard Surface Tools:**

Awl, Base Mold Lifter, Carpenter's Hammer, Chalk Line, Corner Scribe, Under Scribe, Dividers, Files, Fox Tail Brush, Hack Saw, Hook Knife, Linoleum Knives, Miter Box, Nail Set, Notched Spreader, Pin Scribe, Scraper (broad knife), Screwdrivers (flat and phillips), Sharpening Stone, Single Arm Roller (band), Snips (metal), Stanley Knife, Straight Edge (6'), Tape Measure (25') and Tool Box.

**(b) Employer Furnished as applicable to specific job or trade practices:**

Floor Sanders, Edger, Hand Trucks, Dollies, Linoleum Roller (in excess of 25 lbs), Hard Hats, all required Personnel Protection Equipment (PPE), Heat Seaming Iron, Power Stretcher, Power Saw, Power Seam Cutter, Power Stapler, Spot Nailer, Reserve Propane Tank, Safety Glasses and Tile Remover, Trowels (notched and finished), Tapes (50' & 100'), Torch, 12" Tile Cutter, Expendable Supplies to include, but not limited to, Blades (of any kind), Brads, Propane Gas, Nails, Pins, Screws, Staples and all vinyl welding tools, equipment and supplies, Customary Heat Seaming Iron to be furnished if employee's iron is not the shop standard.

7. The Union agrees that the Employer is in no way bound to keep in his employ any worker who proves to be incompetent and/or unsatisfactory in the branch of trade for which he or she is hired. When an employee is hired and is found to be incompetent or unsatisfactory, he or she, upon his or her discharge, shall be paid for the actual time worked.

8. No individual Employer shall work as a working employee for any other Employer. No employee may be loaned or transferred by an Employer to another shop unless reported to the Union.

**ARTICLE 4**  
**UNION RECOGNITION & UNION SECURITY**

1. The Employer recognizes, acknowledges and agrees that it has satisfied itself that District Council 16 represents a majority of its employees employed to perform bargaining unit work and that the Union is that collective bargaining representative for such employees. The Contractor specifically agrees that the Union has demonstrated its majority status and has established a collective bargaining relationship within the meaning of Section 9(a) of the National Labor Relations Act by this Agreement and/or by the execution of previous Agreements.
2. It shall be a condition of employment that all Journeymen and Apprentices covered hereby shall become and remain members in good standing of the Union on or after eighth (8th) day of employment whether continuous or accumulative. It shall be a condition of employment that all Floor Covering Handlers and Trainees covered hereby shall become and remain members in good standing of the Union on or after the thirty-first (31st) day of employment whether continuous or accumulative.
3. All workmen accepted into membership shall thereafter maintain their continuous good standing in the Union as a condition of employment by paying regular monthly union dues and admission fees uniformly paid by other members in the same classification in the Union in accordance with its rules.
4. In the event that a workman fails to render the admission fee or that a member of the Union fails to maintain his membership in accordance with the provisions of this Section, the Union shall notify the Employer, in writing, and such shall constitute a request of the Employer to discharge said individual workman within seventy-two (72) hours after receipt.
5. In the event the Employer fails or refuses to discharge said individual workman immediately after being notified by the Union, the Union shall be free to remove all workers from working for this Employer until said individual workman is discharged. If the Union chooses to withdraw all workers as authorized in this Section, it shall not constitute a violation of any actual or implied "no strike" obligation under this Agreement.

**ARTICLE 5**  
**PICKET LINES**

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

1. Recognizing the "special problems" in the construction industry based upon the close relationship between contractors and subcontractors at the jobsite of the construction, alteration, painting, or repair of a building, structure, or other such work and the friction that is created when union and non-union employees are required to work side-by-side, it shall not be a violation of this Agreement and it shall not be a cause for disciplinary action or discharge in the event an employee refuses to enter upon any such construction site where non-union employees are employed and which would require the employee to work "shoulder-to-shoulder" or alongside the non-union employee or employees, or refuses to remain on such a jobsite when non-union employees are engaged in such construction on the jobsite. This clause shall apply only to jobsites where the Union's members are working, whether it be on a construction site of the Employer or at any other jobsite.
2. If any employee leaves the jobsite due to this Article, no Employer shall be held responsible for wages or fringe benefits after such action has been taken.

## **ARTICLE 6 EMPLOYERS**

1. As a condition precedent to qualifying as an Employer under this Agreement every Employer shall:
  - (a) Have a designated principal place of business located in a zone permissible for the operation of said business, as required by the laws or ordinances of the area in which said business is located; and
  - (b) An Employer's shop for the purpose of this Agreement shall be defined as a location of the Employer's work at a shop or branch shop or plant where the Employer conducts the regular business covered by this Agreement including the existence of inventory, a telephone, electric power and toilet facilities, and a permanent office where regular business is conducted and where bargaining unit employees regularly work or report in and out. A construction jobsite location or a specific job shall not be considered a principal place of business. Unless the initial term of the lease for the Employer's shop or branch shop or plant is for a period longer than one year or the Employer owns the property, then the location shall be deemed a construction jobsite and not a principal place of business or an Employer's shop or branch shop or plant. Furthermore, it is expressly understood that a signatory employer will not share a principle place of business, branch shop or storage facilities with a non-signatory contractor; and
  - (c) Have an appropriate State of California Floor Covering Contractor's License, effectively in his possession to employ workmen under this Agreement and have fulfilled the requirements of all Federal, State, County and City laws applicable to the operation of the Employer's business; and
  - (d) Have adequate Workmen's Compensation Insurance, which insurance coverage shall be evidenced by a Certificate of Insurance, which the Employer shall keep currently at his principal place of business.

- (e) No jobsite shall be recognized as a principal place of business under any circumstances.
2. The Employer agrees that they will not subcontract any work covered by this Agreement to be done at the site of construction, alteration, painting or repair of a building, structure or other work except to a person, firm or corporation signatory to an existing current labor agreement with the Union. This Agreement will not limit the Employer's ability to originate contracts for goods and services. Furthermore, it is expressly understood and the Employer agrees that beyond the general contractor and or any of the entities whomever that are signatories to an existing, current labor agreement with this Union, there will be no subcontracting.
  3. The individual Employer will give written notice to the Union of any subcontract involving the performance of work covered by this Agreement prior to commencement of work by the subcontractor, and shall specify the name and address of the subcontractor, the name and address of the work and the start date of the work. If thereafter the subcontractor becomes delinquent in the payment of any wages, trust fund contributions, or other fringe benefit payments, the Union shall give written notice of the delinquency to the individual Employer and to the subcontractor. The notice shall specify the name(s) and amounts, if known, of the delinquency. When the notice of delinquency is received, the individual Employer shall pay the amount of the subcontractor's delinquency which has occurred on the individual Employer's specific job.
  4. It is expressly understood that this Article shall apply to all present and subsequently acquired operations of the Employer and to all accretions to the bargaining unit, including, but not limited to, newly established or acquired operations.
  5. The Employer shall provide the customary shop equipment and shop supplies. The Employer shall provide such tools as is set forth in Article 3, Section 6(b). All workmen agree to care for all Employer furnished tools as if they were their own. Where a reasonable charge out system is employed, and where the tools are appropriately identified as the Employer's, the workman is to be responsible for such lost or damaged, (normal wear and tear excepted) Employer furnished tools.

## **ARTICLE 7 SAFETY LAWS, REGULATIONS & REQUIREMENTS**

1. The Employer shall abide by, and require all employees to abide by, all Health & Safety Provisions, Rules and Regulations of any and all Municipal, State and Federal Agencies having issuing authority in the pertinent field of work being performed by the Employer signatory to this Agreement.
2. No employee shall be required to lift an unreasonable amount of weight without suitable assistance. Such suitable assistance may be either another person covered by this Agreement or appropriate equipment. This provision shall apply whether at the Employer's shop or at the area or jobsite where any material covered by this Agreement is to be installed.



3. The parties to this Agreement recognize the problems which drug and alcohol abuse have created in the construction 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 or employees to undergo drug and alcohol testing. The parties agree that if a testing program is implemented by an individual Employer, the following will apply:
- (a) It is understood that the use, possession, transfer or sale of illegal drugs, narcotics or other unlawful substances and alcohol, are absolutely prohibited while employees are on the Employer's job premises or working at any jobsite.
  - (b) All applicants for employment will undergo a drug and alcohol screen at a facility agreed upon by the Employer and the Union. The Employer agrees to pay each applicant or employee who takes and passes the drug and alcohol screen test, for all the time it takes to undergo the testing, up to a maximum of two (2) hours travel time, plus lab time. Applicants not passing the drug and alcohol screen will not be placed on the Employer's payroll. The Employer agrees to pay for the cost of administering the drug and alcohol screen. Employees who test positive may request that they be given a Chromagraphic Mass Spectrometer Test. The Employer is responsible for the payments of this test. If the employee does not pass this test, the Employer will not be responsible for the payment of time lost while being tested.
  - (c) Applicants for employment who do not test positive shall be paid for all time lost per paragraph (b) above. Payments shall be at the applicable wage and benefit rate set forth herein. It is understood that an applicant must pass the drug and alcohol screen test, as a condition of employment. Applicants who are put to work pending the results of a test will be considered probationary employees and may be terminated immediately if the test is positive.
  - (d) The Employer may test an employee where the Employer has reasonable cause to believe that the employee is impaired from performing his/her job. Reasonable cause shall be defined as being aberrant or unusual behavior, the type of which is a recognized and accepted symptom of impairment (i.e. slurred speech, unusual lack of muscle coordination, etc.). Such behavior must be observed by two (2) persons. An employee who refuses to take a test must be immediately discharged.
  - (e) An Employer may require that employees involved in an accident resulting in damage to the plant, property, equipment or injury to himself/herself or to others, may be tested for drugs and alcohol.
  - (f) There will be no random drug and alcohol testing by the participating Employer.
  - (g) An employee who is using prescribed medication that might affect his/her job performance or safety, must inform their supervisor.

- (h) Employees, if tested positive, shall have the prerogative for a rehabilitation program at the employee's expense. When such program has been successfully completed, the Employer shall not discriminate in any way against the employee. If work which the employee is qualified exists, he/she shall be reinstated.
  - (i) Any testing which is done must be done by a National Institute on Drug Abuse certified laboratory, chosen by the Employer and the Union.
  - (j) The Employer agrees to hold the Union harmless from any claim arising out of the implementation of this drug testing program.
4. The bargaining parties expressly agree that Employees covered by this Agreement shall not receive any additional benefits for the San Francisco Family Friendly Workplace Ordinance, the San Francisco Paid Sick Leave Ordinance, the Oakland Paid Sick Leave Ordinance, the California Paid Sick Leave Statute (Labor Code 245-249) and any other city, county or local paid sick leave ordinance that can be waived or opted out of through collective bargaining.

## **ARTICLE 8 TERRITORIAL JURISDICTION OF AGREEMENT & OUT OF AREA WORK**

### **1. Territorial Jurisdiction**

The territorial jurisdiction covered by this Agreement shall be comprised of the Northern California Counties of:

Alameda, Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, El Dorado, Fresno, Glenn, Kings, Lake, Lassen, Madera, Marin, Mariposa, Mendocino, Merced, Modoc, Monterey, Napa, Nevada, Placer, Plumas, Sacramento, San Benito, San Joaquin, San Mateo, Santa Clara, Santa Cruz, San Francisco, Siskiyou, Shasta, Sierra, Solano, Sonoma, Stanislaus, Sutter, Tehama, Trinity, Tulare, Tuolumne, Yolo and Yuba (with the exception of the Tahoe Basin).

### **2. Out of Area Work**

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

enforceable by the Local Union or District Council in whose jurisdiction the work is being performed, both through the procedure for settlement of grievances set forth in its applicable Collective Bargaining Agreement and through the courts, and is also enforceable by the Union party to this Agreement both through the procedure for settlement of grievances set forth in this Agreement and through the courts.

- (a) The contractor or the Employer party to this Agreement, when engaged in work outside the geographical jurisdiction of the Union party to this Agreement, shall employ not less than fifty percent (50%) of the workers employed on such work from the residents of the area where the work is performed, or from among persons who are employed the greater percentage of their time in such area.
- (b) Employers signatory to this Agreement shall not attempt to engage in any work covered by this Agreement in any area outside the geographical jurisdiction of the Agreement through the use or device of another business or corporation which such Employer controls or through the use or device of a joint venture with another Employer or contractor in any outside area without first consulting with the Union for the purpose of establishing to the Union's satisfaction that the use of such device is not for the purpose of taking advantage of lower wages or conditions that are in effect in the home area of such Employer, and if the Union is not so satisfied, the Union has the option of canceling the Agreement.

**3. Out Of Area Employers**

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

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

**ARTICLE 9  
HOURS OF WORK & OVERTIME**

- 1. The Normal Work Week for each employee will be forty (40) hours per week, Monday through Friday.
- 2. The Normal Work Day shall be eight (8) consecutive hours between 5:00 a.m. and 5:00 p.m. with one-half (1/2) hour without pay being allowed for lunch.

- (a) Four (4) ten (10) hour days paid at the straight-time rate with one-half (1/2) hour without pay being allowed for lunch Monday through Friday shall be permitted under this Agreement. The Employer shall notify the Director of Service of District Council 16 in writing by email prior to starting any four (4) ten (10) hour day operation. Overtime rates shall be paid for all hours worked over eight (8) hours in a day if the employer fails to notify the Union as described above.
  - (b) Shift Work shall be permitted under this Agreement and shall be paid at twenty percent (20%) above the Taxable Net Wage. Shift Work shall be paid for any portion of an employees' eight (8) hour work day which falls outside of the Normal Work Day. The Employer shall notify the Director of Service of District Council 16 in writing by email prior to starting any Shift Work operation. Overtime rates shall be paid for all hours worked outside of the Normal Work Day if the Employer fails to notify the Union as described above.
    - (1) Any employee who has already worked a Normal Work Day as specified in this Agreement (that is, within the normal eight (8) hour day between 5:00 a.m. and 5:00 p.m.) shall not be permitted to also work a Shift Work job in the same day.
  - (c) Participation of employees on four (4) ten (10) hour days and/or shift work shall be on a voluntary basis and no member shall be discriminated against by the Employer for refusing such work.
3. Overtime hours worked prior to or after the Normal Work Day, Monday through Friday, shall be paid at one and one-half (1½) times the Taxable Net Wage. All work performed on Saturday shall be paid at least at one and one-half (1½) times the Taxable Net Wage. All work performed on Sunday will be paid at least at two (2) times the Taxable Net Wage. All hours worked in excess of twelve (12) hours in one (1) day, Holidays, Designated Days Off and four (4) day holidays as listed in Article 11 Holidays and Designated Days Off, and all hours worked in excess of eight (8) on Shift Work shall be paid at two (2) times the Taxable Net Wage.
- (a) Floor Covering Handlers working on Designated Days Off shall be paid at the straight-time rate for the first eight (8) hours and one and one-half (1½) times the Taxable Net Wage if working over eight (8) hours and two (2) times the Taxable Net Wage on all hours worked in excess of twelve (12) hours in one (1) day.
  - (b) Designated Days Off, Saturdays, Sundays and Holidays, when worked, employees shall be employed for not less than two (2) hours.
  - (c) The Employer shall obtain an overtime permit from the Union prior to the commencing of any overtime work. Whenever an overtime permit is requested under this Section by the Employer, its issuance shall not be unreasonably withheld by the Union.

4. Unless employees are given notice, individually, within two (2) hours after their regular shift, that their services are not required the following regular work day, all employees reporting for work, shop or jobsite, at their regular starting time shall be paid two (2) hours pay, except when weather, natural conditions, or emergency situation beyond the control of the Employer prohibits the Employer from proceeding with work that day. As a condition to being entitled to receive pay under this Section, the employee must have his current telephone number and address on file with the Employer. The prior notice to the employee provided for in this Section may be given in person, writing or by telephone.
5. When commencing work on any day, Monday through Friday, employees governed by this Agreement shall be employed for no less than eight (8) hours per day. However, any employees reporting for work after their regular starting time shall be paid only for the hours worked, but no less than four (4) hours. When employees leave a job, at their own discretion, they shall be paid only for the hours worked. When weather, natural conditions, or emergency situation beyond the control of the Employer prevents a full day's work, the hours worked shall be paid for, but no less than four (4) hours. It shall be incumbent upon the employee to notify their Employer immediately upon being advised of the emergency.
6. Workmen shall receive wages only for the actual time worked on his initial day of dispatch by the Union. Computation of hours worked shall be from the time the workman reports for work at the Employer's designated place of business.

## **ARTICLE 10 WAGES & CLASSIFICATIONS**

1. **CLASSIFICATIONS:** There shall be four (4) classifications covered by this Agreement:

Journeyman  
Apprentice  
Floor Covering Handler  
Pre-Apprentice

The hourly minimum Total Package of Wages for each classification shall be as follows:

2. **JOURNEYMAN:**
  - (a) The term Journeyman means a person who has served a bona fide apprenticeship or has an apprenticeship certificate or who is qualified by experience and ability to perform work with tools and machines as is necessary in the performance of skilled floor covering work.
  - (b) The hourly minimum rate of wages for Journeyman shall be as follows:

- (1) Journeymen shall be paid pursuant to the attached Wage Schedule A and receive two dollars (\$2.00) per hour increase to the Total Package Wage contained within the attached Wage Schedule A on January 1, 2016, two dollars (\$2.00) per hour on January 1, 2017, two dollars (\$2.00) per hour on January 1, 2018, and two dollars (\$2.00) per hour on January 1, 2019 of this Agreement and any extensions thereof.

The per hour increase required each January 1 of this Agreement shall first be utilized to pay the seventy-eight cent (\$0.78) per hour deficit reduction contribution required by the Resilient Floor Covering Pension Trust Fund, Preferred Rehabilitation Schedule #4A, pursuant to Article 19, Section 2(a). Secondly, the per hour increase required each January 1 of this Agreement shall be utilized to cover any hourly cost increase in Health & Welfare.

- (c) When five (5) or more employees covered under this Agreement are on a job for a five (5) days duration or more, the Employer shall designate one (1) working Journeyman, in good standing with the Union, as their Leadman, for the duration of the job. The definition of "Duration of the Job" is the primary contract and does not include change orders or call backs, providing that none of the exceptions require three (3) or more employees or more on each separate operation. The Leadman shall receive two dollars (\$2.00) per hour above the Journeyman Total Package Wage.

- (1) Leadman shall be required to attend and satisfactorily complete at least sixteen (16) hours of STAR Program Training annually of which at least eight (8) hours shall be Supervisor Certification Training. Effective July 1, 2013 any Leadman who has failed to attend and satisfactorily complete their annual sixteen (16) hours of STAR Program Training including eight (8) hours of Supervisor Certification Training until all SCT-1 through SCT-4 have been completed, during the preceding STAR training year ending June 30, shall no longer be eligible to act as a Leadman for any Employer until such time as he or she completes the required training.

### 3. APPRENTICES:

- (a) Apprentices shall be paid a progressive increasing scale of wages based on a percentage of Journeyman's Taxable Net Wage as follows:

1 <sup>st</sup> six (6) months: 50%	5 <sup>th</sup> six (6) months: 70%
2 <sup>nd</sup> six (6) months: 55%	6 <sup>th</sup> six (6) months: 75%
3 <sup>rd</sup> six (6) months: 60%	7 <sup>th</sup> six (6) months: 80%
4 <sup>th</sup> six (6) months: 65%	8 <sup>th</sup> six (6) months: 90%

- (b) Apprentices shall receive full benefits except Vacation/Holiday and Pension contributions which shall be based on their respective percentage of Journeyman's contributions.

- (c) The employment of Apprentices and Pre-Apprentices shall be in accordance with the following ratio: One (1) Pre and/or Apprentice to each three (3) regularly employed Journeymen or fraction thereof. In the event of layoff, the ratio of remaining Pre and/or Apprentices to Journeymen shall not exceed the ratio as stipulated above.
- (d) No Apprentice shall be recognized as an Employer, nor shall he be allowed to work as a foreman or supervise any other workmen. Where special conditions warrant, an Apprentice in his last six (6) months of training may be allowed to work alone, providing his school and shop records are satisfactory and permission is granted by the Union.

**4. FLOOR COVERING HANDLERS:**

- (a) Floor Covering Handlers may pick up, deliver, handle materials utilized by employers, pickup and deliver shop tools, sweep floor, clean floor coverings, remove debris after completion of installation, place materials on the jobsite and perform demolition work, but may not work with the tools of the trade unless specifically related to demolition work.
- (b) The hourly minimum rate of wages for Floor Covering Handlers shall be forty percent (40%) of the Taxable Net Wage of a Journeyman.
- (c) Floor Covering Handlers shall receive full Journeyman benefits except Vacation/Holiday and Pension contributions which shall be based on forty percent (40%) of Journeyman contributions.
- (d) After three (3) years of employment the above referenced percentages shall increase to fifty percent (50%).
- (e) Floor Covering Handlers shall not be permitted to work on prevailing wage projects under any circumstances.

**5. FLOOR COVERING HANDLER TRAINEES:**

- (a) Floor Covering Handler Trainees shall be paid a progressive increasing scale of wages based on a percentage of Floor Covering Handlers Taxable Net Wage as follows:
  - 1<sup>st</sup> three (3) months: 80%
  - 2<sup>nd</sup> three (3) months: 90%
- (b) Floor Covering Handler Trainees shall receive full benefits except Vacation/Holiday and Pension contributions which shall be based on their respective percentage of Floor Covering Handlers contributions.
- (c) Floor Covering Handler Trainees shall not be permitted to work on prevailing wage projects under any circumstances.

**6. PRE-APPRENTICE WAGES:**

- (a) The hourly minimum rate of wages for Pre-Apprentices shall be forty percent (40%) of the Taxable Net Wage of a Journeyman.
  - (b) Pre-Apprentices shall receive full Journeyman benefits except Pension and Vacation/Holiday contributions. Pre-Apprentices shall have no contributions made on their behalf towards Pension and Vacation/Holiday during their term of Pre-Apprenticeship.
  - (c) **Pre-Apprentice Term:** Employees shall not be classified as a Pre-Apprentice for more than six (6) months. The entire Pre-Apprenticeship period shall be considered probationary and employment may be discontinued at any time at the sole discretion of the Employer. Pre-Apprentices who complete the entire six (6) month Pre-Apprenticeship period shall be enrolled in the apprenticeship program.
  - (d) Pre-Apprentices shall not be permitted to work on prevailing wage projects under any circumstances.
7. No employee presently covered under this Agreement shall suffer a reduction in wages or benefits as a result of this Agreement whether retained by the same Employer or employed by a new Employer.
8. Any Journeyman may be permitted to work for less than journeyman scale while receiving training, but must first obtain permission from the Union. Permission may be granted only upon agreement of the Union, the Employer and the employee.
9. Beneficial, partial beneficial, non-beneficial and honorary members of the Union, whose age or physical condition debar them from earning the current rate of wages, shall be permitted to work for less, but must first obtain permission from the Union before doing so.

**ARTICLE 11  
HOLIDAYS & DESIGNATED DAYS OFF**

1. Holidays are defined as follows: New Year's Day, Martin Luther King Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the day after and Christmas Day. If a holiday falls on a Sunday, it shall be observed the following Monday. If a holiday falls on a Saturday, same shall be observed on the preceding Friday. No work under any circumstances shall be permitted on Labor Day.
2. **DESIGNATED DAYS OFF** - In addition to the foregoing recognized holidays, there shall be six (6) Designated Days Off per year as designated below:
- (a) September 4, 2015, November 11, 2015, December 24, 2015, March 25, 2016, May 27, 2016, June 17, 2016, September 2, 2016, November 11, 2016, December 23, 2016, April 14, 2017, May 26, 2017, June 16, 2017, September 1, 2017, November 10, 2017,



December 22, 2017, March 30, 2018, May 25, 2018, June 15, 2018, August 31, 2018, November 12, 2018, December 24, 2018, April 19, 2019, May 24, 2019, June 14, 2019.

(b) By mutual agreement between the Union, the Employer and the employee, DDO's may be worked at straight-time. The Employer shall notify the Director of Service of District Council 16 in writing by email including the signatures of those who will be working and where the work will be performed prior to starting work on any DDO. Overtime rates shall be paid for all hours worked on DDO's if the Employer fails to notify the Union as described above.

(1) The provisions for working straight time on DDO's as outlined above shall in no way be applicable to work performed on prevailing wage projects.

## **ARTICLE 12 VACATIONS**

1. The parties agree that, contributions to the Holiday/Vacation Fund shall be transmitted to the current administrator who thereupon will deposit the money in the bank. These contributions shall be made to a bank in the name of each individual worker and the bank shall set individual accounts for each employee. Interest on the accounts shall be paid to the employee.
2. Vacations shall be taken at a time mutually agreed upon by the Employer and employee.
3. The contribution rate shall be set forth in Schedule A and shall be paid on all hours worked.

## **ARTICLE 13 STEWARDS**

1. **APPOINTMENT:**  
The District Council shall be empowered to appoint and remove all shop and/or job stewards as required in any shop or job of an Employer signatory to this Agreement. Stewards shall be competent Journeypersons currently employed by the Employer at the time of appointment.
2. **DUTIES:**  
Such duties shall include monitoring the provisions of this Agreement, checking all working cards of Foreman, Journeyperson and Apprentices and to check all applications, working permits, and to report the same by the use of Steward's Report to the Business Representative of the Union. Steward shall work with the tools as well as doing the duties assigned by the Union.
3. **REPORTING:**  
The Steward shall report to the Business Representative of the Union and to the Employer or his Representative, any and all violations of this Agreement. All matters of consequence pertaining to jurisdiction, alleged grievances due to unfair treatment by the Employer, are to be reported to the Union for action as may be deemed necessary.
4. **LAYOFF:**

The Steward shall be the last employee laid off provided he/she is qualified and able to perform the available work.

**ARTICLE 14**  
**DISTRICT COUNCIL 16 NORTHERN CALIFORNIA JOURNEYMAN & APPRENTICE**  
**TRAINING TRUST FUND**

1. The Employer and the Union hereby agree to the continuation of the existing District Council 16 Northern California Journeyman & Apprentice Training Trust Fund ("Training Trust"). Effective on the date of this Agreement, all contributions for the Training Trust referenced in Wage Schedule A will be remitted to the District Council 16 Northern California Journeyman and Apprentice Training Trust Fund. The detailed basis of the administration of the Training Trust shall be pursuant to the agreements and trust declarations adopted by the Board of Trustees, which shall be binding upon all Employers' signatory to or bound by this Agreement.
2. The contribution rate shall be set forth in Wage Schedule A and shall be paid on all hours worked.
3. We hereby establish under this Collective Bargaining Agreement a provision for affiliation with the IUPAT Finishing Trades Institute (IUPAT-FTI) and further provide a minimum contribution of five cents (\$.05) per hour for each Journeyman and Apprentice employee covered under this Agreement.

**ARTICLE 15**  
**JOINT APPRENTICESHIP & TRAINING COMMITTEE**

1. In the territorial jurisdiction of the Union there is established one (1) Joint Apprenticeship Training Committee which shall consist of an equal number of members appointed respectively by the Floor Covering Association of the Central Coast Counties and the Union. The Committee shall oversee the apprenticeship system under the control of the Trustees of the District Council 16 Northern California Journeyman & Apprentice Training Trust Fund.
2. The duties of the Joint Apprenticeship and Training Committee may include, but are not limited to:
  - (a) Selection of applicants as provided for in selection procedures registered and approved by the State of California;
  - (b) Supervise the training of Apprentices under a program as defined by the Trustees and Trust Document;
  - (c) Supervise the training and upgrading of Journeymen. More specifically, the Committee shall develop and provide Journeyman upgrade and training programs that increase the knowledge, skills and job opportunities for Journeymen;
  - (d) Supervise the testing of Apprentices and Journeymen;

- (e) To establish rules, regulations, and training standards for the Apprentice; and
  - (f) To implement disciplinary action within the rules and regulations.
3. Apprentices may be employed only in accordance with standards as set forth by the Joint Apprenticeship and Training Committee.
  4. No Apprentice shall be hired by any Employer until both the shop and the Apprentice have been approved by the Joint Apprenticeship Committee.

**ARTICLE 16  
DISTRICT COUNCIL 16 NORTHERN CALIFORNIA  
HEALTH & WELFARE TRUST FUND**

1. The Employer and the Union parties to this Agreement hereby agree to the continuation of the existing District Council 16 Northern California Health and Welfare Trust Fund (“Health and Welfare Trust Fund”).
2. Within the limits of the total wage package contained in the attached Wage Schedule A, and subject to any minimum contribution rate which may be established by the Trustees from time to time, the Employer shall contribute to the Health and Welfare Trust an amount determined by the Union on January 1 of each year of this Agreement, on each employee covered under this Agreement on all hours worked. Such payments shall be made pursuant to the provisions of Article 19. The Employer shall not be liable for the contributions of any other individual Employer.
3. The contribution rate shall be set forth in Wage Schedule A and shall be paid on all hours worked.
4. **Affordable Care Act Compliance:**  
The Bargaining parties authorize the Trustees of District Council 16 Health and Welfare Trust to take such actions as are necessary to address any details required to fully comply with the Affordable Care Act. However, no benefits or terms of this Article or the Agreement as a whole may be reduced without mutual agreement of the Floor Covering Association Central Coast Counties and the Union.

**ARTICLE 17  
INDUSTRY FUND**

Commencing July 1, 2015, and continuing until the expiration date of this Agreement, every Employer signatory to this Agreement shall pay Industry Fund contributions based upon all covered employee hours worked or required to be paid for in the amount of twenty-three cents (\$0.23) per hour. Said Industry Fund contributions shall be remitted to the appropriate depository designated by the Floor

Covering Association of the Central Coast Counties (FCA/CCC), no later than the fifteenth (15<sup>th</sup>) day of each and every calendar month for all hours worked during the preceding calendar month. Said Industry Fund Contributions are then forwarded to the FCA/CCC designated account. The contribution rate to the FCA/CCC will be monitored and may be increased as deemed necessary by the Board of Directors of FCA/CCC, up to a maximum contribution rate of fifty cents (\$0.50) per hour. No part of the contributions to the Industry Fund shall be used for activities which are inimical to the Union.

## **ARTICLE 18 RETIREMENT PLANS**

### **1. Defined Benefit Pension Plan:**

- (a) The Employer and the Union hereby agree to the continuation of the existing Resilient Floor Covering Pension Plan ("Defined Benefit Pension Plan").
- (b) Within the limits of the total wage package contained in the attached Wage Schedule A, and subject to any minimum contribution rate which may be established by the Trustees from time to time, the Employer shall contribute to the Defined Benefit Pension Trust an amount determined by the Union on January 1 of each year of this Agreement, on each employee covered under this Agreement on all hours worked. Such payments shall be made pursuant to the provisions of Article 19.

### **2. Defined Contribution Retirement Plan:**

- (a) The Employer and the Union hereby agree to the continuation of the existing Central Coast Counties Floor Covering Industry Pension ("Defined Contribution Pension Plan").
- (b) Within the limits of the total wage package contained in the attached Wage Schedule A, and subject to any minimum contribution rate which may be established by the Trustees from time to time, the Employer shall contribute to the Defined Contribution Pension Plan an amount determined by the Union on January 1 of each year of this Agreement on each employee covered under this Agreement on all hours worked. Such payments shall be made pursuant to the provisions of Article 19.

### **3. Liabilities:**

- (a) With respect to each plan described in this Article, no individual Employer shall be liable for the contributions of any other individual Employer.

## **ARTICLE 19 PAYMENTS TO TRUST FUNDS**

- 1. Current Trust Funds:** This Agreement requires contributions to be made on behalf of all employees of the Employer performing work covered under the terms of this Agreement in accordance with Wage Schedule A to the following jointly-administered Trust Funds:

- **Resilient Floor Covering Pension Fund**
- **Bay Area Painters & Tapers Pension Trust – The Annuity Plan**
- **District Council 16 Northern California Health & Welfare Trust Fund**
- **District Council 16 Northern California Journeyman & Apprentice Training Trust Fund**
- **IUPAT Finishing Trades Institute**
- **IUPAT Labor Management Cooperation Initiative**

2. **TRUST AGREEMENTS:** The Trust Agreements of each of the Trust Funds as in effect on the date of this Agreement are incorporated herein by reference and made a part of this Agreement. Amendments to those Trust Agreements which are duly adopted after the date of this Agreement shall automatically be incorporated herein and made a part of this Agreement. Should any of the Trust Funds merge into or with another jointly-administered Trust Fund or Funds, then the Trust Agreement resulting as a consequence of that merger shall automatically be incorporated herein and made a part of this Agreement.

(a) Whereas, the Resilient Floor Covering Pension Fund has been certified by its actuary to be in critical status as of January 1, 2010, under Code Section 432(b) and ERISA Section 305(b) and consequently the Board of Trustees has provided the collective bargaining parties with its Rehabilitation Plan dated February 25, 2011, including schedules that contain benefit reductions and increases in contribution rates as required by Code Section 432(e) and ERISA Section 305(e). Therefore, District Council 16 and the Floor Covering Association Central Coast Counties and/or the Individual Employer Signatory to this Agreement hereby adopt the benefit reductions and contribution rates set forth in the Recommended Schedule #4A of the Rehabilitation Plan and addendum adopted by the Board of Trustees and incorporate said Recommended Schedule #4 into this Agreement as though it was set forth in its entirety. The hourly Journeyperson contribution rates shall be as follows:

<b>Effective Date</b>	<b>Journeyperson Contributions Providing Benefit Accrual Credit</b>	<b>Additional Contributions Not Providing Benefit Accrual Credit</b>
January 1, 2012	\$5.20	\$2.35
January 1, 2013	\$5.20	\$2.60
January 1, 2014	\$5.20	\$2.85
January 1, 2015	\$5.20	\$3.10
January 1, 2016	\$5.20	\$3.88
January 1, 2017	\$5.20	\$4.66
January 1, 2018	\$5.20	\$5.44
January 1, 2019	\$5.20	\$6.22
January 1, 2020	\$5.20	\$7.00

Those classifications contained in this Agreement that provide for contribution rates that are different from the contribution rates set forth above, then the Employer shall pay additional contributions that do not provide benefit accrual credit which are proportional to the above rates. The above contribution rates shall be in effect for the duration of this Agreement.

3. **TRUSTEES:** Each Employer does hereby designate the Board of Trustees of the Trust Funds referred to above, including any trust funds created as a result of a merger, as trustees for all proper and lawful purposes as provided in the various trust agreements and as required by law. District Council 16 of the International Union of Painters and Allied Trades shall appoint all Union Trustees in accordance with its bylaws. The Floor Covering Association of the Central Coast Counties shall appoint their Trustees in accordance with their bylaws.
4. **PAYMENTS TO TRUST FUNDS AND OTHER FUNDS:**
  - (a) **Other Funds:** The Individual Employer agrees to make the payroll deductions and remittance thereof, of the Work Preservation Fund, Industry Fund, DC 16 STAR Fund, Vacation/Holiday Fund, Administrative Dues Check-Off, Wage Equality Dues Check-Off, Organizing Dues Check-Off, Unity Action Dues Check-Off and of the IUPAT PAT-PC deductions pursuant to the attached Wage Schedule A's of this Agreement. The consequences of any and all delinquent remittance of these deductions and/or contributions shall be the same as those provided by the Trust Agreements of the District Council 16 Northern California Health & Welfare Trust Fund.
  - (b) **Due Date:** All payroll deductions and contributions based on hours worked in a particular month shall be payable under this Agreement on or before the fifteenth (15th) day of the following month (the "due date") and will be deemed delinquent if not received by the end of the month, at which time liquidated damages shall be incurred and interest assessed as of the first day of the next month.
  - (c) **Liquidated Damages and Interest Assessments:** Because of the difficulty of determining the actual expense of collection or of damage resulting when a monthly payment is delinquent, liquidated damages, as well as interest, shall be assessed against both delinquent contributions and payroll deduction remittances, referred to in this Article, together with reasonable attorney's fees and any other expenses incurred in connection with the delinquency. The amount of liquidated damages shall be the greater of twenty percent (20%) of the delinquent contributions and payroll deductions or one hundred fifty dollars (\$150.00) per month, or the interest accrued until those contributions and payroll deductions are paid, whichever is greater. However, if the delinquent contributions are paid prior to the filing of a lawsuit, liquidated damages shall be the greater of ten percent (10%) of the delinquent contributions and payroll deductions or one hundred fifty dollars (\$150.00), not to exceed seven hundred fifty dollars (\$750.00) per month. Interest shall be assessed on delinquent contributions and payroll deductions at such rate as the Trustees of the Trust Funds may determine. The amount of the assessments on delinquent payroll deduction remittances shall be the same as is established by the Trustees of the District Council 16 Northern California Health & Welfare Trust Fund.

- (d) **Economic Action:** If the required contribution and liquidated damages owed by the delinquent Employer to any or all of the Funds, or the payroll deductions and/or contributions referred to in this Article, are not received by the last day of the month in which they are due and payable, then in addition to the foregoing it shall not be a violation of this Collective Bargaining Agreement for the Union to withdraw employees from the job or shop of such delinquent Employer. Any employee withdrawn from the job or shop of the delinquent Employer, pursuant to this Section shall be paid by such Employer the sum of one (1) days' wages and fringes for each day of work lost by the employee being so withdrawn up to a maximum of five (5) days to compensate the employee for the inconvenience and loss of time due to said delinquency. Such payment shall be in addition to all wages due the employees for time actually worked prior to their withdrawal from the job or shop of the delinquent Employer. In addition the Union shall have such further remedies as set forth in this Agreement.
- (e) **Rights and Remedies:** The rights and remedies against a delinquent Individual Employer as set forth above are not exclusive but are cumulative and nothing in this Article shall in any way limit any one's right to enforce the collection of contributions or payroll deductions by any legal means. The Board of Trustees of each Trust Fund may compel and enforce the payment of the contributions in any manner in which they may deem proper; and the Board of Trustees may make such additional rules and regulations to facilitate and enforce the collection and payment thereof as they may deem appropriate. The Board of Trustees may, in the event of repeated delinquencies by the same Employer, make special rules applicable to such Employer's contributions, including rules requiring bond or other security and rules with respect to the due and/or delinquent date of said Employer's contributions. Failure of an Employer to pay the contributions required hereunder within fifteen (15) days after the date due shall be a violation of the Collective Bargaining Agreement between the said Employer and the Union, as well as a violation of the Employer's obligations hereunder. Nonpayment by an Employer of any contributions when due shall not relieve any other Employer from his obligations to make payments.
- (f) **Place of Payments:** All contributions and payroll deductions referred to in this Article shall be paid at the place or places designated by the Trusts, Management Associations and the Union, and on such forms as they may require.
- (g) **Minimum Contribution Rates:** The Employer and the Union party to this Agreement recognize and acknowledge the Trustees' rights to set minimum contribution rates for participation in their respective Funds. Should the total wage package not be sufficient to provide minimum rates required, the parties recognize that the Trusts specified in the Agreement cannot continue to provide such benefits and other arrangements will have to be made to provide them.
- (h) **Payroll Inspection:** The Administrator of the Trust Funds referred to in Section 1 above, the Administrators C.P.A. or C.P.A. designated by the Union shall be allowed to inspect the payroll records of any Employer or the Union, with reasonable written notice to ascertain if the provisions of this Agreement are being complied with.

- (i) **Time Records:** Employers shall keep weekly time cards or time records on which shall clearly appear the employee's full name and the last four (4) digits of the employee's social security number, the job or job's names, the hours worked each day on each job and total hours worked each week, showing total straight time hours, total overtime hours and the type of work performed. The employee shall sign the time card or time record, except where such records are kept electronically.
- (j) **Electronic Record Keeping -** Where time records are maintained electronically, upon the request of the Trust Funds or their agents, auditors, administrators or attorneys, the Employer shall provide a detailed description of the procedure for the maintenance of such electronic time records, including but not limited to the method and procedure by which the time, job and type of work is reported, recorded and secured from alterations as of the date of input or thereafter. This Section shall be applicable to any audit of Employer's payroll records which is scheduled or in process at the effective date of this Agreement.
- (k) **Checks and Check Stubs:** Each pay check and each stub or copy shall clearly indicate the date of payment, pay period covered, company name and shall include:
  - (1) Total straight time hours worked and the rate of pay;
  - (2) Total overtime worked and overtime rate;
  - (3) Total gross wages paid including pay for travel time;
  - (4) Deductions itemized; and
  - (5) Net pay for period.
- (l) **Failure to Keep Records:** If an Employer fails to keep time cards or time records as required above, said Employer is required to pay fringe benefit contributions as if any sums paid to individuals by such Employer were wages for work covered by this Agreement. In addition, there shall be a rebuttable presumption, at the option of the Trusts, that any employee who worked in a given week for whom complete, signed, time cards or time records, were not made available for review by the Trusts representative, shall be deemed to have performed covered journeyman work for a minimum of eight (8) hours per day, totaling forty (40) hours for that week.

**5. AUDITS OF RECORDS:** The Board of Trustees, or their authorized representatives, may require any Association, any Employer, the Union, any labor organization or any beneficiary to submit to it any information relevant to the administration of the Trust. Upon notice in writing from the Trust Funds, an Employer must permit an accountant, or agent of an accountant, of the Board of Trustees to enter upon the premises of such Employer or the Union during business hours to examine and copy records including but not limited to, the following:

- (a) Canceled checks and check stubs showing all monies paid to each employee of the Employer.



- (b)** Canceled checks, check stubs and business records of the Employer showing all sums paid to persons other than employees for work performed such as subcontractors, independent contractors, suppliers, relatives, partners and joint ventures of the Employer.
- (c)** The individual earnings records of each employee of the Employer showing the name and address of employee, social security number, wage rate, hours worked, gross pay, amounts withheld and net amount paid for each employee.
- (d)** Copies of all fringe benefit returns of Employer's prepared for filing with the Trust Funds for each month.
- (e)** Those canceled checks showing sums actually paid by Employer to the Trust Funds for each month.
- (f)** Copies of the Employer's Quarterly Federal Tax Return (Form 941) for each quarter, as well as the State Quarterly Wage and Withholding Report (Form DE 6).
- (g)** Individual employee's time records including but not limited to all Travel Time Calculation Sheets as required by Article 27, Section 3 for each employee of Employer.
- (h)** Records of each job involving the application of work covered by this Agreement, to the extent that such records exist, including:
  1. Name and address of owner of the property where the work covered by this Agreement was done;
  2. Name and address of the general contractor for whom the work was performed;
  3. Street address where work covered by this Agreement was performed;
  4. Total payroll cost of each job;
  5. Name and address of each person who performed work covered by this Agreement on each job; and
  6. Total material cost of each job.
- (i)** Copies of Federal Forms W-2 and W-3 prepared by the Employer for each employee.
- (j)** Disbursement Journal of the Employer.
- (k)** Payroll Journal of the Employer.
- (l)** Employee records are to be maintained by the Employer for a period of at least four (4) years or in accordance with State and Federal requirements.
- (m)** In the event that such an examination of such Employer's records reveals that such Employer is not making full and prompt payments of all sums required to be paid by

him/her to the Trust Funds, then such Employer shall pay to the Trust Funds such costs, including accountant fees, as may have been reasonably incurred in making such determination. Upon the written request of the Board of Trustees, or their duly authorized representative, such Employer may be requested to bring or send his/her records for auditing to the Trust Fund Office or to the office of the designated accountant.

- (n) Whenever an employee appears on work as defined in this Agreement and he/she appears as an employee or subcontractor for other work on the Employer's records, fringe benefits shall be paid. The hours due shall be computed at the rate of a journeyman floor coverer's wages per hour when lump sums have been paid, or on the labor portion of an itemized invoice. Any bonuses, expenses or sums of monies paid to an employee other than as provided by this Agreement shall be specifically identified in the Employer's records and on the employee's check.

## **6. BONDING:**

- (a) Each Employer shall, within ten (10) days of the mailing of notice by the Administrator of the Trust Funds, provide a bond in a sum equal to the greater of five thousand dollars (\$5,000.00) or twice the monthly average of the wages and contributions made or due under the terms of this Agreement, or the Agreement immediately preceding this Agreement, by such Employer in the six (6) month period just prior to the mailing of said notice. Such amounts are to be determined by the said Administrator. Such bond or cash in lieu of bond is not in any way to be construed in lieu of payments required pursuant to this Agreement. All such bonds shall be deposited with the Trust Funds and all bonds shall be in a form acceptable by the Board of Trustees and shall be enforceable throughout the term of this Agreement.
- (b) Each Employer must comply with the bonding provisions of this Agreement if the Employer has more than one (1) delinquency within a twelve (12) consecutive rolling month period as shall be determined by the Trustees. The Trustees may, within their sole discretion, require such Employers to file report forms and make contribution payments at more frequent intervals than is required of other Employers. When an Employer, after having deposited said bond, attains a record of twelve (12) consecutive months of prompt, timely and proper payment of wages and Trust Fund Contributions, he/she may have said bond returned upon proper application to the said Administrator and the approval of the Trustees. If the bond must be used to make any payment of wages or contributions to said Trust Funds, the money shall first be applied to the payment of wages of employees working under this Agreement and the balance shall be prorated among the amounts due by the Employer to the various Trust Funds. In the event an Employer fails to deposit a satisfactory bond within the time provided and the notice herein provided for has been given, all employees shall be withdrawn from the job or shop of the Employer and all employees withdrawn pursuant to this Section shall be paid by such Employer the sum of one (1) days' wages and fringes for each day of work lost by the employee being so withdrawn up to a maximum of five (5) days to compensate for the inconvenience and loss of time due to the Employers failure to post bond. Such payment shall be in addition to all wages due the employees for time actually worked prior to being withdrawn from the job or shop of the Employer. In addition the Union shall have such further remedies as set forth in this Agreement.

**7. TRANSFER OF MONEY FROM BENEFIT FUNDS TO WAGES:**

- (a) During the term of this Agreement the Union and/or Trustees may request in writing an increase or decrease in the contributions required by the Employer to a particular benefit fund or funds. Such request shall be made in writing at least thirty (30) days prior to the proposed effective date of the change. The Employer will honor such request effective upon the date set forth in a Memorandum Of Understanding (Wage Schedule A) between FCA/CCC and the Union.
- (b) Any increase or decrease in the required contributions by the Employer to the particular benefit fund or funds shall in no way result in a decrease in the Taxable Net Wage of the then current Wage Schedule A.

**8. ERRONEOUS PAYMENTS:** An Employer shall be entitled to credit against future Employer contributions or refund of money paid to specified Trust Funds by reason of clerical or administrative error or mistake as to the amount owing to the Trust Funds, in accordance with the Trust Fund's policy on overpayments of contributions, including but not limited to the following conditions:

- (a) **DC 16 Health & Welfare Trust:** Where hours paid were reported at a rate higher than required, the amount of overpayment shall be refunded or credited to the Employer. Written application for refund or credit must be made within four (4) years from the due date of the report containing the erroneous payment; but an audit report may be considered a written request for refund. Refund or credit may be made within six (6) months after the Plan Administrator determines that the improper rate was paid by mistake. Any amounts found to be over reported and overpaid for the purpose of providing coverage to persons not eligible for coverage shall be offset from any other amounts repayable to the Employer, or if no offset is available, billed to the Employer for repayment to the Trust Fund;
- (b) **Defined Benefit Pension Plan:** Where contributions were made to the Resilient Floor Covering Pension Fund for hours reported in excess of those for which the employee worked, overpayments shall be credited or refunded to the Employer, and the hours backed out of the employees account;
- (c) Refunds or credits shall be allowed as provided above so long as the Trust Funds have made no disbursements on behalf of employees based upon the erroneous contributions;
- (d) The Board of Trustees of the Trust Funds have determined that the erroneous contributions were made due to a mistake of fact or law and can properly be returned, without interest or earnings, pursuant to ERISA Section 403(c);
- (e) Any erroneous payments found on an audit shall be reported immediately to the Employer and credited or offset against amounts found due on audit, if any, in accordance with Trust's policy; and

- (f) No other refunds or credits shall be given with respect to Vacation/Holiday Pay, District Council 16 Journeyman & Apprentice Training Trust Fund, a defined contribution retirement plan, or other entities or payroll deduction remittances, except by direction of the Trustees.

- 9. **FRINGE BENEFIT COVERAGE FOR OTHER EMPLOYEES:** Each of the Trust Funds may adopt rules allowing employees not covered by this Agreement to participate in those Trust Funds to the extent permitted by law. The rules for the participation of those employees shall be set forth in a written participation agreement between the Trust Fund and the Employer, which may incorporate the rules of this Article by reference.

**ARTICLE 20  
NO LOCK-OUT OR STRIKE CLAUSE**

- 1. During the term of this Agreement, there shall be no lock-out by the Employer, nor any strike, sit-down, refusal to work, stoppage of work, slowdown, retarding of production or picketing of the Employer on the part of the Union or its representative, or on the part of an employee of the Employers unless provided for elsewhere in this Agreement.
- 2. It is mutually understood and agreed that the Floor Covering Association Central Coast Counties and any independent Employer, or the Union shall be liable for damages caused by the acts or conduct of any individual or group of individuals who are acting or conducting themselves in violation of the terms of this Agreement without authority of the respective, provided such action or conduct has not been specifically authorized, participated in, fomented, or condoned by the Floor Covering Association Central Coast Counties, any Employer, or the Union, as the case may be.

**ARTICLE 21  
PAY DAY**

- 1. The Employer shall notify each new employee of the pay period, pay day, and method of payment. Employees shall be paid weekly and no more than three (3) business days may be held back. No employee will be required to pick up his pay check on a non-working day or outside of normal working hours.
- 2. Any employee who is fired or laid-off due to lack of work shall be paid immediately, and any employee who quits shall be paid at the office of the Employer within seventy-two (72) hours.
- 3. In the event of a strike, the unpaid wages of striking employees shall be due and payable in full the next regular pay day.
- 4. If an Employer does not have an office within the jurisdiction covered by this Agreement, the employee shall be paid at the office of the appropriate Local Union.

5. Each employee shall be provided a receipt or check stub indicating straight time hours, overtime hours, travel time, mileage and other reimbursements, amounts of vacation and holiday pay contributed to the Trust Funds and any and all deductions made from the employee's check each time the employee is paid. Each check stub or receipt is to display dates and pay period it covers.
6. Any procedures for the payment of wages not set forth in this Section shall be governed by the California State Labor Code.
7. It shall not be considered a violation of the no-strike clause of this Agreement for the Union to withdraw workmen from any Employer, if after twenty-four (24) hours after demand has been made upon the Employer:
  - (a) The Employer fails to make payment of undisputed wages due to workmen.
  - (b) The Employer fails to make payment of fringe benefit contributions.
  - (c) The Employer fails or refuses to file contribution report forms.
  - (d) The Employer tenders a check in payment of wages or fringe benefit contributions due, and upon presentation for payment to the bank or depository on which it is drawn, payment is not made.
  - (e) The Employer fails or refuses to acknowledge properly presented notice of violation.
8. For employees requested to report to the jobsite, all paychecks will be delivered to the jobsite on pay day.

## **ARTICLE 22 DUES CHECK-OFF**

1. **Dues Deduction:** The Employer agrees to deduct each pay period from the paycheck of each employee covered by this Agreement, such amounts per hour, as determined by the Union on each hour worked. The Union shall determine the amount of such deductions on January 1 of each year thereafter. Such deductions shall be based upon a written assignment as required by the Labor Management Relations Act.
2. **Dues Remittance:** The Employer will remit the deductions once each month with a remittance form, provided by the Union, with the names of employees for whom deductions were made, together with the amounts deducted. Such deductions will be remitted to the Union or to the Agency designated by the Union for the collection of such deductions.
3. The Union shall indemnify the Employer against any and all liability that may arise out of actions taken or not taken by the Union pursuant to the provisions of this Section.

**ARTICLE 23**  
**GRIEVANCE & ARBITRATION**

**1. DEFINITION AND PROCEDURE:**

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

**2. PROCEDURES:**

Such grievances shall be handled in the following manner:

- (a) The aggrieved employee or Union representative shall present the grievance in writing to the designated representative of the Employer and shall meet with that representative to discuss the grievance.
- (b) If no settlement or resolution is reached within ten (10) working days after the meeting referenced above, it may be submitted, at the request of either party, to arbitration by written notice to the other party within fifteen (15) working days from the date of the above-referenced meeting.

**3. ARBITRATOR:**

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

**4. HEARING:**

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

**5. AMEND AGREEMENT:**

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

**6. EXPENSES FOR ARBITRATION:**

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

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

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

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

Such action shall be handled in the following manner:

- (a) In the event of a failure by the Employer to pay the wages or fringe benefits by this Agreement, and the Employer raises no question concerning the interpretation or operation of this Agreement, or concerning his obligation to pay, the Union may seek remedies as it sees fit with respect to the Employer and any economic action taken will not be considered a violation of this Agreement. However, the Union may, if so desires, utilize the provisions of this Section with respect to the Employer.
- (b) Before resorting to any economic remedy as above permitted, the Union must give the Employer involved ten (10) business days written notice of its intention to take such economic action. No economic action may be taken by the Union prior, if prior to concerning the interpretation or operation of this Agreement or concerning his obligation to pay wages or fringe benefits in dispute, and had deposited the full amount in dispute with the appropriate Trust Fund to be held by the Trust until the matter is resolved under the procedures set forth within.

**ARTICLE 24  
JOB REGISTRATION**

The Employer shall register all competitively bid jobs to the central office of District Council 16 on mutually agreed upon forms. Said registration shall take place after the award of the project but in all cases prior to manning the job. The Employer need not register jobs which require less than four hundred eighty (480) man hours. District Council 16 acknowledges that all information gathered through the job registry shall remain confidential and shall not be disseminated other than in general terms.

**ARTICLE 25  
UNION OFFICIALS FOR ENFORCEMENT OF AGREEMENT**

- 1. The Business Representative or duly authorized representative of the Union shall be allowed to visit the Employer's shop or jobs for the purpose of ascertaining whether or not this Agreement is being enforced. This right shall be exercised reasonably. The Employer shall be notified at the commencement of a shop visit.
- 2. The Employer will provide space on bulletin boards for posting notices of Union business. Such notices must be submitted to the Employer for approval before posting.

**ARTICLE 26  
TRANSPORTATION**

1. All Employers must furnish adequate transportation to all local and out-of-town jobs for their employees, and where transportation is furnished by the Employer it shall be safe and adequate and shall conform to the requirements of the California Motor Vehicle Department and applicable State Law.
2. Employees may be permitted to use their own vehicles for the purpose of transporting employees as provided for in Article 27. In every instance the Employer shall reimburse the employee at the current IRS rate per mile for all miles plus tolls and parking fees. The Employer shall cover all employees with industrial accident insurance protection to the full extent provided by the Workmen's Compensation Laws of the State of California, and shall carry public liability, fire, theft, and comprehensive and property damage automobile insurance covering the Employer and the employee owner of the vehicle for any accident occurring during the use of said vehicle. These provisions shall also apply where the vehicle owned by the employee is used by others in the course of the Employer's business.
3. All mileage fees are to be paid by separate check or shown as a separate item on a paycheck.
4. It shall be optional with the employees whether they will use their own vehicle for such transportation and any employee who does not wish to use his vehicle will not be discriminated against by the Employer.
5. All vehicles shall comply with the State safety regulations.
6. Employees operating a vehicle shall have a valid current operator's license applicable to such vehicle.
7. Employees will not be permitted to transport materials or shop supplied equipment to or from the jobsite in anything other than a company supplied vehicle.

**ARTICLE 27  
TRAVEL TIME, TRAVEL EXPENSES & SUBSISTENCE**

1. **TRAVEL TIME:**  
Employees required to jobsite report more than forty (40) miles from the point of dispatch (employee's home or individual employer's shop) as determined by the individual Employer, shall receive Wages and Benefits for all time spent traveling beyond forty (40) miles from the point of dispatch to the jobsite and return. Employees reporting in their private vehicles to a jobsite more than forty (40) miles from the point of dispatch, shall also receive mileage at the current IRS rate per mile for all miles traveled outside of the forty (40) miles. (Mileage and drive time is to be based on Google Maps, Employees required to jobsite report more



than forty (40) miles from the point of dispatch (employee's home or individual employer's shop) as determined by the individual Employer, shall receive Wages and Benefits for all time spent traveling beyond forty (40) miles from the point of dispatch to the jobsite and return. Employees reporting in their private vehicles to a jobsite more than forty (40) miles from the point of dispatch, shall also receive mileage at the current IRS rate per mile for all miles traveled outside of the forty (40) miles. (Mileage and drive time is to be based on Google Maps, no traffic.) Mileage will be paid on a per vehicle basis. This system is based on employees reporting to their jobsite at their regular start time and working on the job until their regular quitting time. Travel from jobsite to jobsite in a private vehicle shall be considered as hours worked and mileage will be reimbursed at the current IRS rate per mile. All travel commencing after reporting to the Employers shop to and from the jobsite will be considered as hours worked and use of the employee's vehicle will be reimbursed at the current IRS rate per mile. At no time shall the employee be allowed to transport the Employer's material or equipment in his own vehicle.

**2. SUBSISTENCE:**

- (a) When employees are required to live away from their personal place of residence, in order to report for work when and where directed by the Employer, each employee shall receive lodging, or an amount equal to reasonable lodging, in advance, plus subsistence in the amount of seventy-five dollars (\$75.00) per day, in advance, on a separate check.
- (b) Round trip airfare, mileage, or transportation shall be provided by the Employer on all jobs in which subsistence is required.
- (c) Employees shall receive Travel Time, from the point of dispatch to the jobsite and return, on all jobs in which subsistence is required.

**3. TRAVEL TIME CALCULATION SHEET:**

The following Travel Time Calculation Sheet shall be used in conjunction with Google Maps, no traffic in order to determine Travel Reimbursement and Fringe Benefits contributions. The setting for Driving Speeds shall be; Interstate Highways – 65 mph, Limited Access Highways – 60 mph, Other Highways – 50 mph, Arterial Roads – 35 mph, Streets – 20 mph.

**Travel Time Calculation Sheet (Formulas)**

<b>Employee Name</b>	<b>From: Starting Address</b>		
	<b>To: Destination Address</b>		
	<b>Minutes</b>	<b>Miles</b>	<b>Minutes Per Mile</b>
<b>Actual Commute (One Way)</b>	(Enter minutes as per Google Maps)	(Enter miles as per Google Maps)	<b>Calculation =</b> (Minutes ÷ Miles)
<b>Adjusted Commute (One Way)</b>	<b>Calculation =</b> (Adjusted Commute Miles x Minutes Per Miles)	<b>Calculation =</b> (Actual Commute Miles – 40)	
<b>Round Trip</b>	<b>Calculation =</b> (Adjusted Commute Minutes x 2)	<b>Calculation =</b> (Adjusted Commute Miles x 2)	
<b>Daily Travel Time/Mileage Reimbursement:</b>	<b>Calculation =</b> (Round Trip Minutes rounded to the nearest ¼ hour)	<b>Calculation =</b> (Round Trip Miles x current IRS Rate)	

**Travel Time Calculation Sheet (Example)**

<b>John Doe</b>	<b>From: 123 Any Street, San Francisco, CA</b>		
	<b>To: 456 Main Street, Fremont, CA</b>		
	<b>Minutes</b>	<b>Miles</b>	<b>Minutes Per Mile</b>
<b>Actual Commute (One Way)</b>	<b>50.00</b>	<b>50.00</b>	<b>1.00</b>
<b>Adjusted Commute (One Way)</b>	<b>10.00</b>	<b>10.00</b>	
<b>Round Trip</b>	<b>20.00</b>	<b>20.00</b>	
<b>Daily Travel Time/Mileage Reimbursement:</b>	<b>2/4</b>	<b>\$10.10</b>	

**ARTICLE 28  
MARKING OF VEHICLES**

1. All Employers' production vehicles shall be identified with permanently affixed company identification and/or Union Logo which shall be prominently displayed and readily visible from both sides of the vehicle. This will be the only acceptable vehicle from which a workman will be allowed to work. The cost of the logos shall be borne by the Industry Fund.
2. It shall be the responsibility of the Employer to place and replace identification on all production vehicles. It shall be the Employer's responsibility to remove any identifying markings from vehicles no longer owned or used in the course of business.

3. Recognizing that conditions do occur when an Employer is temporarily in need of an extra vehicle, it is agreed that with prior notification to the Union, an Employer may use other vehicles owned by him or said firm or a commercially leased vehicle from recognized leasing agents such as Hertz, Avis, etc., for the transporting of workmen, tools and materials.

### **ARTICLE 29 PROJECT AGREEMENT**

There may be established "Project Agreements" to cover the installation and repair of floor covering in connection with Building Trades Agreements, single and multifamily units and institutional agreements. This Agreement will define the project's location, working conditions for the employees and their rate of pay for such project work. The Union shall notify the Floor Covering Association Central Coast Counties by fax and/or email as to the terms of any "Project Agreement" within two (2) business days of its approval or execution.

### **ARTICLE 30 EQUALITY OF OPERATION**

1. Should the Union enter into a contract with any individual Employer, which is more favorable than this contract, then any Employer who establishes and operates in the same manner shall be eligible to apply for and receive the same contract. In the event a more favorable contract as above set forth is limited to a particular geographical area covered by this contract, then, and in that event, the paragraph shall apply only to work being performed in said geographical area. This clause shall not be applicable to work under project agreements or with respect to work existing in newly organized shops at the time such shops are organized. All signatory Employers will be notified within thirty (30) days in writing of any contracts signed.
2. For the purpose of organizing, the Union may enter into an addendum to this Agreement using terms and conditions outside the Master Agreement allowing a new Employer to complete previously signed contracts or work in progress. Work in progress must comply with prevailing wage laws. Any Agreement entered into between Building Trade Councils and property owners, builders and developers must comply with the existing Master Agreement. All new work and contracts entered into after initial signing of the Master Agreement or addendum must be installed under the full terms and conditions of the Master Agreement.
3. The above addendum shall have a duration period of no longer than eighteen (18) months and shall only be offered to Employers with a business address in the geographical area covered by the Union.
4. The above stated addendum shall be a "one (1) time only" offer per Employer and shall be used exclusively for the purpose as stated above.

**ARTICLE 31**  
**SALE OR ASSIGNMENT OF BUSINESS**

1. This Agreement, and any supplements or amendments thereto, hereinafter referred to collectively as "Agreement," shall be binding upon the parties hereto, their successors, administrators, executors and assigns.
2. The Employer agrees that in the event the Employer's business, in whole or in part, is sold, leased, transferred or taken over by sale, transfer, lease, assignment, receivership or bankruptcy proceeding, such transferee business and operation shall expressly and in writing assume the terms and conditions of this Agreement for the life thereof.
3. It is understood by this provision that the parties hereto shall not use any leasing or other transfer device to a third party to evade this Agreement. It is further understood that the Employer will only transfer, assign, lease, etc., the business if the transferee agrees to accept and assume, in writing, the Agreement. The Employer shall give notice of the existence of this Agreement and this provision to any purchaser, transferee, lessee, assignee, etc., of the business and operation covered by this Agreement or any part thereof. Such notice shall be in writing with a copy to the Union, at the time the seller, transferor, or leaser, executes a contract or transaction as herein described. The Union shall also be advised of the exact nature of the transaction, not including financial details.
4. To protect and preserve, for the employees covered by this Agreement, all work they have performed and all work covered by this Agreement, and to prevent any device or subterfuge to avoid the protection and preservation of such work, it is agreed as follows: If the Employer performs on site construction work of the type covered by this Agreement, under its own name or the name of another, as a corporation, company, partnership, or other business entity, including a joint venture, wherein the Employer, through its officers, directors, partners, owners, or stockholders exercises directly or indirectly (through family members or otherwise) management, control, or majority ownership, the terms and conditions of this Agreement shall be applicable to all such work.
5. All charges of violations of Section 4 above shall be considered as a dispute and shall be processed in accordance with the provisions of this Agreement on the handling of grievances and the final binding resolution of disputes. As a remedy for violations of this Section, the Joint Trade Board or Arbitrator shall be able, at the request of the Union, to require an Employer to pay 1) to effected employees covered by this Agreement, including registered applicants for employment, the equivalent of wages those employees have lost because of the violations, and 2) into the affected Joint Trust Funds to which this Agreement requires contributions any delinquent contributions that resulted from the violations. The Joint Trade Board or Arbitrator shall be able also to provide any other appropriate remedies, whether provided by law or this Agreement. The Union shall enforce a decision of the Joint Trade Board or Arbitrator under this Section only through arbitral, judicial or governmental (for example, the National Labor Relations Board) channels.

6. If, after an Employer has violated this Section, the Union and/or the Trustees of one (1) or more Joint Trust Funds to which this Agreement requires contributions, institute legal action to enforce an award by an Arbitrator or the Joint Trade Board remedying such violation, or defend an action that seeks to vacate such award, the Employer shall pay any accountants' and or attorneys' fees incurred by the Union and/or Joint Trust Funds, plus the costs of litigation, that have resulted from such legal action. This Section does not affect other remedies, whether provided by law or this Section, that may be available to the Union and/or the Joint Trust Funds.

### **ARTICLE 32 SAVINGS CLAUSE**

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

### **ARTICLE 33 WORK PRESERVATION FUND**

1. There has been created a separate and independent entity, the Work Preservation Fund organized pursuant to the laws of the State of California, as a non-profit California Corporation. The purposes for which this corporation is formed are to expand the work and job available to signatory Employers and employees, and to advance and preserve the industry by promoting high standards and fair competition. These purposes are consistent with those established under the authority of the Labor Management Cooperation Act of 1978, USC Section 175(a) and 29 USC Section 186(c)(9).
2. The affairs of the Work Preservation Fund are governed by a Board of Directors comprised of equal members representing labor and management, plus one (1) neutral member, elected by a majority vote of the Board of Directors.
3. The Employer shall be obligated to pay for the Work Preservation Fund six cents (\$0.06) on each employee covered under this Agreement for each hour worked. A full hour contribution shall be paid on any portion of an hour worked. Pursuant to and under the terms of this Agreement, the Trust Fund's administrator shall collect such contributions for the Work Preservation Fund and shall thereafter each month forward said monies to the Work Preservation Fund.
4. Appropriate records shall be kept and maintained by both the Trust Fund's administrator and the Work Preservation Fund as to the collection, transmittal and amounts of funds collected on forms to be provided exclusively by the Trust Fund's administrator. The parties agree that the contributions shall be transmitted to the current administrator.

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

**ARTICLE 34  
LABOR MANAGEMENT COOPERATION INITIATIVE**

1. There has been established a Labor Management Cooperation Initiative for the purpose of improving relationships within the floor covering and related industries. Effective, on the date of this Agreement, a minimum Employer contribution of five cents (\$0.05) per hour for all hours worked has been adopted by the Floor Covering Association of the Central Coast Counties on behalf of those of their regular members who have authorized their inclusion in the coverage of this Agreement and Employers whose primary place of business is located within the jurisdiction of the Union and will be binding upon all Employers signatory to or bound by this Agreement.
2. The contribution rate shall be set forth in Wage Schedule A and shall be paid on all hours worked.

**ARTICLE 35  
VOLUNTARY PAYROLL DEDUCTION OF POLITICAL CONTRIBUTIONS**

1. Each member hereby authorizes and directs the Employers to deduct from their pay the sum of five cents (\$0.05) for each hour worked, as a contribution to the Political Action Together - Political Committee (PAT-PC) of the International Union of Painters and Allied Trades. Each Employer agrees to make payments to the Political Action Together -Political Committee (PAT-PC) of the International Union of Painters and Allied Trades for each employee covered by this Agreement, as follows:
  - (a) For each hour or portion thereof, for which an employee receives pay, the Employer shall make a contribution of five cents (\$0.05) to PAT-PC.
  - (b) For the purpose of this Article, each hour worked for, including hours attributable to show up time, and other hours for which pay is received by the employee in accordance with this Agreement, shall be counted as hours for which contributions are payable.
  - (c) Contributions shall be paid on behalf of any employee starting with the employee's first day of employment in a job classification covered by this Agreement. This includes, but is not limited to, apprentices, trainees, and probationary employees.

**ARTICLE 36  
STAR PROGRAM**

1. There has been created a separate and independent entity, the STAR (Skills, Safety, Supervisor & Survival Training Awards Recognition) Program, Inc., ("STAR Program") which has been organized pursuant to the laws of the State of California, as a non-profit California Corporation. The purpose for which this corporation is formed is to promote a high performance, high value culture within the workforce covered under this Agreement through the utilization of a reward based training program. The STAR Program shall fund all STAR Program training and all awards granted to employees whom annually meet the required goals as established by the STAR Program. These purposes are consistent with those established under the authority of the Labor-Management Cooperation Act of 1978, USC Section 175(a) and 29 USC Section 186(c)(9).
2. The affairs of the STAR Program are governed by a Board of Directors comprised of equal members representing labor and management.
3. The Employer shall be required to remit twenty-five cents (\$0.25) per hour for each hour worked or portion thereof on each employee covered under this Agreement. Contributions shall be made pursuant to the provisions of Article 19.

**ARTICLE 37  
DURATION OF AGREEMENT**

This Agreement shall be in full force and effective from July 1, 2015 through June 30, 2019 and shall continue thereafter from year to year unless either party serves written notice upon the other at least sixty (60) days prior to July 1 of any subsequent year of its desire to amend, modify or terminate this Agreement.

**THE PARTIES HEREBY AGREE TO ALL OF THE TERMS AND CONDITIONS AS STATED HEREIN:**

District Council 16

\_\_\_\_\_  
Company

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Sign Name

\_\_\_\_\_  
Sign Name

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Date

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Date