

# **RESIDENTIAL AND LIGHT COMMERCIAL SERVICE AGREEMENT**

**By and Between  
Mechanical Contractors Association  
and  
Pipe Fitters Association,  
Local Union 597, U.A.**



**Adopted and Effective**

**July 1, 2012**

**RESIDENTIAL and LIGHT COMMERCIAL  
SERVICE AGREEMENT**

**Residential/Light Commercial Service Technician  
Probationary Residential/Light Commercial Technician**

The Pipe Fitters Association, Local 597 U.A. (“Union”) and the Mechanical Contractors Association of Chicago (“Association”) hereby adopt this Residential and Light Commercial Service Agreement to apply to all Residential and Light Commercial Service work which comes within the Territorial Jurisdiction of the Union.

**ARTICLE I**

**Purpose and Intent, Recognition, Incorporation of Area Agreement, and Definitions**

**Section 1 – Purpose and Intent**

- (a) It is the express purpose and intent of the parties to this Agreement: to promote and improve the relationship between the Association and the Union, and between Employers and Employees; to eliminate strikes and lock-outs and the causes thereof; to facilitate peaceful and orderly resolution of disagreements and disputes; and to enter into contractual relations with respect to wages, hours of work, and other conditions of employment to be faithfully observed by both parties.
- (b) The parties recognize their respective responsibility for, and mutual interest in, continuity of employment, gained through efficient service to the customer and sincere fulfillment of their joint obligation to the public in promoting the best interests of the Pipe Fitting Industry.

**Section 2 – Recognition**

The Association recognizes the Union, and the Union recognizes the Association, as the exclusive bargaining agency, respectively for Employees and Employers, for the purpose of collective bargaining in respect to rates of pay, wages, hours of employment and other conditions of employment for all Employees who perform Residential and Light Commercial Service Work which comes within Territorial Jurisdiction of the Union.

**Section 3 – Incorporation of Area Agreement**

The Area Agreement between the Union and the Association (“Area Agreement”), and all its terms and provisions, are hereby incorporated into this Agreement by reference as if fully set forth herein and the Employer agrees to be bound by such terms as if a direct signatory thereto. Any provision of the Area Agreement that is not directly modified by this Residential and Light Commercial Service Agreement shall be deemed applicable to this Agreement and shall be deemed to be in full force and effect as if fully set forth within this Agreement. Any question

regarding applicability of any provision of the Area Agreement to this Agreement shall be resolved in favor of applicability.

#### **Section 4 – Conflicting Provisions**

In the event of any conflict between the provisions of this Agreement and any provisions of the Area Agreement, the provisions of this Agreement shall control when the conflict is related solely to Residential and Light Commercial Work performed by Residential/Light Commercial Service Technicians; the provisions of the Area Agreement shall control when related to all other matters.

#### **Section 3 – Definitions**

- (a) **“Residential Work”** the mechanical service and replacement work of an existing and previously operating mechanical system providing air conditioning, heating or refrigeration within a single family home and/or residential structure containing no more than four (4) residential units.
- (b) **“Light Commercial Work”** includes service and replacement work for HVAC equipment and Light Commercial Equipment up to a five (5) ton A.C. unit and/or 250,000 BTU heating unit serving a single space. The mechanical service and replacement work of an existing and previously operating mechanical system providing air conditioning, heating or refrigeration within a residential structure containing more than four (4) residential units where the services are contracted by the owner of an individual unit and not by the owner of the entire residential structure or the association and is Light Commercial Work.
- (c) **“Light Commercial Equipment”** HVAC equipment up to a five (5) ton unit serving a single space.
- (d) **“Residential/Light Commercial Service Technician”** – An employee holding an R-Card with the Union.

## **ARTICLE II**

### **Scope of Work**

#### **Section 1 – Territorial Scope of Agreement**

The area in which this Agreement shall apply shall cover all operations in the counties of Cook, Lake, Will, McHenry, LaSalle, Bureau, Putnam, Iroquois, Kankakee and those portions of Kendall, Marshall, Livingston, Grundy, DuPage, Woodford and Kane Counties in the State of Illinois to which Territorial Jurisdiction has been assigned or may in the future be assigned to the Union by the United Association of Journeymen and Apprentices of the Plumbing and Pipe

Fitting Industry and in the Counties of Lake, LaPorte, Porter, Newton and Jasper in the State of Indiana, and all counties or areas to which Territorial Jurisdiction has been assigned or may in the future be assigned to the Union by the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry.

## **Section 2 - Scope of Work – Residential/Appliance Service Technicians**

Residential/Light Commercial Service Technicians may be employed to perform the following:

- (a) Residential Work as defined in Article I, Section 3(a) herein.
- (b) Light Commercial Work as defined in Article I, Section 3(b) herein.

## **ARTICLE III**

### **Wages and Benefit Funds**

#### **Section 1 – Wage Rates**

- (a) **Establishment of Rates.** The hourly rate of wages to be paid by Employers to its Residential/Light Commercial Service Technicians shall at all times be at the rate currently established through negotiations conducted by the Joint Arbitration Board or pursuant to negotiations properly concluded through said Board which may hereafter be adopted from time to time.

#### **Section 2 – Work Under the Area Agreement**

- (b) Any work performed by the Employer that falls within the Trade Jurisdiction of the Union as set forth in the Area Agreement, that is not Residential Work or Light Commercial Service Work as defined in Article I, Section 3 herein, shall be paid at the then prevailing journeyman wage rate as negotiated by the Union and the Association from time to time, and shall be governed solely by the Area Agreement.
- (c) Building Trades Journeyman, Metal Trades Service Technician, Residential/Appliance Service Technician, and Probationary Service/Appliance Technician may be employed by the Employer to perform any work under Article II, Section 2 herein of this Agreement. When any Building Trades Journeyman, Metal Trades Service Technician, Residential/Appliance Service Technician, and Probationary Service/Appliance Technician performs work for the Employer, whether under Article II, Section 2 herein or otherwise, the Building Trades Journeyman, Metal Trades Service Technician, Residential/Appliance Service Technician, and Probationary Service/Appliance Technician shall be paid at the wage and benefit rates as required under the Area Agreement and all such work shall be governed by the terms of the Area Agreement.

- (d) In no event shall work covered in this Agreement be performed at less than the predetermined wage rate established by Federal, State, and Local Agencies for work on government funded projects, but if the government posted rates are lower, the Employees will be paid the higher wage rates required by this Agreement.

### **Section 3 – Benefit Fund Contributions and Payments**

Each Employer hereby agrees to be bound to the Agreement and Declarations of Trust for each Benefit Fund. The Agreement and Declarations of Trust are hereby continued in full force and effect for the term of this Agreement. Each Employer shall:

- (a) Contribute, in addition to the established wage rates, into the Pipe Fitters Training Fund, Local 597, such sum or sums as may be properly determined from time to time through negotiations conducted by the Joint Arbitration Board with contributions computed only on hours actually worked;
- (b) Contribute, in addition to the established wage rates, into the Pipe Fitters Local 597 Residential Health Plan, such sum or sums as may be properly determined from time to time through negotiations conducted by the Joint Arbitration Board with contributions computed only on hours actually worked;
- (c) Contribute, in addition to the established wage rates, into the Pipe Fitters Individual Account and 401(k) Plan, such sum or sums as may be properly determined from time to time through negotiations conducted by the Joint Arbitration Board with contributions computed only on hours actually worked; and
- (d) Deduct from the pre-tax pay of any participating Employee such sums as he or she may properly designate and forward these sums to the Individual Account and 401(k) Plan.

### **Section 4 – Wage-Work Assessment, Education Fund, and Labor Management Cooperation Committee Contribution**

- (a) Each Employer shall deduct from the wages of each Employee, other than Employees who (in accordance with a written notice from the Union to the Employer) have not authorized such deduction, such amount of Wage-Work Assessment as the Union shall have given notice to the Employer is due to the Union, and shall remit said monies to the Union monthly. The Union hereby represents and warrants that it has and will maintain signed written authorization for such wage deduction from all Employees except only such Employees as it shall have notified the Employer, in writing, have not signed such authorization. The Union agrees to and shall indemnify and hold each Employer harmless from and against all claim, expense and liability with respect to any wage deductions made in accordance herewith.

- (b) Each Employer shall pay to the Education Fund contributions at the rate currently established through negotiations conducted by the Joint Arbitration Board, or pursuant to negotiations properly concluded through said Board hereafter.
- (c) **Labor-Management Cooperation Committee.** Each Employer hereby agrees to be bound to the Agreement and Declaration of Trust for the Pipe Fitting Council of Greater Chicago (“PFCGC”). Each Employer shall contribute, in addition to the established wage rates and contributions to the Benefit Funds, such sum or sums as may be properly determined from time to time through negotiations conducted by the Joint Arbitration Board with contributions computed only on hours actually worked.

## **ARTICLE IV**

### **Working Hours and Overtime**

Residential/Light Commercial Service Technicians may be employed to perform the work as set forth in Article II, Section 2 herein in accordance with the following conditions and limitations:

- (a) The Standard Work Week shall be five (5) consecutive days of eight (8) hours each, Monday through Friday. All work performed in excess of forty hours in any work week, and eight (8) hours in any workday shall be paid for at a rate of one and a half (1 ½) time the normal rate. Employers may opt to make an employee work Tuesday through Saturday instead of Monday through Friday. However, this election must be rotated amongst all Residential/Light Commercial Service Technicians and may not be exercised to require that any Employee work more than two (2) Saturdays per month under this provision.
- (b) The Standard Work Day shall be eight (8) hours of work during a consecutive eight and one-half (8 ½) hour period (which period shall include a one-half (1/2) hour unpaid lunch period) commencing at any time between 6:30 A.M to 9:30 A.M as agreed between the Employer and the individual Employee.
- (c) On a Standard Work Day, a Residential/Light Commercial Service Technician called to work shall receive a minimum of two (2) hours work for such day (which hours need not be consecutive) provided any of such two (2) hours worked after 4:30 P.M. shall be paid for at the rate of one and one-half (1 ½) times the Employee’s Straight Time Rate. Once a Residential/Light Commercial Service Technician reports at the Employer’s office, shop or job site, at the Employer’s request, the Employee’s pay period starts.
- (d) One and half (1 ½) times the Straight Time Rate will be paid for all Residential and Light Commercial Work performed: Monday through Friday before and after Standard Work Day agreed upon by the Employer and individual Employee: and between Midnight Friday and Midnight Saturday.

- (e) Double the Straight Time Rate shall be paid for all Residential and Light Commercial Work performed between Midnight Saturday and Midnight Sunday, except that only one and one-half (1 ½) times the Straight Time Rate shall be paid for all non-scheduled emergency work performed during said time period.
- (f) Double the Straight Time Rate shall be paid for all Residential and Light Commercial Work performed on Holidays or days observed as Holidays.
- (g) **Voluntary Standby Duty during the Standard Work Week-** Employees may volunteer for listing for Standby Duty. Submission to voluntary Standby Duty listing shall not be a condition of employment. Compensation, if any, for such voluntary listing shall be as agreed between the Employer and the individual Employee. If the Employee is actually called to work, the Employee shall receive only the greater of the agreed Voluntary Standby Duty compensation, if any, or pay for the hours actually worked, portal to portal.
- (h) **Mandatory Standby-** An Employee assigned on a mandatory basis to Standby Duty shall be guaranteed a minimum of the following, depending upon which time the Employee is so assigned: unless otherwise mutually agreed upon, the Employee shall receive one (1) hour of pay per night for the period between 8:00 A.M Monday and 8:00 A.M Saturday; and two (2) hours pay per day for the period between 8:00 A.M Saturday and 8:00 A.M Monday and for Holidays. The guarantee shall be paid at the Employee's Straight Time Rate. If an Employee is actually called to work, the Employee shall receive only the greater of the minimum guarantee of pay for the hours actually worked, portal to portal. Assignments outside the Standard Work Day shall only be for bona fide calls and shall not be held over from the Day Shift.

## **ARTICLE V**

### **Tools and Equipment**

- (a) Employees performing Residential and Light Commercial Work under this Agreement shall be required to furnish a basic kit of hand tools to perform normal duties as shown on Table 1 herein. Tools furnished by the Employees shall be itemized on an inventory sheet and, where possible, personally identified.
- (b) The Employer may not, as a condition of employment, require the technician to supply any tools other than those listed in paragraph (a) herein. All other tools, equipment, instruments, meters, and communication devices required for Residential and Light Commercial Work shall be furnished by the Employer.
- (c) Tools furnished by the Employee that are broken or damaged in the course of employment (other than through fault of Employee) shall be repaired or replaced (in like kind) by the Employer.

- (d) Employee tools that are stolen shall be replaced by the Employer, if the tools are stolen from a secured arrangement in the form of a locked job box, in either the truck/service vehicle, or on the jobsite, or if the loss is due to forced entry of such secured arrangement. When tool theft occurs from a truck/service vehicle, Table 1, “Tool Replacement,” herein shall apply.
- (e) Employees shall be responsible for all tools, equipment, vehicles, instruments, meters, communication devices and other items supplied by the Employer. The Employee shall be liable for replacement of tools, whether furnished by the Employer or the Employee, which are damaged, lost or stolen due to the negligence of the Employee.
- (f) The Employer may, at its option, insure Employee furnished tools against loss or theft, and the Employee shall receive no further reimbursement for their use in the course of employment other than repair or replacement as provided herein.
- (g) The Employer shall not require an Employee to secure an insurance policy against loss of the Employee’s tools or against loss of the Employer’s tools in the Employee’s control.

## **ARTICLE VI**

### **Service and Maintenance Vehicles/Trucks/Vans**

- (a) When necessary, Employers shall provide a vehicle/ truck/ van to Employees performing Residential and Light Commercial Work, and it shall not be a condition of employment that an Employee furnish or use their own service vehicle, unless the Employee’s driving record makes it prohibitive for the Employer to provide the service vehicle.
- (b) Employees who are assigned company owned vehicles shall cooperate with the service supervisors with the respect to completing necessary maintenance and/or repair of said vehicles. Employees shall be paid their regular rate when dropping off and picking up the Employer’s vehicle for maintenance.
- (c) Compensation for use of the Employee’s vehicle on the job while the Employee’s assigned Employer vehicle is in for service/repair shall be at current IRS approved rate.
- (d) Employers shall in their sole discretion decide whether to provide a vehicle to Trainees. If an Employer decides not to provide a vehicle it shall reimburse the Trainee for the use of his/her personal vehicle on the job at current IRS approved rates.

## **ARTICLE VII**

### **Surety Bonds**

**Surety Bond:** Each Employer shall procure and maintain a Surety Bond payable to the Benefit Funds with respect to Benefit Fund contributions and payments required by Article III Section 3



herein; payable to the Union with respect to Wage-Work Assessments required by Article III, Section 4 herein; payable to the Union with respect to wages required by Article III, Section 1 herein; and payable to the Education Fund and PFCGC with respect to contributions required by Article III, Section 4 herein.

The bonds shall be conditioned upon the Employer paying any and all wages, contractually-required expense allowances, Wage-Work Assessments, and Benefit Fund contributions and payments with respect to all Employees and shall guarantee payment of those items to the extent of the principal of the bond. These bonds shall be executed only on a uniform and Union-approved form, although the Union shall have discretion to accept an irrevocable letter of credit in lieu of a bond. These bonds – or any equivalent letter of credit accepted by the Union – shall be filed with the Union and shall be made available to the trustees of the Benefit Funds upon request.

The amount of the bond required of an Employer for each calendar year will be based upon the largest number of Employees covered by this Agreement employed by that Employer for any work week in the prior calendar year. The bond amounts shall be determined as follows:

- (1) \$10,000.00 for Employers of five (5) Employees or less;
- (2) \$25,000.00 for Employers of six (6) to ten (10) Employees;
- (3) \$50,000.00 for Employers of eleven (11) to twenty (20) Employees;
- (4) \$75,000.00 for Employers of twenty-one (21) to thirty (30) Employees; and
- (5) \$135,000.00 for Employers of thirty-one (31) or more Employees.

In the case of a newly signatory Employer, out of town Employer, or other extraordinary circumstances, the Union shall have the discretion to set the bond at whatever of those levels is most appropriate.

## ARTICLE VIII

### Probationary Residential/Light Commercial Service Technician

- (a) **Scope of Work:** A Probationary Residential/Light Commercial Service Technician may be assigned by the Employer to perform any work referred to in Article II herein which is within the capability of the individual.
- (b) **Hiring, Notice, Probation and Compensation Rate:** Employers may hire employees on a temporary trial basis as Probationary Residential/Light Commercial Service Technicians, from any source, without regard to membership in the Union, for the purpose of determining the technical and skill qualifications of such employees.

Employers shall, upon hiring a Probationary Residential/Light Commercial Service Technician, within seven (7) days give written notification to the Union of the individual's name, Social Security Number, and employment date. Any Employer hiring

a Probationary Residential/Light Commercial Service Technician and failing to notify the Union, upon audit, shall be required to pay all fringe benefits to the Trust Funds as if the employee was a Residential/Light Commercial Service Technician (not probationary), back to the original date of hire, and the employee must also pay all monies therefore owed to the Union. The probationary period of employment shall not exceed six (6) months, at or before the end of which time the Employer must

- 1) Hire the Probationary employee as a first period Residential/Light Commercial Service Technician Trainee; or
- 2) Terminate the probationary Residential/Light Commercial Service Technician.

Employer will send written notification of employee's status before the six (6) month period expires.

- (c) **Pre-employment Substance Abuse Testing for Probationary Service Technicians:** All Probationary Residential/Light Commercial Service Technician shall submit to Substance Abuse Testing for Illegal/Unauthorized Drugs prior to employment. The testing shall be conducted in accordance with the Pipe Fitting Council of Greater Chicago Substance Abuse Testing and Treatment Policy.

## **ARTICLE IX**

### **Union Security**

#### **Section 1 – Maintenance of Membership**

- (a) To the extent permitted by applicable state and federal law, all Employees now included in the bargaining unit represented by the Union and having membership therein must maintain their membership in the Union as long as this Agreement or any successor Agreement is maintained, without hiatus, between the Association and the Union.
- (b) To the extent permitted by applicable state and federal law, all other Employees shall, as a condition of employment, become members of the Union after the seventh (7<sup>th</sup>) day following the beginning of such employment, or the effective date of this Agreement, whichever is later.
- (c) To the extent permitted by applicable state and federal law, an Employee to whom membership in the Union is denied by reason of the failure of such Employee to tender or pay initiation fees and dues uniformly required as a condition of acquiring membership, or whose membership is terminated by the Union for failure to tender or pay periodic dues uniformly required as a condition of retaining membership, shall not be continued in the employ of any Employer under this Agreement.

- (d) The provisions of this Article IX shall be applicable only to the extent permitted by state and federal law and shall be interpreted whenever possible as to be compliant with such laws.

## **ARTICLE X**

### **Training**

The Union recognizes the need for the training of skilled Residential and Light Commercial Service Technicians and agrees to offer classes at the training facility for work that is covered by this Agreement. Classes will be offered as agreed to between the Union and Employers.

**IN WITNESS WHEREOF**, the Association has caused this instrument to be signed by its President and attested by its Secretary and the corporate seal affixed thereto, and the Union has caused this instrument to be signed by its duly authorized agents as of the day and year first above written.

Attest: MECHANICAL CONTRACTORS ASSOCIATION



Marc Pittas, Secretary



By Greg Kroh, President

Attest: PIPE FITTERS' ASSOCIATION, LOCAL UNION 597



T. Kotel, Secretary



By James Buchanan, Business Manager

Approved and adopted by unanimous action of the Joint Arbitration Board this 29<sup>th</sup> day of June A.D. 2012, to become effective as of July 1, 2012.

### JOINT ARBITRATION BOARD

**MECHANICAL  
CONTRACTORS  
ASSOCIATION**

J. Curran, Chairman  
B. Helm, T. Kelleher,  
M. McCombie, F. Oyer,  
M. Pittas, C. Reedy,  
R. Scheck, T. Smerz

**PIPE FITTERS'  
ASSOCIATION  
LOCAL UNION 597**

J. Buchanan, JAB Secretary-Treasurer  
K. Morrissey, T. Kotel,  
M. Maloney, J. Leen

S. L. Lamb, Recording Secretary

## TABLE 1: MINIMUM BASIC KIT OF HAND TOOLS

8" adjustable wrench  
10" adjustable wrench  
Groove joint pliers  
Small flat screwdriver  
Phillips screwdriver  
¼" nut driver  
5/16" nut driver  
Long nose pliers  
Diagonal electrician's pliers  
4-way service valve stem wrench  
Service gauge's and hose etc.  
Multimeter  
Allen Set  
Torpedo level  
25 ft. tape roll  
Canvas "Bucket Boss" or similar tool pouch  
5 gallon bucket

### Tool Replacement

- A. Tools stolen from a Truck or Service Vehicle- The Employer will replace stolen tools from burglarized vehicles provided the following conditions (where applicable) are met:
1. All locks must have been installed and functioning on both the side and rear doors of the vehicles and the security system(s) must be activated.
  2. The entrance way of the truck from the front cab area must be closed and locked.
  3. A complete and uploaded tool list of all the Employee's personal tools must be filled out and signed by the Employee's manager.
  4. A police report must be filed.
  5. No tools or valuables should be stored or kept in the cab portion of the vehicle. Any items whether tools or valuables, stolen from the front cab portion of the vehicle, will not be reimbursed.
- B. Tools stolen from other than a truck or service vehicle- the Employer will replace stolen tools in accordance with Article V herein.