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BULLETIN

January 7, 2015

No. 392 (Commercial)

TO: Owners and Managing Agents of Commercial Buildings

SUBJ.: 2015 Engineer Agreement with Local 94-94A-94B, International Union of Operating Engineers, AFL-CIO

The Board and Local 94-94A-94B, International Union of Operating Engineers, AFL-CIO, have approved the extension of the 2011 Engineer Agreement with the following modifications:

TERM: Four years from January 1, 2015 through December 31, 2018.

WAGES:

Effective January 1, 2015:

(a) Engineers shall receive a wage increase of \$1.10 per hour (\$44.00 per week) and the new minimum rate shall be \$37.83 per hour (\$1,513.20 per week).

(b) Helpers shall receive a wage increase of \$.86 per hour (\$34.40 per week) and the new minimum rate shall be \$29.46 per hour (\$1,178.40 per week).

(c) Chief Engineers, mechanics and all other employees receiving other than scale rates shall receive a wage increase of 3% of the hourly assent rate for 2014.

Effective January 1, 2016:

(a) Engineers shall receive a wage increase of \$1.13 per hour (\$45.20 per week) and the new minimum rate shall be \$38.96 per hour (\$1,558.40 per week).

Howard I. Rothschild
President

Proskauer Rose LLP
General Counsel

(b) Helpers shall receive a wage increase of \$.88 per hour (\$35.20 per week) and the new minimum rate shall be \$30.34 per hour (\$1,213.60 per week).

(c) Chief Engineers, mechanics and all other employees receiving other than scale rates shall receive a wage increase of 3% of the hourly assent rate for 2015.

Effective January 1, 2017:

(a) Engineers shall receive a wage increase of \$1.17 per hour (\$46.80 per week) and the new minimum rate shall be \$40.13 per hour (\$1,605.20 per week).

(b) Helpers shall receive a wage increase of \$.91 per hour (\$36.40 per week) and the new minimum rate shall be \$31.25 per hour (\$1,250.00 per week).

(c) Chief Engineers, mechanics and all other employees receiving other than scale rates shall receive a wage increase of 3% of the hourly assent rate for 2016.

Effective January 1, 2018:

(a) Engineers shall receive a wage increase of \$1.20 per hour (\$48.00 per week) and the new minimum rate shall be \$41.33 per hour (\$1,653.20 per week).

(b) Helpers shall receive a wage increase of \$.94 per hour (\$37.60 per week) and the new minimum rate shall be \$32.19 per hour (\$1,287.60 per week).

(c) Chief Engineers, mechanics and all other employees receiving other than scale rates shall receive a wage increase of 3% of the hourly assent rate for 2017.

ANNUITY FUND: The Employer contribution shall be increased as follows:

- (a) Effective January 1, 2015 - by \$.10 to \$3.80 per hour paid.
- (b) Effective January 1, 2016 - by \$.10 to \$3.90 per hour paid.
- (c) Effective January 1, 2017 - by \$.10 to \$4.00 per hour paid.
- (d) Effective January 1, 2018 - by \$.10 to \$4.10 per hour paid.

HEALTH FUND: The Employer contribution to the Health Fund shall be increased as follows:

- (a) Effective January 1, 2015 - by \$.00 to \$7.80 per hour paid.
- (b) Effective January 1, 2016 - by \$.20 to \$8.00 per hour paid.
- (c) Effective January 1, 2017 - by \$.46 to \$8.46 per hour paid.
- (d) Effective January 1, 2018 - by \$.30 to \$8.76 per hour paid.

PENSION FUND: The Employer contribution to the Pension Plan shall be increased as follows:

- (a) Effective January 1, 2015 - by \$.10 to \$3.55 per hour paid.
- (b) Effective January 1, 2016 - by \$.10 to \$3.65 per hour paid.
- (c) Effective January 1, 2017 - by \$.10 to \$3.75 per hour paid.
- (d) Effective January 1, 2018 - by \$.10 to \$3.85 per hour paid.

SICK PAY FUND: The Employer contribution to the Sick Pay Fund shall be as follows:

- (a) *Effective January 1, 2015*
 - Engineers - \$1.45 per hour paid.
 - Helpers - \$1.06 per hour paid.
 - Others - the 2015 hourly rate times eight divided by 173 per hour paid minus \$.30
((Hourly Rate x 8) ÷ 173 - .30).
- (b) *Effective January 1, 2016*
 - Engineers - \$1.50 per hour paid.
 - Helpers - \$1.10 per hour paid.
 - Others - the 2016 hourly rate times eight divided by 173 per hour paid minus \$.30
((Hourly Rate x 8) ÷ 173 - .30).
- (c) *Effective January 1, 2017*
 - Engineers - \$1.56 per hour paid.
 - Helpers - \$1.15 per hour paid.
 - Others - the 2017 hourly rate times eight divided by 173 per hour paid minus \$.30
((Hourly Rate x 8) ÷ 173 - .30).
- (d) *Effective January 1, 2018*
 - Engineers - \$1.61 per hour paid.
 - Helpers - \$1.19 per hour paid.
 - Others - the 2018 hourly rate times eight divided by 173 per hour paid minus \$.30
((Hourly Rate x 8) ÷ 173 - .30).

TRAINING FUND: The Employer contribution to the Training Fund shall be as follows:

- (a) *Effective January 1, 2015-December 31, 2016*
\$.21 per hour paid.
- (b) *Effective January 1, 2017-December 31, 2018*
No training fund contribution.

OTHER TERMS AND CONDITIONS:

Compensation

- New language in Article II now provides for a **starting rate** of 85% in the first year of employment for new engineers or those promoted to engineer.
- Also, in Article II, § 6(c), the **meal allowance** is increased to \$16.00 effective January 1, 2016, and to \$17.00 effective January 1, 2017.
- Once during the contract period, employees who are called to serve on **jury duty** shall be paid their full pay less jury duty compensation under Article XII, § 11.
- To be eligible for **termination pay** under Article XII, § 12, the employee must execute a general release acceptable to the Employer and the Union.
- The reimbursement for **safety shoes** under Article XII, § 18 is increased to \$113.00 per year effective January 1, 2016, and to \$125.00 effective January 1, 2018.
- New language in Article XII, § 21 provides that employees shall be compensated for **time spent answering emergency phone calls and responding to emergency emails**, provided that such time is more than fifteen (15) minutes and is recorded in a timely manner under practices specified by the employer.

Notice

- Article I, § 5 now provides for notice to the union by email for **new or vacant positions** in the building.
- The notice for **schedule changes** in Article II, § 7(b) is changed to twelve (12) days.
- Three (3) weeks advance written notice, or three (3) weeks' pay in lieu thereof, is now required for **reductions in force** under Article XII, § 10.

Arbitration

- New language in Article VI confers authority upon the arbitrator to decide **charges deferred to arbitration by the NLRB**.
- Also, new language in Article VI requires **disputes over wage advancements and/or overpayments** to be resolved through the contract's grievance and arbitrations provisions.
- **Wage claims** under the federal Fair Labor Standards Act and New York's labor laws are now subject to mandatory arbitration under Article XII, § 24.

- **No class action arbitration** is permitted for claims arising under the federal, state and city statutes listed under Article XII, § 24.

Trial Period

- The trial period for all newly hired employees is **90 days** under Article XII, § 15, and all employees moving to another position shall have a trial period of **45 days**.

New Committees

- A new provision under Article XII provides for the establishment of a committee to study and encourage the **hiring of Helpers** to ensure career progression.
- Also new under Article XII is a provision providing for the establishment of a **New Development Committee** to determine benefit and wage standards for newly constructed buildings.

Health Care and Pension Reform

- Article XI adds new language relating to health care reform or pension reform to minimize or eliminate any adverse impact on the Funds.

Assents and the new agreement will be sent to you as soon as possible.
