

January 10, 2019

ONE PENN PLAZA | 21ST FLOOR | NEW YORK, NY 10119

No. 403 (Commercial)

TO: Owners and Managing Agents of Buildings Employing Local 94 Engineers

RE: 2019 Engineer Agreement with Local 94-94A-94B, I.U.O.E., AFL-CIO Ratified

The RAB Board of Directors and Local 94-94A-94B, I.U.O.E., AFL-CIO (“Local 94”), have approved an extension of the 2015 Engineer Agreement with the following modifications.

TERM: Four years. Commencing January 1, 2019, through and including, December 31, 2022.

WAGES:

Effective January 1, 2019, the wages for employees represented by Local 94 will rise as follows:

1. Engineers will receive a wage increase of \$1.24 per hour, and the new minimum wage rate will be \$42.57 per hour.
2. Helpers will receive a wage increase of \$0.97 per hour, and the new minimum wage rate will be \$33.16 per hour.
3. All other employees in Local 94 job classifications will receive a wage increase of 3% of the hourly rate paid in 2018.

Effective January 1, 2020, the wages for employees represented by Local 94 will rise as follows:

1. Engineers will receive a wage increase of \$1.28 per hour, and the new minimum wage rate will be \$43.85 per hour.
2. Helpers will receive a wage increase of \$0.99 per hour, and the new minimum wage rate will be \$34.15 per hour.
3. All other employees in Local 94 job classifications will receive a wage increase of 3% of the hourly rate paid in 2019.

Effective January 1, 2021, the wages for employees represented by Local 94 will rise as follows:

1. Engineers will receive a wage increase of \$1.32 per hour, and the new minimum wage rate will be \$45.17 per hour.

2. Helpers will receive a wage increase of \$1.02 per hour, and the new minimum wage rate will be \$35.17 per hour.
3. All other employees in Local 94 job classifications will receive a wage increase of 3% of the hourly rate paid in 2020.

Effective January 1, 2022, the wages for employees represented by Local 94 will rise as follows:

1. Engineers will receive a wage increase of \$1.36 per hour, and the new minimum wage rate will be \$46.53 per hour.
2. Helpers will receive a wage increase of \$1.06 per hour, and the new minimum wage rate will be \$36.23 per hour.
3. All other employees in Local 94 job classifications will receive a wage increase of 3% of the hourly rate paid in 2021.

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

1. Effective January 1, 2019, increase of \$0.10 to \$4.20 for each hour paid;
2. Effective January 1, 2020, increase of \$0.10 to \$4.30 for each hour paid;
3. Effective January 1, 2021, increase of \$0.10 to \$4.40 for each hour paid; and
4. Effective January 1, 2022, increase of \$0.10 to \$4.50 for each hour paid.

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

1. Effective January 1, 2019, increase of \$0.75 to \$9.51 for each hour paid;
2. Effective January 1, 2020, increase of \$0.75 to \$10.26 for each hour paid;
3. Effective January 1, 2021, increase of \$0.75 to \$11.01 for each hour paid; and
4. Effective January 1, 2022, increase of \$0.75 to \$11.76 for each hour paid.

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

1. Effective January 1, 2019, increase of \$0.10 to \$3.95 for each hour paid;
2. Effective January 1, 2020, increase of \$0.10 to \$4.05 for each hour paid;
3. Effective January 1, 2021, increase of \$0.10 to \$4.15 for each hour paid; and
4. Effective January 1, 2022, increase of \$0.10 to \$4.25 for each hour paid.

SICK PAY FUND: The Employer contribution shall be increased as follows:

For each employee in the Engineer classification:

1. Effective January 1, 2019, increase of \$0.06 to \$1.67 for each hour paid;
2. Effective January 1, 2020, increase of \$0.06 to \$1.73 for each hour paid;
3. Effective January 1, 2021, increase of \$0.06 to \$1.79 for each hour paid; and
4. Effective January 1, 2022, increase of \$0.06 to \$1.85 for each hour paid.

For each employee in the Helper classification:

1. Effective January 1, 2019, increase of \$0.04 to \$1.23 for each hour paid;
2. Effective January 1, 2020, increase of \$0.05 to \$1.28 for each hour paid;
3. Effective January 1, 2021, increase of \$0.05 to \$1.33 for each hour paid; and
4. Effective January 1, 2022, increase of \$0.05 to \$1.38 for each hour paid.

For employees in other job classifications/pay scales, multiply the current year's hourly wage rate by 8, divide this number by 173, and subtract .3 from the resulting number to obtain the hourly sick pay fund rate, as follows:

$$\left(\frac{\text{Hourly Rate} \times 8}{173}\right) - .3 = \text{sick pay rate}$$

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

1. Effective January 1, 2019, increase of \$0.21 to \$0.21 for each hour paid;
2. Effective January 1, 2020, no increase;
3. Effective January 1, 2021, no increase; and
4. Effective January 1, 2022, no increase.

OTHER TERMS AND CONDITIONS OF NOTE:

Compensation

- New language in Article II provides for a starting rate of 90% in the first two years of employment for new engineers or those promoted to engineer
- New language in Article XI, Section 8, extends the period of discounted rates for newly hired Helpers, as follows: 0 – 12 months = 70% of wage rate, 13-24 months = 75% of wage rate, 25-36 months – 80% of wage rate, 37-48 months =85% of wage rate, and after 48 months = 100% of wage rate for employees hired on or after January 1, 2019?

Trial Period and Training

- The trial period for all newly hired employees, in the industry, is now 120 days, under Article XII, Section 15. The trial period for all employees changing positions within the industry remains 45 days.
- The Training Program classes must be passed by a minimum score of 70%, required courses may be taken no more than twice.
- The Training Fund will offer interactive training compliant with the New York State and New York City laws regarding prevention of sexual harassment for employees enrolled in training classes.

Arbitration

- Claims under the New York Paid Family Leave Law, the Stop Sexual Harassment in New York City Act, and the New York City Temporary Schedule Change Law are subject to grievance and arbitration under the 2019 Engineer Agreement.

Health Fund Study and Savings Committee

- New provisions of the Health Fund create a Study and Savings Committee to ensure that efficiencies and savings are found and utilized in the operation of the Health Fund. The Committee will meet quarterly, at minimum, and will be able to make recommendations to the parties and to the Trustees regarding potential actions, including changes to the plans of benefits and employee premium contributions, to implement further savings to the fund and to ensure that the Fund retains a minimum of a 12-month reserve of benefit costs and operating/administrative expenses.

Payment of Benefits during "Illness or Injury"

- Payments of 400 to 800 hours to Health, Annuity, Sick Pay, and Training funds may occur only once, for the same injury, per rolling 12-month period for an illness or injury resulting in a leave of absence under the Agreement (except for workers' compensation).
- Payment of 1000 hours to the Central Pension Fund may occur only once per rolling 12-month period for an illness or injury resulting in a leave of absence under the Agreement (except for workers' compensation).

Security Background Checks

- At the request of the tenant of an Employer, the Employer may require an employee to submit to a security background check. Employee's will fully cooperate with any reasonable requirements for completion of the check, and failure to cooperate constitutes just cause grounds for discharge.
- In the event an employee fails a background check, the Employer must make reasonable efforts to retain the employee in the building, or must comply with Article III, Section 8's provisions regarding termination and severance.

Assents and new agreement books will be made available as soon as possible. If you have specific questions about the new contract, please contact an RAB attorney at (212) 889-4100