

**AGREEMENT
BETWEEN THE
STATE OF MONTANA
AND THE
DEPARTMENT OF ADMINISTRATION
CAPITOL COMPLEX CRAFT COUNCIL**

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**AGREEMENT
BETWEEN THE
STATE OF MONTANA
and the
Department of Administration
Capitol Complex Craft Council**

PREAMBLE

THIS AGREEMENT, made and entered into this 25 day of JANUARY 2016, by and between the State of Montana, Department of Administration and the Montana Historical Society, hereinafter called the "Employer," and the Capitol Complex Craft Council, hereinafter called the "Union," shall constitute a binding "Agreement" governing the covenants and stipulations herein contained. The parties of this Agreement mutually agree as follows:

WHEREAS, the agency considers the practices and procedures of collective bargaining as a fair and orderly way of conducting its relations with its employees and, insofar as such practices and procedures are appropriate to the functions and obligations of the Agency acting through its Director, to retain the right effectively to operate in a responsible and efficient manner and are consonant with the paramount interests of the Agency and its employees;

WHEREAS, it is the intention of this Agreement to provide, where not otherwise mandated by statute, for the salary structure, fringe benefits, and employment conditions of the employees covered by this Agreement, to prevent interruption of work and interference with the efficient operation of the agency and to provide an orderly and prompt method of handling and processing grievances.

NOW, THEREFORE, the parties agree with each other as follows:

ARTICLE 1- RECOGNITION

- A. The Employer recognizes the Union as the sole and exclusive bargaining agent for certain maintenance workers, Carpenters, Painters, Master Plumber and, groundskeepers working in the Capitol Complex, employed in General Services Division, Department of Administration, and the Montana Historical Society, excluding short-term workers and temporary employees as defined in section 2-18-101 (2005), part-time employees working less than sixteen hours per week, all managerial, supervisory, confidential, professional and office employees, all those exempted by 39-31-103 MCA (2005), members of other bargaining units and all other employees.
- B. No employee shall be discharged or discriminated against for working on a union committee.

ARTICLE 2- MANAGEMENT RIGHTS

(In compliance with state statute 39-31-303, M.C.A.)

The Union shall recognize the prerogatives of the Agency to operate and manage its affairs in such areas as, but not limited to:

- A. Directing employees.
- B. Hiring, promoting, transferring, assigning, and retaining employees.
- C. Relieving employees from duties because of lack of work or funds or under conditions where continuation of such work would be inefficient, or nonproductive.
- D. Maintaining the efficiency of government operations.
- E. Determining the methods, means, job classification, and personnel by which the agency operations are to be conducted.
- F. Taking whatever actions may be necessary to carry out the missions of the Agency in situations of emergency.
- G. Establishing the methods and processes by which work is performed.

ARTICLE 3- UNION SECURITY - CHECK OFF

Section 1. Any present or future employee who is not a Union member and who does not make application for membership within 30 calendar days shall, as a condition of employment, pay to the Union a representation fee as a contribution toward the administration of this Agreement. Employees who fail to comply with this requirement shall be discharged by the Employer within 30 calendar days after written notification to the Employer from the Union.

Section 2. Upon receipt of a written authorization from an employee covered by this Agreement, the Employer shall deduct from the employee's pay the amount owed to the Union by such employee for dues or a representation fee. The Employer will remit to the appropriate Craft Council union such sums within 30 calendar days. Changes in Union membership dues rates will be certified to the Employer in writing over the signature of the authorized officer or officers of the Union and shall be done at least 30 calendar days in advance of such change.

Section 3. All employees covered by the terms of this Agreement shall within 30 calendar days of the signing of this Agreement, or within 30 calendar days of employment, whichever is later, pay dues or a representation fee to the Union. The Union may make written notice of default and demand for discharge after the 30-day

period specified above. The Employer shall initiate appropriate discharge actions under this Section to ensure discharge of the affected employee(s) on the 30th day from receipt by the Employer of the Union's written notice of default and demand for discharge.

Section 4. The Union shall indemnify, defend, and save the Employer harmless against any and all claims, demands, suits, or other forms of liability that shall arise out of or result from action taken by the Employer for the purpose of complying with this Article.

Section 5. Upon written request, the Unions agree to provide documentation to the Employer that its representation fee rate is established in accordance with law.

Section 6. The authorized representative of the union having jurisdiction over the work covered by this agreement shall be allowed admission to any job at any time for the purpose of investigating conditions provided they give notice to the Employer's agent and do not unduly interfere with workers during working hours.

ARTICLE 4 - NON-DISCRIMINATION CLAUSE

Section 1. In accordance with the provisions of Title 49, Chapter 3, M.C.A., the Employer shall recruit, appoint, assign, train, evaluate, and promote its employees on the basis of merit and qualification, without regard to race, color, religion, creed, political ideas, sex, age, marital status, physical or mental handicap, national origin, or ancestry. Employers may not enter into any benefit plans such as retirement, pension, or insurance plans, which may be construed as subterfuges to evade the purpose of the act. Furthermore, the Employer may enter into bona fide seniority systems that are not so structured so as to perpetuate any past discriminatory practices that may have existed.

Section 2. No employee shall be discharged or discriminated against by the Employer for upholding Union principles or Union activities, as long as such activity does not interfere with the efficient operation of the institution. The Employer shall grant reasonable leave of absence without pay to employees subject to institutional requirements in the performance of duties as "duly authorized representative of the Union." "Duly authorized representatives" means members of regularly constituted committee, and/or officers of the Union, a list to be supplied to the Employer.

ARTICLE 5 - SCOPE OF WORK

This Agreement covers the work of a maintenance, repair, renovation or exhibit construction nature performed by the employees for the Employer. Maintenance, repair, renovation and exhibit construction are defined as follows:

- A. Maintenance shall be any work performed of a renovation, repair or maintenance character.
- B. The word repair used under the terms of the Agreement and in accordance with maintenance is work required to restore by replacement of parts of existing facilities to efficient operating conditions.
- C. The word renovation used within the terms of the Agreement and in connection with maintenance is work required to restore by replacement, remodeling or by revamp parts of existing facilities to efficient operating conditions.

- D. The word exhibit construction is work required to set up, alter, repair or dismantle museum exhibits and associated facilities.
- E. Groundskeeper's duties include lawn care, snow removal and maintenance of equipment.

ARTICLE 6 - HOURS AND OVERTIME

- A. Eight hours constitute a full time work day, not including time allowed for a meal period, and 40 hours shall constitute a full time work week, a work week shall consist of seven consecutive days. The normal workweek shall consist of five workdays, Monday through Friday.

The Employer will not arbitrarily alter the work week.

The employer and the employee may by mutual agreement alter the work week with a forty-eight hour notice to the employee. In the event assignment by mutual agreement does not complete the coverage, assignment will be made on a rotating basis. The rotation will be done in reverse order of seniority within a classification.

The Employer reserves the right to revert back to a one hour lunch period if it finds that this half-hour lunch period is being abused.

- B. Compensatory Time. Employees may elect, during the month of June each year, to change eligibility from paid overtime to compensatory time at the rate of one and one-half hours for each hour of overtime worked. Once an employee opts for either paid overtime or compensatory time status, the choice will remain in effect until June 30 of the following year.

Accrual of compensatory time in lieu of wages shall be limited to no more than 120 hours. The employer and the employee may, by mutual agreement, arrange for the use of accrued compensatory time during any work week.

Section B. above does not apply to the Historical Society Carpenter.

- C. Overtime. All time worked in excess of eight hours in a day or 40 hours in a week shall be paid at the rate of one and one-half times the regular rate of pay, except as provided for in Section B and providing that there shall be no pyramiding of overtime.

Overtime for the Historical Society Carpenter shall be for all hours worked in excess of 40 hours per week

- D. Flex Time Schedules. Employees may, with the approval of the Employer, be granted flex time scheduling for either temporary or permanent situations. In order to provide for a flexible work week, the provisions for overtime or compensatory time and one-half after eight hours a day, as set forth in B. of this Article, may be waived by mutual agreement between the employer and the employee. However, the Employer may rescind approval for flex time schedules at the Employer's option.

- E. When it is necessary to call a full time employee during his/her leisure time for emergency, such employee shall be paid two hours pay whether he/she works two hours or not. When the working period exceeds two hours, the total time worked shall be paid at the overtime rate, unless such call out extends into the employee's scheduled shift, in which case only those hours in excess of the two hour minimum and in excess of the regular eight hour work day (excluding the call out time minimum) shall be paid at the overtime rate.
- F. In the event a paid holiday falls within the employee's regular work week, such day shall be counted as time worked for the purpose of computing overtime for the work week.
- G. A 15-minute coffee break will be granted during the first four hours of the eight hour shift, and a 15-minute coffee break will be granted during the second four hours of the eight hours shift. However, the break periods shall be scheduled and taken at places designated by the supervisor.
- H. On-Call Time:
Employees who are required to make themselves available for snow removal at times other than their regularly scheduled shift will be eligible to receive on-call compensation as outlined below.

On-Call Compensation:

Monday through Friday: Employees receive one hour of on-call non-exempt compensatory time (OCLNC) for each day they are asked to be on-call.

Saturday, Sunday, or Holiday: Employees receive two hours on-call non-exempt compensatory time (OCLNC) for each day they are asked to be on-call.

Employees will not be asked to be in an on-call status while on approved leave status (annual, compensatory, or sick).

Employees who are required to be available for snow removal will remain in an on-call status during the time period beginning November 1 through March 1. If on-call scheduled time is required outside of the time period noted above, management will notify employees in advance of this need. When on-call, employees must be accessible by phone and respond for duty in a reasonable timeframe.

Prior arrangements must be made with management to be removed from on-call status if an employee will be unavailable to respond (i.e., travel outside the area on a weekend, etc.)

ARTICLE 7 - HOLIDAYS

Section 1. Employees shall be granted Legal Holidays without loss of pay as follows: (State Statute 1-1-216, M.C.A.)

New Year's Day.....	January 1 st
Martin Luther King Jr. Day.....	3 rd Monday In January
Lincoln & Washington's Birthday.....	3 rd Monday in February
Memorial Day.....	Last Monday in May
Independence Day.....	July 4 th
Labor Day.....	1 st Monday in September
Columbus Day.....	2 nd Monday in October
Veterans' Day.....	November 11 th

Thanksgiving Day 4th Thursday in November
Christmas Day December 25th
State General Election Day Even numbered years

If any days are added to or removed from the above list by the legislature, such changes shall become effective as provided by the legislature.

Holidays shall be observed on the officially designated day of observation.

Section 2. Scheduled holiday and emergency work shall be compensated at time and one half. In addition when a holiday is worked, the employee shall receive eight hours of pay at the regular rate or a compensatory day off as per Article 6 Section B.

Section 3. Part-time employees shall receive holiday benefits on a pro-rata basis providing they are in a pay status either the last regularly scheduled working day before or the first regularly scheduled working day after the holiday, provided the employee worked in the week in which the holiday occurred.

ARTICLE 8 - VACATIONS

A. Annual Leave (Vacation).

1. Annual leave time shall accrue at the rate established by law as follows:
 - a. From one full pay period through 10 years of employment at the rate of 15 working days per year.
 - b. After 10 years through 15 years of employment at the rate of 18 working days per year.
 - c. After 15 years through 20 years of employment at the rate of 21 working days per year.
 - d. After twenty 20 years of employment at the rate of 24 working days per year.
2. There shall be no annual leave granted until the employee has worked continuously for a period of six calendar months.
3. Permanent part-time employees are entitled to pro-rated annual vacation benefits if they have worked the qualifying period. Temporary employees, either full or part time, are entitled to pro-rated annual vacation benefits retroactively if the temporary employee is subsequently hired into a permanent position without a break in service or is continuously employed longer than six months.
4. The amount of annual leave permitted to accrue past the beginning of a new calendar year shall be two times the rate of days earned annually.
5. Annual leave time earned but not used at the time of termination shall be paid the employee at his/her regular permanent classification and salary grade rate.

- B. Vacation time shall be granted for the time requested insofar as possible and shall be scheduled with the supervisor sufficiently in advance so that the employer will be able to control the work flow and scheduling of work assignments. In case of conflict in scheduling vacation for employees, if the conflict arises more than 30 days prior to the intended leave usage, seniority shall govern. Priority for annual leave requests within 30 days of the intended usage shall be determined on a first-request basis, rather than seniority. Leave of Absence Request Forms shall be used for requesting vacation.

ARTICLE 9 - WORKING RULES

Section 1. Wages due shall be paid at least two times a month to all employees through the normal state payroll system. The payroll will be assumed to be correct and there shall be no adjustment required by the Union unless the employee makes a claim within 10 days.

Section 2. When an employee is discharged, his/her pay shall be made available to him/her according to Sections 39-3-204 and 205, M.C.A.

Section 3. The Union Business Representative may appoint, at each agency covered by this agreement, a non-probationary employee to serve as a Job Steward. If such an appointment is made, and upon each change of appointment, the Union shall notify the employer agency in writing of the appointee's name.

The duties of the Job Steward shall be to take up all complaints or grievances with the Union and to act as safety representative of the Union. The Steward shall not be discriminated against for performance of his/her duties, nor shall he/she be discharged except for reduction of the work force or for just cause.

Section 4. The Employer and the Union will cooperate in adequate safety and sanitary practices.

Section 5. The Employer shall provide tools for employees to use in performance of their duties. Willful abuse of assigned tools and equipment may subject the employee to the discipline procedure. In addition, the General Services Division will provide the following clothing allowances to its craft employees for safety glasses, gloves and clothing: (1) up to \$250 every two years for the cost of prescription safety glasses, with considerations in the event of special medical needs or necessary replacement for damaged glasses beyond normal use; (2) respirators and dust masks; (3) ear protection; (4) hard hats; (5) up to \$50 per year for the cost of gloves; (6) up to \$300 per year for the cost of uniform items such as shirts, jackets, vests and hats. Employee selections of the above items are subject to management approval. Employees will be required to wear appropriate footwear as determined by management during work hours.

The Historical Society is not obligated to provide the clothing allowances for glasses, gloves uniform or work boots.

Section 6. Seniority in service shall begin with the date of permanent appointment with the agency and shall control the order of termination and re-employment with the most senior employee given preference.

If a layoff occurs due to a reduction in force, employees of the bargaining unit shall retain service credits with the Employer for purposes of longevity and paid leave accrued in accordance with prevailing policy, for a period of one calendar year after the date of layoff.

Job preference shall be extended for a period of one calendar year after the date of layoff to qualified employees who are displaced for vacancies which occur and are available within the Department of Administration, and the Historical Society. Preference shall mean that the displaced employee shall receive first consideration for employment into a vacancy providing their qualifications and work record are equal to or better than other qualified applicants providing such consideration does not preclude other statutory-based preferences being granted.

If an employee fails to accept and report for work within 10 days, they shall have lost all recall and seniority rights. Apprentices shall be treated in the same manner as any other employee within the bargaining unit for purposes of layoff and recall. Employees in aggregate positions shall be laid off prior to employees in permanent positions.

The above provisions are in no way intended to restrict employees' rights under the statutory "State Employee Protection Act" in Title 2, Chapter 18, Part 12, MCA.

Section 7. Any employee hereunder dismissed from employment shall be dismissed only for just cause; and in the event of such dismissal, the employee involved shall be entitled to, and there shall be made available to him a written notice of such cause.

Section 8. Employees employed in a permanent position must serve a one year probationary period. Such employees will be employed under the terms of the Agreement as permanent personnel.

Section 9. Employees shall become members of the Public Employees' Retirement System in accordance with Title 9, Chapter 3, MCA.

ARTICLE 10 - NO STRIKE/ NO LOCKOUT

- A. There shall be no intentional interference with work, such as: any strike (except sympathy strike), including but not limited to sit down strikes, wildcat strikes, intermittent strikes, or partial strikes; work slowdowns; sickouts.
- B. The Employer reserves the right to discipline, up to and including discharge, any employee who violates this Article.
- C. The Employer shall not engage in a lockout against the employees. However, this section shall not be construed as preventing layoffs for legitimate reasons.

ARTICLE 11 - GRIEVANCE AND ARBITRATION

Section 1. Having a desire to create and maintain labor relations harmony between them, the parties hereto agree that they will promptly attempt to adjust all complaints, disputes, controversies, or other grievances arising between them involving questions of interpretation or application of terms and provisions of this Agreement.

Step 1 Any grievance, controversy or dispute arising over the operation of this Agreement shall first be taken up with the employee or employees and his /her immediate supervisor, within five days of such grievance.

Step 2 If such controversy or dispute cannot be adjusted in this manner, it shall be presented to management in writing, within four days of Step 1 to the Administrator, General Services Division for the Department of Administration, or the Administrator of Centralized Services Division for the Historical Society, in writing, stating the name of the grievant, when the incident occurred, the nature of the grievance (being specific), the applicable articles of the contract which were violated, the remedy sought, the signatures of the grievant and the business agent, and the dates of signing, and an attempt to settle the grievance shall be made.

Step 3 If no settlement can be reached at Step 2, it shall be presented in writing to the Director of the Department, or Historical Society, whichever the case may be, within five days of Step 2, and an attempt to settle the grievance shall be made.

Section 2. Arbitration. Should the aggrieved employee or employees and the Union consider the decision of the Director to be unsatisfactory, the local Union shall, within 10 days of receipt of such decision, notify the Director and the Chief of the Labor Relations Bureau, in writing, of its intention to have such grievance referred to arbitration.

Thereupon in all events, within 10 days after such written notice of intention is delivered to the director, the Union and the director shall call on the Federal Mediation and Conciliation Service to provide a list of 7 persons.

Each party shall be entitled to strike three names from the list in alternate order and the name so remaining shall be the arbitrator. The arbitrator shall consider the grievance within 15 days of selection and shall render a decision within 15 days of the hearing, and that decision shall be final and binding.

Each party shall share equally the cost of the impartial arbitrator. In the event one of the parties wants transcripts from the proceedings of the arbitration, the party requesting the transcript shall pay all costs. If each party requests transcripts, they shall equally share the cost.

During the processing of any matter under this or the preceding steps, the Union agrees not to strike, render unfair reports, or cause slow down, and the Employer agrees not to lock out employees represented by the Union.

Any failure or refusal to abide by the terms of this grievance and arbitration procedure shall constitute a waiver by the party who breaches the Agreement, of the rights and constraints created by the above grievance and arbitration clause.

No arbitrator shall have the power to add to, detract from, or modify the terms of this Agreement.

ARTICLE 12 - HEALTH INSURANCE AND SICK LEAVE

Health Insurance. The State of Montana agrees to increase the employer's share of the individual health contributions for group benefits by 10% (\$976 a month) from January 2016 through December 2016 and by 8% (\$1054 a month) from January 2017 through December 2017.

Permanent part-time employees who are regularly scheduled to work (20) hours per week or more shall be eligible to receive the state insurance contribution.

ARTICLE 13 SAVINGS CLAUSE

If any section, subdivision, paragraph, sentence, clause, phrase, or other part of this agreement is determined or declared to be contrary to or in violation of any State or federal law by any competent authority or court of competent jurisdiction, the remainder of this agreement shall not be affected or invalidated. This entire contract, together with any attachments hereto shall be subject to the provisions and interpretations of Section 39-31-101 through 39-31-105, M.C.A. 1979, as amended.

The Employer and the Union expressly waive and relinquish the right, and each agrees that the other shall not be obligated during the term of this agreement, to bargain collectively with respect to any subject or matter whether referred or covered in this agreement or not specifically referred to or covered in this agreement, even though each subject or matter may not have been within the knowledge or contemplation of either or both the Employer or the Union at the time they negotiated or executed this agreement and even though such subject or matter was proposed and later withdrawn unless the employer and the union mutually agree to bargain collectively on such subjects or matter.

ARTICLE 14 - SUBCONTRACTING

If the Department of Administration intends to subcontract the work of this unit in a manner that would cause the layoff of any employee in this bargaining unit, it is understood that the planned subcontracting will be subject to bargaining in accordance with the law.

ARTICLE 15 - TERM

THIS AGREEMENT shall be effective as of the 1st day of July, 2015, and shall remain in full force and effect through the 30th day of June, 2017, and shall remain in effect from year to year thereafter, except that either party shall notify the other in writing at least 60 days prior to the expiration date if they desire to modify this Agreement.

If the Union gives notice to reopen the Agreement, it shall also notify the Chief of the Labor Relations Bureau in writing of such requested negotiations at the same time such notice is given to the Employer agency. In the event such notice is given, negotiations shall begin not later than 30 days prior to the expiration date. Every effort will be made by both parties to conclude negotiations before the expiration date of this Agreement.

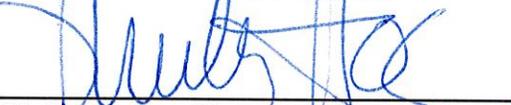
The Union shall have the right to take concerted actions after December 31, 2016, on wages and fringe benefits concerning the 2015-2017biennium.

Dated this 25th day of June, 2015

FOR: STATE OF MONTANA



Michael P. Manion, Chief
State Office of Labor Relations



Sheila Hogan, Director
Department of Administration



Stephen Baiamonte, Administrator
General Services Division

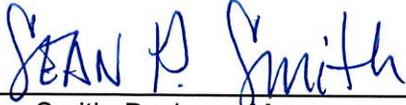
FOR: Capitol Complex Craft Council



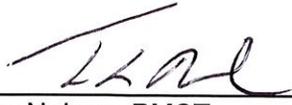
Kim Rickard, Business Manager
Laborers International Union Local 1686



Mary Alice McMurray
Pacific Northwest Regional Council
Of Carpenters



Sean Smith, Business Manager
Plumbers Local Union 41



Terry Nelson, BMST
IUPAT, District Council 82

**ADDENDUM A-
CLASSIFICATION AND WAGE SCHEDULE**

All employees covered by this collective bargaining agreement shall receive a \$.50 an hour pay increase effective the first day of the first complete pay period that includes January 15, 2016 and a \$.50 an hour pay increase effective the first day of the first complete pay period that includes January 15, 2017. The increases shall apply to the employee's base pay.

<u>Grade Level & Classification</u>	<u>Jan 15, 2016</u>	<u>Jan. 15, 2017</u>
9 - Maintenance Worker (General) Painter	\$20.696	\$21.196
10 - Maintenance Worker (Locksmith), Journeyman Carpenter	\$21.158	\$21.658
11 - Maintenance Worker* (Electrical), Carpenter Foreman	\$21.620	\$22.120
14 – Master Plumber	\$23.006	\$23.506
Groundskeepers	\$15.21	\$15.71

Wage rate for Carpenter Apprentices shall be as follows:

- First year - 75% of Journeyman's rate
- Second year - 80% of Journeyman's rate
- Third year - 85% of Journeyman's rate
- Fourth year - 95% of Journeyman's rate

*In the electrician's absence, if another bargaining unit member is assigned to perform electrical work, the bargaining unit member will be compensated at the Grade 11 rate *for actual hours spent on electrical work.*

Employees shall be paid in accordance with the prevailing state payroll system.

In addition to the wage schedule above, and in accordance with 2-18-304, MCA, each classified employee who has completed at least five years of uninterrupted service shall receive the amount obtained by multiplying 1.5 percent of the employee's base salary by the number of completed contiguous five year periods of uninterrupted service he/she has with the state. The second, third and fourth longevity increments (at 10 years, 15 years and at 20 years) shall be calculated at a rate of 2.0% (rather than 1.5%) of the employee's base salary. Service to the state shall not be considered to be interrupted by military service or leave of absence not exceeding three months.

LETTER OF AGREEMENT

TO CONTRACT EFFECTIVE January 1, 2016 THROUGH JUNE 30, 2017

by and between

THE STATE OF MONTANA

and

LABORERS' INTERNATIONAL UNION OF NORTH AMERICA LOCAL #1686
DEPARTMENT OF ADMINISTRATION

This Letter of Agreement entered into this 7th of December, 2015, by and between the State of Montana, Department of Administration, hereinafter referred to as "Employer", and Laborers' International Union Of North America Local #1686, hereinafter referred to as "Union", shall be considered as an addendum to and by reference herein, incorporated as part of the Labor Agreement executed by Employer and Union.

Effective the first full pay period of January 1, 2016 and for as long as this Agreement remains unamended and unexpired, the Employer shall forward to the Laborers International Union of North America National (Industrial) Pension Fund Employer contributions in the amount of **\$1.30 January 1, 2016 increased to \$1.43 January 1, 2017 and increased to \$1.58 January 1, 2018** per compensable hour of employment for each Maintenance Worker (General), Maintenance Worker (Locksmith), and Maintenance Worker (Electrical) Bargaining Unit employee.

Contributions forwarded to the Laborers International Union of North America National (Industrial) Pension Fund as set forth in this Agreement, are so forwarded in recognition that the State of Montana and the members of the affiliated Union agree:

1. The Laborers International Union of North American National (Industrial) Pension Fund asserts that it is a non-contributory plan that will not accept employee contributions.
2. The statutory law of Montana permits the Employer to make contributions for members of a bargaining unit pursuant to a collective bargaining agreement involving a multiemployer pension plan qualified by the Internal Revenue Service. These Employer contributions are not considered as wages for purposes of computing the Employer or employee contributions to the mandatory Public Employees Retirement System, or for computing gross income for Federal and State Income Tax purposes as long as making such computations in this manner remains lawful.
3. The State of Montana is a public employer.
4. The bargaining unit employees have ratified the Agreement, and therefore, as a condition of initial and continued employment, all affected employees must execute any forms required by the Employer in order to participate in the plan. Failure or refusal of the employee to execute any required forms shall be cause for immediate discharge. The Union agrees to indemnify, defend, and hold the Employer harmless against any and all claims, suits, orders, or judgments brought or issued against the Employer as a result of any action taken or not taken by the Employer under this provision. Any employee forms that were prepared pursuant to the Prior Agreement and that are not appropriate shall be considered rescinded.
5. Nothing contained in this or any other agreement or document precludes or prejudices the rights of the Employer from asserting that it has no liabilities under the provisions the Employee Retirement Income Security Act (ERISA) or other applicable laws, rules or regulations, in the event of a partial or complete withdrawal or termination of the Laborers International Union of North America National (Industrial) Pension Fund or for the insolvency of such fund, including any

such assertions that may be made under Section 414(h) of the I.R.S. Code as have been made in the past.

- B. The Employer shall forward contributions for collection periods consisting of each two consecutive payroll periods (four calendar weeks) of the Employer. The total amount due for each collection period shall be remitted in lump sum by the 20th day of the month following the end of each collection period. It is understood and agreed that the calendar year for the collections shall begin with the first day of the first full payroll period of January each year.
- C. In compliance with state or federal laws and regulations, the Employer agrees to sign a pension participation agreement and other forms or documents (as furnished by the Union) that may be necessary to effectuate and continue in existence the pension plan, to abide by such rules as may be established by the trustees of said trust fund to facilitate the determination of the hours for which contributions are due, the prompt and orderly collection of such accounts, and the accurate reporting and recording of such amounts paid on account of such employee of the bargaining unit.
- D. This Agreement is premised on the assumption that it is in compliance with Montana State Statutes and applicable federal pension laws as interpreted by the state or federal courts and the Pension Benefit Guaranty Corporation. If competent legal authority determines that this Amended Agreement is not consonant with such laws, the parties shall attempt to meet to discuss any problems resulting from terminating this Agreement prior to any such termination by the State.

DATED: This 17th day of Dec 2015.

FOR THE EMPLOYER:


Mike Marlon, Deputy Director
State Office of Labor Relations


Sheila Hogan, Director
Department of Administration

FOR THE UNION:


Kim Rickard, Business Manager
Montana District Council of Laborers,
Local #1686