

COLLECTIVE BARGAINING AGREEMENT

Service Employees International Union Local 26

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Block by Block
Minneapolis Downtown Improvement District

February 1, 2013 through January 31, 2016

Table of Contents

	<u>Page</u>
ARTICLE 1 – MANAGEMENT RIGHTS	3
ARTICLE 2 – RECOGNITION	3
ARTICLE 3 – UNION MEMBERSHIP	4
ARTICLE 4 – JOB CLASSIFICATIONS	5
ARTICLE 5 – EMPLOYEE STATUS	5
ARTICLE 6 – PHYSICAL REQUIREMENTS.....	5
ARTICLE 7 - WORKLOAD.....	6
ARTICLE 8 - ATTENDANCE.....	8
ARTICLE 9 – SENIORITY	10
ARTICLE 10 – WAGES	11
ARTICLE 11 – PAID HOLIDAYS	12
ARTICLE 12 – PAID VACATION.....	13
ARTICLE 13 – HEALTH INSURANCE	13
ARTICLE 14 - LEAVE OF ABSENCE.....	17
ARTICLE 15 – EQUIPMENT AND UNIFORMS	19
ARTICLE 16– CONTRACTING NEW ESTABLISHMENTS	19
ARTICLE 17 – NON-DISCRIMINATION	21
ARTICLE 18 – NO STRIKE, NO LOCKOUT.....	22
ARTICLE 19 – COMPLIANCE WITH AGREEMENT	23
ARTICLE 20 – GRIEVANCE PROCEDURE	24
ARTICLE 21 - STATE AND FEDERAL LAWS	26
ARTICLE 22 - SAVING CLAUSE.....	26
ARTICLE 23 - TERM OF AGREEMENT.....	27
APPENDIX A	28

This Agreement is made and entered into as of February 1, 2013 by and between Block by Block (herein after called "Employer") and the Service Employees International Union Local 26 (herein after called "Union").

WITNESSETH

WHEREAS, the employees of the Employer have elected to bargain collectively with the Employer, and, for said purpose, a majority of them have affiliated themselves as members of the Union, and have chosen said Union to bargain collectively in their behalf for wages, hours and working conditions.

Whereas the Minneapolis Downtown Improvement District is a unique private cooperative entity that has a unique requirement of integrated safety and cleaning services, and whereas any other union company bidding for the Minneapolis Downtown Improvement District will be able to use the same wages and benefits at that account as are contained in this Agreement, therefore this Agreement shall be effective for the Minneapolis Downtown Improvement District only.

ARTICLE 1 – MANAGEMENT RIGHTS

The Union recognizes the exclusive right of the Employer's management to manage the business and direct the working force including, but not limited to, the following:

- a. Promulgate and publish reasonable working rules (copies to the Union)
- b. Establish standards of quality and performance
- c. Assign and transfer employees

ARTICLE 2 – RECOGNITION

1. The Employer recognizes the Union as the exclusive bargaining agent for all employees employed in the Minneapolis Downtown Improvement District in the classifications of Clean Ambassador, janitor, cleaner and any other employees engaged in the contract cleaning industry performing cleaning services, and Safety Ambassadors, security guards and officers and any other employees engaged in the security industry performing security services, Dispatchers, or in classifications called by different names when performing similar duties, but exclusive of:

- a. All executive, salaried supervisors, sales employees, clerical employees and shop employees of contract cleaners.
- b. Hourly paid supervisors, foremen. An "hourly paid supervisor" or "foreman" is defined as an employee with the authority to hire, discharge, discipline or otherwise effect changes of the status of employees on a job.

2. Supervisors or other non-bargaining unit personnel shall be allowed to perform bargaining unit work in cases of (a) bona fide emergencies; (b) when no bargaining unit employees are available to complete a shift that has already begun; and when such work does not result in the layoff of a bargaining unit employee.
3. There shall be no subcontracting of bargaining unit work.

ARTICLE 3 – UNION MEMBERSHIP

1. Union Shop: The Employer agrees that all employees presently employed and all new employees shall, as a condition of employment, join the Union within thirty (30) days after the effective date of this Agreement and shall continue their membership during the life of this Agreement.
2. Dues Check-Off:
 - a. Dues Withholding: The Employer agrees to withhold from the wages of each employee working over twenty-four (24) hours in any calendar month, and pay to the Union all initiation fees and dues required by the Union. The Employer will deduct such dues and initiation fees on the first pay period of each month and immediately forward the amount with a digital spreadsheet list of employees' names, addresses, phone numbers, start date, job classification and the employee's status as full-time or part-time. The Union will notify the Employer in advance of any changes in dues or initiation fees, in writing. The Union agrees to indemnify and save harmless the Employer from any and all liabilities it may suffer as a result of agreeing to be bound by Article 3, including court costs and reasonable attorney's fees.
 - b. Liquidated Damages: The Employer agrees that all Union dues and initiation fees deducted from the employee's wages will be considered past due if not received by the Union on or before the fifteenth (15th) day of the month following said deductions. If such dues and initiation fees are not received by the Union within sixty (60) days of the past due date, the Employer shall pay the Union liquidated damages amounting to twenty percent (20%) of the total dues and initiation fee amounts that have not been received by the Union in a timely manner. In addition to the twenty percent (20%) liquidated damage amount noted herein, the Employer agrees to pay the Union simple interest at the rate of ten percent (10%) on all unpaid dues and initiation fees, court costs and reasonable attorney's fees incurred by the Union in collecting said dues and initiation fees.
3. Voluntary Check-Off for Other Funds: The Employer agrees to make payroll deductions for each employee who has authorized such deduction in writing in the amounts and at the times stated in the authorization into the Union's Committee on Political Education Fund, Property Services Civic Engagement (PSCE) Fund, or other legally constituted funds established by the Union. The Employer agrees to remit the amount deducted to

the Union within seven (7) days after the deductions are made by the Employer. The Employer shall retain ½ of 1% of the amount deducted as reimbursement to the Employer.

4. Union Obligation: The Union will provide all new members with a copy of the wage rates within thirty (30) days of their application to the Union. Union Orientation: During the scheduled hours of new employee orientation, a Union representative or Steward will be given thirty (30) minutes to meet with the new employees without Management present.

ARTICLE 4 – JOB CLASSIFICATIONS

For the purpose of this Agreement, the following classifications will be applicable: Clean Ambassador, Safety Ambassador, Team Lead, and Dispatcher. Work tasks may be shared between job classifications and employees may be assigned to work outside of their regular job classification, as long as employees assigned to Safety Ambassador duties will have undergone state-mandated annual training for private security officers.

ARTICLE 5 – EMPLOYEE STATUS

1. The first forty-three (43) completed work shifts shall be considered a probationary period for new employees during which time an employee shall have no resort to the grievance or arbitration procedures provided in this Agreement. Upon successful completion of the probationary period, the employee shall become part of the regular workforce.
2. A regular full-time employee has successfully completed the probationary period and is scheduled to work forty (40) hours per week.
3. A regular part-time employee has successfully completed the probationary period and is scheduled to work less than forty (40) hours per week. No more than twenty percent (20%) of the regular workforce, or ten (10) regular employees, whichever is greater, shall have regular part-time status. Employees who are retained on a stand-by, part-time basis for the purpose of occasionally working shifts in the Dispatch job classification may be excluded from this calculation.

ARTICLE 6 – PHYSICAL REQUIREMENTS

1. Physical Examination: In any case where there is a question as to the employee's ability to carry on or do the work, the Employer shall have the right to require a physical examination, and if such employee is found to be physically unfit to perform his or her duties, the employment relationship may be reclassified or, if there is no classification available which they are able to perform, put on layoff. If the employee is not medically able to perform any job classification, then they may be terminated. The Employer shall also have the right to require a physical examination of all new employees. The Employer shall pay the expense of such examination.

2. Drug Testing: The Employer reserves the right to establish and enforce any lawful policy concerning employee use, possession or transfer of drugs or testing for drugs as a condition of employment. In the event there are reasonable grounds to suspect an employee is using drugs or under the influence of drugs on the job, the Employer reserves the right to impose any and all discipline, including termination for refusal to submit to lawful testing. The Employer shall pay the expense of such drug testing.
3. Security and Background: The Employer reserves the right to conduct necessary personal background investigations for Safety Ambassadors. Any refusal to supply or authorize access to information or lack of cooperation on the part of the employee in the course of such investigation may result in termination of employment. Failure to meet State or Federal requirements will be just cause for termination of Safety Ambassadors. With the exception of the initial fingerprint-based Bureau of Criminal Apprehension check on external applicants for Safety Ambassador positions, the Employer shall be responsible for the costs associated with background checks. For applicants to Safety Ambassador positions, this background check shall occur at the time of hire and the results of the investigation known to the applicant as soon as the Employer has received the results of the background check. For existing Clean Ambassadors being reassigned to be Safety Ambassadors, security and background checks shall occur at the time of reassignment of job classification and the results of the investigation known to the employee as soon as the Employer has received the results of the background check. Applicants shall be told at the time of hire that these investigations will determine their eligibility of employment. Existing employees who, as a result of a security and background check do not meet the eligibility for the Safety Ambassador position, shall remain in their original job classification.

ARTICLE 7 - WORKLOAD

1. The Company shall not impose an unreasonable workload upon any employee, and should there be a substantial change in workload, the employee's work hours shall be reviewed and adjusted as appropriate. An employee shall not refuse to perform work based on their own opinion of the reasonableness of the workload. Rather, if an employee has a dispute, it shall be subject to the Grievance Procedure in this Agreement.
2. Training Documents: All employees are required sign any document that the Employer provides to substantiate training, i.e., safety, MSDS, OSHA, etc., provided adequate training has been offered on the Employer's time.
3. Safety and Sustainability Committee:
 - (a) Definition: The Employer and the Union will establish the Safety and Sustainability Committee. This Committee shall consist of three (3) representatives to be named by the Union and three (3) to be named by the Employer. The charge of the Committee is to

meet as needed to resolve matters related to safety and environmental sustainability in the workplace.

(b) Green Chemicals & Safe Equipment: The Committee will review the use of green chemicals. It is the responsibility of the Employer to provide a safe and healthy work place for employees, and to be committed to work practices and the use of materials that contribute to a healthy and sustainable ecological environment. The Union supports these goals and will cooperate with the Employer's efforts in this regard.

- i. The Employer shall provide all Personal Protection Equipment (PPE) as recommended by Material Safety Data Sheets (MSDS). Employees shall use MSDS-compliant gloves, face masks and/or goggles (provided by the Employer) when required by the assigned work task. In addition, the Employer shall provide training to employees on the use, mixing and storage of cleaning chemicals.
 - ii. No employee shall be required to perform any work with cleaning chemicals if not provided with PPE as recommended by MSDS or having not been provided training on the use, mixing and storage of cleaning chemicals. Failure to perform work under such circumstances shall not be considered a cause for discharge or discipline. Potentially dangerous work that is not chemical related will be reviewed by management within 48 hours of a complaint being raised by an employee, but the employee shall not have the right to refuse such work unless they are in serious imminent physical danger.
 - iii. The Employer shall furnish cleaning and safety supplies in sufficient quantity and maintain all equipment in such state of repair as is required to perform the work assigned. Employees shall promptly report supply shortages and equipment maintenance needs to management.
 - iv. The Employer shall make every effort to use only green, sustainable cleaning products where possible.
4. Major Changes: If the Employer proposes a change that impacts at least 50% or more of the employees:
 - a. The Employer shall give the Union 30 days notice before implementing changes. If it is documented that the client gives less than 30 days notice to the Employer, then the Employer shall give the Union as much advance notice as possible.
 - b. The Union and Employer shall meet and confer before the proposed changes are implemented. If the Union and Employer are unable to agree to a distribution of start times and workloads and assignments, then the Employer may implement such adjustments as it deems warranted.

- c. If the Union files a grievance over a major change after the meet and confer process has failed to resolve the dispute, the grievance will move immediately to expedited arbitration, and the following shall apply:
 - i. The arbitration shall be expedited and in no event shall be scheduled and heard later than seven (7) calendar days after the Union's request for arbitration.
 - ii. The Employer shall have the burden of proof to demonstrate that the workload is not unreasonable, and that any workload changes or layoffs are in reasonable proportion to changes in technology, equipment, method, vacancies, or building cleaning specification.
 - iii. The Arbitrator shall issue the award within seven (7) calendar days after the closing of the hearing.
 - iv. There shall be no adjournments granted without mutual consent.
5. Rest periods shall be extended from ten (10) minutes to fifteen (15) minutes during December, January and February.

ARTICLE 8 - ATTENDANCE

1. All employees are expected to model prompt and reliable attendance to help ensure maintenance of service to the customer. Employees are expected to notify the Employer in advance of the start of a scheduled work shift if they are to be absent or tardy, or if they must leave work before the completion of a scheduled work shift.
2. On the effective date of this Agreement, all regular employees who had previously completed their probationary period shall be credited with 30 points in their personal attendance account. Thereafter, all other employees will be credited with 30 points after they successfully complete their probationary period.
3. Deductions for an employee's personal attendance account will be taken as follows:
 - a. Tardy for start of scheduled shift
 - i. 1 point for being tardy two hours or less
 - ii. 2 points for being tardy more than two hours
 - iii. 2 points for each incident of tardiness that exceeds two in a calendar month
 - b. Leaving work before the completion of scheduled work shift due to illness or emergency
 - i. 1 point for leaving within two hours of end of scheduled shift
 - ii. 2 points for leaving more than two hours before end of scheduled shift
 - iii. 2 points for each incident of leaving early that exceeds two in a calendar month
 - c. Absent for scheduled shift
 - i. 2 points when notice given to Employer before start of scheduled shift

- ii. 4 points when notice given to Employer after, but within four hours of, start of scheduled shift
 - iii. 4 points for each incident of absence that exceeds two in a calendar month for a scheduled shift immediately preceding or following a regularly scheduled day off
 - iv. 15 points when notice not given to the Employer within four hours of start of scheduled shift
4. A continuous period of absence for multiple days due to the same illness or injury shall be considered to be a single absence if the need for absence is validated in writing by the employee's treating physician.
5. An employee may present evidence of extenuating circumstances that made it impractical to notify the Employer of absence within four hours of start of scheduled shift. Should the Employer deem those circumstances valid, the absence shall be regarded as one with notice given to Employer after, but within four hours of, start of scheduled shift.
6. Points shall not be deducted for time on approved leave of absence.
7. After a paid sick day is earned, employees will be charged for use of that sick day when absent from work for illness or injury; however, no points will be deducted from their account for this absence.
8. Points shall be added back to an account one year from the date of the infraction for which they were deducted.
9. Beginning in April 2013, Employees who have no points deducted for attendance infractions in an entire calendar quarter shall have two points added to their account. Calendar quarters begin in January, April, July and October.
10. Preferred Status is a personal attendance account balance of 21-30 points. Cautionary Status is a personal attendance account balance of 11-20 points. Critical Status is a personal attendance account balance of 1-10 points.
11. The Employer shall give written notice to an employee whose account balance drops to Cautionary and Critical Status. Upon such notice, the employee may have ten (10) working days to dispute any account deductions that were taken and that affected the most recent status change.
12. No disciplinary time off for unsatisfactory attendance shall be given to any employee who has an account balance of 1 point or more. When an employee's account balance falls below 1 point, the employee shall be terminated for unsatisfactory attendance.

ARTICLE 9 – SENIORITY

1. Seniority: Employees shall accumulate seniority effective as of the first day of their employment, provided, however, in the event of a break in employment, the employee's seniority commences as of his most recent employment. For the purpose of this Article 8 Section 1, "break in employment" shall be defined as (a) termination, (b) resignation, (c) failure to accept an offer of re-employment in a substantially comparable position after layoffs due to lack of work, promotions, advancements or recall. The Employer shall take such actions described in (c) above with due regard to the seniority of employees; however, due regard may be given to other factors, such as ability, physical fitness, efficiency, experience with specific job routines and specific types of skills. The Employer shall be the judge as to all factors other than seniority.
2. Seniority Tiebreaker: Where two or more employees share the same seniority date, preference shall be given to the employee whose last four digits of their social security number are lowest, in a manner such that an employee whose last four digits are 1234 shall be considered to have more seniority than an employee whose last four digits are 6789.
3. The Employer agrees to give two weeks paid notice of any layoff period. Employees will be paid for any part of the two weeks notice not allowed to work. This provision does not apply in circumstances when a contract is terminated with less than two weeks notice, with written proof to the Union to that effect.
4. Laid-Off Employees: An employee who has been laid off shall be given at least one (1) working day to accept or reject an offer of employment by the Employer in a bargaining unit position. If the employee accepts such a position, he must report to work the next working day after notification of acceptance. In the event that after accepting such a position the employee fails to report within the time specified, the employee shall lose any benefits s/he may have with the Employer and another individual may be hired.
5. Displaced Worker List: When it becomes necessary to reduce the working force, the person with the least seniority shall be laid off first provided the employees to be retained have the ability to perform the available work; Employees who cannot be placed on active job assignments in accordance with the foregoing shall be laid off. The Employer shall maintain an updated list of all laid off employees, ranked according to seniority. A copy of this list shall be provided to the Union at the end of every month. Laid off employees will maintain their seniority for up to twelve (12) months.

Job Vacancies: Whenever a vacancy occurs in any job covered by this Agreement, said job will be posted in the Employer's office break room for seven (7) calendar days. The job posting shall indicate the weekly schedule for the job, the job classification, and

required licensing to perform the job. A copy of the job posting shall be transmitted to the Union's website. The job shall be awarded to the most senior employee among those who submit their interest in writing to the Employer or who are on the displaced worker list, and who have the required licensing to perform the job, and, in the case of a Dispatcher position, meet all other minimal requirements established by the Employer.

Employees may request job training. Requests shall be submitted in writing to the Employer. If more employees request training than the Employer needs or is able to accommodate, preference shall be given to those with the most seniority.

Employees may not request to change classifications unless they have completed twelve (12) months in their current classification and until such time there is a qualified replacement for the position they are vacating.

ARTICLE 10 – WAGES

1. Employment on Hourly Basis: The Employer shall employ members of this Union on an hourly basis. The Employer will allow a five (5) minute grace period for late arrivals with no loss in pay.
2. Paydays are to be every week.
3. The base straight-time hourly wage rate shall be:

	2/1/13	2/1/14	2/1/15
After 6 months of continuous service	\$13.82	\$14.22	\$14.62
New Hire	\$12.50	\$12.50	\$12.50

4. Employees with seniority dates before the effective date of this Agreement shall maintain their rate of pay if it is greater than what is stipulated above.
5. Employees who were regularly scheduled to perform Special Projects duty on the effective date of this Agreement shall be listed in Appendix A of this Agreement and receive a red-circled hourly straight-time wage premium of 20¢ for all time worked on Special Projects duty. This red-circled wage premium shall not be pyramided with the outdoor winter work premium. Listed employees who voluntarily relinquish their regular schedule of performing Special Projects duty shall forever forfeit this red-circled wage premium.
6. Regular employees designated as Team Leads and Dispatchers shall receive an hourly straight-time wage premium of \$2.25 for all time worked on Team Lead duty and Dispatch duty.
7. Employees assigned to clean perimeter windows for one (1) hour or more will be paid at the prevailing journeyman rate of pay. Window cleaning pay will not apply to first floor windows, entryway glass, or other interior glass.

8. Regular employees scheduled for outdoor winter work duty shall receive an hourly straight-time wage premium of 20¢ for all time worked in December, January and February.
9. Overtime shall be paid at the rate of time and one-half the employee's regular rate to all employees covered by this Agreement for all hours worked in any week in excess of forty (40) hours. Senior employees shall have first choice to work extra or overtime hours by job classification.
10. Employees may be suspended for three days without pay as part of disciplinary action.
11. An employee may be suspended pending the Employer's investigation of a workplace incident, or allegation of such. Should the findings of the investigation not result in disciplinary action that includes unpaid suspension from work, or does result in disciplinary action that includes an unpaid suspension for days fewer than those actually missed, the employee shall be paid for the corresponding scheduled work hours missed. This provision shall not apply when an employee is suspended pending the outcome of a matter which is in the hands of law enforcement officials or the court system.
12. Any gratuities, bonuses, recognition awards, picnics or banquets given by the Employer are of a voluntary nature and are not to be considered as part of this Agreement. They, therefore, may be altered or discontinued at any time at the Employer's discretion.

ARTICLE 11 – PAID HOLIDAYS

1. Recognized holidays are New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day, and one (1) Floating Holiday.
2. Active full-time employees shall receive eight (8) hours holiday pay for these recognized holidays. Active part-time employees with at least nine months of continuous employment service shall receive (4) hours holiday pay for these recognized holidays (three years continuous service for the Floating Holiday). Holiday pay shall not be due to an employee who fails to work the last scheduled shift before the holiday, the first scheduled shift after the holiday, or on the holiday itself if scheduled to do so.
3. A Floating Holiday must be requested of and approved by the Employer. Preference for Floating Holidays shall be given by seniority; however, seniority may not be exercised to postpone the approved Floating Holiday of a less-senior employee which is scheduled to begin within twenty-eight (28) calendar days.
4. An employee shall be paid one and one-half times (1.5 x) their pay rate for all time worked on Christmas Eve after noon (12:00 p.m.).

ARTICLE 12 – PAID VACATION

1. Regular employees earn one (1) week of paid vacation per year after the completion of one (1) year of seniority and two (2) weeks of paid vacation per year after the completion of two (2) years seniority, and three (3) weeks of paid vacation per year after seven (7) years seniority, and four (4) weeks of paid vacation per year after eleven (11) years seniority, and five (5) weeks of paid vacation per year after twenty (20) years seniority.
2. The anniversary of the employee's hire date begins the employee's vacation year. One week of vacation may be carried over in to the next vacation year; otherwise, all other earned vacation must be taken during the employee's vacation year.
3. Vacation must be approved by the Employer. Preference for vacation time off shall be given by seniority; however, seniority may not be exercised to postpone the approved vacation time of a less-senior employee which is scheduled to begin within twenty-eight (28) calendar days.
4. If a Holiday falls during an approved vacation week, the Employer may grant the employee an additional paid day off to be taken later, or the equivalent in pay.
5. The Employer reserves its final right to allot vacation periods to ensure orderly business operations and maintenance of service. When exercising this right prevents an employee from taking requested vacation time, the unused vacation may be carried over from one vacation year into the following vacation year and must be scheduled and taken within the first ninety (90) days of the following vacation year.
6. Vacation pay shall be forty (40) hours per week or eight (8) hours per day for full-time employees, and twenty (20) hours a week or four (4) hours per day for part-time employees.
7. Earned but unused vacation shall be paid to an employee who provides the Employer with at least one week's notice of resignation. An Employee terminated for cause shall not receive pay for earned but unused vacation.
8. Should the Employer lose its contract with the Minneapolis Downtown Improvement District, the Employer shall pay out all earned but unused vacation.

ARTICLE 13 – HEALTH INSURANCE

1. On the effective date of this Agreement, active full-time employees are eligible for health insurance coverage through the SEIU Health & Welfare Trust Fund the first day of the first calendar month following the completion of ninety (90) days of regular full-time employment.
 - a. An employee whose insurance has been canceled for any reason and who returns to active service within one (1) month of the cancellation of insurance will again be

eligible for insurance starting the first of the month after commencement of active continuous full-time employment.

- b. An employee whose insurance has been canceled for any reason and who returns to active service after one (1) month, but prior to four (4) months from the cancellation of insurance will again be eligible for insurance starting the first of the month two (2) months after commencement of active continuous full-time employment; provided that this provision does not apply to an employee whose insurance has been cancelled due to proper leave of absence or because of sickness or disability.
 - c. An employee whose insurance has been cancelled due to proper leave of absence or because of sickness or disability and who returns to work will again be covered by insurance two (2) weeks after commencement of active continuous full-time employment.
 - d. The Employer shall distribute the enrollment material to employees immediately upon the completion of sixty (60) days of full-time employment. The employee is responsible for completion of the enrollment forms. The Employer shall forward the completed enrollment forms to the SEIU Health & Welfare Trust Fund within five (5) business days of receipt of such forms from an employee.
2. On the effective date of the Employer Mandate of the *Patient Protection and Affordable Care Act* (PPACA), active employees who average thirty (30) or more hours of completed service per week shall be eligible for coverage.
- a. All paid time-off shall be counted when determining the average hours of completed service during a measurement period.
 - b. The Initial Measurement Period to calculate completed hours of service for newly hired employees shall be the three (3) months beginning on their date of hire.
 - i. For the purpose of determining eligibility, a rehired employee shall be treated as a newly hired employee if they incur a break-in-service that (a) is at least twenty-six (26) weeks in length, or (b) exceeds the length of prior employment. If neither applies, then the employee shall be credited for prior hours worked and the Employer must start the measurement period where the employee left off rather than restarting with a new Initial Measurement Period.
 - c. The Administrative Period for determining whether newly hired employees are eligible for coverage shall be the one (1) month following the Initial Measurement Period, and coverage for eligible newly hired employees shall commence at the start of the fourth (4th) month following date of hire.
 - d. If a newly hired employee is not eligible for coverage after that Initial Measurement Period, but later changes to a position that clearly includes thirty (30) or more hours of completed service per week at any time during the next Standard

Measurement Period, then that employee shall become eligible for coverage at the start of the fourth (4th) month following the change.

e. The Stability Period for newly hired employees who are eligible for coverage shall be twelve (12) months from when their initial coverage commences, during which time their eligibility status shall remain unchanged; therefore, a reduction in a newly hired employee's average weekly hours of completed service during a Stability Period shall not end the Employer's obligation to offer coverage to that employee during the entirety of the Stability Period.

f. The Standard Measurement Period to calculate completed hours of service for ongoing employees shall be the twelve (12) months ending each September 30.

g. The Administrative Period for determining which ongoing employees are eligible for coverage shall be the three (3) months ending each December 31.

h. If an ongoing employee is not eligible for coverage in one Standard Measurement Period, but later changes to a position that clearly involves thirty (30) or more hours of completed service per week at any time during the next Standard Measurement Period, then that employee shall become eligible for coverage at the start of the fourth (4th) month following the change.

i. The Stability Period for ongoing employees shall begin each January 1 and end each December 31, during which time their eligibility status determined in the Standard Measurement Period shall remain unchanged; therefore, a reduction in an ongoing employee's average weekly hours of completed service during a Stability Period shall not end the Employer's obligation to offer coverage to that employee during the entirety of the Stability Period.

j. An employee shall be dropped from coverage for failing to pay their share of the total monthly contribution to the SEIU Health & Welfare Trust Fund. That employee's eligibility shall be considered again during the next Standard Measurement Period for ongoing employees.

k. The Employer shall distribute the enrollment materials to eligible employees at the start of an Administration Period. The Employer shall forward enrollment forms to the SEIU Health & Welfare Trust Fund within five (5) business days of receipt of such completed forms from an employee.

3. The total monthly contribution to the SEIU Health & Welfare Trust Fund for health insurance that at least meets the minimum standards mandated by PPACA shall be \$400.00 for employee only coverage, or no more than \$649.28 for employee plus child(ren) coverage. Effective January 1, 2014, it shall be \$429.57 for employee only coverage, or no more than \$701.57 for employee plus child(ren) coverage. Effective January 1, 2015, it shall be \$469.02 for employee only coverage, or no more than \$772.06 for employee plus child(ren) coverage.

4. The responsibility for payment of the total monthly contribution to the SEIU Health & Welfare Trust Fund shall be shared by the covered employee and the Employer.

- a. On the effective date of this Agreement

Level of Coverage	Employee Share	Employer Share
Employee Only	\$35.00	\$365.00
Employee plus Child(ren)	\$150.00	No more than \$499.28

- b. Effective January 1, 2014

Level of Coverage	Employee Share	Employer Share
Employee Only	\$35.00	\$394.57
Employee plus Child(ren)	\$150.00	No more than \$551.57

- c. Effective January 1, 2015

Level of Coverage	Employee Share	Employer Share
Employee Only	\$35.00	\$434.02
Employee plus Child(ren)	\$150.00	No more than \$622.06

5. With proper written authorization of the employee, the Employer may deduct the employee's share of the total monthly contribution from wages. The Employer shall remit the contribution deducted from the employee's wages to the SEIU Health & Welfare Trust Fund on behalf of the employee, along with the Employer's share of the total monthly contribution.
6. In the event that spouses are ineligible for tax credit or other subsidies under Section 36B of the Code of Section 1402 of PPACA or any other subsidy ordinarily available under PPACA or other applicable law as the result of the provisions of this Agreement, the Union may request that the parties hereto meet and confer to discuss changes to this Article. The parties request that the Employer's monetary obligations under this Article shall not be substantially reduced as the result of any changes agreed to by the parties pursuant to this section.

ARTICLE 14 - LEAVE OF ABSENCE

1. An employee with one year of continuous service may be granted a leave of absence, with or without pay, for time away from work under the following conditions:
2. Disability Income Insurance: Regular full-time employees shall be covered under the Employer's disability income insurance plan. The plan does not replace or provide benefits required under Worker's Compensation laws in the State of Minnesota. Under this plan, which shall require no premium contribution from the employee, the employee may receive sixty percent (60%) of basic weekly earnings. This is payable to the employee as a taxable benefit when:
 - a. The employee and attending physician have submitted a claim form to the disability income insurance carrier stating the date the disability began, its cause, its degree, and a description of any restriction on the employee's performance of regular work duties ;
 - b. The employee provides what is reasonably required by the disability income insurance carrier to support a claim of continued disability.

Benefits begin on the eighth (8th) consecutive calendar day of disability due to accidental injury or sickness, including pregnancy and its complications, and are payable for a maximum of thirteen (13) weeks.

3. Family and Medical Leave Act (FMLA): When the Employer employs fifty (50) or more employees at or within seventy-five miles of the Minneapolis Downtown Improvement District, eligible employees may be entitled to leave of absence for:
 - a. The birth of a child, or the placement of a child with the employee for adoption or foster care
 - b. The employee's own serious health condition
 - c. Because the employee is needed to care for a child, spouse or parent with a serious health condition
 - d. Because of a qualifying exigency arising out of the fact that the employee's spouse, son, daughter or parent is on active duty or call to active duty status in support of a contingency operation as a member of the National Guard of Reserves
 - e. Because the employee is the spouse, son, daughter, parent or next of kin of a covered service member with a serious injury or illness

Eligible employees must have worked for the Employer for at least 12 months and must have worked at least 1,250 hours in the 12 months preceding the leave.

4. Personal Emergency: Personal Emergency Leave of up to twelve (12) weeks within a twelve (12) month period may be available to employees with at least one (1) year of service to attend to urgent or compelling personal matters when all other means of taking leave have been exhausted and all paid time off has been exhausted.

Requests for Personal Emergency Leave must be made in writing to Employer and must be submitted at least ten (10) business days in advance of the desired start of the leave, or as soon as practicable. Employer maintains the right to approve or deny requests for Personal Emergency Leave and shall do so in writing. Requests shall not be unreasonably denied; however, employee absences on the days denied for personal leave shall not be considered excused solely because the employee questions the reasonableness of the denial.

5. **Military Leave of Absences:** All reservists or National Guard members are required to notify their Employer as soon as possible of training exercises requiring time off of work. Military leave will be without pay or at the discretion of the Employer.
6. **Bereavement Leave:** Non-probationary employees will be allowed a period of up to five (5) days off with pay to mourn the death and/or make arrangements for and attend the funeral of their mother, father, spouse, or child. Up to four (4) days will be allowed for their brother, sister, current mother-in-law, or father-in-law. Employees will be allowed up to three (3) days with pay to attend funerals for their grandparents, grandchildren, great grandchildren, and current brother/sister-in-laws. In the case of a funeral outside of the Continental United States, upon submission of satisfactory documentary evidence, an employee shall not be unreasonably denied up to no more than two (2) calendar weeks of unpaid funeral leave.
7. **Union Leave:** Upon at least ten (10) business days of advance written notice, not more than three (3) employees at a time (or one (1) employee when the Employer has fewer than two hundred (200) bargaining unit employees at the Minneapolis Downtown Improvement District) shall be granted up to twelve (12) weeks unpaid leave in any consecutive twelve (12) month period for union business, extendable by mutual agreement. The Union will be responsible for all benefits and accruals during extended (which shall be defined as a period of twelve business days or more) leave for the employee. Following such leave, the employee shall be entitled to be reinstated to his former or an equivalent position with the same rate of pay. The Employer will release employees who serve on the Union's Executive Board, Negotiating Committee, or as Shop Stewards for meetings as long as the Union has requested release at least twenty-four (24) hours before the employee's scheduled work shift which would be missed to attend the meeting.
8. **Jury Duty:** The Employer will allow full-time employees paid time to serve on a jury. An employee must, within one working day of receipt of a summons for jury duty, notify his/her manager of the days required to be available for jury duty. The Employer is to pay the differential in wages then jury duty conflicts with his/her working schedule. If the employee works second or third shift, they will be given the time off and paid the differential, as well.

9. Sick Day: Full-time employees with one (1) year or more of service shall be eligible to use one (1) paid sick day each year, two (2) paid sick days per year after three (3) years or more of service, and three (3) paid sick days after five (5) years or more of service. Sick days are non-accumulative.

ARTICLE 15 – EQUIPMENT AND UNIFORMS

1. Furnishing of Equipment: Employees shall not be required to furnish any equipment to perform their duties, unless herein provided. Employees shall be responsible for the care of the equipment they are furnished by the Employer. Employees shall immediately advise the Employer of equipment that is in need of repair or maintenance.
2. Where required, the Employer will provide regular uniforms at no cost to the employee. Uniforms shall remain the property of the Employer. Employees shall be responsible for the care of the uniforms they are furnished by the Employer. Uniforms shall be professionally cleaned at the expense of the Employer before being reissued to a different employee. Uniforms shall only be worn during scheduled work shifts.
3. Company Property: An employee who separates from the Employer, who as been entrusted with any company property, must return all such property to the Employer upon separation. Company property included, but is not limited to keys, badges, uniforms, pagers, and other equipment. The Employer may hold the employee's final pay check until such items are returned to the company or the employee may forfeit the cost incurred by the Employer to regain the property or forfeit the lesser of \$250.00 or his/her final pay check as liquidated damages.
4. Regular employees with at least one year of service shall be eligible to receive an annual work shoe reimbursement. The employee must present proof of purchase made within the prior thirty (30) calendar days. The employee must present the shoes to the Employer for inspection. If the shoes match the proof of purchase and are approved to be worn on duty, then the employee shall be reimbursed for up to twenty-five dollars (\$25) of the purchase price. The employee shall become eligible for the reimbursement again in no less than twelve (12) months.

ARTICLE 16– CONTRACTING NEW ESTABLISHMENTS

1. Entitlement to Undertake New Contracts: It is understood that any Union contractor is entitled to negotiate a contract with any potential customer who might have a Union agreement of his/her own employees who are covered by an agreement with the Union.
2. Obligations to Union Members When Contracts for Services Covered under This Agreement Change Hands between Companies Whose Employees are Members of SEIU Local 26: When the company signs a contract to provide services at a property where

such services are provided by another contractor whose employees are SEIU Local 26 members, the newly arriving company will offer employment to the non-probationary employees of the departing contractor subject to the following conditions:

- a. The customer may specifically disqualify employees of the departing contractor and such employees shall not be hired by the arriving company. The departing contractor will then either (a) place the disqualified employee(s) in another substantially comparable position without loss of benefits or seniority or, if no such position is available, (b) layoff the disqualified employee(s) subject to the provisions of Article 8 of this Agreement. Customer decisions in this regard shall be final and binding and not subject to arbitration.
- b. Any employees not disqualified by the customer shall be required to pass the arriving company's normal selection and hiring processes, including, but not limited to, background checks and drug screening, before becoming employed by the arriving company. Any employees of the departing contractor who do not pass such processes shall not be hired by the arriving company.
- c. Employees hired by the newly arriving company will retain their seniority date as recorded by the departing company, as well as their previous pay rate, vacation accrual levels, full-time or part-time status, and eligibility for benefits (without a new probationary or waiting period).
- d. Individual shift assignments, work schedules and work assignments given to employees hired shall be exclusively the determination of the arriving company and no grievance concerning any such decision shall be subject to the contractual arbitration procedure. Any non-disqualified employees who are not hired by the arriving company shall be laid off subject to the provisions of Article 8 of this Agreement, by the departing company.
- e. Under no circumstances would a re-bid or change in contractors result in having fewer full-time employees than are already employed in the Minneapolis Downtown Improvement District, either by contract or in-house staff that are presently members of SEIU Local 26, unless there is a specification change by the customer. Such change in specifications must be given in writing to the Union, and must have a reasonable relationship to the number of hours reduced, but the company shall not be required to disclose any confidential and proprietary information.
- f. The contractor shall continue to have the obligation to the Union members employed by the customer or all previously "protected" employees who were formerly employed by the customer or contractor to provide employment in the Minneapolis Downtown Improvement District or any building with no reduction of pay or other benefits.

3. The Employer will provide the Union with the following information, within a reasonable period of time, if its Minneapolis Downtown Improvement District account is lost to non-union companies.
 - a. Date of contract termination
 - b. Incoming contractor (if known by the Employer)
 - c. Number of full-time and part-time employees

ARTICLE 17 – NON-DISCRIMINATION

1. Non-Discrimination Principle: There shall be no discrimination against any present or future employees by reason of race, creed, color, age, religion, national origin, sex, sexual orientation, disability, veteran status, marital status, or Union membership.
2. Subsequent Proceedings: The negotiations which culminated in this Agreement were an equal effort by both the Employer and the Union, with equal responsibility for the results. Therefore, in the event the Employer is charged or sued because of an alleged violation arising out of these terms and conditions of this Agreement, on the basis of race, creed, color, age, religion or national origin (under state, federal, or local laws or regulations), the Union shall be immediately joined as a party to such charge or suit and the Union agrees to defend the Employer's position and bear equally all responsibility and costs that may result from such proceedings.
3. Arbitration of Discrimination Claims: Any claim which is cognizable under Title VII of the Civil Rights Act of 1964 as amended or under any other applicable federal, state or local civil rights legislation shall not be arbitrable except by mutual consent of the Employer and the Union. Any such claim shall first be submitted to the Employer with the appropriate evidence necessary to ascertain the merits of the claim. Absent such mutual consent, the sole recourse of an employee with such claim shall be the government agency having jurisdiction over such claim. The Union and the Employer agree to make a good faith effort to try to resolve any such issue.
4. The Employer agrees that in the event of an issue or inquiry arises involving documentation of work authorization status of a non-probationary employee, the Employer shall promptly notify the employee in writing of the specific problem and forward a copy of such notification to the Union.
 - a. In the case of an I-9 Audit by Immigration and Customs Enforcement (ICE), the employer agrees to notify ICE immediately of the existence of a collective bargaining agreement that determines the terms and conditions of employment of its employees.
 - b. The employee will, upon written request and consistent with the business needs and legal obligation of the Employer, be permitted unpaid time off of up to 120 days, with no loss of seniority, for the purposes of correcting the identified

problem, provided the Employer is given adequate notice of planned absences and verification of reason.

- c. Lawful changes to an employee's work authorization document (e.g. name change, correction of social security number, etc.) shall not be cause for a break in employment or a rehire.
 - d. An employee terminated as a result of alleged problems with documentation of work authorization shall be paid out all accrued vacation.
 - e. Employees terminated for issues regarding documentation of work authorization shall be placed on the layoff list and will maintain their seniority if they are able to lawfully resolve their work authorization issue within 12 months of the date of termination.
5. In the event of the passage of federal immigration reform, the Union and the Employer agree to meet and confer on issues that may surface affecting terms and conditions of employment. It is expressly agreed that this provision shall not constitute a reopener of this Agreement. The Agreement in its entirety shall remain in full force and unchanged.
 6. The Employer shall accommodate members who request time for religious prayer at religiously appropriate break times during work hours according to past practice, provided the employees complete their regular full workday obligations without additional straight time compensation. If no past practice exists, the Employer shall make accommodations for prayer time during break times.

ARTICLE 18 – NO STRIKE, NO LOCKOUT

1. No Strikes, No Lockouts: The Employer shall not declare any lockout during the life of this Agreement and the Union shall not cause or permit any strike, sympathy strike, work stoppage, slow down, sit down, stay-in, walkout, picketing or other interference or interruption with the Employer's operation and the Union shall cooperate with the Employer in bringing the same to an end. It is further agreed that the Employer shall have the right to discipline and/or discharge any employee participating in any conduct prohibited by this paragraph and that "just and sufficient cause" for such discipline or discharge shall be deemed established by the fact of such participation. The obligations of this clause shall be suspended in the event that the Employer expands its security and/or janitorial operations into other accounts within the Union's 7-county metro area jurisdiction without agreeing to the terms of the Master Agreements for such operations. The Employer's expansion into any future downtown improvement district within the Union's 7 county metro area jurisdiction with a similar unique mix of janitorial and security services as the Minneapolis Downtown Improvement District would not trigger the suspension of this clause.

2. Honoring Picket Lines: The Employer shall not require any employee to go through a picket line of a striking Union. However, the Union agrees that in the event the Employer becomes involved in a controversy with another Union, the Union will do all in its power to help a fair settlement. The exception to this section is that Safety Ambassadors may be required by the Employer to go through the picket line of a striking union.

ARTICLE 19 – COMPLIANCE WITH AGREEMENT

1. Job Stewards: It is agreed that the Union may establish Job Stewards where needed, but no more than one per classification per shift, and an alternate. The Union shall notify the Employer of all designated Job Stewards. Job Stewards shall have the right to investigate complaints relating to the specific terms of this Agreement at their regular job location. The Employer agrees not to discriminate against or retaliate against Job Stewards for Union activity. However, Job Stewards are subject to the same rules, regulations and working conditions as apply to all other employees.
2. Conference with Union Representatives: Union representatives shall, at all times, be permitted to confer with employees in the service of the Employer, provided it does not interrupt or interfere with the Employer's operation. The Union recognizes that work under this Agreement is sometimes performed on premises under control of customers of the Employer and on premises requiring security clearances. In such cases, the Union agrees to make arrangements for conferences with employees so as not to interfere with the operation of the premises and the Employer agrees to cooperate with the Union in making these conferences in a reasonable manner and consistent with the demands of security and other establishment rules prescribed by the owner.
3. Compliance with Agreement: The Employer, after receiving written notice from the Union regarding a specific violation of the Agreement, is to be given thirty (30) days within which to correct the violation. After the thirty (30) day period, the Union may audit records of the Employer involved with respect to the specific violation. If the audit shows the Employer has corrected any and all violations, then it shall not be regarded as "willful" and the audit shall be paid for by the Union. If, on the other hand, the audit shows that said Employer has not corrected all violations, then it shall be regarded as "willful" and it shall be made to pay the cost of the audit and also pay whatever items are applicable under the violation plus eight per cent (8%) interest for the total amount of money involved. Reasonable proof must be provided by the Union before the Employer is obligated to present its records.

ARTICLE 20 – GRIEVANCE PROCEDURE

1. Definition of Grievance: A grievance within the meaning of this Agreement shall be any difference of opinion, controversy or dispute arising between the parties hereto relating to any matter of compensation, hours and working conditions or the interpretation or application of any provision of this Agreement. The parties pledge their cooperation in promptly resolving grievances using the steps prescribed herein in a courteous and respectful manner.
2. Grievance Steps:
 - a. Step 1: An aggrieved employee or employees, accompanied by the steward, may consult with the Employer's supervisor. If a group of employees are involved in the grievance, the steward may act as representative for the employees. The employer shall not be required to recognize any shop steward unless the steward has been previously identified in writing by the Union.
 - b. Step 2: An aggrieved employee or employees shall present the grievance in writing (other than a grievance relating to discharge) to the Employer within ten (10) working days from the time it first arose. The Employer is allowed ten (10) working days to respond to the Union in writing. With ten working days of receipt of the Employer's written response, the Union must notify the Employer in writing whether it wishes to advance the grievance to Step 3.
 - c. Step 3: If the grievance is not settled in Step 2, the Union's representative shall then meet with the Employer's designated representative. That meeting will occur within ten (10) working days of the receipt of the Union's request to advance the grievance to Step 3. Within five (5) days of this meeting, the Employer will notify all parties, in writing, of its decision in this matter.
 - d. No written or verbal warnings or reprimands shall be considered for purposes of progressive discipline after eighteen (18) months from the date of the warning or reprimand. This does not apply to past suspensions, EEOC claims, criminal conduct, or violence. The Employer agrees that if an employee is asked to sign a document of disciplinary action, such signature implies only receipt of documentation.
 - e. Failure by the Employer to meet with the Union within the prescribed time limits or to respond to the Union within the prescribed time limits shall render the grievance automatically elevated to the next level in the grievance procedure.
 - f. It is expressly agreed and understood that the Employer shall have equal ability to initiate grievances, but the Employer grievances shall commence at Step 3, with a meeting between the Union and the Employer.

- g. Arbitration: Within 45 days of receipt of the Employer's written Step 3 response, the Union must notify the Employer in writing of whether it wishes to advance the grievance to arbitration. The Union shall request the Federal Mediation and Conciliation Service (FMCS) to furnish a panel of seven (7) arbitrators.

Within seven (7) calendar days of receipt of the panel of arbitrators from the FMCS, the Union shall provide written notification to the Employer's Legal Director of such receipt and its desire to commence the process to select the arbitrator. This notification to the Employer shall include a copy of the panel of arbitrators provided by the FMCS.

The arbitrator selection process shall be as follows. Within seven (7) calendar days of the Legal Director's receipt of the Union's written notification of its desire to commence the process to select the arbitrator, the Union and the Employer shall alternately strike three (3) names each from the panel of arbitrators provided by the FMCS. The first party to strike shall be determined by lot. The remaining name on panel shall be that of the arbitrator.

Should either party be delinquent in the striking of names process within the seven (7) calendar days allotted, the other party may provide the delinquent party written notice of its intent to unilaterally select an arbitrator from the panel provided by the FMCS. If within three (3) calendar days of receipt of such notice the delinquent party still has not participated in the striking process, the notifying party may unilaterally select an arbitrator from the panel provided by the FMCS, and set the date, time and location for an expedited arbitration.

The expense of the arbitrator so selected and the court reporter (if mutually agreed upon) shall be borne equally to the Employer and the Union.

Failure of either party to process the grievance within the time period specified above shall be deemed to be a waiver of that grievance.

3. **Grievance on Discharge:** An Employee who has been discharged shall have three (3) working days after discharge to file with the Union a written grievance. The Union shall then have three (3) working days, after receipt of the grievance, to mail or give a copy thereof to the Employer. If these time limits are not met, the matter will be considered closed.
4. **Authority of Arbitrator:** The arbitrator shall have the authority to apply to provisions of this Agreement and to render a decision of any grievance properly coming before him\her, but he\she shall not have the authority to amend or modify this Agreement or to establish any terms or conditions of this Agreement not shall he\she have the authority to award back pay to an employee in a discharge case greater than thirty (30) working days beyond the date the arbitrator is selected. When selected, the parties shall advise the

arbitrator that he\she must render his\her decisions within ten (10) business days following the close of the arbitration hearing.

ARTICLE 21 - STATE AND FEDERAL LAWS

1. Compliance with State and Federal Laws: It is the intent and purpose of this Agreement to abide by and comply with all laws, both State and Federal, and all decisions and rulings of all courts, tribunals and boards, both State and Federal, that may legally effect this Agreement. It is the belief of the parties hereto that this Agreement does so comply will all such laws, decisions and rulings. If, however, the Agreement does not and the employer-employee relationship herein is not in compliance with any such present law, decisions or ruling, which may be enacted or promulgated in the future, the parties hereto agree to accept and comply with any such Federal or State law, any such Federal or State court decisions or the ruling of any such State or Federal board or tribunal.
2. Readjustments to Comply with Legislation: Should any of the provisions of this Contract, be held either administratively or judicially to be in violation of any applicable Federal, State or Local legislation, the Union and the Employer agree to meet to bargain any necessary changes or adjustments in this Agreement, so that compliance with such legislation shall be achieved. It is agreed, however, that such adjustments shall result in no (or minimum) overall financial cost to the Employer. It is provided, however, that such changes and/or readjustments must be lawful.

ARTICLE 22 - SAVING CLAUSE

Should any part of this Agreement or any provisions herein contained be rendered invalid by reason of any existing or subsequently enacted legislation or act of any authorized agency of government or by the decree of a court of competent jurisdiction, such will not invalidate the remaining portions thereof and they shall remain in full force and effect.

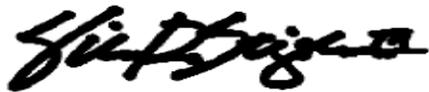
ARTICLE 23 - TERM OF AGREEMENT

This Agreement shall become effective on February 1, 2013, and shall remain in full force and effect up to and including January 31, 2016, and thereafter from year to year unless and until either party shall give the other sixty (60) days notice in writing prior to the expiration of this Agreement of their intentions to negotiate changes or terminate this Agreement.

For the Union:

Javier Morillo Date

For the Employer:



3/12/13

Bill Stejskal Date

Jeff Heinrich Date

APPENDIX A

- Dennis Clark
- Marvin Estis
- Dave Hallenberger
- Kevin Hallenberger
- Rodney Harrill
- Mike Ladwig

Note: pertains to Article 10 Section 5