STIPULATION OF AGREEMENT

AGREEMENT made on the 31st day of December, 2018 between the Realty Advisory Board on Labor Relations, Inc. (the “RAB”) and Local 94-94A-94B, International Union of Operating Engineers, AFL-CIO (the “Union” or “Local 94”).

WHEREAS, the 2015 Engineer Agreement between the parties by its terms is set to expire on December 31, 2018 (the “Agreement”);

WHEREAS, the RAB through its committee representing certain employers in associational bargaining, has now negotiated an Agreement with the Union to which RAB members may assent; and

WHEREAS, the parties wish to include these terms in a written renewal Agreement;

NOW THEREFORE, the parties in consideration of the mutual covenants herein contained, and subject to ratification by the Union’s membership, approval by the RAB’s negotiating committee, and ratification by the RAB’s Board of Directors, do hereby agree to extend the Agreement through December 31, 2022, and to amend the Agreement in accordance with the following stipulation:

1. ARTICLE II – WAGES, HOURS AND WORKING CONDITIONS (p. 6)

(a) Section 1

Wage Increases:

Engineers shall receive a wage increase of:
  $1.24 per hour effective January 1, 2019;
  $1.28 per hour effective January 1, 2020;
  $1.32 per hour effective January 1, 2021; and
  $1.36 per hour effective January 1, 2022.

 Helpers shall receive a wage increase of:
  $0.97 per hour effective January 1, 2019;
  $0.99 per hour effective January 1, 2020;
  $1.02 per hour effective January 1, 2021; and
  $1.06 per hour effective January 1, 2022.
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Employees in pay scales other than Engineer and Helpers shall receive wage increases on
the same dates based on their rate of pay, i.e.,
3% per year effective January 1, 2019;
3% per year effective January 1, 2020;
3% per year effective January 1, 2021; and
3% per year effective January 1, 2022.

Revise language (p. 9) stating as follows:
An employee promoted to Engineer or newly hired into the industry as an
Engineer shall have a starting rate of pay of 90% of the then current Engineer rate
for his/her first two years of employment.

(b) Section 7 (pp. 15-16), Add new Subsection (c) to read as follows:
"The parties agree that this Agreement addresses temporary changes to Employee
work schedules and that the provisions of the New York City Temporary Changes
to Work Schedules Law, N.Y.C. Admin. Code § 20-1261, et seq., are hereby
waived."

2. ARTICLE XI – EMPLOYER FUND CONTRIBUTIONS (p. 26)

(a) Section 1 – Health and Benefits (p. 26):

The Employer contribution to the Local 94 Health and Benefit Fund shall be
increased by $0.75 per hour effective January 1, 2019; $0.75 per hour effective
January 1, 2020; $0.75 per hour effective January 1, 2021; and $0.75 per hour
effective January 1, 2022.

Add new Subsection (h) (p. 29) entitled “Health Fund Study and Savings
Committee” to read as follows:

The parties agree to create a study committee, whose members shall be appointed
in even numbers by the Business Manager of the Union and the President of the
RAB, to evaluate the Local 94A-94B Health and Benefit Fund (the “Health
Fund”) benefits and operations, with the goal being to recommend to the Trustees
ways for the Health Fund to continuously save money on medical, administrative
and other costs associated with the Health Fund while maintaining high quality of
care for Health Fund participants. The bargaining parties agree to take all legal
action necessary so that (i) the Health Fund reserves do not fall below an amount
equivalent to no less than twelve (12) full months of benefit costs and

2
operating/administrative expenses; (ii) such measures shall be modified only by unanimous agreement of the Trustees; and (iii) such measures are made with the intent of being permanent and within the purposes of the aforementioned cost savings. The provisions of the prior sentence shall continue to apply to any new recommended savings measures that are implemented by the Health Fund pursuant to this Section. The Health Fund Study and Savings Committee shall meet regularly, and on an ongoing basis, to continue to monitor and review Health Fund expenditures and trends, to evaluate and consider best practices and developments in cost-effective methods of providing quality benefits for the purposes of continuing to ensure that substantial savings are being realized and to recommend any and all appropriate measures to contain, modify or modulate cost-trends, and to make recommendations to the collective bargaining parties and/or Fund Trustees regarding potential actions including, without limitation, for further savings such as Employee contributions to health care premiums.

Notwithstanding the foregoing, the Health Fund Study and Savings Committee will meet regularly once a quarter to review a report from the Health Fund staff and consultants of material items of Fund revenues and expenses for the prior six-month period and anything else deemed appropriate by Fund staff and consultants. In addition, the Health Fund staff and consultants will also notify the Health Fund Study Committee as soon as possible upon the occurrence of any extraordinary event(s) or other information that is reasonably likely to have a material adverse effect on the revenues and/or expenses of the Fund in the future (“Extraordinary Event”), and the Health Fund Study Committee will hold a special meeting shortly after such notification. In advance of any such special meeting (or at any regular quarterly meeting in which an Extraordinary Event is to be reported), the Health Fund Study and Savings Committee shall require the Health Fund Benefit Consultant and Fund staff to provide the Committee with such information and projections (including options for measures to be taken to save money on medical and hospital costs and/or changes that can adopted to the Fund’s plan of benefits) as is deemed necessary by the Health Fund Study and Savings Committee for such meeting.

(b) Section 2 – Pension (p. 29)

The Employer contribution to the Central Pension Fund shall be increased by $0.10 per hour effective January 1, 2019; $0.10 per hour effective January 1, 2020; $0.10 per hour effective January 1, 2021; and $0.10 per hour effective January 1, 2022.

(c) Section 4 - Annuity (p. 32)
The Employer contribution to the Local 94 Annuity Fund shall be increased by $0.10 per hour effective January 1, 2019; $0.10 per hour effective January 1, 2020; $0.10 per hour effective January 1, 2021; and $0.10 per hour effective January 1, 2022.

(d) Section 5 (pg. 33) – Revise Section 5 as follows (new language underlined):

(e) “The Employer shall continue to contribute to the Health Benefit, Annuity, Sick Pay and Training funds during the illness or injury resulting in a leave of absence (except for workers compensation) under this Agreement no more than once in any rolling twelve (12) month period for the same illness or injury, of a regular full time employee who has been employed within the bargaining unit covered by this or a predecessor agreement on the basis of one (1) month’s contribution for each year of service within the industry with a minimum of four hundred (400) hours and a maximum of eight hundred (800) hours contribution. If there are disagreements concerning whether it is the same illness or injury, there can be an independent medical examination at the request of either party. The parties agree on the formation of a Committee to determine whether contributions are required. The Union and/or the Funds will not seek to enforce payment unless the Committee otherwise agrees.”

(f) Section 6 (pg. 33) – Revise Section 6 as follows (new language underlined):

“In the case of an illness or injury resulting in a leave of absence (except for workers compensation) under this Agreement and no more than once in any rolling twelve (12) month period for the same illness or injury, of a regular full time employee who has been employed within the bargaining unit covered by this or a predecessor agreement, the Employer shall contribute to the Central Pension Fund sufficient funds to ensure that the total year-end contributions are at least equivalent to one thousand (1000) hours contribution for said year, provided such contributions are permitted by the Central Pension Fund and under applicable law. If there are disagreements concerning whether it is the same illness or injury, there can be an independent medical examination at the request of either party. The parties agree on the formation of a Committee to determine whether contributions are required. The Union and/or the Funds will not seek to enforce payment unless the Committee otherwise agrees.”

(g) Section 7 – Sick Pay (pgs. 33-34)

The Employer contribution to the sick pay fund for Engineers shall be increased by $0.06 per hour effective January 1, 2019; $0.06 per hour effective January 1,
2020; $0.06 per hour effective January 1, 2021; and $0.06 per hour effective January 1, 2022.

The Employer contribution to the sick pay fund for Helpers shall be increased by $0.04 per hour effective January 1, 2019; $0.05 per hour effective January 1, 2020; $0.05 per hour effective January 1, 2021; and $0.05 per hour effective January 1, 2022.

Sub-Section (f) (pg. 36) – Update name of New York City Earned Sick Time Act to “New York City Earned Safe and Sick Time Act.”

(h) Section 8 – Training (p. 36) (section number in printed collective bargaining agreement to be renumbered appropriately)

Revise Paragraph 8(a) to restore the Employer contribution to the Local 94 Training Fund at $0.21 per hour paid per employee (except for sick pay contributions and benefits) effective January 1, 2019.

Revise Paragraph 8(b) to provide that for Employees hired on or after January 1, 2019, provided that they maintain their status in the Training Program, the starting rate of 70% of the then current Helper minimum rate shall be paid in accordance with the schedule below:

- After twelve (12) months – seventy-five percent (75%) of helpers rate
- After twenty-four (24) months – eighty percent (80%) of helpers rate
- After thirty-six (36) months – eighty-five percent (85%) of helpers rate
- After forty-eight (48) months – one hundred percent (100%) of helpers rate

Revise Paragraph 8(c) to add:

The duration of the Training Program shall be set by the Trustees of the Training Fund, but shall not be less than 36 months. Employees, newly hired in the industry, on or after January 1, 2019, must complete the Training Program within three (3) years of the date on which such employee was hired, and must pass all required courses of the Training Fund with a minimum passing score of seventy percent (70%). Employees may retake a required course no more than twice.
3. **ARTICLE XII – GENERAL CLAUSES:**

(a) Section 15 – Trial Period (p. 55)
Amend Section as follows:

All newly hired employees in the industry shall have a ninety-(90) **one hundred and twenty (120) day trial period.**

(b) Section 24 – Employment and Discrimination (p. 59)

Update paragraph (b) as follows:

There shall be no discrimination against any present or future employee by reason of race, creed, color, age, disability, national origin, sex, union membership or any characteristic protected by law, including, but not limited to, claims made pursuant to Title VII of the Civil Rights Act, the Americans with Disabilities Act, the Age Discrimination in Employment Act, 42 U.S.C. § 1981, the Family and Medical Leave Act, the New York State Human Rights Law, the New York Paid Family Leave Law, the New York City Human Rights Code, the Stop Sexual Harassment in New York City Act, the New York City Temporary Schedule Change Law or any other similar laws, rules or regulations.

(c) Add new paragraph (d) as follows:

The parties will recommend to the Trustees of the Local 94-94A-94B Training Fund that it will provide interactive training, compliant with the New York State and New York City laws regarding prevention of sexual harassment, to all employees enrolled in the Training Program. The Trustees will investigate the feasibility of training for all employees employed in covered employment under this Agreement. The scope, cost, delivery and curriculum for such training shall be approved by the Trustees.

(d) Section 31 – Security Background Checks:

Update to label existing paragraphs as subsection (a). Add the following language as subsection (b):

At the request of a tenant to an Employer, the Employer may require any employee who has access and/or will perform work in that tenant’s space to submit to background checks or renewed background checks as the tenant reasonably may request. Employees agree to fully cooperate with any reasonable
requirements for the completion of a background check. An Employee's failure to cooperate shall constitute just cause grounds for termination, subject to the grievance and arbitration procedure.

In the event that the Employee does not pass the background check, the Employer shall make reasonable efforts to retain the Employee in another area of the building. If retaining the Employee in another area of the building is not practicable, the Employer shall comply with Article III, Section 8 of the Agreement.

4. The parties agree to discuss changes to the arbitral panel and fee schedule.

5. Dates to be changed as necessary throughout the Agreement, e.g., holidays, COLA updated, etc.

6. Counsel for the parties may by their joint agreement make ministerial or non-material modifications to the Agreement and such language shall be agreed to and incorporated in the Agreement.

*     *     *

This Agreement is subject to ratification by the membership of the Union, the RAB Negotiating Committee and the Board of Directors of the RAB.

AGREED to this 31st day of December 2018:

Local 94-94A-94B INTERNATIONAL UNION OF OPERATING ENGINEERS AFL-CIO

By: KUBA I. BROWN, BUSINESS MANAGER / FINANCIAL SECRETARY

REALTY ADVISORY BOARD ON LABOR RELATIONS, INC.

By: HOWARD ROTHSCILD, PRESIDENT