**Nova Southeastern University
H. Wayne Huizenga School
of Business & Entrepreneurship**

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| Assignment for Course: | HRM5380 – Employee Relations |
| Submitted to: | Dr. Alston |
| Submitted by:  | Jennifer Cain |
|  | Miladys Fernandez |
|  | Ingrid Gonzalez Mejia |
|  | Tilly Owusuwaa |
|  | Zulay Vivo |

Date of Submission: 10.11.15

Title of Assignment: Team Three - Management

CERTIFICATION OF AUTHORSHIP: I certify that I am the author of this paper and that any assistance I received in its preparation is fully acknowledged and disclosed in the paper. I have also cited any sources from which I used data, ideas or words, either quoted directly or paraphrased. I also certify that this paper was prepared by me specifically for this course.

Student's Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Instructor's Grade on Assignment:

Instructor's Comments:

**Team Three – Management Team**

Team Members:

Jennifer Cain

Miladys Fernandez

Ingrid Gonzalez Mejia

Tilly Owusuwaa

Zulay Vivo

**Team Four – Labor Team**

Team Members:

Immacula Carpentier

Marie Frager

Ameshia Hardy

Nicole Wood

Anita Person

Date of Submission: 10.11.15

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| --- |
| INITIAL OFFERING+(STARTING POINT) |
|  Item  | Proposal | Cost |
| Wages\*   | Current = 1st year = 3% + base, except tipped employees. 2nd year = 2.5% + base, except tipped employees3rd year = 2% + base, except tipped employeesTipped employees = minimum wagePremium Pay = 1 ½ times base pay on 7th consecutive day of work. 6th day at straight pay.Report-in-Pay = Called in = Minimum of three hours pay at regular rate. Bartenders & Cooks receive 4 hours pay at regular rate. Three hours pay for meetings that are held after two hours from end of shift. Proposal = Keep wage rates the same. Keep premium pay the same. Keep Report-in-Pay the same. Year 1: 1% + base, except tipped employeesYear 2: 1% + base, except tipped employeesYear 3: 1% + base, except tipped employees |  $36,067.70$72,496.07$109,288.73 |
| Benefits - HealthInsurance  | Current = Health Fund1st year = Employer contributes $2.50 per employee per hour.2nd year = Employer contributes $2.65 per employee per hour. 3rd year = Employer contributes $2.80 per employee per hour.Health Insurance = $300 Deductible for Single Coverage, $4000 out of pocket maximum. Employees reimbursed up to $250/monthly for family coverage.Proposed = Keep health insurance coverage’s the same as last year of expiring agreement.Year 1: Employer contributes $2.80 per employee per hour.Year 2: Employer contributes $2.80 per employee per hour.Year 3: Employer contributes $2.80 per employee per hour. |   |
| Benefits - Retirement    | Current = Defined Contribution Retirement Plan1st year = Employer contributes $.35 per employee per hour3rd year = Employer contributes $.40 per employee per hour.Proposed = 401K Retirement Plan for all new hires after effective date of contract. Year 1: Employer contributes $.40 per employee per hour.Year 2: Employer contributes $.40 per employee per hour.Year 3: Employer contributes $.40 per employee per hour. |   |
| Working Conditions / Sick Days and Other Benefits  | Current = Meals = Free of charge, uninterrupted half hour which is not compensated.Uniforms = Provided by employer, including laundering. Life Insurance/AD&D = $5000Accident Insurance = Up to $120 weekly, 13 week max Proposed = Year 1: Keep the sameYear 2: Keel the sameYear 3: Keep the same |   |
| Hours/Work Life - VacationsandHolidays   | Current = Six holidays (New Year’s, Memorial, Independence Day, Labor Day, Thanksgiving Day, Christmas Day). Must work the day before and after the holiday to be eligible for holiday pay.Current = Continuous Service Vacation PeriodOne year, but less than two years One weekTwo years, but less than ten years Two weeksTen years, but less than twenty years Three weeksTwenty years, or more Four weeksTipped employees get paid the state minimum wage for vacations.Proposed = Year 1: Keep the sameYear 2: Keep the sameYear 3: Keep the same |  $1,927.08$4,188.33$6,690.27 |
| Labor Relations - Seniority   | Current = Placed on extra list based on seniority level. Work schedule based on seniority. Lay-offs based on seniority. Offering of overtime based on seniority. Promotion/demotions based on seniority.Proposed = Year 1: Keep the sameYear 2: Keep the sameYear 3: Keep the same |   |
|  Items we will not negotiate on:* Addition of a Successor Clause
* Resigning to the right of subcontracting and leasing out existing space

  |
| Proposed Contract Duration: \_\_3\_\_ years  | ESTIMATED ANNUAL COSTS(add or delete years as needed)Year 1: $ 37,994.78Year 2: $ 76,684.40Year 3: $115,979TOTAL LIFE OF CONTRACT COST: $230,658.18 |

\* Leader of the Bargaining Team

\* Wages must be compounded, because the base for each year is based on the previous year.

+ This format should be used for all three documents.

**Meeting minutes for 09.22.15**

Location: Email

Starting Time; 2:03pm

Participants: Jennifer Cain, Miladys Fernandez, Ingrid Gonzalez Mejia, Tilly Owusuwaa, Zulay Vivo

Initial email sent by Jennifer Cain providing team members with website log in and password.

Ending time: 3:00pm

**Meeting minutes for 09.23.15**

Location: Email

Starting Time: 3:45pm

Participants: Jennifer Cain, Miladys Fernandez, Ingrid Gonzalez Mejia, Tilly Owusuwaa, Zulay Vivo

Review of what work needs to be completed.

Divide sections amongst team members.

Review website and speak about initial offer and calculations.

Ending time: 10:39pm

**Meeting minutes for 09.24.15**

Location: Email

Starting Time: 3:03pm

Participants: Jennifer Cain, Miladys Fernandez, Ingrid Gonzalez Mejia, Tilly Owusuwaa, Zulay Vivo

Suggested revisions to be made to document.

Ending time: 4:00pm

**Meeting minutes for 09.25.15**

Location: Email

Starting Time: 2:02pm

Participants: Jennifer Cain, Miladys Fernandez, Ingrid Gonzalez Mejia, Tilly Owusuwaa, Zulay Vivo

Review uploaded documents by team members.

Review suggestions for Contract Proposal and Cost Sheet.

Ending time: 3:15pm

**Meeting minutes for 09.26.15**

Location: Email

Starting Time: 6:54pm

Participants: Jennifer Cain, Miladys Fernandez, Ingrid Gonzalez Mejia, Tilly Owusuwaa, Zulay Vivo

Review uploaded documents by team members.

Discuss calculations and modifications of various sections.

Clarification of items due this week.

Ending time: 8:11pm

**Meeting minutes for 09.27.15**

Location: Email

Starting Time: 1:00pm

Participants: Jennifer Cain, Miladys Fernandez, Ingrid Gonzalez Mejia, Tilly Owusuwaa, Zulay Vivo

Update initial offer.

Discuss pending items.

Ending time: 5:00pm

**Meeting minutes for 09.30.15**

Location: Email

Starting Time: 10:00pm

Participants: Jennifer Cain, Miladys Fernandez, Ingrid Gonzalez Mejia, Tilly Owusuwaa, Zulay Vivo, Immacula Carpentier, Marie Frager, Ameshia Hardy, Nicole Wood, Anita Person

Final review of initial offer.

Upload initial offer to file exchange for Team 4.

Exchange email with team 4 on initial offer starting point.

Ending time: 11:16pm

**Meeting minutes for 10.01.15**

Location: Email

Starting Time: 2:41pm

Participants: Jennifer Cain, Miladys Fernandez, Ingrid Gonzalez Mejia, Tilly Owusuwaa, Zulay Vivo

Review team 4’s initial offer.

Discuss changes to be made.

Discuss calculations, numbers and brain storm ideas.

Modify offer and resubmit for team 4 to review.

Discuss team 4’s second offer.

Make changes, calculate numbers again.

Ending time: 11:04pm

**Meeting minutes for 10.02.15**

Location: Email

Starting Time: 3:38pm

Participants: Jennifer Cain, Miladys Fernandez, Ingrid Gonzalez Mejia, Tilly Owusuwaa, Zulay Vivo

Review uploaded documents by team members.

Submit counter offer.

Team 4 accepts counter offer.

Come up with Final Settlement.

Ending time: 8:30pm

**Team 4 Initial Offer:**

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| --- |
| INITIAL OFFERING+(STARTING POINT) |
|  Item  | Proposal | Cost |
| Wages   | Year 1: 5% $180,338.49Year 2: 10.25% $369,693.90Year 3: 15.7625% $568,517.09 | $180,338.49$369,693.90$568,517.09Total= 1,118,549.48 |
| HealthInsurance  | **Initial Offer - $0.20**Year 1: $3.00 $ 9,378.72 Year 2: $3.20 $10,003.97 Year 3: $3.40 $10,629.22  | **Initial Offer**$30,011.90 |
| Retirement    | **Initial Offer**Year 1: $0.45 $1406.81Year 2: $0.50 $1563.12Year 3: $0.55 $1719.43 | **Initial Offer**$4,689.36 |
| Sick Days | **Initial Offer**Year 1: 3 DaysYear 2: 4 DaysYear 3: 5 Days | **Initial Offer**$105,809.32 |
| Vacations | **Initial Offer –additional 5 days for the 1st year**Year 1**: 10 Days** $6,214.65Year 2: 10 Days $0.00Year 3: 10 Days $0.00 |  **Initial Offer**$6,214.65 |
| Holidays    | **Initial Offer –additional floating Day**Each Additional floating vacation would cost $21,161.86 |  **Initial Offer**$6,214.65 |
|  Attach additional sheets as needed with proposed language changes. |
| Proposed Contract Duration: 3 years  | ESTIMATED ANNUAL COSTS(add or delete years as needed)**Initial Offer:** $1,271,489.36TOTAL LIFE OF CONTRACT COST:  |

\* Leader of the Bargaining Team – Ameshia Hardy

**Team 4 Counter Offer:**

|  |
| --- |
| INITIAL OFFERING+(STARTING POINT) |
|  Item  | Proposal | Cost |
| Wages   | **We Propose**Year 1: 5% $180,338.49Year 2: 4% $144,203.09Year 3: 3% $108,203.09 | **Total for 3 Years** $432,812.37 |
| HealthInsurance  | **We Propose**Year 1: $2.95 $ 9,222.41Year 2: $3.10 $ 9,691.34Year 3: $3.25 $10,160.28 | **Total for 3 Years**$29,074.03 |
| Retirement    | **We Propose**Year 1: $0.35 $1094.18Year 2: $0.40 $1250.50Year 3: $0.45 $1406.81 | **Total for 3 Years**4,815.49 |
| Working Conditions / Sick Days and Other Benefits  | Current = Meals = Free of charge, uninterrupted half hour which is not compensated.Uniforms = Provided by employer, including laundering. Life Insurance/AD&D = $5000Accident Insurance = Up to $120 weekly, 13 week max Proposed = Year 1: Keep the sameYear 2: Keel the sameYear 3: Keep the same | We accept everything staying the same, but we need you to address our sick days initial offer.**Initial Offer**Year 1: 3 DaysYear 2: 4 DaysYear 3: 5 DaysTotal= $105,809.32 |
| Vacations /Holidays    | Current = Six holidays (New Year’s, Memorial, Independence Day, Labor Day, Thanksgiving Day, Christmas Day). Must work the day before and after the holiday to be eligible for holiday pay.Continuous Service Vacation PeriodOne year, but less that two years One weekTwo years, but less than ten years Two weeksTen years, but less than twenty years Three weeksTwenty years, or more Four weeksTipped employees get paid the state minimum wage for vacations.Proposed= Year 1: Keep the sameYear 2: Keep the sameYear 3: Keep the same |  Accepted |
| Labor Relations - Seniority   | Current = Placed on extra list based on seniority level. Work schedule based on seniority. Lay-offs based on seniority. Offering of overtime based on seniority. Promotion/demotions based on seniority.Proposed= Year 1: Keep the sameYear 2: Keep the sameYear 3: Keep the same | Accepted |
|  Attach additional sheets as needed with proposed language changes. |
| Proposed Contract Duration: 3 years  | ESTIMATED ANNUAL COSTS(add or delete years as needed)**Initial Offer:** TOTAL LIFE OF CONTRACT COST:  |

\* Leader of the Bargaining Team – Ameshia Hardy

**Team 4 Final Contract:**

**(EXPIRING) COLLECTIVE BARGAINING AGREEMENT**

**BETWEEN**

**THE ZINNIA**

**AND**

**INTERNATIONAL UNION OF SERVICE WORKERS**

**AND ALLIED EMPLOYEES LOCAL H-56**

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THIS AGREEMENT, entered into between the International Union of Service Workers and Allied Employees, Local H-56, hereinafter referred to as the Union, and The Zinnia, hereinafter referred to as the Employer, Company or Management.

WITNESSETH:

In consideration of the mutual promises and covenants expressly stated herein, the Employer and the Union agree as follows:

# Article 1. Purpose and Coverage

1.1 - Purpose - The purpose of this Agreement shall be to achieve mutual understanding, harmony and cooperation among the Union, the Employer and its employees; to provide sound working conditions for the employees; to secure a prompt and fair disposition of grievances; to eliminate all interruptions of work and the interference with the efficient operation of the Employer's Hotel; to obtain maximum efficiency in the Hotel; to assure excellent customer relations and service; and to set forth the Agreement covering rates of pay, hours of work and conditions of employment to be observed by the Parties during the life of this Agreement.

1.2 - Coverage - For the purpose of this Agreement, the term "employees" shall cover all employees in the food, steward, beverage, service, hotel maintenance and housekeeping departments specifically listed in the Schedule of Wages, but excluding all secretaries, accounting, personnel, front office, sales and catering department, clerical employees, telephone operators, professional employees and all guards and supervisors as defined by Federal Statutory Labor Law.

# Article 2. Complete Agreement

2.1 - Complete Agreement - The express provisions of this Agreement constitute the complete collective bargaining contract which shall prevail between the Employer and the Union with respect to wages, hours of work, and other conditions of employment. This Agreement can be added to, detracted from, altered, amended or modified only by a written document signed on behalf of the Parties by their duly authorized agents and representatives.

2.2 - Union and Management Cooperation - The Union and the Employer agree to work together to enhance the Employer's business and to improve conditions under which employees work. The Union agrees to cooperate with the Employer in maintaining and improving safe and sanitary conditions and practices; and in maintaining, safeguarding and conserving the equipment, supplies, materials, vehicles, machinery, buildings and other property used by employees in connection with their work assignments.

2.3 - Most Favored Nations - The Union agrees that if after the date of ratification of this Agreement, it enters into a renewal agreement with any other hotel employer in the City of Minneapolis and surrounding area, excluding St. Paul, who operates the same type of establishment as the Employer, and if the Employer believes that said renewal agreement is more favorable in its provisions than the provisions of this Agreement, then the Employer shall be entitled to have the full provisions of said renewal agreement in its entirety upon providing written notice to the Union that the Employer wishes to exercise this option. The Union agrees to notify the Employer's representative of any negotiated renewal agreements and furnish copies thereof upon request.

# Article 3. Union Rights

3.1 - Union Recognition and No Individual Agreements - The Employer recognizes the Union as the duly certified bargaining agent of those employees covered by this Agreement. The Employer agrees not to enter into any agreements or contracts with its employees, individually or collectively, which conflict with the terms and provisions of this Agreement.

3.2 - Union Shop - It shall be a condition employment for all employees covered by this Agreement that all employees who are members of the Union in good standing on the effective date of this Agreement shall remain in good standing in the Union. Furthermore, any of these employees who are not members of the Union on the effective date of this Agreement shall, on or after the thirty-first (31st) day of the effective date of this Agreement, become and remain members in good standing of the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its effective date shall, on or after the thirty-first (31st) day of their employment, become and remain members in good standing of the Union.

3.3 - Checkoff - The Employer shall checkoff monthly Union dues and initiation fees in a manner according to procedures agreed upon between the representatives of both Parties, upon receipt of the written authorization form to deduct union dues signed by the employee. Deductions for checkoff shall be submitted to the Union by the tenth (10th) of each month, but in no event, later than the fifteenth (15th) of the month. New applications will be sent to the Union with the monthly billings.

3.4 - Bulletin Board and Newspaper Boxes - The Employer agrees to provide a space in which the Union may place a bulletin board for the posting of all Union communications in a conspicuous area frequented by employees, provided such material is not detrimental to the labor-management relationship and management receives a copy of any material prior to posting. The Employer also agrees to provide a space for the placement of Union newspaper distribution boxes in a conspicuous area frequented by employees.

3.5 - Union Buttons - All employees shall be permitted to wear their official Union button and/or official steward button, provided the button size is no larger than the present buttons.

3.6 - Union Stewards - The Employer recognizes the right of the Union to conduct an election or select from among the employees who are members of the Union, a Chief Steward/Steward(s) to handle such Union business at the Company where she/he is employed, as may from time to time be delegated to her/him by the Union. The name of such Chief Steward/Steward(s) shall be reported to the Employer. The Union shall designate the areas for which the Chief Steward/Steward(s) is responsible. Union Chief Steward/Steward(s) employed by the Employer shall be required to fulfill their obligations to the employer and to perform their job duties as any other employee covered by the Agreement and shall not interrupt employees while working.

3.7 - Union Visitation - Union representatives and officers shall be privileged to visit the premises of the Employer, generally non-working areas, at all reasonable hours for the transaction of official Union business. Union Officers and Business Agents shall call ahead and shall notify the designated management representative of their presence upon the premises and shall not interrupt employees while working.

3.8 - Mailbox - A suitable locked mailbox will be provided by the Union as a receptacle for messages to the Chief Steward/Steward(s), at a location to be designated by the Employer.

# Article 4. Management Rights

4.1 - The Employer and the Union specifically agree that management shall have the right to direct the work force and to determine the policies and methods of operating its Hotel, except as expressly limited by the specific provisions of this Agreement and longstanding custom and past practice. Such management rights and responsibilities shall include, but not be limited to, the following: the right to select the employees it will hire; the right to establish or revise work schedules; to determine the size and composition of its working force; to determine the number and type of equipment, material, products and supplies to be used or operated; to discipline or discharge employees for just cause; to maintain efficiency of employees; to determine assignments of work; to discontinue all or any part of its business operations; to expand, reduce, alter, combine or transfer, assign, or cease any job, department or operation for business purposes; to introduce new, different or improved methods and procedures in its operations, and to otherwise generally manage the Hotel, except as expressly restricted by the provisions of this Agreement. Provided, however, the Union shall be notified of any new job classification combination.

# Article 5. No Strike - No Lockout

5.1 - No Strikes or Lockouts - The Union agrees that there shall not be any strike, sympathy strike, stoppage of work, slow downs, boycotts, refusal to handle merchandise, or picketing of the Employer's establishment covered by this Agreement or other interruption of work or interference with the Employer's Hotel during the term of this agreement or any extension; and the Employer agrees that there shall be no lockouts during the term of this Agreement or any extension. Participation by any employee in any such practices prohibited by this Section shall be considered just and reasonable cause for discharge or other disciplinary action by the Employer; and subject to the Grievance and Arbitration Procedure in Article 10.

5.2 - Jurisdictional Dispute - It is agreed that any jurisdictional dispute between any union or unions involved with this Agreement shall not result in or interfere with the business of the Employer in any manner.

# Article 6. Pay, Gratuities and Job Classifications

6.1 - Pay Rates.

a) General Increases - At the start of this Agreement, each employee covered by this Agreement shall receive a two (2) percent increase in the employee's straight time hourly wage rate, excepting tipped employees. On the one year anniversary of this Agreement, each employee covered by this Agreement shall receive a two (2) percent increase in the employee's straight time hourly wage rate, excepting tipped employees. On the two year anniversary of this Agreement, each employee covered by this Agreement shall receive a two (2) percent increase in the employee's straight time hourly wage rate, excepting tipped employees. Tipped employees are in job classifications 210, 310, 320, 440, and 730. Tipped employees shall receive increases as needed to maintain compliance with federal and state minimum wage regulations. The resulting Schedule of Wages is set forth in Appendix A.

b) Minimum Rates - The minimum rates of pay for the job classifications covered by this Agreement are set forth in the Schedule of Wages which is attached and made part of this Agreement. There shall be no lessening of wages or direct cost item fringe benefits now prevailing established by prior agreements and by past practice. Direct cost fringe benefit items are defined as meals, uniforms, holidays, vacations, parking and insured or funded fringe benefits.

6.2 - Merit Increases - The wage scale as set forth in the Schedule of Wages of this Agreement reflects minimum rates and does not prohibit an employee from receiving a higher wage.

6.3 - New Classifications and Combinations - When the Employer establishes a new job classification or a combination of two or more job classifications within the scope of this Agreement, the Union shall be notified and the and the rate of pay for the new job classification or combination of job classifications shall be subject to negotiation with the Union. If the parties fail to reach an agreement, the matter shall be pursued through the Grievance and Arbitration Procedure in Article 10.

6.4 - Higher Rate - An employee shall be paid the higher rate of pay for all work performed in a higher job classification, and shall be paid the lower rate for all work performed in a lower paid job classification. This shall not apply where the change in job classification may be considered a minor factor, or is unscheduled, infrequent, of short duration, or is due to an emergency.

6.5 - Full-Time Payroll Employees - Regular full-time payroll employees are employees who have completed their probationary period and work a minimum of twenty (20) hours per week.

6.6 - Business Costs - In accordance with applicable laws, employees shall not have unauthorized deductions made from their checks for such business costs as walkouts, bad checks, incorrect credit card stamps, addition errors, overpouring, cash register shortages or breakages.

6.7 - Gratuities –

a) All gratuities shall be the sole property of the serving person or persons. The Employer shall not require employees to divide tips nor shall an employee be required to pay the tipped service charge on credit cards.

b) Where a service charge is placed on a guest's bill, the bill will state that a gratuity is not included.

c) Employees shall reimburse the Employer tips paid on returned credit card charges provided proof of a guest's failure to pay Employer is shown to the employee.

d) Where a gratuity is not included in a "special package" price, the voucher for food or beverage will state that "a gratuity is not included."

6.8 - Ala Carte Compensation - If the Employer wishes to change the method of compensation for ala carte service persons, the Employer agrees to negotiate with the Union and reach prior agreement before any such change is put into effect. In the event the Parties bargain to an impasse, such unresolved issue shall be arbitrated in accordance with the arbitration procedure in 10.3.

# Article 7. Meals

7.1 - Meals –

a) The Employer shall continue to provide employees meals free of charge consistent with past practice and only while on duty or as otherwise provided.

b) Meal periods shall be an uninterrupted one-half (1/2) hour for which the employee is not to be compensated. If employees are required to work any portion of the meal period, they shall receive the regular hourly rate for the entire meal period. No present employee shall suffer a wage reduction or be imposed with added hours through the effect of this Agreement. Present meal periods shall not be increased in order to defeat the purpose of this section.

7.2 - Uniforms - The Employer shall provide uniforms and the laundering and upkeep for all employees who are required to wear uniforms in accordance with the employer's established policies.

7.3 - Regular Rate of Pay - It is specifically agreed by the Union and the Employer that any meals, uniforms, rooms and/or laundering and maintenance of uniforms furnished by the Employer to an employee shall not be considered as part of the employee's regular rate of pay for overtime and wage computation purposes within the meaning of the Wage and Hour Law, and that an employee's regular rate of pay is that rate reflected on the Schedule of Wages in Appendix A.

7.4 - Employee Areas - The Employer shall maintain dining areas and locker rooms for employees in conformity with the requirements of the applicable sanitary code regulations and health ordinances.

# Article 8. Hours of Work, Overtime & Premium Pay

8.1 - No Guarantee - This Article is intended to indicate the normal number of hours of work. It shall not be construed as a guarantee of minimum or maximum hours of work per day or per week, or of the number of days of work per week, or of working schedules, however, this section is subject to Article 9 on Seniority.

8.2 - Standard Workweek - The standard workweek shall consist of forty (40) hours of work on five (5) days which days shall be consecutive. Employer's standard workweek for overtime pay computation purposes shall be one hundred and sixty-eight (168) consecutive hours beginning at 12:01 a.m. Monday through 12:00 midnight Sunday. The Employer agrees to notify the Union of any change in the standard workweek.

8.3 - Standard Workday - The standard workday shall be eight (8) working hours within 8 and one-half (8 1/2) on the Employer's premises. Wherever practical, split shifts will be abolished.

8.4 - Overtime Work - Employees shall not be required to work overtime unless it is a business necessity, in which case such overtime will be offered on the basis of seniority of those employees performing the work on the shift.

8.5 Overtime Pay - All non-exempt employees shall receive premium pay of time and one-half (1 1/2) their regular straight-time hourly rate of pay for all hours worked in excess of eight (8) hours per day. However, any shift that begins prior to 12 midnight, but ends after 12 midnight, shall be treated as one day for the purpose of computing pay rates.

8.7 - Premium Pay for 6th and 7th Day –

a) 7th Day - All non-exempt employees shall receive premium pay at the rate of time and one-half (1 1/2) their regular straight-time hourly rate of pay for all hours worked on the employee's 7th consecutive day of work.

b) 6th Day - All non-exempt employees may elect to work on the 6th day or 6 out of 7 workdays, at the applicable straight time rate of pay, in accordance with the following procedure:

1. Available work shall be offered by seniority to those employees in the classification who are not scheduled to work five (5) shifts in the case of servers and bartenders or less than forty (40) hours for other classifications.

2. An employee shall not be eligible for such work if the employee would be entitled to receive overtime pay.

3. Lacking sufficient volunteers, for such work in the classification, employees may be required to work on the 6th day, or 6 out of 7 days, at the applicable one and one-half (1 1/2) rate in accordance with 8.8.

8.8 - No Guarantee - No employee shall be guaranteed work on the sixth (6th) or seventh (7th) consecutive day. No employee shall be required to work on the sixth (6th) or seventh (7th) consecutive day, provided, however, under unusual business circumstances, the seniority list shall be followed in this regard with respect to those working on the job.

8.9 - No Duplication of Overtime of Premium Pay - There shall be no pyramiding or duplication of overtime and/or premium pay for the same hours worked.

8.10 - Work Schedules - All work schedules shall be posted three (3) days prior to the first day of the schedule. Such schedules may be changed in cases of emergencies or business necessities.

8.11 - Replacements - Management shall be responsible for scheduling replacements. If an employee proposes a replacement such substitute must be approved in advance.

8.12 - Report-in-Pay –

a) An employee called in and reporting for work as scheduled without prior notice received by the employee not to so report shall receive a minimum of three (3) hours work or three (3) hours pay for that day at the employee's regular hourly rate; provided, the employee is available for work for the full period of time required. Provided, however, bartenders and cooks shall receive report-in-pay of four (4) hours work or four (4) hours pay.

b) No employee shall be entitled to report-in-pay or other pay if the lack of work is due to any strike, work stoppage, or labor dispute, or to a fire, flood, Act of God, or other condition, which are beyond the control of the Employer.

8.13 - Meetings - An employee who attends a mandatory employer meeting that is held on the employee's scheduled day off or is not held within two (2) hours of the employee's scheduled shift, shall receive three (3) hours pay or work. Pay for voluntary meetings (not parties or general sessions that are informational) shall be equal to the actual time in attendance at the meeting. This provision shall not result in a 6th or 7th day premium or daily overtime payment.

8.14 - Time Off - Employees shall have the right to request to take that portion of the workday off that is necessary for doctor and/or dentist appointments. Such requests shall not be unreasonably denied. Employees needing such time off shall notify the Employer one (1) week in advance whenever possible. Employees shall provide proof of necessary time off at the Employer's request.

8.15 - Discontinuance of Business - If it is necessary to temporarily close down for remodeling or permanently close any part of the Hotel the Employer will give affected employees a minimum of two (2) weeks notice unless the cause of the discontinuance of the business is beyond the control or knowledge of the Employer. If the Employer fails to give affected employees the two (2) weeks notice, and no suitable alternative employment is provided, these employees shall receive at least one (1) week pay and up to two (2) weeks pay in lieu of the required notice, to be pro-rated by the period of notice actually given. The Parties acknowledge that unexpected fluctuations of business are beyond the control of the Employer in the application of this section.

8.16 - Rest Breaks - The Hotel shall continue to provide paid breaks in accordance with current practices. However, an employee who does not take a break may not leave before the end of his/her shift for that reason.

# Article 9. Seniority

9.1 - Definitions –

a) Seniority shall mean continuous length of service in the establishment from the first day of work in the classification covered by this Agreement after completing probation. Such classifications are set forth in Appendix B, incorporated herein. With the exception of the banquet wait staff and banquet bartenders, such seniority shall be established by being regularly scheduled in a classification. Employees who work on an intermittent basis in another classification shall not build seniority in that classification.

b) Banquet Waitpersons and Banquet Bartenders - Banquet waitpersons and banquet bartenders shall accrue seniority from first function worked after completion of the probationary period in the classification within either the regular or extra list where such lists apply. Employees moving from the regular list to the extra list shall be placed on the extra list in accordance with their overall banquet wait seniority, i.e., dovetailed. Employees moving from the extra to the regular list shall be placed at the bottom of such list.

9.2 - Same Start Date - In the event two or more employees begin work on the same day, a numerical suffix will be attached to the seniority date of such employees based on the last four digits of the employee's social security number. The employee with the lowest four digit number shall be deemed the most senior.

9.3 - Probationary Period - New Employees - Any new employee shall be employed on a thirty (30) day trial or probationary basis, during which time she/he may be discharged without recourse; provided, however, that this probationary period will be automatically extended an additional thirty (30) days after written notice to the Union and the employee of such extension and the reason therefore. Provided further, that for part-time employees this probationary period will be automatically extended for yet another thirty (30) days after written notice to the Union and the employee of such extension and the reason therefore. After the trial period, she/he shall be placed on the seniority list and her/his seniority shall then date from the first day of her/his current period of employment.

9.4 - Probationary Period - New Classification - An employee promoted to a higher classification shall serve twenty (20) working days probationary period. During the probationary period, the Employer may return the employee to their previously held classification, room and schedule, for inability to perform the duties of the new job, or the employee may elect to return to their previously held classification, room and schedule, if the position is not permanently filled; otherwise, the employee shall be given available work in that classification. Employees so returning to previous work shall suffer no loss of seniority.

9.5 - Areas of Seniority - The Employer and Union agree to recognize seniority in the following areas:

a) Employees shall be laid off and returned to work according to their length of service in their respective job classifications as set out in 9.5 and 9.6 below.

b) Scheduling of vacation time.

c) Offering of overtime work and requiring in reverse order.

d) Employees may exercise their seniority to not work the holiday, if business permits with the junior employee(s) in the classification being required to work as needed. To be excused employees shall give the Employer two (2) weeks notice prior to the holiday. Employees regularly scheduled to work the day on which the holiday is celebrated may not be bumped out of their shift.

e) Scheduling of Work

1. Where practical, senior employees who are qualified shall be scheduled to receive the maximum number of available hours on the work schedule up to an eight (8) hour day, five (5) day, forty (40) hour week. Senior employees may not claim part of a shift and may claim shifts only when they become available on a regular basis. Split shifts shall be considered separate shifts for scheduling purposes. It is understood that employees shall not be permitted to establish their own work schedules nor shall they be permitted to work overtime without the specific approval of their supervisor. Nothing herein shall be interpreted as a guarantee of a minimum number of hours or days of work.

2. The above factors, in the use of part-time employees and work schedules will be recognized in scheduling.

f) Promotion, demotion or transfer to new job openings.

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g) Upon request in writing, any employee scheduled less than five (5) days per week may exercise her/his seniority for five (5) days of work per week when additional shifts become vacated on a regular basis, unless such shifts are eliminated. The employee must bid the five (5) day schedule as posted.

h) Bartenders whose hours are involuntarily reduced below those for which they are regularly scheduled will be permitted to pick up available hours at banquet bars on the basis of their seniority.

i) Preferential Rooms and Stations - Where rooms and/or stations are assigned on a permanent basis, rather than being rotated, all employees shall be given preferential rooms and/or stations on the basis of seniority, provided they are qualified.

j) Use of Part-Time Employees - Where practical, the Employer shall not use two (2) or more part-time employees where a qualified, full-time employee is available and requests such hours; except in those scheduling situations where the Employer is required to meet the report-in provision (8.12), the available work requires the use of overlapping schedules or a split shift (except wait staff) or where such scheduling is otherwise not practical in the Employer's operations.

Provided, the employee has the qualifications and ability to perform the work.

9.6 - Layoffs and Recalls - During layoffs or reductions in the working force, the employee with the least seniority in the job classification affected shall be laid off first. When the working force is again increased, employees on layoff shall be recalled in the order of their job classification seniority, unless circumstances have occurred during the layoff which make them disqualified. Ability to perform the work available shall be a determining factor in following the principle that the last employee laid off will be the first employee rehired.

9.7 - Bumping - Bumping shall not be permitted except in cases of layoff as described in 9.5(a).

9.8 - Classification Seniority - Employees changing classifications shall begin their seniority for scheduling on day of entry into the new classification. During layoffs or reduction in the work force within a classification, an employee may exercise any accrued seniority in their prior classification to revert to the classification from which she/he was last transferred.

9.9 - Notice of Recall - Where an employee is notified at the time of layoff when she/he is to report back to work, she/he will promptly report at such time without further notice. When an employee is not notified at the time of layoff when she/he is to report back to work, she/he shall be given three (3) days notice of when to report back to work, if the period of layoff has been less then fourteen (14) days. If the layoff period extends for fourteen (14) days or more, the employee shall be given seven (7) days notice of the time to report back to work. Notice to report back to work shall be given by a letter to the address furnished to the Employer by the employee. While waiting for an employee to report back to work, the Employer may utilize any other available person to perform the work.

9.10 - Loss of Seniority - Seniority and job rights shall be terminated for the following reasons, as well as any other reasons established under the terms of this Agreement:

a) Voluntary quitting.

b) Discharge for cause.

c) Failure to return to work after recall as provided.

d) Failure to return to work promptly at the end of an authorized leave of absence, unless due to Act of God.

e) Remaining on layoff for longer then twelve (12) months.

f) Terminates employment from the regular schedule and works on an intermittent call-basis only.

g) Is absent for two (2) consecutive workdays without reporting to the Company the reasons for the absence.

9.11 - Job Posting - New job openings will be posted for a minimum of five (5) days, including the weekend and will be awarded to qualified applicants. If qualifications are equal, seniority shall prevail. The job opening may be filled from any source on a temporary basis during its vacancy.

9.12 - Seniority List - The Employer shall furnish an accurate seniority list to the Union within ten (10) days of the date on which this Agreement is signed. Thereafter, the Employer shall notify the Union of each employee who has been separated from employment and such other monthly information on employees as has been provided.

# Article 10. Grievance And Arbitration Procedure

10.1 - Grievance Procedure for Employees - Should differences arise concerning the Employer, the Union and/or any employee who has completed her/his probationary period, as to the meaning and application of this Agreement, the following procedure shall be followed by an employee and the Union.

Step 1 - The employee may take up the matter with her/his supervisor on an informal basis in order to settle the matter promptly. An aggrieved employee may have the Union Steward Assist her/him with Step 1, if she/he so desires.

Step 2 - If the grievance is not satisfactorily settled in Step 1, the aggrieved employee or the Union shall, within fourteen (14) calendar days from the date on which the incident which gave rise to the grievance occurred, file a written grievance with the Personnel Director; provided however, the fourteen (14) calendar day requirement and the written grievance requirement may be waived by mutual written agreement. Failure to file such written grievance within fourteen (14) calendar days shall result in such grievance being presumed to be without merit and it shall be barred from further consideration.

The written grievance shall set forth the facts giving rise to the grievance, including the date and persons involved, and designate the provisions of the Agreement which allegedly have been violated.

Step 3 - The representative or representatives of the Employer will confer with the Union Steward and/or Union Business Agent within fourteen (14) calendar days after receipt of such written grievance in an effort to settle the grievance, unless the time limit is extended by mutual written agreement of the Parties. If not settled at this conference, the Employer shall issue a decision in writing on any such written grievance within seven (7) days from the time such grievance meeting is adjourned.

10.2 - Effect of Failure to Appeal - Any grievance not appealed to a succeeding step within the time limits specified shall be deemed abandoned and not entitled to further consideration. Such abandonment by the Employer shall be deemed an acceptance of the grievance as stated and the remedy requested shall be accepted and enforced.

10.3 - Arbitration Procedure - If the grievance cannot be satisfactorily settled by the above steps of the grievance procedure, either of the Parties may request Arbitration by giving the other Party written notice of its desire to arbitrate within fourteen (14) calendar days after the Employer or the Union has made its final written answer as provided in Step 3 (unless the Employer and the Union mutually agree in writing to extend the time limit), in which event the grievance shall be arbitrated according to the following procedure:

The Party desiring to arbitrate shall request the Federal Mediation and Conciliation Service (with a copy of such request to the opposite Party) to furnish the Parties with a panel of five (5) names of impartial arbitrators. From this panel a representative of the Employer and the Union shall select the Arbitrator. The Arbitrator shall be selected by each Party striking in turn one strike at a time, two (2) names from the list of five (5) persons, the complaining Party having the first strike. The person remaining on the list after each Party has exercised her/his strikes shall become the Arbitrator. Either party may request additional lists if those supplied are not satisfactory; to a maximum by three (3) lists. The Parties may select an Arbitrator by other means, if such other method of selection is confirmed by a written stipulation.

The selection of the Arbitrator and the hearing shall be within thirty (30) days of the request for Arbitration, whenever practicable.

The expenses of the Arbitrator shall be borne equally by the Union and the Employer, each Party bearing its own preparation and presentation expenses.

10.4 - Final and Binding - Any decision reached at any stage of these grievance proceedings or by the Arbitration Procedure shall be final and binding upon the Employer, the Union and the employee(s) involved. The Employer, the Union and the aggrieved employee shall comply in all respects with the result of such decision reached. The Parties agree that such decision shall be enforceable in a court of law.

10.5 - Arbitrator Limitations - The Arbitrator shall not have the power to add to, ignore, or modify any of the terms, conditions or sections of this Agreement. His/her decision shall not go beyond what is necessary for the interpretation and application of this Agreement in the case of the specific grievance at issue. The Arbitrator shall not substitute her/his judgment for that of the Parties in the exercise of rights granted or retained by this Agreement.

10.6 - Award of Arbitrator - Where an employee has been discharged in violation of this Agreement, the Arbitrator may order the employee reinstated, either with or without back pay for loss of income resulting from such discharge. An award of the Arbitrator shall not in any case be made retroactive to a date prior to the date on which the subject of the grievance occurred, and in no event more than thirty (30) calendar days prior to the filing of the grievance. The Arbitrator's written decision shall be issued within sixty (60) days of the hearing, unless otherwise mutually agreed in writing.

10.7 - Contract Remedy - When an employee has any complaint, grievance or difference regarding the application of the terms and conditions of this Agreement it is agreed that the grievant will use the grievance/arbitration procedure, section 10.1 and 10.3 - 10.6 set forth above before attempting to take the matter elsewhere.

10.8 - Employer/Union Grievances - Any grievance the Employer or Union may have raised within the time limits set forth in Step 2, shall be reduced to writing and submitted to the other Party's designated representative who will arrange a meeting according to the provisions set out in Step 3, section 10.1 above. If the matter is not satisfactorily settled at this Step, the grievance may be processed through the Arbitration Procedure hereafter.

10.9 - Past Practice - The Parties agree to recognize the standards as set forth in Elkouri and Elkouri, How Arbitration Works, in determining past practice.

# Article 11. Discipline and Discharge

11.1 - Discipline and Discharge - The Employer will discipline employees for just cause only. Discipline will normally be in the following form:

a) Verbal warning

b) Written warning

c) Suspension

d) Discharge

Provided, however, in the case of dishonesty, drunkenness on duty, or a more serious violation of the Employer's rules, the discipline procedure a, b or c above, need not be followed.

11.2 - Written Notices - Written reprimands, notices of suspension and notices of discharge, which are to become part of the employee's file, shall be read and signed by the employee. Such signature shall in no way be an admittance of wrongdoing on the part of the employee. A copy of such reprimands and/or notices shall be given to the employee and the Union.

11.3 - Warning Notices - Cancellation - Warning notices shall not be used as a basis for discipline after a period of eighteen (18) months provided there have been no other written notices of a similar nature.

11.4 - Suspension and Discharges - All suspensions and discharges will be in written form and copies will be mailed to the Union immediately upon issuance of such notices. Discharges will be preceded by a suspension during which an investigation of the incident leading to the discharge will be conducted.

11.5 - Disciplinary Meetings - In the event a meeting is held for disciplinary purposes, the affected employee shall have the right to have a Union steward and/or Union representative present.

11.6 - Right of Review - The Union shall have the right of review of any discharge of an employee who has completed the probationary period by following the grievance procedure of this Agreement.

11.7 - Posting of Rules - All rules shall be conspicuously posted by time clocks or on employee bulletin boards. The Employer's rules shall not conflict with this Agreement.

11.8 - Personnel Files - The Employer shall at reasonable times and at reasonable intervals, upon the request of an employee, permit that employee to inspect such employee's personnel files on her/his own time.

# Article 12. Leaves of Absence

12.1 - Leaves for Personal Reasons - An employee desiring a leave of absence from the job because of extraordinary personal or family circumstances must first secure written permission from the Employer. The Employer shall not be expected to grant a leave of absence that will interfere with the Employer's operations. Leaves of absence shall be without pay. During a leave of absence, the employee shall not engage in gainful employment unless the leave is the result of the employee being hired for a position of full-time service with the union. The employee must report to work promptly after the leave has expired. Failure to comply with this Article shall result in the complete loss of seniority rights of the employee involved. Seniority, vacation or other benefits shall not accrue during the leave unless the leave is for thirty (30) days or less.

12.2 - Leaves for Injury or Sickness - Medical and Family Leave - Employees who have completed their probationary period shall be granted unpaid personal medical leave for up to one (1) year when they are unable to perform the functions of their position due to personal injury or illness. Provided, however, that employees who have completed their probationary period but have not yet worked at least 1,040 hours shall be granted unpaid personal medical leave up to a maximum of ninety (90) days. If medically necessary, medical leave may be taken on an intermittent or reduced schedule basis, consistent with the Family and Medical Leave Act.

Medical certification shall not be required for illness or injuries requiring medical leaves of up to three (3) days duration. For longer leaves, the Employer may require medical certification to support a claim for medical leave for an employee's own serious health condition or for Family and Medical Leave Act leave taken to care for a family member with a serious health condition. For medical leaves in excess of thirty (30) days, employees shall be required to submit periodic medical certifications for each successive thirty (30) day periods.

Employees ready to return to work from a personal medical leave in excess of three (3) days shall furnish the Employer with medical certification that they are fit to return to the duties of their job. The Employer will have up to seven (7) days after notification in which to reinstate the employee.

12.3 - Military Leave - A regular employee who enters the Armed Forces of the United States shall have the right to reinstatement to her/his former position as may be required by law.

12.4 - Maternity Leave - A pregnant employee shall be granted a leave without pay on the same basis as the leaves set forth in 12.2 above. While the employee continues to work, the Employer may require a written statement from her physician as to how long she may work without endangering her health or that of the unborn child and her continuing ability to perform fully all the duties of her job.

12.5 - Child Care Leave - An employee shall be granted an unpaid child care leave of absence of up to six (6) months in connection with the birth or adoption of her/his child. When possible the employee shall notify the Employer of such intent three (3) months prior to the leave. Seniority shall accrue during such leave.

12.6 - Return from Leave of Absence - Any employee returning from an authorized leave as stated in this Agreement shall return to their previously held job classification and schedule (hours, days and room) provided that neither has been abolished and the employee is qualified. In the event the schedule has been abolished and cannot be re-established, the employee may bump into any schedule commensurate with her/his accrued seniority. Return to previous schedule will only be guaranteed if the leave is less than ninety one (91) days.

12.7 - Jury Duty - Any regular employees, exclusive of probationary, on-call or extra employees, required to serve on court jury (not grand jury), shall be given a leave of absence for the jury duty period and shall be paid the difference between her/his jury pay and the wages she/he otherwise would have earned during straight-time hours of available employment at her/his regular rate.

12.8 - Funeral Pay - All regular employees, exclusive of probationary, on-call or extra employees are eligible for funeral pay and leave, when an employee's bereavement involves death in her/his immediate family, subject to the following conditions:

a) Maximum Pay - Maximum funeral pay shall be two (2) days immediately preceding and/or including the funeral day, if the funeral is within 250 miles of Minneapolis and not more than three (3) days for time lost, if the funeral services are more than 250 miles from Minneapolis. Employees shall be paid within these limits only for time actually lost at employee's regular hourly rate.

b) Attendance and Notice - An employee must actually attend the funeral service of a member of her/his immediate family, which includes only wife, husband, son, daughter, mother, father, brother, sister, mother-in-law or father-in-law. An employee must also notify the Employer of the need for funeral leave and, afterwards, of the facts of the funeral leave.

12.9 - Union Business –

a) The Employer agrees to grant the necessary time off without pay to any employee delegated to attend a labor convention up to a maximum of seven (7) days for two (2) employees at any one time and two (2) employees annually.

b) In the event that an employee is elected to a position of full-time service with the Union, the employee shall continue to accrue her/his seniority during the period of leave. Upon completion of service in the Union, the employee shall be returned to her/his former job as provided in the Return from Leave section, provided the employee notifies the Employer of such return within ninety (90) calendar days after completion of Union service.

12.10 - Leave Benefits - In the case of parenting and medical leaves taken pursuant to the Family and Medical Leave Act, the Employer shall make sufficient group health insurance contributions, as determined by the Twin Cities Hotel Employers-Employees Trust Fund ("Fund") to pay for the employee's group insurance coverage for up to twelve (12) weeks of leave. The Fund shall make available group health insurance to employees at the employee's own expense for any portion of a parenting or medical leave in excess of twelve (12) weeks.

In the case of other leaves which would otherwise result in loss of group health insurance coverage, the Fund shall make available group health insurance to employees for the duration of the leave, at the employee's own expense, and otherwise consistent with the Consolidated Omnibus Budget Reconciliation Act ("COBRA").

Employees shall retain pre-leave seniority and shall accrue seniority during all authorized leaves other than personal leaves. Employees shall retain pre-leave seniority, but shall not accrue seniority during personal leaves in excess of thirty (30) days. Failure to return to work after an authorized leave of absence shall result in complete loss of seniority rights.

The employer may attempt to recover the cost of medical premiums aid during a covered leave of absence should the employee fail to return to work as provided for under the Family and Medical Leave Act.

12.11 - Coordination with Applicable Laws - The parties to this Agreement agree that the provisions of this entire Article 12 shall be administered so as not to conflict with applicable federal or state laws governing leaves of absence. Where applicable, leaves of absence granted under this Article may run concurrently with any applicable leave rights the employee may have under the Family and Medical Leave Act. Where the provisions of this Agreement are more favorable to the employee than those provided under law, the terms of this Agreement shall prevail.

# Article 13. Holidays

13.1 - Holidays Observed - The following shall be observed as paid holidays for all regular full-time and regular part-time employees hereafter referred to as eligible employees:

New Year's Day

Memorial Day

Independence Day

Labor Day

Thanksgiving Day

Christmas Day

13.2 - Holidays Not Worked - All eligible employees, exclusive of probationary, shall receive holiday pay for the above listed holidays; provided the part-time employees regularly work the day on which the holiday falls. The holiday pay shall be based on the hours the employee normally works on that day of the week; to a maximum of eight (8) hours.

13.3 - Holidays Worked - All eligible employees who work on a holiday shall be paid straight time for the number of hours regularly scheduled, plus straight time for the number of hours actually worked on the holiday. However, if the holiday hours worked exceed the number of hours regularly scheduled the excess hours shall be paid at 1 1/2 times the employee's contract rate of pay.

13.4 - Eligibility - To receive pay for the holiday, the employee must have worked their scheduled workday immediately preceding and immediately following the day on which the holiday is observed, unless the absence is caused by illness and just cause has been presented that she/he was unable to work on that day.

13.5 - Disqualification - Employees shall not be eligible for holiday pay if:

a) The employee is on layoff consisting of a minimum of five (5) days (including the holiday), on a leave of absence, in military service or on suspension, except eligible full-time employees with over one (1) year of service who are laid off (refer to Article 13.9).

b) The employee has been absent for a period of thirty (30) consecutive days prior to said holiday.

c) The employee fails to work on said holiday if scheduled to do so, except in the case of a bona fide illness and just cause for such absence has been presented to the Employer.

13.6 - Holiday During Vacation Period - Where an employee is entitled to a paid holiday as provided above and the holiday falls within the employee's vacation period, such employee shall be allowed an additional day of vacation with pay or holiday pay, at the option of the Employer.

13.7 - Computation of Overtime - Eligible employees required to work on any of the recognized holidays shall receive straight-time pay for the actual hours worked on such holidays in addition to the holiday pay. Holiday pay shall not be considered hours worked for computation of weekly overtime pay. Employees shall not be rescheduled to defeat the purpose of holiday pay except by mutual agreement between the Employer and employee.

13.8 - No Disqualification - An employee shall not be disqualified for holiday pay if failure to work on the days immediately preceding the holiday or the workday immediately following the holiday is due to:

a) Layoff from work when notification of such layoff occurs on the workday immediately preceding the holiday or the workday immediately following the holiday.

b) Death in the employee's immediate family; within the meaning of section 12.8 Funeral Pay.

c) Illness or accident which occurs during working hours on either of such days and prevents the employees from continuing work.

d) Jury duty which requires the absence of the employee.

e) Emergency conditions occurring on the workday immediately preceding the holiday or the workday immediately following holiday over which the employee has no control and which, despite her/his exercise of diligent effort, prevent her/him from working all or part of such days.

13.9 - Layoff or Eligible Full-Time Employees - As an exception to 13.5 above, an eligible, full-time employee with one (1) year or more of continuous employment with the Employer who is laid off during a period of six (6) days immediately preceding a recognized holiday, or six (6) days immediately following a recognized holiday shall not suffer a loss in holiday pay to which she/he is otherwise entitled.

13.10 – Sick Days - The following applies to all regular full-time and regular part-time employees hereafter referred to as eligible employees.

 Year 1: 3 Days

Year 2: 4 Days

Year 3: 5 Days

# Article 14. Vacations

14.1 - Amount of Vacation -

a) All regular full-time and regular part-time employees who have at least one (1) full year of seniority shall be entitled to a paid vacation on the following basis:

Continuous Service Vacation Period

One year, but less that two years One week

Two years, but less than ten years Two weeks

Ten years, but less than twenty years Three weeks

Twenty years, or more Four weeks

b) Temporary layoffs or leaves of absence during the year shall not interrupt the continuity of seniority for the purpose of determining the amount of vacation for which an employee is eligible.

c) Employees shall be entitled to receive their vacation pay before they leave for vacation.

14.2 - Vacation Pay - Employees shall be entitled to vacation benefits at straight-time rates of pay on the same basis that their work is performed. Employees working either full-time or short shifts shall be paid vacation pay based on the total hours paid in the accrual year, including premium, overtime, vacation, holiday hours. However, no employee shall be entitled to more than forty (40) hours of vacation pay per week. The following shall be the method of computing vacation pay:

a) Number of months in the accrual year times 1/12 times the number of weekly average hours.

b) After two (2) full accrual years, two (2) times the number of weekly average hours.

c) After ten (10) full accrual years, three (3) times the number of weekly average hours.

d) After twenty (20) full accrual years, four (4) times the number of weekly average hours.

14.3 - Scheduling Vacation Periods - To the extent business requirements permit, employee requests for a specific period in which to take vacations will be honored. Furthermore, the most senior employees shall have preference as to the time they take their vacation so far as the efficient operation of the business will permit. Where more than one (1) employee in a job classification desire their vacations at the same time, vacation periods will be assigned according to seniority. Employer and the employee may mutually agree upon the time of vacation period.

The Employer reserves the right to schedule vacations so that they will not interfere with business operations, but each employee should be entitled to take her/his vacation not later than six (6) months after she/he has qualified for it. Vacations are not cumulative and must be taken within the vacation period established by the Employer. This section shall not be construed to reduce vacation benefits established by past practice.

Vacations cannot be carried over from one vacation period to another without the specific authorization of management in writing. Any vacation carried over will be paid at the wage rate in effect at the time the vacation is earned.

14.4 - No Work During Vacation - Once a request for vacation has been approved by the Employer, the vacation dates shall not be changed unless by mutual consent of the Employer and the employee.

14.5 - Terminated Employees - Employees who are discharged or who terminate their employment shall be entitled to pro-rated vacation pay earned and computed in accordance with 14.2 above. Provided, however, employees voluntarily terminating employment must first notify the Employer one (1) week prior to such termination in order to be eligible to receive pro-rated vacation pay.

14.6 - Tipped Employee Vacation Adjustment - For all vacation hours accrued, in addition to their regular hourly rates, tipped employees working in the classifications of door attendants, bell stand, bell captain, cocktail waitperson, and ala carte waitperson shall be compensated at the state minimum wage rate in effect at the time of the accrual.

# Article 15. Banquet Department

15.1 - Banquet Definition - A banquet shall be deemed to be any reserved function with a pre-set menu and a fixed cost including cocktail parties, supervised by the Catering Department.

15.2 - Banquet Employee Compensation - Banquet Servers shall receive the following percentage of the banquet service charge:

85% of any service charge less than 17%

82% of any service charge of 17% but less than 18%

80% of any service charge of 18% or more.

15.3 - Service Charge on Guaranteed Meals - Service charges shall be paid on the guaranteed number of meals paid for by the customer.

15.4 - Full Function - Where clean-up is delayed until the conclusion of speeches or a program only the number of employees sufficient to do the clean-up need be retained and those that do not remain shall nevertheless share in the compensation.

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5.5 - Banquet Employee Benefits - Regular banquet employees shall be granted the benefits listed below:

Jury Duty - Section 12.7
Funeral Pay - Section 12.8
Holidays - Article 13
Vacations - Article 14
Health and Welfare - Article 19
Pension - Article 20

According to the terms and conditions as set forth in the appropriate section(s) or Article(s) as shown.

15.6 - Regular Banquet Employees - The Employer shall maintain a regular waitperson and regular banquet bartender list which shall contain all regular banquet service employees who work on a full-time basis in the Hotel. The seniority list of all regular banquet employees shall be posted every three (3) months and upon request of the Union, the Employer shall provide an updated list of all regular and all extra banquet employees to the Union.

15.7 - Employer Records - The Employer shall maintain complete records on all banquets and functions and the amount of service charge or gratuities deposited with the Employer for the employees along with the actual amount or method of distribution submitted to the employee. The employee or Union representative shall be permitted to inspect the banquet employee compensation records during usual office business hours.

15.8 - Holiday Pay - Banquet Employees - Regular banquet waitpersons' and bartenders' holiday pay shall be calculated by totaling previous yearly hours as of January 1 of each year and dividing by 52 weeks then dividing by 5 workdays. The resulting number of hours shall be paid for each holiday of the new year. Employees who have worked less than one (1) year as a regular banquet employee shall receive three (3) hours of holiday pay for each holiday worked.

15.9 - Vacation Pay - Banquet Employees - Regular banquet waitperson and bartender vacation pay shall be calculated by totaling their pervious yearly hours as of January 1 of each year and dividing by 52 weeks and multiplied by the number of weeks of earned vacation benefits.

# Article 16. Housekeeping Department

16.1 - Room Cleaning - No housekeeping employee shall be required to clean an unreasonable number of rooms.

16.2 - Assistance - A housekeeping employee may request assistance when the nature of the work to be performed is quite difficult or hard to perform.

# Article 17. State and Federal Law

17.1 - Recognition of Applicable Laws - Nothing contained in this Agreement shall be deemed or construed to require, directly or indirectly, the Employer to do anything inconsistent with the laws or regulations of any competent governmental agency (City, State or Federal) having jurisdiction over the Employer's Hotel. The Union and the Employer agree that neither will compel, force, or cause, directly or indirectly, the other respective Party to do anything inconsistent with any applicable laws.

17.2 - Equal Opportunity - The Union and Employer agree that there shall be no discrimination by either Party which violates any the City, State or Federal laws, ordinances or regulations on Equal Opportunity Law.

# Article 18. Medical Examinations

The Employer may require and pay for physical and medical examinations of employees for job related reasons and may lay off or release employees unable to satisfactorily pass such examinations. The Union may require the Employer to furnish a physician's certificate with respect to employees terminated for medical reasons. Furthermore, the Union may pay for and proceed with an independent medical examination of such employees.

# Article 19. Health and Welfare

19.1 - Generally - The Employer agrees to continue to contribute and support the Twin Cities Hotel Employers-Employees Health and Welfare Trust Fund, hereinafter "Fund". The limits of such contribution shall be as follows:

19.2 - Contributions - At the start of this Agreement, the Employer agrees to contribute to the Fund two dollars and ninety-five cents ($2.95) for each hour paid to all employees under jurisdiction of this Agreement On the one year anniversary of this Agreement, this contribution shall be increased to three dollars and ten cents ($3.10) per hour; on the two year anniversary of this Agreement this contribution shall be increased to three dollars and twenty-five cents ($3.25) per hour.

19.3 - Employer Obligation - The Employer's obligation to contribute to the Health and Welfare Fund is limited to the amount of contribution specified in this Article.

19.4 - Benefits - The benefits set out in the attached Schedule of Benefits are made a part of this Agreement. The Fund Trustees are expressly authorized to adjust benefit levels and/or eligibility to maintain the solvency of the Fund, subject to the requirements of the Affordable Care Act. If such adjustments are not possible without violating the required benefit levels and/or eligibility specified in the Affordable Care Act, the Union or the Employer may request that the contract be re-opened to negotiate changes to Article 19 of this Agreement and/or to the Schedule of Benefits that will bring the Fund back in compliance. If the Fund fails to comply with the Affordable Care Act for any other reason, including changes in the requirements of the Affordable Care Act, the Union or the Employer may request that the contract be re-opened to negotiate changes to Article 19 of this Agreement and/or to the Schedule of Benefits that will bring the Fund back in compliance.

19.5 - Trust Agreements - All of the terms and conditions of Article 21 of this Agreement are binding on the Parties.

19.6 - Self-Pay - All eligible employees (and their dependents, if applicable), as set forth in Appendix C, Health and Welfare, who fall below the required hours for Health and Welfare coverage shall be permitted to self-pay up to the time period for extended coverage established by federal legislation provided they do so in accordance with the standards and procedures established by the trustees/federal legislation.

# Article 20. Defined Contribution Retirement Plan

20.1 - Generally - At the start of this Agreement, the Employer shall contribute to the "Twin Cities Hotel Employers-Employees Defined Contribution Retirement Plan" (hereinafter the "Defined Contribution Plan"), at a rate of thirty five cents ($0.35) for each hour paid to each employee under the jurisdiction of this Agreement. This contribution will be increased to forty cents ($0.40) on this Agreement's first anniversary, which will be increased to forty-five cents ($0.45) on this Agreement’s second anniversary.

20.2 - Trust Agreements - All of the terms and conditions of Article 21 of this Agreement are binding on the Parties.

# Article 21. Trust Agreements

21.1 - Bound to Trust Agreement - The Employer shall be bound by all terms and provisions of the agreements and plan documents as now existing or hereafter amended pursuant to which the Health and Welfare Fund and Defined Contribution Plan are maintained. All such documents, including subsequent amendments and all rules and procedures adopted pursuant to those documents, are hereby incorporated by reference in this Agreement and their terms and provisions shall be binding upon the Employer and the Union as if they were fully set forth in this Agreement. The Employer agrees to execute a participation agreement effective with the effective date of this Agreement.

21.2 - Delinquent Payments - The failure, refusal or neglect of the Employer to report and pay the Health and Welfare Fund or the Defined Contribution Plan the contributions required herein on or before the 10th day of the month following the month in which the employee worked, shall subject the Employer to liability for the principal and in addition, liquidated damages of twelve percent (12%) of the delinquency, eight percent (8%) interest on the delinquency and reasonable attorney fees and costs incurred in the collection of the delinquency; provided the Employer is served with at least fourteen (14) calendar days written notice of default. In the event that an employee working under the jurisdiction of this Agreement is rendered ineligible to receive benefits by virtue of the Employer's failure to pay the contribution required herein, the Employer shall be liable and responsible for any claim for benefits to which the employee would otherwise have been entitled.

21.3 - Delinquency Enforcement - In enforcing the Employer's obligation set forth in this Article after due notice to the Employer of his delinquency, neither the Union nor the Health and Welfare Fund nor the Defined Contribution Plan shall be obligated to invoke or exhaust the Grievance and Arbitration Procedure set forth in Article 10 prior to initiating an action for legal and/or equitable relief.

21.4 - Audits - The Trustees of the Health and Welfare Fund and the Defined Contribution Plan shall have the right to audit and inspect the Employer's payroll, social security tax withholding or other such records of the Employer, as may be deemed necessary by the Trustees in order to determine the Employer's compliance with the terms and provisions of this Agreement.

# Article 22. Savings Clause

If any section of this Agreement should be held invalid by operation of law or by any tribunal of competent jurisdiction; or if compliance with or enforcement of any provision should be restrained by such tribunal pending final determination as to its validity, the remaining provisions of this Agreement shall not be affected thereby, but shall continue in full force and effect. Provided, furthermore, the Union and the Employer agree to meet and confer within two (2) weeks of any ruling invalidating any Article, section, or portion of this Agreement to negotiate a lawful provision on the same subject if practicable.

# Article 23. Term of Agreement

This Agreement shall be in effect for a period of three (3) years commencing on the first (1st) day of October 2012, and shall continue to October 2015, and be automatically renewed thereafter, unless at least sixty (60) days prior to the termination date either Party serves written notice upon the other by certified mail of a desire to terminate, change or modify this Agreement.

IN WITNESS WHEREOF, the Employer and the Union hereby execute, sign and attest to this Agreement .

FOR THE ZINNIA:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date

FOR INTERNATIONAL UNION OF SERVICE WORKERS AND ALLIED EMPLOYEES LOCAL H-56:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date

# Appendix A: Minimum Wage Rates and Job Classifications

Hourly Rates Effective

 Year 1 Year 2 Year 3

BANQUET

Banquet Set-Up Convention Services (110) 12.54 12.85 13.11

DOOR

Door Attendants (210) State Minimum Wage

BELLSTAND

Bell Captain (310) State Minimum Wage + $1.85

Bellstand (320) State Minimum Wage

BARS

Service Bartender (410) 14.02 14.37 14.65

Bartender (420) 12.43 12.74 12.99

Bar Assistant (430) 10.75 11.02 11.24

Cocktail Waitperson (440) State Minimum Wage

COOKS

Skilled Cook (1st, 2nd, gourmet,

 pastry chef, saucier) (510) 16.97 17.39 17.74

Cook (broiler, roast, head fry, breakfast,

 banquet, dining room meat carver) (520) 16.29 16.69 17.03

Baker (530) 16.21 16.61 16.94

Utility Cook, Vegetable Cook,

 Cold Meat Person (540) 13.05 13.38 13.64

Counter Fry Combination (550) 13.00 13.33 13.59

PANTRY AND DISH

Head Pantry (610) 12.38 12.69 12.94

Pantry (620) 12.24 12.54 12.79

Pot/Glass/Dishwasher (630) 12.18 12.48 12.73

Runner (640) 11.94 12.24 12.48

DINING ROOM

Hostess/Host (710) 13.46 13.80 14.08

Cashier (720) 11.91 12.21 12.45

Ala Carte Waitperson (730) State Minimum Wage

Busperson (740) 11.35 11.64 11.87

HOUSEKEEPING

Housekeeping/Laundry & Maintenance (810) 12.58 12.89 13.15

Storeroom Clerk (820) 12.44 12.75 13.00

Storeroom Helper (830) 12.31 12.62 12.87

Linen Room (840) 12.18 12.48 12.73

Linen Garment Repair (850) 12.37 12.67 12.93

# Appendix B: Seniority Classifications

1. Bell Captain

2. Bellstand

3. Door Attendants

4. Housekeeping Services (includes room cleaners, housepersons, lobby cleaners, linen room, linen/garment repair)

5. Lead Linen Employees

6. Kitchen Utility (includes silver polishers, dishwashers, glass washers, pot washers, steam table servers, runners, night cleaners - kitchen, restaurant and bars, stewards, uniform custodians)

7. Storeroom Clerks and Helpers

8. Bartenders (includes front bar and service bar)

9. Bar Assistants/Helpers

10. Cocktail Waitpersons

11. Skilled Cooks\*

12. Line Cooks\*, Fry Cooks (includes Head Fry Cook)

13. Utility Cooks, Combination Counter-Fry, Head Pantry and Pantry

14. Baker

15. Hostesses/Hosts

16. Cashier

17. Ala Carte Waitpersons

18. Ala Carte Buspersons

19. Banquet Setup, Convention Services

20. Banquet Waitpersons

21. Banquet Bartenders

22. Banquet Buspersons

23. Maintenance

24. Laundry

\* In the event of a layoff in these cook classifications, the laid-off employee(s) shall have the opportunity to exercise his/her establishment seniority to bid into a lesser skilled classification at the hourly pay rate of the new classification.

# Appendix C: Health and Welfare Schedule of Benefits

ELIGIBILITY OF BENEFITS:

All Full-Time Payroll Employees as defined by Article 6 are eligible for coverage.

BENEFITS:

I. Health Insurance ($300 Deductible Single Coverage)

 Insurance Covers

Inpatient Hospital Expenses 80% of expenses

 (100% after employee pays $1,700)

Outpatient Medical Care 80% of expenses

Preventive Health Care 100% for preventive services specified in the Affordable Care Act

Maternity Health Care 80% of expenses

 (includes prenatal exams and delivery)

Eye Exams No Coverage

Eye Glasses and Contact Lenses No Coverage

Prescription Drugs 100% for preventive medications specified in the Affordable Care Act

 100% after $15 Co-pay for a 30-day supply of generic drugs

 100% after $75 Co-pay for a 30-day supply of non-generic drugs

Note: a prescription drug is treated as generic if there is no generic therapeutic equivalent.

Annual Out-of-Pocket Maximums $4,000 per individual

II. Life Insurance $5000.00

 Accidental Death and Dismemberment 5000.00

III. Accident and Sickness Disability (weekly benefit)

 (1st day of hospitalization, 1st day of accident,

 8th day sickness to a maximum of 13 weeks) Up To $ 120.00

IV.Family Coverage Allowance: The Fund will reimburse an amount up to $250.00 per

month per eligible employee participant for the purchase of family coverage.

Employees should contact the Trust Fund office for further information.

**Team 3 Final Settlement:**

|  |  |
| --- | --- |
| Negotiation # | Date: 10/02/15 |
| Team Names: Team 3-Management and Team 4-Union |
| FINAL SETTLEMENT  |
|  Item  | Proposal | Cost |
| Wages  | Premium Pay = 1 ½ times base pay on 7th consecutive day of work. 6th day at straight pay.Report-in-Pay = Called in = Minimum of three hours pay at regular rate. Bartenders & Cooks receive 4 hours pay at regular rate. Three hours pay for meetings that are held after two hours from end of shift. Year 1: 2% + base, except tipped employeesYear 2: 2% + base, except tipped employeesYear 3: 2% + base, except tipped employeesTipped employees = minimum wage |  $72,135.40$145,713.50$220,763.16 |
| HealthInsurance  | Health Insurance = $300 Deductible for Single Coverage, $4000 out of pocket maximum. Employees reimbursed up to $250/monthly for family coverage.Year 1: Employer contributes $2.95 per employee per hour.Year 2: Employer contributes $3.10 per employee per hour.Year 3: Employer contributes $3.25 per employee per hour. |  $9,222.41$9,691.34$10,160.28 |
| Retirement  | Year 1: Employer contributes $.35 per employee per hour.Year 2: Employer contributes $.40 per employee per hour.Year 3: Employer contributes $.45 per employee per hour. | $1,094.18$1,250.50$1,406.81 |
| Working Conditions / Sick days and Other Benefits  | Meals = Free of charge, uninterrupted half-hour which is not compensated.Uniforms = Provided by employer, including laundering. Life Insurance/AD&D = $5000Accident Insurance = Up to $120 weekly, 13 week max Sick daysYear 1: 3 DaysYear 2: 4 DaysYear 3: 5 Days |  $57,208.90$77,719.05$98,480.47 |
| VacationsandHolidays  | Six holidays (New Year’s, Memorial, Independence Day, Labor Day, Thanksgiving Day, Christmas Day). Must work the day before and after the holiday to be eligible for holiday pay.Continuous Service Vacation PeriodOne year, but less that two years One weekTwo years, but less than ten years Two weeksTen years, but less than twenty years Three weeksTwenty years, or more Four weeksTipped employees get paid the state minimum wage for vacations.Year 1: Year 2: Year 3:  |  $ 3,854.17$ 8,418.34$13,514.34 |
| Labor Relations - Seniority | Placed on extra list based on seniority level. Work schedule based on seniority. Lay-offs based on seniority. Offering of overtime based on seniority. Promotion/demotions based on seniority.Year 1: Keep the sameYear 2: Keep the sameYear 3: Keep the same |   |
| Other items | Year 1: Keep the sameYear 2: Keep the sameYear 3: Keep the same |   |
|  Items that were not part of the negotiation and, therefore, will not be added to the contract:* Successor clause
* Subcontracting and leasing out existing space
 |
| Negotiation Participants (indicate leaders)

|  |  |
| --- | --- |
| Team 3 | Team 4 |
| Miladys Fernandez (leader) | Ameshia Hardy (leader) |
| Ingrid Gonzalez Mejia | Immacula Carpentier |
| Tilly Owusuwaa | Nicole Wood |
| Zulay Vivo | Marie Frager |
| Jennifer Cain | Anita Pearson |

 |
| Proposed Contract Duration: \_\_3\_\_ years  | ESTIMATED ANNUAL COSTS(add or delete years as needed)Year 1: $143,515.06Year 2: $242,592.73Year 3: $344,325.07TOTAL LIFE OF CONTRACT COST: $ 730,432.86 |

Explanation of the settlement agreement:

The Union Team counter offer was very close to what the Management Team had estimated for their Target (Expected) settlement, except for wages. They were further negotiated and the Union Team accepted the Management Team counter offer.

The 2% wage increase will help salaries to remain comparable and, in some cases, above those of the local market and partially offset the rising cost of living and inflation.

In the case of health benefits, we agreed to contribute a little bit more than the 6.5% increase that is expected to happen in the coming year because our employees’ health is important and we want them to be able to afford medical care.

We agreed that vacations and holidays were going to remain the same, but considered that it was necessary to add sick days, so that employees could stay home when sick, take better care of themselves, and be more productive when they returned to work.