

**COLLECTIVE BARGAINING
AGREEMENT**

BETWEEN

**INTERNATIONAL UNION OF OPERATING
ENGINEERS**



LOCAL 68-68A-68B, AFL-CIO

AND

PM HOTEL GROUP

**Site: d/b/a Hilton Meadowlands Hotel & Conference Center,
East Rutherford, NJ**

APRIL 1, 2016 – MARCH 31, 2019

This AGREEMENT made as of the 1st day of April 2016 between PM HOTEL GROUP d/b/a HILTON MEADOWLANDS HOTEL & CONFERENCE CENTER, located at 2 Meadowlands Plaza, East Rutherford, NJ 07073 (hereinafter referred to as the "Employer"), and the INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 68-68A-68B, affiliated with the AFL-CIO, 11 Fairfield Place, West Caldwell, NJ 07006 (hereinafter referred to as the "Union").

WITNESSETH:

ARTICLE I. RECOGNITION

1. The Employer recognizes the Union as the sole collective bargaining agent for the employees mentioned in Article II of this Agreement, and the Union warrants that it represents the employees.

2. All covered employees, thirty (30) days after employment, or thirty (30) days after the date of this Agreement, or thirty (30) days after the effective date of this Agreement, whichever is latest, shall, as a condition of continued employment, become and remain members in good standing with the Union.

3. The Employer agrees to grant the Union the maximum Union security, relating to Union membership, permissible under applicable law.

4 Any new employee shall be termed a probationary employee and shall not be considered a steady employee, until after ninety (90) days of employment. The Employer shall have the privilege of terminating the employment of a probationary employee for any cause whatsoever, within the probationary period.

5. Whenever additional employees are required, Employer shall notify the Union, and the Union shall assist Employer in obtaining qualified and competent employees, reserving to itself the right of first referral for potential employees, provided, however, nothing herein contained shall preclude Employer from employing workers on the open market. Whenever an employee is hired or rehired, Employer shall within thirty (30) days notify the Union in writing of the name and address of said employee.

ARTICLE II. JURISDICTION

1. Full-time and part-time maintenance department employees, including senior operating engineers, engineers and maintenance mechanics and employees employed by the Employer at its 2 Meadowlands Plaza, East Rutherford, New Jersey facility, but excluding all office clerical employees, professional employees, managerial employees, the chief engineer, the assistant chief engineer, guards and other supervisors as defined in the act, and all other employees.

2. There shall be no stoppage of work as a result of any jurisdictional dispute that may arise and any such stoppage shall be considered a violation of Article IX.

ARTICLE III. SENIORITY

1. Employees employed for more than ninety (90) days within the bargaining shall be considered steady employees, and shall not be discharged, except for just cause.

2. For the purpose of this Agreement, the bargaining unit seniority of any employees shall be limited to layoffs, rehiring, and transfers, and shall be determined by the type and quality of work the respective employee has been doing in the employ of the Employer, and shall mean the length of his continuous service with the Employer in that particular type of work, unless such service shall be broken by one or more of the following events:

(a) voluntary resignation from the Employer;

(b) discharge for just cause;

(c) failure, while laid off, or on leave of absence, to answer a recall to work within five (5) calendar days after notification by the Employer to this last known address. In proper cases, exceptions shall be made. If the disposition of any such case is not satisfactory, the matter may be referred to the grievance procedure. During the period of this layoff, the employee must notify the Employer, by mail, of any change in address;

(d) layoff, except any employee with one (1) or more years of service shall not lose his seniority if he is recalled to work within six (6) months from the date of his layoff. A probationary employee shall not lose his/her seniority, unless the duration of the layoff equals, or exceeds, one (1) payroll week; and

(e) absence from work for three (3) consecutive working days, without personal and direct notice to the Employer; unless there are circumstances beyond the employees control which would justify his failure to communicate directly with the Employer.

3. During the first ninety (90) days of employment of any new employee, or any employee rehired after a break in service of the character described in clauses (a) through (e) of paragraph 3 hereof, he shall be regarded as a probationary employee and subject to be discharged at the exclusive discretion of the Employer.

4. When the Employer shall find it necessary to transfer any employee to a different job temporarily, to substitute for another employee in the same type of duty, such as in the case of relieving another employee for meals, or any emergency, such employee shall not receive extra pay for such duty, and the present rate of pay of the present title of such employee shall not be affected in any way; provided, it is expressly understood and agreed that the Employer shall not take advantage of this by having any employee transferred to a job calling for a superior rate of pay, or for transferring said employee to a superior position for the purpose of breaking the Agreement, as to wages and conditions pertaining to the job to which the transfer is made.

5. The Employer, alone, is to be the sole judge, relative to the layoff of his employees because of a lack of work, decrease in business, or any other such or like reason, or because of operational changes. This right is subject to seniority provisions only where relative skills, qualifications and abilities are equal, as determined by the Employer.

6. While it is the Employer's policy to promote from within wherever possible, in the case of promotions from one job to another within the bargaining unit, job seniority shall be considered but not be controlling. In the event that the then-present skills, qualifications and abilities of the candidates are equal, job seniority shall control. A promotion shall be defined as any change or transfer where an employee has an opportunity for an increase in income and/or an increase in responsibilities for career development.

7. Any employee who is promoted into or transfers into a position within the bargaining unit shall be permitted voluntarily to return to his previous position if the employee is incapable of adequately performing in the new position with no loss of seniority

within thirty (30) calendar days from the commencement of his employment in the new position. If the Employer, within said thirty (30) calendar days, determines that the employee is not satisfactorily performing in the new position, the employee may be returned to his previous position with no loss of seniority.

ARTICLE IV. GRIEVANCE AND ARBITRATION PROCEDURE

1. This Article shall apply to any violation of the provisions of this Agreement, relating to any matter of wages, hours, or working conditions, or any dispute between the parties involving the interpretation or application of the express provisions of this Collective Bargaining Agreement. Both the Employer and the Union may initiate and resort to the use of the established grievance procedure as hereinafter provided. Such grievances may be instituted by either the Employer or the Union through any of the appropriate steps provided for in the grievance procedure preceding arbitration.

2. Grievances must be filed within six (6) calendar days after the facts giving rise to the grievance were discovered or should have been discovered by the employee or the Union or the Employer, except that in a case involving a discharge the time period shall be five (5) working days. The failure to file a grievance within such time shall be deemed to be a waiver of the grievance unless, prior thereto, such time limits are mutually extended by the Employer and the Union.

(a) Only grievances arising out of the same incident, occurrence or event may be submitted to each arbitration hearing unless the parties agree to the contrary.

(b) All claims for back wages shall be limited to the amount of wages the employee would have earned less any unemployment or other wages he or she may have received from any source during the relevant period.

(c) No grievance settlement (or arbitration award under this Article) shall be retroactively effective to a date more than six (6) calendars days before the initial presentation of the grievance.

3. Any matter of dispute which cannot be adjusted between the Employer and the shop steward, including the discharge of employees, shall be referred to the duly authorized representative of the Union for adjustment.

4. If a dispute cannot be adjusted between said Union representative and the Employer, and they are unable to agree upon the solution of the problem, then, and in that event, the dispute shall be referred to arbitration, as hereinafter provided. If the grievance is not submitted to arbitration within ten (10) calendar days of the date of the last grievance response, it is deemed waived. Only the Employer or the Union may refer to a dispute to arbitration.

5. The arbitrator shall be selected pursuant to the procedures of the American Arbitration Association (AAA). The arbitrator so selected shall have no power to add to, subtract from, or otherwise modify or alter, in any way, the express terms of this Agreement. The compensation and other costs for the Arbitrator appointed shall be shared equally by the parties hereto. The decision of the arbitrator shall be final and binding on both parties.

6. In cases related to the discharge of employees, the Employer shall have the right, anything herein to the contrary notwithstanding, to suspend the employee without pay, pending arbitration.

ARTICLE V. HOURLY WAGES

1. The normal workday shall consist of eight and one-half (8½) consecutive hours on each shift, with a half-hour unpaid lunch, as scheduled by the Employer. Nothing herein shall be construed as a guarantee of work per day.

2. The normal workweek shall be forty (40) hours, five (5) days per week, as scheduled by the Employer. Nothing herein shall be construed as a guarantee of work, per week.

3. Effective November 1, 2016 overtime shall be paid after eight (8) hours worked in one day and after work performed in excess of forty (40) hours per week.

4. Overtime shall be offered by seniority and by job classification. Employee currently on shift has the first priority for overtime in case that employee's relief calls out sick. An overtime list must be created among the employees by classification.

5. An employee shall not have his workweek reduced solely for the avoidance of paying overtime; e.g., if an employee would work 16 hours on his 4th day and this amounted to 40 hours for the week, this employee would not be given the 5th day off.

6. In the event only one licensed engineer is on the premises during an eight and one-half (8½) hour shift, that employee at the option of the Employer, shall be paid for eight (8) hours (½ hour overtime) or be scheduled for eight (8) hours.

ARTICLE VI. VACATIONS

1. All regular full-time employees shall receive annual vacation, with pay, as follows:

<u>Length of Service</u>	<u>Vacation Allowance</u>
one (1) year or more	one (1) week
two (2) years or more	two (2) weeks
five (5) years or more	three (3) weeks
ten (10) years or more	four (4) weeks
fifteen (15) years or more	five (5) weeks

2. One (1) week's vacation pay shall be five (5) days' pay (forty (40) hours) at regular straight-time rates. Vacation allowance is determined by the employee's anniversary hire date.

3. The Employer shall determine, in accordance with manpower requirements and the employees' preferences, (a) the vacation dates that are available to individual employees, (b) whether all or part of the employee's vacation shall be taken at one time, (c) how many employees may be on vacation simultaneously and (d) employees may take no more than two (2) vacation weeks consecutively with the Employer's approval (no two Black Seal Engineers may take vacation at the same time). Any employee, with the Employer's approval, may have the option to accept all or part of his or her vacation in cash in lieu of time off with pay.

4. Employees discharged for just cause shall not be entitled to any accrued but unused vacation pay.

5. Effective April 1, 2016, the four (4) week vacation benefit shall be reduced from 12 years to 10 years of service.

ARTICLE VII. HOLIDAY PAY

1. The following days shall be deemed to be holidays:

New Year's Day	Labor Day
Martin Luther King Day	Thanksgiving Day
Memorial Day	Day after Thanksgiving
Presidents' Day	Christmas Day
Fourth of July	

and said holidays shall be considered "paid holidays." The day after Thanksgiving is to be used as a floater. If any of the holidays falls on a Sunday, then the following day, Monday, shall for all purposes, be deemed the holiday. A day shall consist of a twenty-four (24) hour period, commencing at 12:00 midnight, and ending twenty-four (24) hours later.

2. An employee may be required to work on such days, and if they perform such work, they shall be paid for such work at the employee's overtime (time and one-half) rate and shall receive an additional day's pay for the holiday. Employees shall be paid for the above holidays, if not worked, at straight time pay, for eight (8) hours.

3. In order to be eligible for holiday pay, an employee must work the last scheduled workday before the holiday and the first scheduled workday after the holiday and complete the probationary period.

4. Employees shall be entitled to three (3) personal days and seven (7) sick days per year. Sick time may also be used for personal reasons unrelated to illness. The Employer shall buy back from each employee any unused sick time at 100% of the total dollar value in the year in which it is accrued. Employee must request by November 30, to be paid before the end of the year.

5. Specify sick time and vacation on paycheck.

ARTICLE VIII. VISITATION

1. Authorized representatives of the Union shall have admission to the establishment of the Employer, but such representatives shall make arrangements, first, with the management as to the time of making such visits. There shall be no interference with or interruption of the Employer's operations during such visits.

ARTICLE IX. MUTUAL OBLIGATIONS

1. Both the Union and the Employer recognize the service nature of the Employer's business and the duty of the Employer to render continuous and hospitable service to the public; therefore, the Union agrees that it shall not call, engage in, participate in, or sanction any strike, sympathy strike, stoppage of work, picketing of the premises, sit-down, slow-down, sit-in, boycott, or other interruption with the normal operations of the Employer, nor shall it interfere with any guest or tenant occupying a room or space, or who sells or exhibits non-Union merchandise. Any employee who violates this provision may summarily discharged. The Employer agrees that it shall not lock-out its employees, nor any part of its employees.

2. This Agreement shall be made subject to all City, County, state and/or federal statutes, ordinances, rules and regulations, and any department or authority applicable thereto, presently in force, or which may be enacted, and shall be subject to any final decision imposed by any court on either party, which shall conflict with the Agreement or the terms and conditions of the Agreement. In such event, this Agreement shall be modified so that the same shall comply with such legislation, rule, regulation, and/or decision.

ARTICLE X. MANAGEMENT RIGHTS

1. The parties hereto agree that the Employer retains and reserves all the rights, powers, discretion, authority and prerogatives of management except as may be expressly limited by this Agreement. These rights and prerogatives shall include, but are not limited to, the exclusive right to determine the qualifications of employees, hire, layoff, promote, demote, assign duties to, transfer, discharge or discipline employees for cause; to determine methods, materials and processes to be employed; to abolish, restructure or transfer all or part of its operations; to determine production schedules; to close all or part of its operations, temporarily or permanently; to discontinue or automate processes or operations; to subcontract the work being performed by its employees; to introduce new or improved methods, equipment or facilities; to implement, change, modify or abolish incentive and/or productivity programs; to give bonuses and/or merit increases; to promote and maintain

efficiency in its operations; to manage its business and direct its affairs and working forces; and to carry out the ordinary and customary functions of management.

2. The Employer shall have the right to require physical examinations of its employees, at any time, provided that the Employer shall pay the cost of such examinations. The employee agrees to release the results of any such physical examination to the Employer. Failure to submit to such examination and/or release such results shall be grounds for immediate termination.

3. The Employer shall also have the right to require drug and/or alcohol testing in accordance with Hotel policy. "Reasonable suspicion" shall include, but not be limited to, the employee's involvement in any accident.

4. The failure of the Employer to require strict performance of any of its rights under, or of any of the terms or conditions contained in, this Agreement shall not be deemed a waiver, modification or abandonment of its rights to insist upon a strict performance of all the terms and conditions of this Agreement thereafter.

5. The Employer shall have the right to promulgate, revise and change employee manuals and working rules provided they are not inconsistent with the express provisions of this Agreement. Any such manuals shall be distributed to all bargaining unit employees. Any such working rules shall be conspicuously posted at the Employer's premises.

ARTICLE XI. CHECKOFF

1. The Employer agrees that it will, during the second week of each month, deduct from each employee's wages, the amount of dues and initiation fees payable by such employee to the Union and remit the total of such sums deducted to the offices of the Union, as and for the payment of dues and initiation fees of employees covered by this Agreement. The Union will deliver an appropriate assignment or authorization, in writing, signed by each employee, for the purpose of making the foregoing deduction, which authorization shall be irrevocable for successive periods of one (1) year, or for the period of each successive agreement between the Employer and the Union, whichever shall be shorter, unless written notice is given by the employee to the Employer and the Union not more than twenty (20) days, and not less than ten (10) days prior to the expiration of each annual period or of each

applicable Collective Bargaining Agreement between the Employer and the Union, whichever occurs sooner. The Union agrees that it will indemnify and hold the Employer harmless against any damages or expenses incurred by reason of any action under this Section.

2. The Employer will remit to the Union all deducted dues monies no later than the 15th of the month following the month for which dues were deducted. If dues remittances have not been received by the Union in full within 30 days from the 15th of the month following the month for which the dues were deducted, the Union may bypass the grievance procedure and file directly for arbitration. Notwithstanding anything in this Agreement to the contrary, if the Arbitrator finds that the Employer was delinquent in transmitting deducted dues payments to the Union, the Arbitrator shall award interest, 20% of the delinquent amount to the Award as liquidated damages, and shall hold the Employer liable for the full cost of the Arbitration, including the Union's attorney fees.

ARTICLE XII. HEALTH AND WELFARE

Effective November 01, 2016, the Employer agrees to pay 50% of the cost of the employee's on medical only.

ARTICLE XIII. PENSION, ANNUITY AND EDUCATION

Pension Fund: Effective April 01, 2016 the Employer shall contribute to the Local 68 Engineers' Union Pension Fund the sum of one dollar and eighty cents (\$1.80) per hour, per employee, effective April 01, 2017 the Employer shall contribute to the Local 68 Engineers' Union Pension Fund the sum of one dollar and ninety cents (\$1.90) per hour, per employee and effective April 01, 2018 the Employer shall contribute to the Local 68 Engineers' Union Pension Fund the sum of two dollars (\$2.00) per hour, per employee. The Employer contributions under this paragraph are not to exceed a maximum of eight (8) hours per day or forty (40) hours per week. Contributions shall be made for paid holiday and vacation hours.

Annuity Fund: Effective April 01, 2016 the Employer shall contribute to the Local 68 Engineers' Union Annuity Fund, the sum of two dollars and thirty cents (\$2.30) per hour, per employee, not to exceed a maximum of eight (8) hours per day or forty (40) hours per week. Effective April 01, 2017 the Employer shall contribute to the Local 68 Engineers' Union Annuity Fund the sum of two dollars and forty-five cents (\$2.45) per hour, per employee, not to exceed a maximum of eight (8) hours per day or forty (40) hours per week. Effective April 01, 2018 the Employer shall contribute to the Local 68 Engineers' Union Annuity Fund the sum of two dollars and sixty cents (\$2.60) per hour, per employee, not to exceed a maximum of eight (8) hours per day or forty (40) hours per week. Effective September 01, 2000, all employees shall defer thirty cents (\$0.30) per hour from their wages to the Annuity Fund.

The Employer will forward contributions to the Funds Office by the 15th of the month following the month for which the contributions are owed. If payments have not been received in full by the Funds Office within 30 days from the 15th of the month following the month for which contributions are owed, the Union may bypass the grievance procedure and file directly for arbitration. Notwithstanding anything in this Agreement to the contrary, if the Arbitrator finds that the Employer was delinquent in making benefit contributions, the Arbitrator shall award interest, 20% of the delinquent amount to the Award as liquidated damages, and shall hold the Employer liable for the full cost of the Arbitration, including the Union's attorney fees.

Education Fund: Effective April 01, 2018, the Employer shall contribute to the Local 68 Engineers' Union Education Fund the sum of fifteen cents (\$0.10) per hour, per employer, or four dollars (\$4.00) per week, not to exceed a maximum of eight (8) hours per day, or forty (40) hours per week.

ARTICLE XIV. SCOPE OF AGREEMENT

This Agreement shall constitute the entire agreement between the parties and may only be modified by written amendment, executed by duly authorized representatives of the Employer and the Union

ARTICLE XV. MINIMUM WAGES

The following minimum wage rates shall apply to all employees:

	<u>4/01/16</u>	<u>4/01/17</u>	<u>4/01/18</u>
Engineer (with license (Black Seal or better)	\$26.94	\$28.28	\$29.70
Maintenance Mechanic	\$17.66	\$18.54	\$19.47

Licensed engineers shall be certified by the State of New Jersey and approved by the Chief Engineer and the Director of Human Resources prior to transfer. The Employer in its sole discretion shall determine the number of employees it shall place in any classification.

For maintenance mechanics, the Employer may pay a training wage of 80% of scale during an employee's first 90 days of employment and 90% of scale during an Employee's second 90 days of employment.

ARTICLE XVI. SHIFT DIFFERENTIAL

Effective April 1, 2016, employees who regularly work the overnight shift shall receive a premium of one dollar (\$1.00) per hour over their regular rate.

ARTICLE XVII. CALL-IN-PAY

Effective April 1, 2016, when called in for mandatory meetings, each employee will be paid a minimum of four (4) hours.

ARTICLE XVIII. SHOE AND TOOL ALLOWANCES AND LICENSE RENEWAL

Effective April 1, 2016, the Employer will provide a \$150.00 work shoe allowance for company approved work shoes per employee each year of this Agreement. Proof of purchase is required for reimbursement.

Effective April 1, 2016, the employees will submit a list of tools to be purchased by the Employer as property of the Employer. The total will be \$600.00 for each year of this Agreement.

Effective April 1, 2016., the Employer shall provide three (3) sets of uniforms per calendar year and one (1) coat per year.

Effective April 1, 2016, employees in possession of a New Jersey boiler operator licenses shall be reimbursed for the cost of renewing said licenses.

ARTICLE XIX. JOB SECURITY

Subcontracting: Under the Contract, the hotel is prohibited from subcontracting work beyond that which is already subcontracted so long as no employee in the affected classification is on lay off, reduced work week, or otherwise adversely affected, and provided further, it does not cause an erosion of the bargaining unit. This means under no circumstances can your job be subcontracted.

ARTICLE XX. SEVERANCE PAY

In the event of a permanent layoff or closing, an employee shall receive one (1) month's pay for every year employed at the hotel.

ARTICLE XXI. BEREAVEMENT

Employees shall receive five (5) paid days off per year in the event of the death of family members which consist of parents, grandparents, children, stepchildren, grandchildren, sister, brother, mother-in-law, father-in-law and brother-in-law.

ARTICLE XXII. SAFETY AND SAFETY EQUIPMENT

No employee shall be required to work in any part of the hotel that is unsafe or contains conditions detrimental to health. No employee shall be obligated to work in unattended area or in such isolated areas as to jeopardize their safety. No employee shall be

required to enter or remain in any area where materials and/or conditions are hazardous to his health. Employer shall provide goggles, masks and back support belts.

ARTICLE XXIII, DURATION

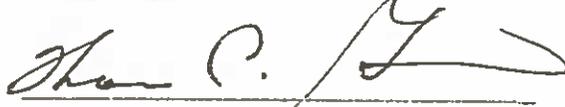
This Agreement shall become effective as of April 1, 2016, and shall continue in effect for three (3) years until March 31, 2019.

IN WITNESS WHEREOF, this Agreement has been signed by the duly authorized representative of the parties, as of the day and year first above written.

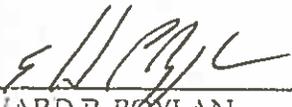
PM HOTEL GROUP

JOSEPH BOJANOWSKI
President

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 68-68A-68B, AFL-CIO



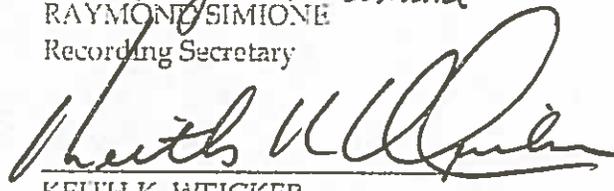
THOMAS P. GIBLIN
Business Manager



EDWARD P. BOYLAN
President



RAYMOND SIMIONE
Recording Secretary



KEITH K. WEICKER
Business Representative