
CITY OF MINNEAPOLIS

and

**MINNEAPOLIS BUILDING AND
CONSTRUCTION TRADES COUNCIL,
AFL-CIO, TRADES INSPECTORS UNIT**

**MEMORANDUM OF UNDERSTANDING
Employer Contribution to Twin City Pipe Trades Pension Trust**

WHEREAS, the City of Minneapolis (the "*Employer*") and the Minneapolis Building and Construction Trades Council, AFL-CIO (the "*union*") are *Parties* to a collective bargaining agreement (the "*Agreement*") which took effect on January 1, 2007, and which remains in effect through December 31, 2007; and

WHEREAS, Minnesota Statutes Section 356.24, Subdivision 1(9), expressly authorizes the Employer to contribute public funds to certain national and local pension funds maintained by plumbers and pipe fitters as a supplemental pension to the coverage received by the Public Employees Retirement Association ("PERA") as long as its employees are covered by a collective bargaining agreement providing for such coverage and the Employer's contribution does not exceed \$5,000 per employee per year; and

WHEREAS, employees in the classification's of Inspector/Plumbing, Inspector/Heating & Refrigeration, Inspector/Gas Heating, Lead Inspector/Heating & Refrigeration, Lead Inspector/Plumbing and Residential Combination Inspectors are eligible to participate as members of the Twin City Pipe Trades Pension Trust, the local Plumbers and Pipe Fitters local pension fund, and wish to amend their collective bargaining agreement with Employer to authorize such coverage; and,

WHEREAS, the parties agree to abide by the terms and conditions of the Restated Pension Plan of the Twin City Pipe Trades Pension Trust, Restated Effective May 1, 2001, and,

WHEREAS, the employees in the aforementioned classification's which the Union represents wish to voluntarily reduce their wages and salary to the extent it funds a supplemental pension contribution to the Twin City Pipe Trades Pension Trust.

THEREFORE, the Parties agree to amend the Agreement as follows:

1. Commencing the first pay period after the execution of this **MEMORANDUM OF UNDERSTANDING** and monthly thereafter, the Employer shall, for each journeyman employee in the specific classification's of Inspector/Plumbing, Inspector/Heating & Refrigeration, Inspector/Gas Heating, Lead Inspector/Heating & Refrigeration, Lead Inspector/Plumbing and Residential Combination Inspectors who are members of Plumbers Local #15 or Pipefitters Local #539 contribute as a supplemental pension contribution to the Twin City Pipe Trades Pension Trust \$2.33 for each straight time hour paid to a maximum of 2080 hours per year. These contributions shall otherwise be made by the Employer consistent with the terms and conditions of the Restated Pension Plan of the Twin City

Pipe Trades Pension Trust. The parties specifically agree that no additional employees, other than those employees in the specific classification's of Inspector/Plumbing, Inspector/Heating & Refrigeration, Inspector/Gas Heating, Lead Inspector/Heating & Refrigeration, Lead Inspector/Plumbing and Residential Combination Inspector are eligible pursuant to this **MEMORANDUM OF UNDERSTANDING** to contribute as a supplemental pension contribution to the Twin City Pipe Trades Pension Trust.

2.a. The Union, as the Employees' representative, voluntarily agrees that the amount otherwise payable in salary or wages under the Agreement be reduced by the amount of the supplemental pension contribution referenced in Paragraph 1. In this regard, effective April 3, 2004, Appendix "A" of the Agreement is amended as follows:

OTC	CODE	CLASSIFICATION	1st Step	2nd Step	3rd Step	4th Step	5th Step	6th Step	7th Step	8th Step
3	05610C	Inspector, Plumbing	\$24.853	\$25.112	\$25.360	\$25.579	\$25.764	\$26.687	\$27.558	\$29.309
3	06000C	Lead Inspector, Plumbing	\$26.480	\$26.791	\$27.050	\$27.371	\$27.640	\$28.397	\$29.050	\$30.889

2.b. The Union, as the Employees' representative, voluntarily agrees that the amount otherwise payable in salary or wages under the Agreement be reduced by the amount of the supplemental pension contribution referenced in Paragraph 1. In this regard, effective April 17, 2004, Appendix "A" of the Agreement is amended as follows:

OTC	CODE	CLASSIFICATION	1st Step	2nd Step	3rd Step	4th Step	5th Step	6th Step	7th Step	8th Step
3	05560C	Inspector, Htg/Refrigeration	\$24.853	\$25.112	\$25.360	\$25.579	\$25.764	\$26.687	\$27.558	\$29.309
3	05540C	Inspector, Gas Heating	\$24.853	\$25.112	\$25.360	\$25.579	\$25.764	\$26.687	\$27.558	\$29.309
3	05990C	Lead Insptr, Htg/Refrigeration	\$26.480	\$26.791	\$27.050	\$27.371	\$27.640	\$28.397	\$29.050	\$30.889

2.c. The Union, as the Employees' representative, voluntarily agrees that the amount otherwise payable in salary or wages under the Agreement be reduced by the amount of the supplemental pension contribution referenced in Paragraph 1. In this regard, effective June 1, 2004, Appendix "A" of the Agreement is amended as follows:

OTC	CODE	CLASSIFICATION	1st Step	2nd Step	3rd Step	4th Step	5th Step	6th Step	7th Step	8th Step
3	08872C	Residential Combination Insptr	\$25.669	\$25.935	\$26.191	\$26.416	\$26.608	\$27.558	\$28.455	\$30.258

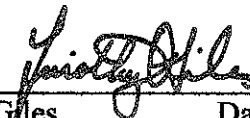
3. The Union agrees to indemnify, defend and hold the Employer, its officers, agents and employees harmless against any and all claims, suits, orders or judgments brought or issued against the Employer, its officers, agents and employees as a result of any action taken or not taken in reliance on the specific provision of this Memorandum of Understanding. This hold harmless clause does not hold the Employer harmless for failing to electronically transfer the agreed upon contributions.

4. The Parties intend that the contributions authorized in Paragraph 1 represent a voluntary contribution by employees to a supplemental pension plan to the extent authorized and allowed by applicable federal and state law. The contribution in Paragraph 1 shall be restored to salary or wages for purposes of determining vacation, sick leave, severance, and other benefits under the Agreement, as well as restored to salary for purposes of determining retirement benefits. For purposes of determining future

wages, the Employer shall first restore the amount of the wage reduction in Paragraph 1, then apply the applicable wage multiplier, and then reduce the revised wage.

NOW, THEREFORE, the Parties have caused this Memorandum of Understanding to be executed by their duly authorized representatives whose signatures appear below:

CITY OF MINNEAPOLIS

 8-15-07

Timothy O. Giles Date
Director, Employee Services *ADJ*

**MINNEAPOLIS BUILDING AND
CONSTRUCTION TRADES
COUNCIL, AFL-CIO**

 8/13/07

David Ybarra Date
Business Manager
Minneapolis Building Trades

Bob  8-13-07

Tom Hansen Date
Business Manager
Plumbers Local #15

 8/13/07

Mike Johnson *Russ Scherber* Date
Business Manager
Pipefitter Local #539