

SOUTHWEST AREA BUILDERS AGREEMENT
May 9, 2016 – April 30, 2019

THIS AGREEMENT, by and between, or on behalf of the parties and in the capacities and status designated in Article 2, hereof, establishes rates of pay, wages, hours of employment, fringe benefits, and vacations, where applicable, and other terms and provisions concerning employment relations and collective bargaining relations and collective bargaining between or involving such parties on construction work in the State of Minnesota as designated in Schedule 10. Throughout this Agreement, wherever the masculine gender appears, the feminine form applies equally and may be substituted therefore.

NOW, THEREFORE, for such purposes, it is agreed as follows:

ARTICLE 1
Considerations for Agreement

The considerations for this Agreement are the mutual promises of the parties and their mutual purposes to establish, maintain and promote sound and harmonious labor relations.

It is desirable to maintain the cooperative relationships existing during past years between the Employers and the Employees represented by the Union.

ARTICLE 2
Designation of Parties

A. The companies' signatory to this Agreement, hereinafter called Employers or Contractors, are party to this Agreement and agree to be bound to the terms of this Agreement. They are parties hereto as principals, but their status is several and not joint.

B. The labor organization on their own behalf and on behalf of the Employees whom they represent and on whose behalf they are recognized or to be recognized, hereinafter called Union, are parties hereto. The status of said Union is dual, in that they are parties hereto as principals and also as agents for the Employees whom they represent and on whose behalf they are recognized or to be recognized as hereinafter provided. The status of the Union is several and not joint, as related to other craft unions.

ARTICLE 3
Union Recognition

The Employer hereby recognizes the Union as the exclusive collective bargaining representative of the Employees in the craft signatory to this Agreement, in respect to rates of pay, wages, hours of employment, fringe benefits, vacations, where applicable, and other conditions of employment. The Union is hereby recognized hereunder by the Employer as the sole and exclusive bargaining representative of the Employees represented by them. The Union represents that they are qualified for such recognition.

ARTICLE 4
Union Security

A. The Union recognized under Article 3 of this Agreement shall be entitled to union security to the extent that each Employee in the collective bargaining unit represented by such Union shall, on the eighth (8th) working day following the beginning of employment in such collective bargaining unit by such Employer under the coverage of this Agreement or the effective date of this Agreement, whichever is later, be required to become and remain a member in good standing for such Union as a condition of employment.

B. The Employer will be required to dismiss Employees who refuse to comply with this Union Shop provision after personal notification by a bona fide representative of the Union to a responsible representative of the Employer on the job. The Union shall be entitled to approach individual Employees for organizational purposes as provided by law.

ARTICLE 5
Hiring Employees

There shall be no discrimination or harassment against any Employee because of affiliation or non-affiliation with the Union, race, color, age, sex, disability, creed, political or religious beliefs.

Nothing in this Agreement shall be deemed to constitute a hiring hall or to require the Employers to call only the Union for Employees, or to hire only Employees referred by the Union.

When called and the Union fails to provide qualified workers within twenty-four (24) hours, the Employer shall be free to employ anyone to perform the work at the appropriate scale as contained herein.

The Employer shall inform Employees that the Employer is a Union Contractor and as such, Employees on or before the eighth (8th) day of employment must become and remain members in good standing as a condition of employment.

On May 1, 1995, the Construction Craft Laborer Apprenticeship Program was established. The Apprenticeship Committee is made up of an equal number of Employer Trustees and Union Trustees. The parties incorporate by reference the terms and conditions of the Minnesota Laborers' Apprenticeship Program. Copies of the Apprenticeship Standards are available upon request.

A. Journey Laborers and Enrolled Apprentices. The Employers agree to give the Union the first opportunity when hiring Journey Laborers and Enrolled Apprentices. First opportunity shall be defined to mean that the Employer shall call the Union for not less than the first 50% of their Journey Laborers and Enrolled Apprentices.

B. Apprentice Candidates. An Employer seeking to hire an Apprentice Candidate shall first contact the Union Local with geographical jurisdiction. The Local shall refer to the Employer an Enrolled Apprentice from the Local's out-of-work list. If an Apprentice is not available from the Local Union, then the Employer may directly engage an Apprentice Candidate and then refer that individual to the Apprenticeship Program as a sponsor. The individual must be enrolled with the Apprenticeship Program as an Apprentice within eight (8) business days of employment.

In situations where the Contractor determines as a means to advance business relationships or in other extenuating circumstances, the Contractor may directly hire an Apprentice Candidate, enrolled Apprentice, or Journey Laborer after notifying a Local Union Representative.

If an Apprentice Candidate is not registered as an Apprentice at the Apprenticeship office within eight (8) business days of employment, the worker shall be deemed a Journey Laborer for wage and benefit purposes. Failure to register may result in action pursuant to Article 10.

ARTICLE 6 **Insurance and Taxes**

A. The Employer agrees to carry any and all insurance and pay all taxes as required by applicable State and Federal law.

B. The Employer further agrees to pay the State Workers' Compensation Insurance and into the State Unemployment Compensation Fund such amounts as are due from and after the date Employees from this Union are employed on the job.

C. The parties hereby agree that the Employers, who are parties to this Agreement may, at their option, participate in the Union Construction Workers Compensation Program, a collectively bargained workers compensation program, which will enable the Employers to provide workers compensation benefits to eligible Employees under this Collective Bargaining Agreement. The Rules and Regulations of the Program will apply to participation.

D. The Union and contractors agree to work jointly to file prevailing wage registration forms on a timely basis with the Minnesota Department of Labor.

ARTICLE 7 **Conflicting Agreements**

The Employer agrees not to enter into any Labor Agreements covering construction jobs, exclusive of maintenance and repair shops, with their Employees on whose behalf the Union has been granted recognition hereunder individually or collectively which in any way conflicts with the terms and provisions of this Agreement.

ARTICLE 8 **Violations of Agreement**

- A. In the event the Employer deliberately violates the provisions of this Agreement relating to wages, hours of work, or overtime differentials, any back pay owed to the Employee because of such violation shall be paid by the Employer at the rate of two (2) times the standard straight time and overtime rate. The vacation benefit, as a taxable wage, shall be included in any such backpay calculations.
- B. Reasonable evidence of clerical error or honest mistake in interpretation of this Agreement shall exempt the Employer from the double penalty provisions, in such a case the Employer shall be required to pay only the actual amount of back pay involved, at the standard straight time and/or overtime rate.
- C. When there is evidence of collusion between the Employer and Employee to violate the Agreement, any back pay collected shall be made payable to the Employee, and shall be deposited with the Union, if the Arbitrator so orders.

ARTICLE 9 **Discharge**

The Employer may discharge any Employee whose work or behavior is unsatisfactory or who fails to observe the safety precautions or other reasonable rules and regulations prescribed by the Employer or any governmental agency. No Employee shall be discharged for refusing to work under unsafe conditions.

ARTICLE 10 **Settlement of Disputes**

A. Any controversy over the interpretation of, or adherence to the terms of this Agreement shall first be attempted to be resolved between the Union and the Employer. Any controversy or grievance shall be deemed to be waived unless submitted in writing within ten (10) working days after the first occurrence of the event or knowledge of the condition giving rise to the grievance.

B. Disputes Board. If a satisfactory settlement cannot be reached between the Union and the Employer within five (5) working days of the written submission of the grievance the matter may be brought to the Labor-Management Basic Trades Disputes Board (hereinafter "Disputes Board"), if both parties agree in writing. In such case, the grieving party shall submit a written statement of the claim and facts of the matter to other parties including the Employer and the Union. (The rules of the Disputes Board shall be those already adopted by the Joint Committee.)

Both parties must sign an Agreement to bring a matter before the Disputes Board. Both parties must sign a document binding them to Board decision. If either party does not attend the meeting after signing above and being notified of the meeting date and time, a decision will be rendered though they are not present.

Decisions of the Disputes Board will be drafted at the conclusion of the meeting, signed by members of the Board, and distributed to both parties at that time.

The Disputes Board is made up of equal numbers of Employer and Labor representatives, who will meet regularly to settle any disputes (other than jurisdictional disputes), to avoid work stoppages, or other problems affecting productivity. This Board shall have no power to add to, delete, or modify, any of the terms or provisions of this Agreement. All decisions of the Disputes Board shall be final and binding on the parties.

If either party, after signing above documents, refuses to abide by the decision of the Disputes Board, economic action may be taken by the other party.

C. Arbitration. Should the Disputes Board, as established, be unable to reach a decision on the matter before it, or because of a deadlock (lack of majority) or if either party refuses to use the Disputes Board, then the matter may be referred to Arbitration within ten (10) working days after the dispute is referred to arbitration, the parties shall ask the Federal Mediation and Conciliation Service for a list of five (5) Arbitrators from which the aggrieved party shall first strike one (1) name and the other party shall then strike one (1) name, and the parties will alternately strike names until there is one (1) name left. The final name shall be selected as the Arbitrator. The Arbitrator thus selected shall set the time and place for hearings, which shall begin no later than ten (10) working days after his or her selection, with the final decision to be handed down in not more than ten (10) working days after the last hearing is held. The time may be extended by mutual agreement between the parties.

The decision of the Arbitrator shall be final and binding on the parties to this Agreement who are the parties to the dispute; provided, however, that the Arbitrator shall have no power to add to, delete, or modify any provisions of this Agreement.

The Employer and the Union will share equally all fees and expenses of the Arbitrator. All work and other conditions prevailing immediately prior to the raising of the question to be decided under this Article shall remain unchanged until final decision has been issued.

ARTICLE 11 **Management**

Management reserves the right to manage its jobs to the best interest of Management; the right to retain or dispense with Employees; to reduce or increase the number of Employees needed on each project, crew, activity or piece of equipment. Under no condition will Union Representatives make demands for more Employees in a crew on specific projects, insofar as it does not conflict with this Agreement.

ARTICLE 12 **Safety**

A. Accident and injury free operations shall be the goal of the Employer and Employees. To this end the Employer and Employee will, to the best of their ability abide by and live up to the requirements of the several State and Federal Construction Safety Codes and Regulations.

B. To this end the Employer shall from time to time issue rules or notices to his Employees regarding on the job safety requirements. Any Employee violating such rules or notices shall be subject to disciplinary action. No Employee may be discharged for refusing to work under unsafe conditions.

C. Such safety equipment as required by governmental regulation shall be provided without cost to the Employee. At the Employer's option, the Employees may be required to sign for safety equipment and shall be obligated to return same upon discharge, layoff, quit or other termination in comparable condition as when issued, providing reasonable wear and tear. The Employer shall have the right to withhold the cost of such safety equipment if not returned.

D. Employers may require drug and alcohol testing of Employees and applicants for employment including random testing if the Employer has adopted a written drug and alcohol testing policy complying with the provision of the LUC program and applicable statutes.

ARTICLE 13 **Pickets, Banners and Strikes**

The Employer shall not require an Employee to go through a primary picket line or banner to work. It shall not be a violation of this Agreement and it shall not be cause for discharge or disciplinary action in the event an Employee decides not to cross a primary picket line or banner. This clause shall not apply to secondary picket lines or banners and it shall not apply to jurisdictional picket lines, banners, or watchmen employed by the Contractor.

ARTICLE 14 **Strikes, Lockouts, Work Interference**

A. The Union and the Employer agree that there shall be no strikes, lockout, work-stoppages, slow-down, sit-down, stay-in, or other concerted interference with the Employer's business or affairs by the Union and/or the members thereof, and there shall be no lockout during the existence of this Agreement without first giving the Employer forty-eight (48) hours written notice and sending the dispute through procedures established in Article 10.

B. Spread-work tactics, slow-down, stand-by crews, forcing of overtime has been and is condemned by both parties, and Employees engaging in same shall be liable for disciplinary action.

ARTICLE 15 Subcontractors

The parties agree to not subcontract any work that the Contractor normally performs in order to avoid the terms and conditions of this Agreement. They also agree that it is mutually desirable to have work performed by subcontractors working for the Contractor who is a party to the Agreement, subject to the terms of this Agreement, and the Contractor will, in letting subcontracts, endeavor to obtain this objective.

ARTICLE 16 Union Representatives

A. Only authorized Union Representatives shall have the right to confer with Employees on the job. Each and every Union Representative shall first contact the job superintendent or foreman, or whoever is in charge of the project, before conferring with any Employee. At no time shall such Union Representative hinder or interfere with the progress of the work.

B. It shall be the obligation of the Union Representative to adhere to all pertinent safety rules of the particular job while on the Employer's premises.

ARTICLE 17 Rotation of Employees

The Union may not require rotation of Employees during the life of this Agreement, other than Apprentices shifted for purposes of training.

ARTICLE 18 Payroll Records

In case of a dispute arising over hours, wages and fringes, the Union shall have the right to examine the payroll records of the individual Employees covered by this Agreement upon which there is a dispute. Prior to the actual examination, a written request shall be submitted to the Employer involved.

ARTICLE 19 Payday and Wage Payment

A. All regular, full-time Employees covered by this Agreement shall be paid in full each week. Not more than seven (7) days shall be held back, including payday.

B. Wages shall be paid at or before the end of the shift of the designated payday. Failure on the part of the Employer to comply with this provision shall entitle the Employee to an extra four (4) hours pay.

C. When an Employee is laid off, or discharged he shall receive all money due him in negotiable check within twenty-four (24) hours. If the Employee does not appear to collect his check the Employer will immediately mail his check to the Employee's last known address. This provision is intended to conform with Minnesota Statute §181.13.

D. An Employee who quits will be paid any wages due him at the next regular payday.

E. The Employer agrees to provide the following information on Employee's check stub: hours, date, regular pay, overtime pay, gross pay, deductions, net pay.

ARTICLE 20 **Fringe Benefits**

The Employer agrees to contribute every month, not later than the 15th day of the following month, hereinafter called the "due date," such sums for Pension, Health and Welfare, Vacation, Training/Apprenticeship and LECET as is designated in the wage schedule of this Agreement for each hour worked by all Employees covered by this Agreement. The fringe benefit funds shall be known separately as the Minnesota Laborers Pension Fund, the Minnesota Laborers Health and Welfare Fund, the Minnesota Laborers Vacation Fund, the Construction Laborers Education, Training and Apprenticeship Fund of Minnesota and North Dakota and the Minnesota Laborers-Employers Cooperation and Education Trust (LECET) Fund and collectively as the Minnesota Laborers Fringe Benefits Funds ("Fund(s)"), under separate Trust Agreements, copies of which are available upon request from the Fund Administrator, and to which the Employer is automatically bound. The Trustees shall equally represent the Union and the Employer.

1. The fringe benefit contributions are to be paid on one check and submitted to the agent of the Funds as designated by the Trustees.

2. (a) The Employer is required to accurately report all hours worked by each Employee covered by this Agreement on a report form provided by the Fund Administrator.

(b) All fringe benefit contributions are paid on an hourly basis on all hours worked. This includes straight time, one and one-half time and double time. The Vacation contribution is taxable and is paid for work performed at one and one-half and double time (see Schedule 10). The Pension, Health and Welfare, Training and LECET contributions are not pyramided, but shall be paid for all hours worked. Example: If hourly wage is \$3.00 plus \$.10 for Pension, Health and Welfare, Training and LECET plus \$.02 Vacation; time and one-half overtime wage rate is \$4.50 plus \$.10 for Pension, Health and Welfare, Training and LECET plus \$.03 Vacation; double time overtime wage rate is \$6.00 plus \$.10 for Pension, Health and Welfare, Training and LECET plus \$.04 Vacation.

3. (a) In the event that a National Health Insurance Program is enacted, the Employer contribution to the current Health and Welfare Plan, as described in Schedule 10, shall be applied to any cost incurred by the Employer and/or the Employees covered hereunder in connection with such National Health Plan.

(b) If the current Employer contribution is in excess of the cost of such National Health Plan, then at the discretion of the Employees covered hereunder, the difference shall become a contribution to either a supplemental health and welfare insurance plan and/or one of the existing Pension Plans.

4. There shall be no requirement that Employees sent to work outside the scope of this Agreement be paid fringes, nor shall the Employer be required to duplicate fringe contributions. The Employer shall maintain adequate records from which the Funds may determine whether Employees worked outside the scope of the Agreement.

5. (a) An Employer shall be considered "delinquent" for a particular work month if its required report and payment for that month are not postmarked on or before the 15th day of the following month (the "due date"), irrespective of whether such delinquency is willful or otherwise.

(b) If an Employer becomes delinquent for a particular work month (as provided in (a) above), the Employer shall also pay, as liquidated damages and not as a penalty, an amount equal to 10% of the payment otherwise due for such work month, it being understood and acknowledged by the parties that actual damages are extremely difficult or impossible to ascertain and that the amount so fixed as liquidated damages is reasonable.

(c) An Employer is also required to pay interest on all delinquent fringe benefit contributions at the rate prescribed by the Trustees in the Trust Agreements as may be amended from time to time.

(d) If an Employer becomes delinquent for a particular work month (as provided in (a) above), as to any or all of the Trust Funds, or should the Trust Funds reasonably deem itself insecure in the payment or collection of fringe benefit

payments by reason of the Employer's past delinquencies, insolvency, insufficient capitalization, and/or lack of assets subject to attachment within the State in which work is performed, then the Fund Administrator, upon submission of an affidavit of the Fund Administrator to Employer attesting to same, shall have the right to compel the Employer to post a cash or fringe benefits surety bond (in a form acceptable to the Fund Administrator) in the face amount of the greater of \$20,000 or 125% of the total fringe benefit payments reasonably estimated to come due within the six (6) months following the date of Fund Administrator's affidavit. This bond may be required whether or not a delinquency exists at the time and may be required in addition to a bond posted for a prior delinquency.

The Union shall refuse to supply workers and shall prohibit Employees covered by this Agreement from working for any such delinquent Employer who fails or refuses to provide or maintain such a bond required under this Article.

(e) Illustration of clauses (a), (b), (c), and (d): If an Employer's report and payment for fringe benefit contributions for the January work month have not been postmarked before February 16, such Employer becomes delinquent at that point and must pay the full amount due, plus 10% of the delinquent amount, plus interest. If the report and the full payment for January (including the 10% liquidated damages amount and interest) are not postmarked before March 16, the Fund Administrator may submit an affidavit to the Employer and the Employer must then post a bond in the amount of \$20,000 or 125% of the estimated amount whichever is greater, in addition to reporting and paying the full amount due.

(f) The delinquent Employer shall also be required to pay all costs of collection actually incurred by the Trust Funds, including all attorney fees, service fees, filing fees, court reporter fees, and all other fees, costs and disbursements incurred by or on behalf of the Trust Funds in collecting the amount due. Trustees at their discretion may reimburse (from the Fund) the Unions for picketing and bannerizing expense actually incurred by the Union in collecting amounts due the Trust Funds, which expenses shall be deemed to be costs of collection incurred on behalf of the Trust Funds.

(g) Each Employer who is required to make payments to the Trust Funds shall promptly furnish to the Trustees, or the Unions, or their authorized agents, on demand, a complete set of all relevant employment and payroll records, including but not limited to federal forms W2 and W3, federal quarterly 941 forms, federal forms 1099 and 1096, Minnesota Unemployment Quarterly Reports (MUTAs or MN UCs) or such similar state required quarterly reports, time cards, payroll and check registers. This includes any other relevant information that may be required in connection with the administration of the Trust Funds. The Trustees, the Unions, or their authorized agents may examine such records whenever such examination is deemed necessary by the Trustees, the Unions or their authorized agents in connection with the proper administration of the Trust Funds.

If any Employer fails or refuses to furnish its payroll records to the Trustees, the Unions or their authorized agents upon demand or refuses to afford the Trustees, the Unions or their authorized agents reasonable opportunity to examine the same in accordance with standard auditing procedures, the Trustees or the Unions may enforce such rights by legal action, in which event all attorney fees, service fees, filing fees, court reporter fees and other legal costs and disbursements, as well as the auditing fees and costs incurred in conducting such audit, shall be paid by such Employer on direction by the Trustees. The Unions shall also have the right to take economic action to enforce such rights on behalf of the Unions and the Trustees and the Trust Funds shall reimburse the Unions for picketing and bannerizing expenses actually incurred in enforcing such rights.

Each Employer bound to this Agreement is obligated to maintain adequate records to identify the type of work being performed by its Employees to allow the Funds to determine whether the Employer is accurately reporting hours to the Funds. If the Employer fails to maintain satisfactory records from which the type of work being performed by an individual may reasonably be determined, the Employer will be held liable for all of the hours worked by that individual for whom the Employer is unable to produce satisfactory records verifying the type of work being performed by that individual.

(h) Notwithstanding the provisions of Article 10, Settlement of Disputes, the failure, refusal or neglect of an Employer to report and to pay sums due the Trust Funds or otherwise to comply with the terms and provisions of this Article shall not be subject to arbitration. The Trustees or the Funds may proceed with legal action without pursuing or participating in any dispute resolution process contained in this Agreement.

(i) The parties to this Agreement acknowledge that the provisions of this Agreement establishing rates of pay, wages, all hours of employment and other terms and conditions of employment, including fringe benefits, apply to Employees employed in job classifications within the jurisdiction of the Union from the first date of employment, REGARDLESS OF WHETHER OR NOT SUCH EMPLOYEES ARE MEMBERS OF THE UNION.

(j) No Agreement will be signed with any Employer who is delinquent with the submission of payment for fringe benefit contributions, past or present, unless or until fully paid. An Employer with a history of delinquencies may be required to post a fringe benefit bond in the manner and amounts as provided for in this Article, prior to the execution of a new Agreement. Any and all fringe contribution rates shall be open for adjustment on any anniversary date upon thirty (30) days written notice to the Employers. Such adjustments shall operate to adjust wages in like amount.

6. The Parties agree to the possibility of starting an annuity (defined contribution plan) during the term of this Agreement funded out of the existing package and administrated by the Pension Fund Trustees.

7. Any Employer signatory to this agreement may submit in writing to the Fund Coordinator, a request for information and shall be entitled to receive information regarding delinquent status of another Employer. This information is available only when a Prime Contractor / Subcontractor relationship exists.

ARTICLE 21 Saving Clause

This Agreement is intended to be in conformity with all applicable and valid State and Federal laws, rules and regulations. Any conflict between the provisions of this Agreement and the terms of any such laws and regulations shall cause the provisions of this Agreement so in conflict to be superseded or annulled but shall not supersede or annul the terms and provisions of this Agreement which are not so in conflict.

ARTICLE 22 Entire Understanding

This Agreement covers the entire understanding between the parties hereto. Nothing which is not contained herein will be of any force or effect upon any party hereto.

ARTICLE 23 Duration

A. All terms of this Agreement shall take effect May 9, 2016.

B. This Agreement shall remain in full force and effect through April 30, 2019.

C. Any party has the right to terminate or amend this Agreement by giving notice to the other party sixty (60) days before the expiration of this Agreement. Failure to give such notice shall cause this Agreement to be renewed automatically for a further period of twelve (12) months.

D. In the event such written notice is given and a new Agreement is not signed before the expiration date of this Agreement, then this Agreement shall continue in force until a new Agreement is signed, negotiations are formally broken off, or until a strike or lockout occurs.

SOUTHWEST AREA BUILDER SCHEDULES

SCHEDULE 1 **Others Doing Laborers Work**

If weather conditions cause a project to be partially shut down, the Employer shall not remove Laborers from their work and send them home for the day and continue performing Laborers work with another trade. If a violation occurs, the Employee shall receive equal compensatory pay.

SCHEDULE 2 **Call In Pay**

Employees shall receive full-time pay for all time spent in the service of the Employer. There shall be no split shifts. When an Employee is called to work, he shall receive two hours' pay if not put to work. If he is called to work and commences work, he shall be guaranteed a minimum of four (4) hours' pay. This provision, however, is not to be effective when work is unable to proceed because: (1) railroads or common carriers fail to make deliveries as scheduled; (2) the Engineer refuses to permit work; and (3) Acts of God including weather conditions, will not permit work.

SCHEDULE 3 **Job Stewards**

The Employer recognizes the right of the Union to designate Job Stewards to handle such Union business as may from time to time be delegated to them to see that the terms and conditions of this Agreement are being complied with. The Employer also agrees that the Job Steward shall be kept on the job until completion of the work covered by this Agreement and are not to be laid off before such time without a hearing before a committee composed of a Representative of the involved Employer and an officer of the Union, which hearing shall be held not later than the end of the next business day following the giving of notice of layoff by the involved Employer to the involved Job Steward.

The Employer agrees that on any job where he has Employees covered by this Agreement employed, the Steward shall be kept on the job, if the crew is reduced due to weather or working conditions and/or if any Employees covered by this Agreement are kept on the job. The Steward, however, will not be an additional man and shall be a part of the working crew.

SCHEDULE 4 **Hours and Overtime**

A. Regular working hours are to be between 8:00 a.m. and 4:30 p.m., beginning on Monday through Friday of each week. If mutually agreed between the Employer and Employees, working hours may be adjusted up to one (1) hour earlier to promote job efficiency. The Union shall be notified of such adjustment in starting time by the Steward or the Employer in the absence of a Steward and such adjusted starting time shall be scheduled for at least three (3) consecutive working days in order to operate without overtime pay.

Where shifts are employed, there shall be eight (8) hours pay for seven (7) hours work. In order to operate shifts without overtime pay, shifts shall be scheduled for three (3) consecutive working days.

B. All work in excess of forty (40) hours in any one week, eight (8) hours in any one day or on Saturday, shall be paid for at the rate of one and one-half (1½) times the regular rate of pay.

C. All work performed on Sunday and the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day, or days observed as such, shall be paid for at the rate of two (2) times the regular rate of pay.

D. Notwithstanding the language in Paragraph B, a four (4) day week, ten (10) hour days may be worked if mutually agreed by the Employer and Employees. The Employer is to notify the Union by fax or email prior to establishing a schedule of four (4), ten (10) hour days. All time worked in excess of ten (10) hours a day shall be paid at the rate of two (2) times the regular rate. All time worked in excess of forty (40) hours shall be paid at the rate of one and one-half (1½) times the regular rate. Sunday and all legal holidays shall be paid for at double (2) times the regular rate.

E. It is agreed that in situations beyond the control of the Contractor, in owner occupied buildings or facilities, the Contractor may schedule all work, or portions of work, which starts and ends outside the normal work day. Provided such work is not part of a regular multiple shift operation, the first eight (8) hours of work is at straight time. In the event such work is required, the Contractor will provide the Union with advance notification (at least 1 work day) that work is being performed outside the regular schedule.

SCHEDULE 5 Breaks

A. The Employees shall be entitled to a meal break of thirty (30) consecutive minutes in each regular work day. If an Employee is required to work five (5) consecutive hours without a meal break, he shall be compensated for thirty (30) minutes so worked at the applicable rate of pay. This is not to be construed to deny the Employee time to eat his meal.

B. There shall be one break in the forenoon and one break in the afternoon. The break shall not exceed ten (10) minutes from the time work stops until work resumes. The break shall be taken in close proximity to the Employee's work station. On shift work this schedule shall also apply.

SCHEDULE 6 Watchpersons

Watchpersons shall be paid on the basis of forty (40) hour week, with time and one-half (1½) for overtime after forty (40) hours, but not for daily overtime over eight (8) hours, nor for Saturday, Sunday, and holiday time, unless such hours are worked beyond forty (40) hours. Watchpersons shall not be hired for less than eight (8) hours in any one day. Where only one Watchperson is employed the minimum work week shall be forty (40) hours. When two or more Watchpersons are employed, overtime shall be divided equally.

SCHEDULE 7 Tending of Salamanders

When tending of Salamanders is required at night, two Laborers for each shift shall be hired at straight time with a maximum week of forty (40) hours.

SCHEDULE 8 Air Pressure on Caisson Work

In the event air pressure is needed on caisson work, the rate agreed to in the Highway and Heavy Agreement shall be paid.

SCHEDULE 9 Classifications

The following job titles are for rate classification purposes and do not constitute an exhaustive list of work performed by Laborers. All work performed by Laborers not otherwise listed below shall be paid as Classification 1 work. Any question relative to the classification of a worker will be settled by the Employer and the Union.

Wage rate classifications in this Agreement establish only a rate for Employees hired by Management and in no way relates to manning of projects.

Classification 1

Construction Craft Laborer

Carpenter Tender - including but not limited to loading, unloading, stockpiling, staging, removal and disposal of materials and equipment (excluding unwrapped or unpackaged custom fabrications), and clean-up related to tending carpenters.

Chain Saw Operator

Clean-Up - all types, including Job Site Clean Up (excluding janitorial work)

Concrete Laborer
Concrete Saw, Drill Operator
Concrete Vibrator
Confined Space Watch
Damp Proofer below grade
Demolition and Remodeling - excluding demolition of an entire structure system
Demolition of Mechanical Systems
Drill Runner Helper
Dumpman - dirt, asphalt, concrete, cement
Firewatch
Flagperson
Heater Tender - all types, including Ground Thaw
Hot Tar Caulker - corker
Hydro Blast or Water Blaster
Joist Handlers
Material Handlers - all types Power Buggy
Mortar Mixer - cement or any other substitute material or composition
Pipe Handler
Pipe Support Worker
Pneumatic and Electric Tools, Jackhammer, Paving Buster, Chipping Hammer, Tamper Operator, etc.
Rebar Laborer
Remote Control Tamper
Signalperson
Snow Blower Operator
Swing Stage Line Scaffold (not including "patent" scaffolding)
Tool Crib Checker
Torchman - gas, electric, thermal or similar device
Welder

Classification 2

Caisson Work
Mason Tender - including but not limited to tending & maintaining automated and robotic brick and block laying machinery*
Mounted Wall Saw Operator
Nozzle Operator - gunite, cement, sandblasting
Pipelay
Pipe Rehab Tech - including cleaning, cutting, cameraing, etc.
Plaster Tender
Refractory Worker
Remote Control Demo Machine and related accessories (electric/hydraulic)
Sheeting Setter and Driver, heavy building excavation
Underground Work - open ditch or excavation 8' below grade
Underpinning

*Any dispute that may arise between Bricklayers and Laborers Union over automated and robotic brick and block laying machinery shall be resolved between the respective Unions, not including the Employer.

Classification 3

Driller for blasting purposes
Dynamite Blasters or substitute products
Tovex TR, water, gas, gel, bristar, silent dynamite, etc.

Classification 4

Watchperson

SCHEDULE 10 **Scope and Wage Rates**

MANKATO AREA: Blue Earth, McLeod, Nicollet, and Sibley Counties.

A. On all commercial projects and remodeling projects where projects total costs are \$1,000,000 and over.

Effective May 9, 2016 Total increase \$1.90 per hour

CLASS	RATE	VAC ¹	H&W	PEN	TR/AP	LECET	FCF ³	TOTAL	CAF ²
1	22.84	2.00	7.65	6.60	.32	.08	.02	39.51	.02
2	23.64	2.00	7.65	6.60	.32	.08	.02	40.31	.02
3	23.54	2.00	7.65	6.60	.32	.08	.02	40.21	.02
4	20.84	2.00	7.65	6.60	.32	.08	.02	37.51	.02

Foreman/Leadman \$2.50 above classification

General Foreman \$2.50 above Foreman wage rate

B. On all commercial projects and remodeling projects where projects total costs are \$1,000,000 and under or when the Union and Contractor jointly identify the project as targeted.

Effective May 9, 2016 Total increase \$1.90 per hour

CLASS	RATE	VAC ¹	H&W	PEN	TR/AP	LECET	FCF ³	TOTAL	CAF ²
1	21.17	2.00	7.65	5.82	.32	.08	.02	37.06	.02
2	21.97	2.00	7.65	5.82	.32	.08	.02	37.86	.02
3	21.88	2.00	7.65	5.82	.32	.08	.02	37.77	.02
4	19.17	2.00	7.65	5.82	.32	.08	.02	35.06	.02

Foreman/Leadman \$2.50 above classification

General Foreman \$2.50 above Foreman wage rate

May 1, 2017, Total increase \$1.95, allocations TBD

May 1, 2018, Total increase \$1.95, allocations TBD

NEW ULM AREA: Brown, Cottonwood, Jackson, Lac qui Parle, Lincoln, Lyon, Martin, Murray, Nobles, Pipestone, Redwood, Renville, Rock, Watonwan, and Yellow Medicine Counties.

Effective May 9, 2016 Total increase \$1.65 per hour

CLASS	RATE	VAC ¹	H&W	PEN	TRAIN	LECET	FCF ³	TOTAL	CAF ²
1	19.09	2.00	7.65	5.00	.32	.08	.02	34.16	.02
2	19.49	2.00	7.65	5.00	.32	.08	.02	34.56	.02
3	19.69	2.00	7.65	5.00	.32	.08	.02	34.76	.02
4	16.69	2.00	7.65	5.00	.32	.08	.02	31.76	.02

Foreman/Leadman \$2.50 above classification

General Foreman \$2.50 above Foreman wage rate

May 1, 2017, Total increase \$1.70, allocations TBD

May 1, 2018, Total increase \$1.70, allocations TBD

¹ Vacation is a taxable wage and shall be paid for all hours worked and at one and one half (1½) times when overtime is worked and at two (2) times on Sundays and Holidays.

² CAF is not part of the total package and is voluntary.

³ Fair Contracting Foundation (see Schedule 18)

All Health & Welfare, Pension, Vacation, Training, LECET, FCF and CAF contributions are to be sent to Zenith American Solutions, P.O. Box 124, Minneapolis, MN 55440-0124.

SCHEDULE 11 Apprenticeship

On May 1, 1995, the Construction Craft Laborer Apprenticeship Program has been established. The Apprenticeship Committee is made up of equal numbers of Employer Trustees and Union Trustees.

Hourly Rate Under Collective Bargaining Agreement	Covered Hours of Employment
Level 1	80% Entry in the Apprenticeship Program to completion of 1,500 covered work hours and 100 hour of Related Training;
Level 2	87% Upon achieving 1,501 covered work hours and 101 hours of Related Training;
Level 3	95% Upon achieving 3,001 covered work hours and 201 hours of Related Training.

Apprentice status ends and 100% of the applicable hourly rate under the governing collective bargaining agreement is paid upon achievement of 4,001 covered work hours and 288 Related Training hours.

An Employer may unilaterally pay wages to an Apprentice which are greater than the preceding minimum amounts. Apprentice wages are to reflect the designated percentage of the taxable Journeyworker wage contained in the applicable collective bargaining agreement under which the apprentice is working.

Fringe benefits for Apprentices shall be those provided for Journeyworker performing like work in the same area pursuant to the applicable bargaining agreement.

SCHEDULE 12 Apprenticeship Training

A. The Employer agrees that before hiring an Apprentice, the Employer will contact the Apprenticeship Office to verify that the Apprentice is current with his or her Apprenticeship Training Requirements.

B. The Employer agrees to provide unpaid time off to Apprentices in order for them to complete their Apprenticeship Training Requirements. The Apprentice will request the unpaid time off at the time he or she registers for a course. The Employer may refuse to provide the time off due to work considerations, however will make every effort to ensure that Apprentices stay current with their Training Requirements.

C. If an Apprentice is not current with his or her Apprenticeship Training Requirements, and Mandatory Training is scheduled by the Apprenticeship Office, the Employer will be notified thirty (30) days in advance of scheduled Mandatory Training, and shall grant unpaid time off. If the Employer provides notice to the Apprenticeship Office by the Wednesday before the scheduled Mandatory Training, the Employer may refuse to release an Employee due to work considerations. The Employer may refuse to provide unpaid time off for Mandatory Training for an Apprentice twice during a contract year, and if the Apprentice has been employed by the Contractor for four (4) months or more, the Employer will then be required to provide paid time off for the Apprentice to attend Mandatory Training Courses until such time as the Apprentice is current with his or her Apprenticeship Training Requirements.

SCHEDULE 13 Labor Foreman

On all construction jobs where eight (8) or more workers are employed, there shall be a Labor Foreman who shall receive wages as set forth herein.

SCHEDULE 14 Work In Two Wage Classifications

Employees working in a classification which provide for a rate in excess of the Construction Craft Laborer rate shall be paid four (4) hours at the higher rate if they perform work in the higher classification for two (2) to four (4) hours. They shall be paid eight (8) hours at the higher rate if they perform work in the higher rate classification over four (4) hours. If they perform work in the higher rate classification for two (2) hours or less or if the work is shut down, they shall be paid the higher rate for hours actually worked in the higher rate classification.

SCHEDULE 15
Dues

A. Upon receipt of and in accordance with the terms of an individual and voluntary written authorization of check off of membership dues in form permitted by the provision of Section 302 (C) of the Labor Management Relations Act, as amended, the Contractor shall deduct each week from the wages of all Employees covered by this Agreement, as administrative dues.

B. All money collected by the Employer as provided herein shall be remitted to the local Union not later than the fifteenth (15th) day of the month following the month in which deductions were made. The Union accepts full responsibility for the disposition of the funds so deducted, once they have been remitted. The Union shall be responsible for obtaining all individual signed authorizations.

The Union agrees to hold the Company harmless for any liability for said deductions.

SCHEDULE 16
Contract Administration Fund

A. Contractors signatory to this Agreement shall pay two cents (\$.02) per hour worked to a Contract Administration Fund.

B. All money collected as provided herein shall be remitted to the office of the Fringe Benefit Fund Administrator not later than the fifteenth (15th) day of the month following the month in which the work was performed. Contributions to this Contract Administration Fund shall be made on a voluntary basis.

C. The Contract Administration Fund shall be administered solely by the Associated General Contractors of Minnesota and shall be used entirely for purposes associated with the negotiation and administration of this contract and related fringe benefit funds.

SCHEDULE 17
Worker Readiness

The Union and Employers recognize the value of a skilled and motivated workforce. To this end, labor and management agree as follows:

1. All Journeyworkers covered by this Agreement should attend and successfully complete the OSHA 10 hour course at the Construction Laborers Education and Training Center.
2. During the term of this Agreement, all Journeyworkers covered by this Agreement should attend a minimum of twenty-four (24) hours of skill improvement approved and funded by the Education and Training Fund.
3. Scheduling of these courses shall be the responsibility of the Employee in collaboration with the Education and Training Fund.

SCHEDULE 18
Fair Contracting Foundation Labor-Management Cooperative Committee (LMCC)

Effective May 1, 2013 the parties agree to participate in and fund the Fair Contracting Foundation of Minnesota (FCF) through a Labor-Management Cooperation Committee Trust Fund, pursuant to Sec. 6(b) of the Labor Management Cooperation Act of 1978, 29 U.S.C. §175a and Sec. 302(c)(9) of the Labor Management Relations Act, as amended.

The parties agree that the terms and conditions of this labor agreement help establish industry standards for safety, training, workforce availability, dependable benefits and reasonable wages. Unlawful conduct on construction projects jeopardizes these negotiated terms, interferes with contractors' lawful competition, erodes industry standards and conflicts with society's interests at large. Therefore, the FCF is established as a LMCC to monitor and enforce compliance with federal, state and local laws, rules and regulations. FCF's further purpose is to study and implement solutions to problems that impede fair competition and stunt economic development in the industry.

The Employer agrees to contribute every month, not later than the 15th day of the following month, hereinafter called the "due date," such sums for FCF as is designated in the wage schedule of this Agreement for each hour worked by all Employees covered by this Agreement. The FCF contributions are to be paid on one check along with the other fringe benefit contributions and submitted to the agent of the Funds as designated by the Trustees.

The FCF shall function in accordance with a Trust Fund established solely and exclusively for the FCF by a separate Agreement and Declaration of Trust for the Fair Contracting Foundation of Minnesota, any amendments thereto, and any of its governing documents. The terms of the FCF Agreement and Declaration of Trust and all other governing documents are fully incorporated into this Article by reference.

This provision will expire on April 30, 2019.

IN WITNESS THEREOF, the parties have caused this Agreement to be executed.

LABORERS DISTRICT COUNCIL of Minnesota & North Dakota

By: Todd T. Pufahl, President

LABORERS LOCAL UNION 563

By: Tim Mackey, Business Manager