

## **LABOR AGREEMENT**

This Agreement is made between **Anderson Western, Inc.**, (hereinafter referred to as either the "Employer" or the "Company"), and Christian Labor Association of the United States of America, Highway Construction Workers, Local #78, (hereinafter referred to as the "Union").

### **ARTICLE 1 RECOGNITION**

The contractor has reviewed evidence demonstrating the Union's majority status covering employees in the appropriate unit described by this Agreement. On that basis, the contractor is satisfied that the Union represents a majority of said employees and hereby voluntarily recognizes the Union as the exclusive bargaining representative of those employees. This Agreement shall apply to the following classifications:

All operators, mechanics, truck drivers, laborers, technical employees, professional employees as long as such inclusive employees meet the standards as defined in the Labor-Management Relations Act of 1947, as amended.

### **ARTICLE 2 MANAGEMENT RIGHTS & EMPLOYMENT**

Section 1. It is agreed that the management of its business remains vested in the Employer and nothing in this Agreement shall permit the Union to assume it has the authority to officiate in a managerial or supervisory capacity.

Section 2. The Employer has the right to adopt and post or issue rules concerning the conduct of employees on the job and the care of the Employer's equipment. The Employer shall have the right to enforce the following company manual, Employee Handbook, Health Handbook and Safety Management Handbook, revised January 2020 and that shall be part of this agreement. The Employer is to be the judge as to the satisfactory performance of work by an employee and may discharge or otherwise discipline, any employee whose work is unsatisfactory or fails to observe safety precautions or other rules prescribed by the Employer for the safety, protection, and health of the employees. However, no employee shall be discharged or disciplined for defending the rights of any employee under this Agreement.

Section 3. The Employer has the exclusive right to increase or reduce the number of employees. The fact that certain classification and rates are established should not mean that the Employer must employ workmen for one or all such classifications or man any particular piece of plant or equipment, unless the Employer has a need for such classification, plant, or equipment to be manned. The Employer shall not be hindered or prevented in using any type or quality of machinery, tool, equipment, material, or process, provided applicable laws or regulations pertaining to safety are not violated.

Section 4. The exercising of management rights shall not be limited, provided exercise of those rights does not violate any provisions of this Agreement.

Section 5. The Employer shall notify the Union not later than fourteen (14) days after initial hiring of an employee as to name, classification, and date of employment. It shall be understood, no new employees shall be hired while there are available employees on lay-off qualified to do the work.

Section 6. All new employees shall have a trial period not to exceed thirty-one (31) calendar days or twenty-five (25) working days, whichever is longer, during which time they shall be subject to discharge without appeal by the Union. Any employee who is retained beyond the trial period shall, if discharged, have the right to appeal through the Union, or the Union shall have the right to take such action on its own initiative through the grievance settlement procedure herein provided if such appeal is presented in writing to the Employer not more than ten (10) calendar days after the discharge.

Section 7. The Employer shall not discharge any employee without just cause and shall give at least one (1) warning notice of the complaint against the employee either in writing, or in the presence of a Union steward or officer. No warning notice need be given, and no appeal shall be made if the reason for discharge is dishonesty, intoxication on the job or reckless use of the Employer's equipment, and as per Employee Policy Manual disciplinary policy.

Section 8. The Company may continue its present practice as to merit pay.

Section 9. The company will not discriminate against or harass any employee or applicant for employment because of race, color, creed, religion, national origin, sex, sexual orientation, disability, age, marital status, protected veteran status, membership or activity in local human rights commission or status with regard to public assistance. The Company will take Affirmative Action to ensure that all employment practices are free of such discrimination. Such employment practices include, but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, selection, layoff, disciplinary action, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Company will provide reasonable accommodation to applicants and employees with disabilities and qualified disabled veterans.

### **ARTICLE 3 UNION RIGHTS**

Section 1. No employee shall be discharged or otherwise disciplined for exercising protective statutory rights, except to the extent that those rights are modified by the terms of this Agreement.

Section 2. Matters of dispute between the employer and the Union shall be subject to the grievance procedure including but not limited to discharge, discipline, and seniority, but not rules issued or adopted by the employer except as to whether said rule has been violated.

Section 3. No employee shall be asked to take out or man equipment that is not mechanically sound and properly equipped to conform to all applicable county, state, and federal regulations.

#### **ARTICLE 4 DUES CHECKOFF**

Section 1. The Employer shall checkoff the amount specified to the Employer by the Union per week for twelve (12) consecutive weeks for membership dues to commence the first week of June. All Local #78 members shall authorize the Employer to do so through a signed authorization, and the Employer shall deduct the amount so stated including Union initiation fees. Such authorization shall be subject to cancellation by the employee through a written and signed notice to such effect presented by the employee personally or by registered mail to the Employer not less than ten (10) days before the cancellation is to be effective. The total amount of dues checked off shall be turned over to the Union Treasurer each month, within ten (10) days after the deductions are made, with a list of the employees for whom the deductions are made and the amount checked off for each.

#### **ARTICLE 5 HOURS OF WORK**

Section 1. Not more than forty (40) hours in any calendar week or seven (7) day payroll period shall be worked at the straight time rates of pay set up under this Agreement. All hours worked in excess of forty (40) in such a week or period shall be paid at the rate of one and one-half (1 1/2) times the regular hourly rates.

Section 2. No work shall be done on Sunday except that which is absolutely necessary. All such work shall be paid at two (2) times the regular hourly rate for each hour worked unless an agreement is obtained with the employee to work at the regular rate.

Section 3. All work performed on a Holiday (New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day) shall be paid at two (2) times the regular hourly rate for each hour worked.

Section 4. Sunday work shall be defined as between midnight Saturday and midnight Sunday, except that the Employer has the option of considering the twenty-four (24) hour period between 6:00 A.M. Sunday and 6:00 A.M. Monday as Sunday work if job requirement makes it necessary. The definition of Holiday hours shall be work performed between midnight on the eve of the holiday, except that the Employer has the same option as stated in the "Sunday work" definition.

Section 5. Emergency work, due to a flood or fire or any disaster endangering life or property, may be performed on either Sunday or the above-mentioned holidays, and in such cases the requirements to pay overtime rates shall be waived, if such waiving does not conflict with any controlling law.

Section 6. If an employee has not been notified not to come to work, when reasonably such a notice could have been given, and he reports for work, he shall be paid for two (2) hours work at his regular hourly rate if not put to work and if put to work shall be guaranteed a minimum of four (4) hours pay; provided, however, that these provisions shall not apply if the lack of work is due to material not having been delivered, or bad weather conditions or an engineering miscalculation not within the Employer's control.

Section 7. When employees are released from their work due to the above provisions, then the Employer shall keep the employees totally advised as to what action will be taken in the foreseeable future.

## **ARTICLE 6 RATES OF PAY**

The following rates of pay shall apply to the below-listed schedules of classifications. It is understood, when employees are employed in the below-listed classifications, this Agreement shall cover them.

Section 1. Employees shall be paid for all hours actually worked, regardless of whether such work was operating equipment, driving a truck, maintenance, or minor repairs.

Section 2. Employees operating Company equipment shall receive their full rate of pay during a breakdown if they assist or make the necessary repairs themselves. Pay shall continue for the first thirty (30) minutes of downtime. Any employee whose equipment is moved from one job site to another shall, if driving that equipment himself, receive his regular rate of pay.

Section 3. Employees shall be paid in full once each week, for the work performed during the preceding seven (7) day payroll period.

Section 4. The Employer shall have the right to hire new, qualified employees at the rate of pay of the classification for which they are hired. The Employer shall also have the right to upgrade any employee on a planned program basis in accordance with the attached program outline.

Section 5. In the event Employer purchases new equipment which does not come under a classification of wage rates as contained in this Agreement, he shall meet with the Union to determine the proper classification and wage rate for said new equipment.

Section 6. On all plant tear-downs and moves, should an employee be taken from his usual work classification, and placed in a lower wage classification for the tear-down and move, the employee shall receive his usual rate of pay for said tear-down and move.

Anderson Western, Inc Wage Rates				
Effective May 1, 2024 to April 30, 2025				
Operator's Classifications				
<b>POWER EQUIPMENT OPERATORS: GROUP 1</b>				
	O-1		Wage Rate	34.05
			Insurance	10.81
			Pension	1.20
			401k	8.64
				<b>54.70</b>
<b>OPERATORS: GROUP 2</b>				
214 Loader 8 CY or more	O-2		Wage Rate	32.65
217 Grader Finish	O-2		Insurance	10.81
			Pension	1.20
			401k	8.64
				<b>53.30</b>
<b>OPERATORS: GROUP 3</b>				
202 Bituminous Plant	O-3		Wage Rate	32.40
204 Paver	O-3		Insurance	10.81
213 Loader 3-1/2 to 7-1/2 CY	O-3		Pension	1.20
218 Grader: Other	O-3		401k	8.64
				<b>53.05</b>
<b>OPERATORS: GROUP 4</b>				
205 Screedman	O-4		Wage Rate	32.25
212 Loader 1-1/2 to 3 CY	O-4		Insurance	10.81
216 Plant Tender	O-4		Pension	1.20
219 Grader: Haul Road	O-4		401k	8.64
228 Roller Asphalt	O-4			<b>52.90</b>
232 Chip Spreader	O-4			
302 Dumpman	O-4			
308 Distributor	O-4			
<b>OPERATORS: GROUP 5</b>				
211 Loader Less than 1-1/2 CY	O-5		Wage Rate	31.40
224 Mechanical Broom	O-5		Insurance	10.81
			Pension	1.20
			401k	8.64
				<b>52.05</b>
<b>OPERATORS: GROUP 6</b>				
231 Wheel Tractor	O-6		Wage Rate	30.60
			Insurance	10.81
			Pension	1.20
			401k	8.64
				<b>51.25</b>

Anderson Western, Inc Wage Rates			
Effective May 1, 2024 to April 30, 2025			
Truck Driver Classifications			
<b>TRUCK DRIVERS:</b>			
Single-Axle Truck		Wage Rate	31.97
		Insurance	10.81
		Pension	1.20
		401k	<u>4.89</u>
			<b>48.87</b>
Tandem- and Tri-Axle Truck		Wage Rate	32.09
		Insurance	10.81
		Pension	1.20
		401k	<u>4.89</u>
			<b>48.99</b>
Tandem- and Tri-Axle Semi, Lowboy		Wage Rate	32.40
Off Road Heavy Duty End Dumps 20 Yards & Under		Insurance	10.81
		Pension	1.20
		401k	<u>4.89</u>
			<b>49.30</b>
Euclid, over 20 yards		Wage Rate	33.92
		Insurance	10.81
		Pension	1.20
		401k	<u>4.89</u>
			<b>50.82</b>
<b>Subsistence Pay</b>			
<i>All employees shall receive \$25.00 per day subsistence, as long as they complete a minimum of two (2) hours of work that day.</i>			

## ARTICLE 7 SAFETY

Section 1. Accident and injury-free operation shall be the goal of all Employers and employees. To this end, the Employer and the 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.

Section 2. To this end, the Employer shall from time-to-time issue rules and notices to his employees regarding on-the-job safety requirements. Any employee violating such rules or notices may be subject to disciplinary action. No employee may be discharged for refusing to work under unsafe conditions.

## **ARTICLE 8 FRINGE BENEFITS**

Section 1. The Employer shall contribute every month no later than the 15th day of the following month which date shall hereafter be referred to as the "due date", the sum as specified in Wage Rates, Article VII for each hour worked by any employee covered by this Agreement, to the Highway Construction, Local #78, Employee's Health and Welfare, Pension Fund, details of which shall be provided annually by Labor and Employer. Any failure to make the requisite payment, for any cause whatsoever, shall subject Employer to penalty and interest as follows:

Subdivision 1. A payment made at any time after the due date shall be subject to penalty charge of 10% of the total amount due and.

Subdivision 2. A payment made later than thirty (30) days after the due date shall bear interest at the rate of 8.0% per annum from the due date until paid.

Section 2. Contributions shall be paid on an hourly basis on all hours worked and are not to be pyramided. Example: If hourly rate is \$21.50 plus \$12.81 contribution, time, and one-half overtime rate - \$32.25 plus \$12.81 contribution; and double time overtime rate - \$43.00 plus \$12.81 contribution.

Section 3. Contributions shall be paid separately for each fund.

Section 4. The Employer shall not be required to duplicate fringe contributions.

Section 5. Any insurance Carrier, Administrator, Consultant, Actuary or Fiduciary agent that may be used shall be selected by competitive bidding upon invitation by the Trustees.

Section 6. Any and all fringe contribution rates shall be open for adjustment and said adjustment shall operate to adjust wages in a like amount.

Section 7. The failure, refusal, and neglect of any Employer, whether willful or otherwise; to report and to pay the sums due the funds herein provided, on or before the due date, shall cause the Employer to receive written notice by the Fund of such delinquency. Collection of delinquent contributions, and such rules and regulations pertaining thereto may be deemed necessary, shall be vested solely in the Trustees, and the Union is prohibited from taking economic action against any delinquent Employer under the provisions of this Article unless directed to do so by the Trustees.

## **ARTICLE 9 SENIORITY**

Section 1. Seniority of employees shall not begin to accumulate until the beginning of their second work season. Seniority of employees shall continue to accumulate during layoffs due to lack of work with the Company. Seniority of employees in the employ of the Company previous to the effective date of this Agreement shall be dated from the beginning of their employment with the Company.

Section 2. Seniority of employees shall be recognized within the wide classifications of operators, truck drivers and laborers. The principle applied shall be that in case of lay-off and recall by crew, the employee who had accumulated the most seniority to uninterrupted employment by crew shall be laid off last and recalled first. Provided, however, that he, in the sole judgment of the Company, be qualified to do the available work, and that he accepts the rate effective on the jobs; and further provided that the provisions of this paragraph shall not apply to temporary layoffs of less than five (5) working days.

Section 3. Any employee who is promoted from a lower to a higher classification shall not carry seniority accumulated in the lower classification over into the higher classification. He shall retain accumulated seniority if he has been in the Company's employ at least two (2) years.

Section 4. Any employee who has accumulated five (5) years or more of seniority with the Company shall have crew wide seniority recognition and shall have the right to claim the job of any employee having less crew wide seniority than he, during any layoff, other than the usual winter layoff, provided he is able to do the job and is willing to accept the prevailing rate of pay on the job.

Section 5. Seniority shall be broken if the employee quits, or if the employee, during a leave of absence granted by the Company, engages in other employment.

Section 6. The Company agrees to notify all bargaining unit members by March 1, of each year whether or not they will be rehired. Provided however, in the event that an employee fails to receive notice said employee shall advise the Company and the Company shall have ten (10) days from the date of the employee's written request to advise the employee whether or not he will be rehired.

## **ARTICLE 10 BONDING, PERMITS, ETC.**

Section 1. If the Company requires an employee to be bonded, the Company shall pay the cost of the bond premium.

Section 2. The Company shall fully comply with all State requirements concerning operation and transportation of equipment and shall provide employees with the necessary permits and instructions concerning such operation and transportation.

## **ARTICLE 11 UNION STEWARDS AND AGENT**

Section 1. The Union shall appoint one (1) Chief Steward and one (1) or more job stewards on each job as the need may be, to represent the employees on any questions that may arise in regard to interpretation of the Agreement or concerning any alleged violations of it.

Section 2. Stewards' duties must not interfere with the job, and if it is necessary for the Steward to attend to Union business during working hours, the Employer shall not pay him for the time spent on Union business.

## **ARTICLE 12 SCOPE OF AGREEMENT**

This Agreement covers all work performed in the state of North Dakota and all other areas in which work is procured as defined by the descriptions of wage rates as contained in Article VII - Rates of Pay.

## **ARTICLE 13 SAVINGS CLAUSE**

Section 1. This Agreement is intended to be in conformity with all applicable and valid municipal, state and federal laws and regulations. Any conflict between any of the provisions of this Agreement and any such laws or regulations shall cause only those provisions to be void but shall in no way affect the remaining provisions of this Agreement which are not in conflict.

## **ARTICLE 14 GRIEVANCE PROCEDURE**

Section 1. All grievances and disagreements concerning the interpretation or application of any of the provisions of this Agreement shall be settled through one of the following steps of procedure:

Section 2. Any individual employee having a grievance shall take it up with the Steward who shall bring it to the foreman. If the employee prefers, he may take the grievance directly to the foreman. This step must be started within five (5) working days after the occurrence of the alleged injustice.

Section 3. The grievance shall be put into writing and submitted by the Job Steward to the foreman within not more than five (5) working days after failure of settlement under the first step. The matter shall then be taken up by the Steward(s) involved and the CLA Representative with the foreman and the manager of the Company's operations. The final reply of the Employer shall be put in writing and given to the Union either at this meeting or within five additional working days.

Section 4. If no settlement is reached at Step 2 which is satisfactory to the Union and the Employer, the grievance may be submitted for arbitration at any time within twenty (20) working days following Union receipt of the Employer reply in Step 2. The

arbitrator shall be selected according to, and shall be governed by, the following procedures.

Subdivision 1. If the parties are unable to agree immediately upon an arbitrator who is readily available, either party may request a panel of names from either the Federal Mediation and Conciliation Service or American Arbitration Association and the selection shall proceed in the manner prescribed by the rules of the applicable service.

Subdivision 2. The arbitrator shall hear the dispute. Both parties shall be given an opportunity to present witnesses and offer testimony before the arbitrator. The arbitrator shall decide the case upon all the evidence, but he shall have no power to add to or modify any terms of this Agreement, nor to arbitrate general wage rates of job classifications. The decision of the arbitrator shall be final and binding on both parties and upon any and all individual grievants. The parties shall equally share the fees and expenses of the arbitrator.

The Company agrees to open its payroll records to the Union in any dispute arising over wages paid to an employee, as such records apply to that employee and the grievance only.

Any dispute affecting more than one (1) employee shall be taken by the Job Steward directly to the foreman or job superintendent, and if not settled, continued under Steps 2 and 3 above.

The Union and the Employer pledge to one another that there shall be no strike or lockout or work stoppage or interference with normal operations of the Company's work, nor any walkout or cessation or slowdown of normal operations by the Employer, during the time that this Agreement is in effect.

## **ARTICLE 15** **DEFINITION OF WORK**

Section 1. Heavy Construction and Railroad Construction work is defined as construction substantial in its entirety, any fixed structure and other improvements or modifications thereto, or any additional repair thereto, including, without limitation: railroad and street railroad construction projects, mass transit projects, sewers, water mains, grade separations, foundations, pile driving, piers, abutments, retaining walls, viaducts, shafts, tunnels, subways, track elevations, elevated highways, drainage projects, water power development, hydro-electric development, pump and lift stations, sanitation projects, sewage and water treatment projects, airports, athletic fields and stadiums, reservoirs, water supply projects, power plants, transmission lines, locks, dams, dikes, levees, revetments, channels, channel cutoffs, intakes, dredging projects, jetties, breakwaters, docks, harbors, industrial plants and sites, and excavation and disposal of earth and rock: including the assembly operations, maintenance and repair of all equipment, vehicles and other facilities used in connection with, and serving the aforementioned work and services.

Section 2. Highway Construction work is defined as all work ordinarily included in highway construction contracts: bridges, sewers and street grading, street paving, curb setting, sidewalks, etc.

NOTE 1: It is understood where "industrial plants and sites" is mentioned as within the scope of Heavy and Railroad construction work, included shall be all work in connection with the clearing and grading of the site, including the roughing out to the bottom elevation indicated, all construction of roads, railroads, and river work, and all construction of sub-surface conduit and piping, drains and sewers to the building line.

NOTE 2: It is understood that all demolition of any Heavy, Railroad or Highway or Building construction work shall be within the scope of Heavy, Railroad and Highway construction work.

#### **SUPPLEMENT I UPGRADING PROGRAM**

Section 1. Employees may be hired with or without previous experience. If a newly hired employee has no previous experience, he shall be classified as a common laborer and paid common laborer wage rates. If a newly hired employee has prior experience, he may be hired at whatever rate his skill and experience designate. His rate shall be mutually agreed to by Management, the Union and the employee involved, within the guidelines of the scale of wages.

Subdivision 1. Common Laborer scale.

Subdivision 2. Common Laborer plus a twenty-five (25) cent increase for each thirty (30) days working experience on the job, or for each thirty (30) working days credit mutually agreed to as above, for newly hired employees with experience.

Subdivision 3. Employees shall receive the full rate of pay in whatever classification of equipment he is trained in at the completion of one hundred and fifty (150) working days.

Section 2. It is understood, however, that the employee shall be classified as common laborer until the completion of one hundred and fifty (150) working days.

Section 3. This upgrading program may be altered in any manner, and at any time during the life of the current Agreement, as long as the alteration(s) is concurred in by Management, Labor and the appropriate state and federal agencies.

#### **ARTICLE 16 LIFE OF AGREEMENT**

Section 1. This Agreement shall be in force from the 1<sup>st</sup> day of May, 2024, to and including the 30<sup>th</sup> day of April, 2025, and shall thereafter continue to be in force by

mutual consent of both parties hereto from year to year, without any act by either party; provided, however, that either party may negotiate a new Agreement, or such amendments thereto, by giving notice in writing to such effect to the other party not later than sixty (60) days before the renewal date given above, or any subsequent renewal date given above.

Section 2. In the event either party requests modifications in this Agreement as hereinabove provided for, such requests shall be made in writing, and upon receipt of such notice the proposals shall at once become the subject of negotiations between the parties hereto.

IN WITNESS WHEREOF, the parties have hereto entered upon this Agreement through their respective representatives.

FOR THE EMPLOYER:

Dated: 03/11/2024

*Linda Phillips*

Linda Phillips  
Anderson Western, Inc.

FOR THE UNION:

Dated: 03/04/2024

*Joni Tulenchik*

Joni L. Tulenchik, CLA Representative  
Highway Construction Workers  
Local #78