

**SOUTHEASTERN BUILDING AGREEMENT**  
**May 1, 2019 – April 30, 2022**

**THIS AGREEMENT**, by and between, or on behalf of the parties and in the capacities and status designated in Article II, 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. 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 consideration 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**  
**Designations of Parties**

A. The Southeastern Building Contractors division of the Associated General Contractors of Minnesota, (herein called AGC) is a party to this Agreement in a representative capacity, and as agent only acting on behalf of certain of its members who have agreed to be bound to the terms of this Agreement, and the AGC is entitled to recognition, in such capacity, as agent and collective bargaining representative for the Employers who are or may become parties hereto, for all purposes of this Agreement, including its right in such capacity, to represent such Employer parties before NLRB or otherwise pursuant to and/or in aid, support, or enforcement of the terms and provisions of this Agreement.

B. The Laborers District Council of Minnesota and North Dakota on behalf of its affiliated Local Union 405, (herein called the Union) on their own behalf and on behalf of the Employees whom they represent and on whose behalf they are recognized or are to be recognized 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 joint, as related to other craft unions.

**ARTICLE 3**  
**Union Recognition**

The Employers 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 respective Union is hereby recognized hereunder by the Employers as the sole exclusive bargaining representatives of the Employees represented by them. The respective Union represents that they are qualified for such recognition.

**ARTICLE 4**  
**Scope of Agreement**

This Agreement shall govern work done in the following geographical jurisdiction consisting of the counties of Dodge, Faribault, Fillmore, Freeborn, Goodhue County south of County Road 9 including the city limits of Lake City, Houston, Le Sueur, Mower, Olmsted, Rice, Steele, Wabasha, Waseca and Winona.

**ARTICLE 5**  
**Union Security**

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) 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 of such Union as a condition of employment.

The Employer will be required to dismiss Employees who refuse to comply with this Union Shop provision after personal notification by a bonafide 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 6**  
**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 Union members in good standing as a condition of employment.

On May 1, 1995, the Construction Craft Laborer Apprenticeship Program has been established. The Joint Apprenticeship and Training Committee (JATC) 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 Construction Craft 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. In recognition of the need for a safe and efficient workforce, the Employer will not hire an individual who has had an Apprenticeship Agreement cancelled by the JATC for failure to meet apprentice responsibilities and obligations within the previous twelve (12) month period. 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 11.

**ARTICLE 7**  
**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 Worker's Compensation Insurance and into the State Unemployment Compensation Fund such amounts as are due from and after the date Employees from the 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.

**ARTICLE 8**  
**Conflicting Agreements**

The Employers agree not to enter into any labor agreements covering construction jobs, exclusive of maintenance and repair shops, with their Employees on whose behalf any of the Unions have been granted recognition hereunder individually or collectively which in any way conflicts with the terms and provisions of this Agreement.

If the Union enters into any Agreements with any individual Employer or group of Employers competing in the same type of work which provides for his, its, or their Employees less favorable wages, hours or conditions than herein specified, the Employer parties hereto may open this Agreement for the express and exclusive purpose of negotiation less favorable wages, hours or conditions.

**ARTICLE 9**  
**Violation 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 back pay 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 10**  
**Discharge**

The Employers 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 Employers or any governmental agency. No Employee shall be discharged for refusing to work under unsafe conditions.

**ARTICLE 11**  
**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 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. If a satisfactory settlement cannot be reached within five (5) working days the matter may be brought to the Labor-Management Basic Trades 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 Agreement to bring matter to the Disputes Board. Both parties must sign the document binding them to the Board decision. If either party does not attend 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.

C. The Disputes Board is made up of equal numbers of Management 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.

D. **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 reached hereunder.

## **ARTICLE 12 Management**

Management reserves the right to manage its jobs in 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 13 Safety**

A. Accident and injury free operations shall be the goal of all Employers 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. 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 provisions of the LUC program and applicable statutes.

C. To this end, the Employer shall from time to time issue rules or notices to its 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.

D. Such safety equipment as required by governmental regulations shall be provided without cost to the Employees. 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.

#### **ARTICLE 14 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, banners or watch persons employed by the Contractor.

The AGC or its Employer members signatory to this Agreement will not sue the Local Union for refusal to require Employees to go through a separate gate. The individual Employee who voluntarily refuses to go through a separate gate will not be discharged or disciplined and may be hired if work is available, but not without back pay.

#### **ARTICLE 15 Strikes, Lockouts, Work Interference**

The Union and Employers 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 any of said Union and/or the members thereof, and there shall be no lockout during the existence of this Agreement.

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

#### **ARTICLE 16 Subcontractors**

A. The counties of Olmsted and Wabasha and that part of Goodhue County south of County Road 9 including the city limits of Lake City:

The Employer agrees that, while subletting or contracting out Laborers work at the job site, the Employer will sublet or contract such work only to subcontractor who has signed or is otherwise bound by a written labor agreement entered into with the Union.

When situations arise where it is claimed that no Union Subcontractor is available for the proposed work, the Employer and the Union shall meet and agree upon a solution, which may include a Project Agreement.

The Union agrees that when the Employer is required by any imposed requirement to sublet, contract out or award bargaining unit work to any Minority, Disadvantaged, Small and/or Female Business Enterprise or any other such similarly designated enterprise, and a dispute exists, the Employer and the Union shall meet and agree upon an equitable solution to the dispute, which may include a Project Agreement.

B. The counties of Dodge, Faribault, Fillmore, Freeborn, Houston, Le Sueur, Mower, Rice, Steele, Waseca and Winona:

The parties agree not to subcontract any work that the Employer normally performs in order to avoid the terms and conditions of this Agreement. The Employer shall make every effort to subcontract only to signatory Contractors. In the event that there are no signatory subcontractors available, it is understood that the Employer shall contact the Local Union prior to commencement of said work. If the Employer subcontracts work to be performed at the job site, the subcontractor shall agree to abide by the hours of work, conditions of work, equivalent wage rates, and fringes set forth in this Agreement except where the subcontractor has a labor agreement with a bona fide AFL-CIO

union covering the work.

**ARTICLE 17**  
**Union Representatives**

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.

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 18**  
**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 19**  
**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 20**  
**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) hour's pay.

C. When an Employee is laid off, or discharged he shall receive all money due him by 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.

F. The Union shall allocate negotiated increases prior to their effective date. Increases shall be as follows: (a) if the effective date falls on a Sunday through Wednesday, then the increase will become effective on the Monday of that week; (b) if the effective date falls on a Thursday through Saturday, then the increase will become effective on the Monday of the following week.

**ARTICLE 21**  
**Fringe Benefits**

The Employer agrees to contribute every month, not later than the 15<sup>th</sup> 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 Fund under separate Trust Agreements, hereinafter called "Fund(s)", 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.

(c) Laborers Employers Cooperation & Education Trust (LECET), added effective May 1, 2016.

3. (a) In the event that a National Health Insurance Program is enacted, the Employer contribution to the current Health and Welfare Plan 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 15<sup>th</sup> 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 Union for picketing and banner 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 Union, 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 Union, or their authorized agents may examine such records whenever such examination is deemed necessary by the Trustees, the Union 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 Union or their authorized agents upon demand or refuses to afford the Trustees, the Union or their authorized agents reasonable opportunity to examine the same in accordance with standard auditing procedures, the Trustees or the Union 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 Union shall also have the right to take economic action to enforce such rights on behalf of the Union and the Trustees and the Trust Funds shall reimburse the Union for picketing and banner 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 11, 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. Any and all fringe contribution rates shall be open for adjustment on any anniversary date upon thirty (30) days written notice to the AGC. Such adjustments shall operate to adjust wages in like amount.

**ARTICLE 22**  
**Training**

A. The parties to this Agreement recognize that OSHA requires that workers are trained in safety matters in order to be employed on work sites and Employers may require such training to be a condition of employment. It is also recognized that the cost of providing this training is the responsibility of the Laborers Training Center of Minnesota and North Dakota, and/or the Employer, but is also for the benefit of the Employee. Therefore, time spent in training will not be compensable.

B. All new foremen must take OSHA 10-hour and “foreman preparedness” class within the first six (6) months of working as a foreman. It is offered at no cost through the Laborers’ Training Center of Minnesota and North Dakota.

**ARTICLE 23**  
**Savings 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 the 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 24**  
**Entire Understanding**

This Agreement covers the entire understanding and past jurisdictional practices between the parties hereto. Nothing which is not contained herein will be of any force or effect upon any party hereto. This Article shall not apply to the Letter of Understanding relating to Picket Line Clause of July 2, 1975.

**ARTICLE 25**  
**Duration**

A. All terms of this Agreement shall take effect May 1, 2019.

B. This Agreement shall remain in full force and effect through April 30, 2022.

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.

**SCHEDULE I**  
**List of Contractors**

**SCHEDULE 2**  
**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 3**

#### **Call in Pay**

Employees shall receive full-time pay for all time spent in the service of the Employers. 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; these provisions, however, 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 4**

#### **Travel and Subsistence Allowance Heavy Industrial Construction**

When money is paid an Employee under this Agreement on account of travel expenses, or the cost of other facilities, said payment is intended to reimburse the Employee for all or part of the expenses actually incurred by him in the furtherance of the Employers' interests. Such payment shall not be included as part of the wages paid to the Employee and shall be given on a separate check.

### **SCHEDULE 5**

#### **Notice**

The Employer shall communicate with the Union prior to starting projects of five hundred thousand dollars (\$500,000.00) or more in any district.

### **SCHEDULE 6**

#### **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 Employers also agree 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 there are 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 part of the working crew.

### **SCHEDULE 7**

#### **Hours, Shifts, Overtime, Sundays and Holidays**

A. Where a single shift is worked, eight (8) hours of continuous employment except for break periods shall constitute a day's work beginning on Monday and through Friday of each week. 8:00 a.m. to 4:00 p.m. (see Schedule 8A and B below) shall constitute a regular day shift; except as mutually agreed between the Employer and the Union the hours may be adjusted to promote efficiency on the job.

All Employees who work other than the day shift shall receive eight (8) hours pay for seven (7) hours work if such shifts continue for four (4) consecutive working nights or more. If such night shifts do not so continue, all time worked hereon shall be paid for at the rate of one and one-half (1½) times the Employees regular straight time hourly rate of pay.

All time worked in excess of eight (8) hours in any one day period or on Saturday, shall be paid at the rate of one and one-half (1½) times the Employees regular straight time hourly rate of pay.

Double time shall be paid for all work performed on Sunday and the following holidays or days celebrated as such: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

It shall be understood that there shall be no pyramiding of overtime and Employees shall not be paid both daily and weekly overtime.

B. When it is mutually agreed upon by the Union and the Employer, the Employer may schedule four (4) 10-hour days, Monday through Thursday. The four (4) 10-hour day schedule shall constitute the forty (40) hour week at straight time. In the event of an Act of God and any one day Monday through Thursday cannot be worked, then Friday can be used as the fourth day to work as a ten (10) hour day at eight (8) hours straight time and two (2) hours overtime.

#### **SCHEDULE 8 Breaks**

A. 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 the 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 apply.

#### **SCHEDULE 9 Watchpersons**

Watchpersons shall receive the above rate per hour on the basis of a 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. Watchpersons shall not be required to tend Salamanders or perform any manual labor; provided however, that the foregoing classification of Watchperson shall be eliminated from the Agreement in the event that it should be determined by the National Labor Relations Board that Watchpersons qualify as Guards within the meaning of Labor-Management Relations Act of 1947.

#### **SCHEDULE 10 Tending of Salamanders**

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

#### **SCHEDULE 11 Work in Two Wage Classifications**

Employees working in a classification which provides 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 for 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 classification.

#### **SCHEDULE 12 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 13**  
**Labor Foreman**

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

**SCHEDULE 14**  
**Classifications**

The following job titles are for rate classification purposes and do not constitute an exhaustive list of work performed by Laborers. Any question relative to the classification of a worker will be settled by the Employer and the Union. Wage rate classification in the contract establishes only a rate for Employees hired by Management and in no way relates to manning 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 Saw, Drill Operator

Concrete Vibrator

Concrete Laborer

Confined Space Watch

Damp Proofer below grade

Demolition and wrecking including remodeling

Drill Runner Helper

Dump person - dirt, asphalt, concrete, cement

Firewatch

Flagperson/Traffic Control with certification

Heater Tender - all types

Hot Tar caulker - corker

Hydro Blast or Waterblaster

Joist Handlers

Lead Abatement

**Mason Tender \$1.25 above Classification 1 rate** Effective May 1, 2020 and May 1, 2021 this rate will increase by \$.25 per hour, each year. – including but not limited to tending and maintaining automated and robotic brick and block laying machinery

Material Handlers - all types Power Buggy

Pipe Handler

Pneumatic and Electric Tools, Jackhammer, Paving Buster, Chipping Hammer, Tamper Operator, etc

Rebar Laborer

Remote Control Tamper

Signal Person

Snow Blower Operator

Swing Stage line Scaffold (not including “patent” scaffolding)

Tool Crib Checker

Welder/Torchperson - gas, electric, thermal, or similar device

**Classification 2**

Caisson Work

Driller for blasting purposes

Dynamite Blasters or substitute products

Tovex TR, water, gas, gel, bristar, silent dynamite, etc

Mortar Mixer - cement or any other substitute material or composition

Mounted Wall Saw Operator

Nozzle Operator - gunite, cement, sandblasting, Micro Abrasive Blasting  
 Pipelayer  
 Pipe Rehab Technician – including cleaning, cutting, cameraing, etc  
 Plaster Tender  
 Refractory Worker  
 Remote Control Demo Machine and related accessories (electric/hydraulic)  
 Sheeting Setter and Drivers, heavy building excavation  
 Underground work - open ditch or excavation 8’ below grade  
 Underpinning

**Classification 3**  
 Watchperson

**SCHEDULE 15**  
**Apprenticeship**

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 hours 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.

All fringe benefit contributions for Apprentices shall be the same as for a Journey Laborer. An Employer may unilaterally pay wages to an Apprentice that are greater than the preceding minimum amounts.

**SCHEDULE 16**  
**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 17**  
**Wage Rates**

The Employer agrees to pay the wage rates including benefits as listed herein for all Employees covered under this Agreement from the first day of employment, regardless of whether or not such Employees are members of the Union, including time spent traveling between work sites and time driving company owned trucks or equipment

when under the direction and supervision of the Employer, and not including commuting to and from home. The Union shall have the discretion to allocate the annual total package increases among hourly basic wages and fringe benefits consistent with the terms of this Agreement. After allocating each annual increase, the Union will issue a new Wage and Benefit Sheet for each year of this Agreement updating the wage and benefit rate information in this Schedule 17. The allocations of the annual increases in such Wage and Benefit Sheets shall be binding on the Employer and shall be incorporated by reference in this Agreement.

**Olmsted and Wabasha Counties, and Goodhue County south of CSAH 9, including the city limits of Lake City**

**Effective May 1, 2019 – Total Increase \$2.05 per hour**

<u>Class</u>	<u>Base</u>	<u>Vac<sup>1</sup></u>	<u>H&amp;W</u>	<u>Pen</u>	<u>TR/AP</u>	<u>LECET</u>	<u>CPI<sup>3</sup></u>	<u>FCF<sup>4</sup></u>	<u>TOTAL</u>	<u>CAF<sup>2</sup></u>
1	26.70	2.00	8.15	9.00	.37	.08	.10	.02	46.42	.02
2	27.40	2.00	8.15	9.00	.37	.08	.10	.02	47.12	.02
3	24.82	2.00	8.15	9.00	.37	.08	.10	.02	44.54	.02

**Mason Tender \$1.25 above Classification 1 rate**

<u>Class</u>	<u>Base</u>	<u>Vac<sup>1</sup></u>	<u>H&amp;W</u>	<u>Pen</u>	<u>TR/AP</u>	<u>LECET</u>	<u>CPI<sup>3</sup></u>	<u>FCF<sup>4</sup></u>	<u>TOTAL</u>	<u>CAF<sup>2</sup></u>
1	27.95	2.00	8.15	9.00	.37	.08	.10	.02	47.67	.02

Effective May 1, 2020 and May 1, 2021 this rate will increase by \$.25 per hour, each year.

Apprentice wage rates at 80% of Class 1:

**EXAMPLE:**

<u>Class</u>	<u>Base</u>	<u>Vac<sup>1</sup></u>	<u>H&amp;W</u>	<u>Pen</u>	<u>TR/AP</u>	<u>LECET</u>	<u>CPI<sup>3</sup></u>	<u>FCF<sup>4</sup></u>	<u>TOTAL</u>	<u>CAF<sup>2</sup></u>
1	21.36	2.00	8.15	9.00	.37	.08	.10	.02	41.08	.02

**Foreman \$1.75 above classification employed in.**

**General Foreman \$2.25 per hour over Foreman rate.**

<sup>1</sup>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.

<sup>2</sup>Contract Administrators Fund is voluntary and not included in the total package.

<sup>3</sup>All Fringe Benefits, including Construction Partnership Inc. (CPI) contribution, are sent to Zenith Administrators, P.O. Box 124, Minneapolis, MN 55440-0124.

<sup>4</sup>Fair Contracting Foundation (see Schedule 18)

**May 1, 2020 – Total Increase of \$2.10 per hour, fringe benefit allocations TBD**

**May 1, 2021 – Total Increase of \$2.15 per hour, fringe benefit allocations TBD**

**Dodge, Faribault, Fillmore, Freeborn, Houston, Le Sueur, Mower, Steele, Rice, Waseca and Winona Counties**

**Effective May 1, 2019 – Total Increase \$2.05 per hour**

<u>Class</u>	<u>Base</u>	<u>Vac<sup>1</sup></u>	<u>H&amp;W</u>	<u>Pen</u>	<u>TR/AP</u>	<u>LECET</u>	<u>FCF<sup>3</sup></u>	<u>TOTAL</u>	<u>CAF<sup>2</sup></u>
1	25.25	2.00	8.15	9.00	.37	.08	.02	44.87	.02
2	25.95	2.00	8.15	9.00	.37	.08	.02	45.57	.02
3	23.42	2.00	8.15	9.00	.37	.08	.02	43.04	.02

**Mason Tenders \$1.25 above Classification 1 rate**

<u>Class</u>	<u>Base</u>	<u>Vac<sup>1</sup></u>	<u>H&amp;W</u>	<u>Pen</u>	<u>TR/AP</u>	<u>LECET</u>	<u>FCF<sup>3</sup></u>	<u>TOTAL</u>	<u>CAF<sup>2</sup></u>
1	26.50	2.00	8.15	9.00	.37	.08	.02	46.12	.02

Effective May 1, 2020 and May 1, 2021 this rate will increase by \$.25 per hour, each year.

Apprentice wages rates at 80% of Class 1:

**EXAMPLE:**

<u>Class</u>	<u>Base</u>	<u>Vac<sup>1</sup></u>	<u>H&amp;W</u>	<u>Pen</u>	<u>TR/AP</u>	<u>LECET</u>	<u>FCF<sup>3</sup></u>	<u>TOTAL</u>	<u>CAF<sup>2</sup></u>
1	20.20	2.00	8.15	9.00	.37	.08	.02	39.82	.02

**Foreman \$1.75 above classification employed in.**

**General Foreman \$2.25 per hour over Foreman rate (appointed at Employers discretion).**

<sup>1</sup>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.

<sup>2</sup>Contract Administrators Fund is voluntary and not included in the total package.

<sup>3</sup>Fair Contracting Foundation (see Schedule 18)

**May 1, 2020** – Total Increase of \$2.10 per hour, fringe benefit allocations TBD

**May 1, 2021** – Total Increase of \$2.15 per hour, fringe benefit allocations TBD

All Fringe Benefits to be sent to Zenith American Solutions, P.O. Box 124, Minneapolis, MN 55440-0124.

### **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, 2022.

#### **Minnesota Construction Industry Workforce Initiative (MCIWA)**

Upon written, mutual agreement of AGC and Union, the parties may participate in and fund the MCIWA program through a Labor-Management Cooperation Committee Trust Fund. If AGC and the Union agree to fund MCIWA, a one-cent (\$0.01) contribution will be added to the total package to fund MCIWA. The parties agree to meet on and discuss this initiative on or before 1 May 2020.

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

ASSOCIATED GENERAL CONTRACTORS of Minnesota

LABORERS DISTRICT COUNCIL of Minnesota & North Dakota

LABORERS UNION, LOCAL 405

**CONSTRUCTION LABORERS LOCAL #405 - ASSOCIATED GENERAL CONTRACTORS OF MN**

**Letter of Understanding for Evening Shift Pay at Mayo Facilities**

This letter of understanding is entered into by the Laborers’ District Council of Minnesota and North Dakota on behalf of its affiliated Local Union 405 (herein called Union) and Associated General Contractors of Minnesota, collectively referred to as “the parties”.

The purpose of this letter of understanding is to clarify the proper application of the language and past practices regarding evening shift pay at Mayo facilities under the collective bargaining agreement between the parties (“CBA”). Schedule 7.A of the CBA provides, in relevant part: “All Employees who work other than the day shift shall receive eight (8) hours pay for seven (7) hours work if such shifts continue for four (4) consecutive working nights or more.” Further, Article 21(2)(b) and Schedule 17 of the CBA provide that the vacation contribution is taxable and thus is subject to premium pay requirements.

***Evening Shift Base Rate of Pay at Mayo***

Evening shift base rate of pay is calculated by taking the base rate plus vacation, multiplying that result by eight (8), dividing that result by seven (7), and then finally subtracting the vacation amount. The following is an example of this calculation:

	26.70	Base wage for Class 1 journeyman, May 2019 - 2020
	<u>2.00</u>	Vacation
<i>add</i>	28.70	Add 26.70 + 2.00
<i>times</i>	<u>8</u>	Paid on 8-hour workday
	229.60	Multiply 28.70 * 8
<i>divide</i>	<u>7.00</u>	7 hours workday
	32.80	Divide 229.60 / 7
<i>Deduct vacation</i>	<u>2</u>	Subtract 32.80 -2.00
<b>Total:</b>	<b><u><u>\$ 30.80</u></u></b>	<b>Evening Shift Base Rate of Pay</b>

The other classes, May 2019- 2020, Evening Shift Base Rate of Pay are, Class 2: \$31.60, Class 3: \$28.65, Apprentice Level 1: \$24.70, Apprentice Level 2: 26.83, Apprentice Level 3: 29.27.

Vacation contributions (along with other fringe benefits contributions) are made separately, in addition to the above evening shift base rate.



***Overtime for Evening Shift Work at Mayo***

Schedule 7B of the CBA provides “When it is mutually agreed upon by the Union and the Employer, the Employer may schedule four (4) 10-hour days, Monday through Thursday. The four (4) 10-hour day schedule shall constitute the forty (40) hour week at straight time.” The CBA is interpreted under past practices that when a four (4) 10-hour day, Monday through Thursday, schedule (with consistent start time) is established for evening shift work, then overtime for evening shift work (*i.e.* time after the scheduled ten (10) hour day and without an eight (8) hour break, such as the eleventh hour) is paid at double the evening shift base rate and double the vacation contribution rate.

The following is an example of this calculation:

$$\begin{array}{r} \text{multiply} \quad 30.80 \quad \text{Evening Shift Base Rate of Pay, class 1 May 2019-2020 (above)} \\ \quad \quad \quad \underline{\quad 2 \quad} \quad \text{Double time for overtime evening shift} \\ \quad \quad \quad \underline{\underline{\$ 61.60}} \quad \text{multiply } 30.80 * 2 \end{array}$$

and:

$$\begin{array}{r} \text{multiply} \quad 2.00 \quad \text{Vacation contribution} \\ \quad \quad \quad \underline{\quad 2 \quad} \quad \text{Double vacation contribution} \\ \quad \quad \quad \underline{\underline{\$ 4.00}} \quad \text{multiply } 2.00 * 2 \end{array}$$

Vacation contributions (along with other fringe benefits contributions) are made separately, in addition to the above evening shift base rate.

***Other Work (Not Mayo or Evening Shift Work)***

Note, shift work not related to a Mayo evening shift (Monday through Thursday) is subject to the general terms in the CBA. Specifically, the general terms of the CBA, including time and one-half for overtime shift work, apply to work performed not at Mayo and to work shifts at Mayo that are not evening shift or overtime for the evening shift (discussed above). All other fringe benefit contributions also remain the same.

If you have any questions, please feel free to contact Sheldon Steele with Local 405 ([local405@locallabors405.com](mailto:local405@locallabors405.com)) or Mike Schechter with AGC ([mschechter@agcmn.org](mailto:mschechter@agcmn.org)).

**LABORERS’ DISTRICT COUNCIL OF MN & ND**  
Tim Mackey, President & Business Manager

**ASSOCIATED GENERAL CONTRACTORS OF MN**  
Mike Schechter, Dir Labor Relations

**LABORERS’ LOCAL 405**  
Sheldon Steele, Business Manager