### COMMERCIAL CLEANING SERVICES AGREEMENT May 29, 2016 – April 30, 2019

**THIS AGREEMENT,** by and between or on behalf of the parties and in the capacities and status designated in Article 1 hereof establish rates of pay, hours of employment, fringe benefits and other conditions of employment for the purpose of collective bargaining between the Union and Commercial Cleaning Contract firms in Minnesota.

**NOW THEREFORE**, for such purpose it is agreed as follows:

All companies or individuals that perform final commercial cleaning services on construction sites are parties to this Agreement. It is intended that this Agreement covers only companies or individuals that perform final commercial cleaning services as a regular business enterprise. It is expressly understood that no work that is or has been normally or traditionally done by Construction Laborers employed by Construction firms will be performed by Employees under the Commercial Cleaners Classification.

# **ARTICLE 1 Designation of Parties**

- 1.1 The companies or individuals signatory to this Agreement hereinafter called Employers or Contractors are a party to this Agreement and agree to be bound to the terms of this Agreement.
- 1.2 The Labor organizations 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 hereinafter called Union are parties hereto.

### ARTICLE 2 Union Security

- 2.1 Recognition The Employer recognizes the Union as the exclusive representative of all its Employees performing work within the jurisdiction of the Union for the purpose of collective bargaining in respect to rates of pay, wages, fringe benefits, hours of employment and other conditions of employment.
- 2.2 Membership The Union recognized 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 the Agreement, whichever is later, be required to become and remain a member in good standing of such Union as a condition of employment.
- 2.3 Failure to Maintain Membership or Join Upon notice from the Union to a responsible Employer representative, advising that an Employee covered by this Agreement has failed to maintain membership in the Union in good standing, as covered above, the Employer shall forthwith discharge the Employee.
- 2.4 Checkoff The Employer agrees to deduct from the pay of Employees and remit to the appropriate Local Union and/or District Council, all deductions authorized by the Employees, pursuant to a voluntary written authorization provided to the Employer. The authorization is signed by each Employee and is in a form consistent with applicable law.
- 2.5 Hiring Employees The Employers agree to give the Union equal opportunity in hiring of new Employees. Equal opportunity shall be defined to mean that the Employer shall call the Union for not less than 50% of its new Employees. Nothing in the forgoing shall be deemed to require the Employers exclusively to call the Union, or to hire exclusively the Employees referred to the Employers by the Union. The Employer or his supervisor may inform new Employees that the Employer is a Union Contractor and as such, Employees on or before the eighth (8<sup>th</sup>) working day of employment must become and remain a member in good standing as a condition of employment. There shall be no discrimination against any Employee because of affiliation or non-affiliation with Unions, race, color, creed, age, sex, disability, political or religious beliefs.

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

## ARTICLE 3 Economic Benefits

3.1 The Employer agrees to pay the wage rates including benefits as listed herein for all Employees performing work covered under this Agreement from the first day of employment, regardless of whether or not such Employees are members of the Union and for all time worked including time spent traveling between work sites in a single workday and time driving company owned trucks or equipment by Employees covered by this Agreement when under the direction and supervision of the Employer, and not including commuting to and from home.

#### 3.2 Commercial Cleaner

Only Final Clean-Up and HVAC Cleaning and Decontamination work as defined below shall be paid at the Commercial Cleaner wage rate.

**Final Clean-Up:** That cleaning which occurs immediately before a construction project or a phase of a construction project is turned over to an owner: washing windows, walls, floors, cabinets, exterior of exposed ducts, furniture, mirrors, fixtures, appliances, vacuuming carpets, etc. Final Clean-Up does not include the removal or disposal of any construction materials, scrapping or "rough cleaning." Should a dispute arise as to whether or not certain work is Final Clean-Up, the Union shall have the discretion to make such a determination; however, the Employer reserves the right to grieve the Union's determination pursuant to Article 8.

**HVAC Cleaning and Decontamination:** Work specified to render HVAC components clean, and to verify the cleanliness through inspection and/or testing. This includes the removal of surface contaminants and deposits from within the HVAC system. The HVAC is defined as the heating, air conditioning and ventilation system. This includes the operation of all tools and equipment normally used in the cleaning and decontamination of HVAC systems.

All laborers work that is not Final Clean-Up or HVAC Cleaning and Decontamination shall be paid at the Construction Craft Laborer rate in Article 5 of this Agreement. Within ten (10) business days of a request made by the Union, the Employer shall provide the Union with payroll information in order to demonstrate compliance with this subpart. Any Employer that violates the requirements set forth in this subpart, may not classify any of its Employees as Commercial Cleaners and for the term of this Agreement all Employees shall be paid at the Construction Craft Laborer Rate in Article 5.

#### 3.3 Commercial Cleaner Wage Rates

All Employees performing Final Clean-Up and HVAC Cleaning and Decontamination shall be paid the following wage rates:

Effective May 29, 2016 Total Increase \$1.40

<b>RATE</b>	<u>VAC</u>	<u>H&amp;W</u>	<u>PEN</u>	<b>TRAIN</b>	<b>LECET</b>	$\underline{FCF^2}$	<b>TOTAL</b>
21.82	2.00	7.65	4.14	.22	.08	.02	35.93

Foreman/Leadperson shall receive \$2.00 per hour over Commercial Cleaner rate.

**Parking.** Employees with paid receipts shall be reimbursed up to \$5.00 per day for parking in downtown Minneapolis, downtown St. Paul, the MSP Airport and the University of Minnesota. Effective May 1, 2017, the reimbursement shall increase to up to \$8.00.

May 1, 2017 Total Increase \$1.45, allocations TBD

May 1, 2018 Total Increase \$1.50, allocations TBD

<sup>&</sup>lt;sup>2</sup>Fair Contracting Foundation (See Article 15)

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

- 3.4 Vacation is a taxable wage and shall be paid for all hours worked and at one and one half  $(1\frac{1}{2})$  times when overtime is worked and at two (2) times on Sundays and holidays.
- 3.5 Any Employees who perform duties that require them to work off the swing scaffold, other types of suspended staging or mobile man lifts with a platform height of forty (40) feet or higher on the exterior or interior of the building shall receive \$1.00 per hour premium pay.
- 3.6 The Employer shall communicate with the Union prior to starting projects of \$17,000 or more.
- 3.7 The Employer agrees to carry unemployment compensation, workers compensation and make social security payments for all Laborers in its employment.
- 3.8 Wages for work and services rendered shall be paid weekly on the job, and on a regularly designated work day. All Employees must be paid in full when terminated or discharged from the job; however, if the superintendent or agent of the Employer does not have this authority, the Employee must receive his payroll 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.
- 3.9 Work in Two Wage Classifications Employees working in a classification which provides for a rate in excess of the Commercial Cleaner rate shall be paid four (4) hours at the higher rate if they perform work in the higher classification for up to four (4) hours. They shall be paid for their full shift at the higher rate if they perform work in the higher rate classification over four (4) hours.

# ARTICLE 4 Hours of Employment and Overtime Rate of Pay

- 4.1 Forty (40) hours shall constitute a normal week's work, Monday through Saturday.
- 4.2 All work performed in excess of ten (10) hours in a workday or forty (40) hours per week shall be paid at one and one-half ( $1\frac{1}{2}$ ) times the regular rate of pay.
- 4.3 Employees reporting to work at the direction of the Employer shall be paid for two (2) hours if not put to work, unless weather will not permit. If an Employee is called to work and commences work, he shall be guaranteed a minimum of four (4) hours pay, except when work is unable to proceed because (a) railroads or common carriers fail to make deliveries as scheduled; (b) the engineer refuses to permit work; or (c) acts of God, including weather conditions, will not permit work.
- 4.4 For all production time worked on Sundays and holidays, or days celebrated as such, the Employees shall be paid two (2) times the regular rate of pay. No Employee shall be required to work on such days. For the purpose of this Agreement, the following days are stated to be holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.
- 4.5 If an Employee is required to work five (5) consecutive hours without a meal break of thirty (30) consecutive minutes, he shall be compensated for the thirty (30) minutes so worked at the applicable rate of pay. This shall not be construed to deny any Employee time to eat his meal. In addition to the above meal break, the Employee shall be entitled to a break in the forenoon and the afternoon, but shall not otherwise hinder the progress of the job. The break shall not exceed ten (10) minutes from the time the Employee stops working until he resumes work, and shall be taken in close proximity to the Employees work station.

## ARTICLE 5 Construction Craft Laborer Work

#### 5.1 Construction Craft Laborer Wage Rate

All Employees performing removal or disposal of construction materials, scrapping or "Rough Cleaning," or other Construction Craft Laborer work at the direction of the Employer, shall be paid the following Construction Craft Laborer Wage Rates:

### Effective May 1, 2016

<u>RATE</u>	$VAC^1$	<u>H&amp;W</u>	<u>PEN</u>	TR/AP	<b>LECET</b>	$\underline{FCF^2}$	<b>TOTAL</b>
32.41	2.30	7.65	7.17	.32	.08	.02	49.95

**Foreman** \$2.50 above classification employed in **General Forman** \$2.50 above Foreman wage rate

**Parking.** Employees with paid receipts shall be reimbursed up to \$5.00 per day for parking in downtown Minneapolis, downtown St. Paul, the MSP Airport and the University of Minnesota. Effective May 1, 2017, the reimbursement shall increase to up to \$8.00.

May 1, 2017 - Total increase \$1.95, allocations TBD May 1, 2018 - Total increase \$1.95, allocations TBD

5.2 **Construction Craft Laborer Work Hours**. Article 4 of this Agreement does not apply to Construction Craft Laborer Work insofar as it is in conflict with the following: 7:30 a.m. to 4:00 p.m. shall constitute a regular day shift, however as a means to promote job efficiency, the Employer may adjust the 7:30 a.m. start time up to two (2) hours earlier. 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.

# **ARTICLE 6** Violation of Agreement

- 6.1 In the event the Employer deliberately violates the provision of this Agreement related 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 rates. The vacation benefit, as a taxable wage, shall be included in any such backpay calculations. The Employer may also be required to pay all costs incurred by the Union in the enforcement of these provisions.
- 6.2 In case of a dispute arising over hours, wages or fringes, the Union shall have the right to examine the payroll records of the individual Employees covered by this Agreement over which there is a dispute. Prior to the actual examination, a written request shall be submitted to the Employer involved. All records will then be made available within ten (10) business days of the request.

<sup>&</sup>lt;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>&</sup>lt;sup>2</sup>Fair Contracting Foundation (See Article 15)

# ARTICLE 7 Subcontracting

7.1 The Employer agrees not to subcontract any work covered by this Agreement to be performed at the construction site to any person, firm or corporation which is not in contractual relationship with the Laborers International Union of North America or any of its affiliated Local Unions.

### ARTICLE 8 Grievance - Arbitration Procedure

- 8.1 All differences or disputes concerning the interpretation or application of any provision(s) of this Agreement shall be submitted to the grievance procedure, except jurisdictional disputes. 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 party to this Agreement shall have the right to raise grievances. Each grievance shall be deemed to be waived unless submitted in writing to the parties for negotiation within fifteen (15) days. If the dispute is not settled within seven (7) days, the parties shall request a panel of Arbitrators from the Federal Mediation and Conciliation Service, and the Federal Mediation and Conciliation Service is to submit a list of names of seven (7) Arbitrators, and one (1) will be selected to hear the dispute. The parties will select the Arbitrator by each one alternately striking a name, and the Arbitrator left shall be designated as the Arbitrator of the dispute. The party requesting Arbitration shall be the first to strike from the Arbitrator list. A decision shall be handed down within thirty (30) days from the completion of the hearing. The decision of the Arbitrator shall be final and binding on all signatories to this Agreement; provided, however, that the Arbitrator shall have no power to add to, delete, or modify any provisions of this contract. The expenses of the Arbitrator selected shall be shared equally by the Union and the Employer.
- 8.2 Notwithstanding the provisions of this Article, the Trustees of the Minnesota Laborers Fringe Benefit Funds shall have the rights of action as set forth in Article 14.

## ARTICLE 9 No Strike - No Lock Out - Actions

- 9.1 The Union and the Employer agree that there shall be no strikes, work stoppages, slow-downs, stay-in or other concerted interferences 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 using all possible means of peaceful settlement of any controversy which may arise. Spread-work tactics, slow-downs, stand-by crews, and forcing of overtime has been and is condemned by both parties, and Employees engaging in same shall be liable for disciplinary action.
- 9.2 Picket Line 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 refuses to enter upon any property involved in a primary labor dispute, or refuses to go through or work behind any primary picket line, including the primary picket line of Unions party to this Agreement, and including primary picket lines at the Employer's places of business.
- 9.3 The Trustees of the Minnesota Laborers Fringe Benefit Funds shall have the right of actions as set forth in Article 14.
- 9.4 Notwithstanding the provisions of Article 8 Grievance-Arbitration Procedure, the Union may determine on a case by case basis whether the failure, or refusal or neglect of an Employer to pay the proper wage rate as set forth in Articles 3 and 5 shall be subject to Arbitration or to the No-Strike provisions herein.

# ARTICLE 10 Management

10.1 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 conditions will Union representatives make demands for more Employees in a crew on specific projects, insofar as it does not conflict with this Agreement.

#### ARTICLE 11 Union Business

- 11.1 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 they are complying with the terms and conditions of this Agreement.
- 11.2 Only authorized representatives shall have the right to confer with Employees on the job. Each and every Union representative shall first contact the job superintendent, 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.
- 11.3 The Employer agrees that on any job where it has Employees covered by this Agreement employed, the Steward shall be kept on the job even 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 worker and shall be a part of the working crew. This clause shall not be interpreted to give the Steward job priority in seasonal layoffs.

## **ARTICLE 12 Saving Clause**

- 12.1 This Agreement is intended to be in conformity with all applicable and valid State and Federal laws, rules and regulations.
- 12.2 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 of this Agreement which are not so in conflict.

## ARTICLE 13 Scope and Term of Agreement

- 13.1 It is understood by the parties that this Agreement covers only the Minnesota counties of Anoka, Beltrami, Benton, Blue Earth, Carlton, Carver, Chisago, Clearwater, Cook, Dakota, Dodge, Fillmore, Faribault, Freeborn, Goodhue, Hennepin, Houston, Isanti, Itasca, Kittson, Koochiching, Lake, Lake of the Woods, Mahnomen, Marshall, Mower, Nicollet, Norman, Olmsted, Pennington, Pine, Polk, Ramsey, Red Lake, Roseau, Scott, Sherburne, Stearns, Steele, St. Louis, Wabasha, Washington, Winona and Wright. No work shall begin until a pre-job is held between the General Contractor or Construction Management, the Cleaning Contractor and the Laborers Union having jurisdiction on the project.
- 13.2 This Agreement shall apply only to on-site cleaning and related work as described in Article 3 and shall exclude work involving individual residential contracts of four (4) units or less. This exclusion does not apply to multiple units on the same site.
- 13.3 This Agreement is recognized as settling all issues for the duration of the Agreement and constitutes the entire Agreement between the parties and concluded all matters which are subject of negotiations unless other matters are mutually agreed upon by the parties.
- 13.4 All provisions of this Agreement shall take effect as of May 29, 2016 through April 30, 2019 and from year to year thereafter; provided however, that this Agreement may be terminated in writing by registered or certified mail to any party at least sixty (60) days before the expiration date.

## **ARTICLE 14** 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.
- 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 bannering 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 bannering 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 8, Grievance-Arbitration Procedure, 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 Employers. Such adjustments shall operate to adjust wages in like amount.

#### **ARTICLE 15**

### 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.