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ASSOCIATE GENERAL MANAGER
GENERAL INVESTMENT BOARD
GENERAL INVESTMENT BOARD

For

GENERAL INVESTMENT BOARD
GENERAL INVESTMENT BOARD

2005-2008

2005-2008



2005-2008

General Investment Board
Chicago, Illinois 60604

MAY 1, 2005-

April 30, 2008

63 pages

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A G R E E M E N T
Between
ASSOCIATED GENERAL CONTRACTORS
OF MINNESOTA
HIGHWAY, RAILROAD AND HEAVY
CONSTRUCTION DIVISION
And
INTERNATIONAL UNION OF
OPERATING ENGINEERS
LOCAL NO. 49
2005 - 2008
(Expires on April 30, 2008)

THIS AGREEMENT, by and between, or on behalf of the parties and in the capacities and status designated in Article 2, hereof, establish 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.

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

ARTICLE 1 - CONSIDERATIONS FOR
AGREEMENT

1.01 The considerations for this Agreement are the mutual promises of the parties and their mutual purposes to establish, maintain and promote sound and harmonious labor relations. It is desirable to maintain the cooperative relationships existing during past years between the Employers and the Employees represented by the Union. It is, therefore, the mutual purposes of both parties to preserve past practices to the fullest extent possible.

ARTICLE 2 - DESIGNATION OF PARTIES

2.01 The Companies 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. They are parties hereto as principals, but their status is several and not joint.

2.02 The labor organizations on their own behalf and on behalf of the Employees whom they represent and on whose behalf they are recognized or 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.

ARTICLE 3 - UNION RECOGNITION

3.01 The Employers hereby recognize each of the Unions to which the Contractor has agreed to be bound, 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 and fringe benefits, where applicable, and other conditions of employment. The respective Unions are hereby recognized hereunder by the Employers as the sole and exclusive bargaining representatives of the Employees respectively represented by them. The respective Unions represent that they are qualified for such recognition.

ARTICLE 4 - SCOPE OF AGREEMENT

4.01 This Agreement shall cover all construction work done in the entire State of Minnesota; Eastern wage zone shall consist of Aitkin, Anok, Blue Earth, Carlton, Carver, Chisago, Cook, Dakota, Dodge, Faribault, Fillmore, Freebor

Goodhue, Hennepin, Houston, Isanti, Kanabec, Lake, Le Sueur, Mille Lacs, Mower, Olmsted, Pine, Ramsey, Rice, St. Louis, Scott, Sherburne, Steele, Wabasha, Waseca, Washington, Winona and Wright Counties in their entirety and that part of Koochiching County east of a north-south line from the Canadian border to Pelland, the western right of way of US Highway 71 from Pelland to Big Falls and Minnesota Highway 6; that part of Itasca County east of the western right of way of Minnesota Highway 6; that part of Cass County south of the northern right of way of US Highway 2 and east of the western right of way of US Highway 371; that part of Crow Wing County east of the western right of way of US Highway 371; that part of Morrison County east of the western right of way of US Highway 371 and US Highway 10 from Little Falls to the Morrison-Benton County line; that part of Benton County east of the western right of way of US Highway 10; and that part of Brown, McLeod, Martin, Meeker, Nicollet, Sibley, Stearns and Watonwan Counties east of the western right of way of Minnesota Highway 15.

4.02 In every case, the entire corporate limits of cities, towns and villages located on the boundaries described by US Highways 2, 10, 71 and 371 and Minnesota Highways 6 and 15 shall be included in the Eastern Wage Zone.

4.03 The Western Zone shall consist of the balance of the State.

4.04 EASTERN METROPOLITAN ZONE (See Wage District Map) In counties of Anoka, Carver, Cook, Dakota, Hennepin, Lake, Ramsey, St. Louis, Scott and Washington Counties, that part of Sherburne County south of the northern boundary of T. 33-N and east of the western boundary of R. 7-W and that part of Wright County east of and

including Highway 25, and that part of Chisago County south of the northern boundary of T. 34-N and that part consisting substantially of the cities of Thomson, Cloquet, Scanlon and Carlton are defined as the Eastern Metropolitan Zone.

ARTICLE 5 - UNION SECURITY

5.01 Each of the Unions 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.

5.02 The Employer will be required to dismiss Employees who refuse to comply with this Union Shop provision after written notification by a bonafide representative of the Union to a responsible representative of the Employer on the job.

5.03 Each of the Unions shall be entitled to approach individual Employees for organizational purposes as provided by law. All organizational functions must be pursued during that period which will not conflict with the Employer's work

ARTICLE 6 - HIRING

6.01 As set forth herein, Employers shall give the Union Referral Office the first opportunity to provide journeymen or apprentices needed by the Employer in any of the classifications covered by this Agreement. The Employer shall inform the Union Referral Office of the location, starting time, approximate duration of the job, type of work

to be performed, and the number of applicants required. The Employer shall allow forty-eight (48) hours for the Union referral of the prospective employees(s).

6.02 Except as specifically limited by this Agreement, the Union shall be the sole and exclusive source of referrals of applicants for employment. The Union shall establish, maintain and keep current a nondiscriminatory Open Employment List of Applicants for the work classifications covered by this Agreement. Such Open Employment List shall not be based on, nor shall referrals be in any way affected by Union Membership, Union constitution, Union by-laws, rules or regulations, or by any other aspect or obligation of Union membership policies or requirements. Any Employee who is hired in violation of this Article shall be discharged by the Employer when the violation has been brought to his attention in writing by the Business Representative.

6.03 Registration or re-registration of applicants for referral from the Open Employment List shall be accepted at the Union Hall at any time between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday (holidays excepted). All applicants shall be registered in order of the time and date of registration. In order to maintain an up-to-date source of experienced applicants, in order to remain on the Open Employment List, an applicant for referral must renew their registration not later than sixty (60) days from the date of their last registration or re-registration. Upon their initial registration, each applicant for referral shall be required to submit a work card of experience and qualifications, and such other data as may be pertinent. Upon re-registration, such applicant shall furnish such additional information as may

be required to keep the employment data current and accurate. Applicants who do not re-register will be assumed to have found employment outside of our craft jurisdiction or, for other reasons, to no longer desire to be dispatched. Applicants who re-register will not lose their place on the out-of-work list. Late applicants will be placed at the bottom of their appropriate group.

6.04 The Union shall refer to an Employer only those applicants whose names appear on the Open Employment List. Each applicant for employment shall be registered in the highest priority group for which they are qualified. Nothing contained herein shall deny the Union the right to select any applicant for referral on the basis of experience in the industry, qualifications or skills-- regardless of the Employee's place on the out-of-work list. The following general principles shall prevail in the referral of applicants:

- (A) Request by Employers for master mechanics shall be honored without regard to the requested person's place on the Open Employment List.
- (B) An Employer's request for an individual operator by name will be honored, provided that (1) at the time of the request, the operator requested is presently on the out-of-work list, and has been on the out-of-work list at least five (5) consecutive days; or (2) the operator has been employed regularly on a season-to-season basis by the requesting Employer or (3) has worked for the requesting Employer in the past five (5) years as an operator. All requests are based on having worked in Local #49's jurisdiction as an Operating Engineer.
- (C) Bonafide requests by Employers for applicants with special skills and abilities shall be

honored, and persons possessing such skills and abilities shall be referred in the order in which their names appear on the Open Employment List.

- (D) In the best interest of the industry and to maintain a pool of learners, requests by Employers for applicants who are to be employed as oilers and greasers, and are sons or daughters or sons-in-law or daughters-in-law of management or of Operating Engineers (seeking summer employment only), shall be honored without regard to the requested applicant's place on the Open Employment List.
- (E) The Employers and the Union mutually agree that the provisions of this Article shall not be applicable to the employment of workers employed by the Employer during the preceding twelve (12) months in the State of Minnesota. The Employer agrees to notify the Union by phone or mail of employees rehired under the provisions of this section as soon as possible or within fifteen (15) days of rehire.
- (F) Except in the case of applicants referred pursuant to subparagraphs (A), (B), (C), (D) and (E) of this section, and subject to experience in the industry, qualifications or skills, applicants (including oilers and greasers) shall be referred as follows:
 - (1) Applicants who have worked in the State of Minnesota in the categories of employment covered by this Agreement for an aggregate time of two thousand (2000) hours or more immediately preceding registration shall constitute Group A. Applicants shall be referred from Group A in the order in which their names

appear on the Open Employment List until Group A has been exhausted.

- (2) Applicants who have worked in the State of Minnesota in the categories covered by this Agreement for an aggregate time of more than five hundred (500) but less than two thousand (2000) hours, during the period of three (3) years immediately preceding registration shall constitute Group B. After Group A has been exhausted, applicants from Group B shall be referred in successive order as their names appear on the Open Employment List until Group B has been exhausted.
- (3) All applicants not in Group A or Group B shall constitute Group C. When Group A and Group B have been exhausted, applicants from Group C shall be referred in successive order as their names appear on the Open Employment List.
- (4) Any applicant receiving a pension from the International Union, Local Union or from any source of the industry, including Social Security, shall be included in Group B. When Group A has been exhausted, applicants from Group B shall be referred in successive order as their names appear on the Open Employment List.
- (5) Each Employer shall have the absolute and unconditional right to reject any applicant referred by the Union. No applicant shall be entitled to call-in-pay or show up time, if rejected. If the Employer is notified by the Union Referral Office that the requested help is not available or if the prospective Employee(s) referred do not appear fo

work within the required time, then the Employer may hire from any other available source.

- (6) Any applicant who is rejected by the Employer to whom they are referred for employment shall be restored to their place on the Open Employment List. When applicant is actually employed on a job to which they were referred for more than seven (7) days, such applicant's name shall be removed from the Open Employment List. If an applicant, upon being called for three (3) different jobs that they have registered and is classified for, refuses to accept all three (3) jobs, they shall be placed on the bottom of the Open Employment List -- unless ill, in which case, proof must be furnished. If an applicant quits their employment without complying with the provisions of Sub-paragraph (14) relating to the giving of three (3) days' notice, the Employer may notify the Union and the applicant shall not be eligible for registration on the Open Employment List for a period of fifteen (15) days. The Employer shall make out a termination slip for employees discharged for cause. The slip shall state the reason for discharge and one copy shall be furnished to the Union.
- (7) A Separate Apprentice List shall be established and maintained for registered apprentices, and apprentices shall be referred for employment in the order in which their names appear on such lists. Requests by Employers for particular registered apprentices or persons who will become employed as registered

apprentices shall be honored without regard to the requested applicant's place on such apprentice list.

- (8) There shall be created a Joint Hiring Committee composed of three (3) persons appointed by the Associated General Contractors of Minnesota, and three (3) persons appointed by the Union. The function of the Joint Hiring Committee shall be to supervise the operation of the employment referral system established in accordance with this Article. The Joint Hiring Committee, and the individual members thereof, shall have the power, but not the duty:

(a) to establish, revise and enforce rules and regulations for the operation of the employment referral plan;

(b) to inquire into and investigate the operation of the employment and referral plan; and

(c) to hear and determine any and all grievances arising out of the operations of the employment referral plan. Any applicant registered on the Open Employment List, any apprentice registered on the Apprentice List, and any applicant for registration on either list shall have the right to appeal to the Joint Hiring Committee any dispute or grievance arising out of the operation of the employment referral plan. A grievance may also be initiated by a member of the Joint Hiring Committee.

(d) If the Joint Hiring Committee is unable to reach a decision over a griev-

ance within ten (10) days after the grievance is referred to the Joint Hiring Committee, the grievance shall be submitted to a Neutral Arbitrator selected by the Joint Hiring Committee. If fifteen (15) days have elapsed since the dispute was referred to the Joint Hiring Committee, and the Joint Hiring Committee has not reached a decision on the grievance, or on the identity of a Neutral Arbitrator, any member of the Joint Hiring Committee may apply to the Minnesota State Bureau of Mediation Services for the appointment of a Neutral Arbitrator. The authority of the Neutral Arbitrator shall be limited to the interpretation and application of the provisions of this Article. All decisions of the Joint Hiring Committee or the Neutral Arbitrator shall be final and binding on all parties, including the apprentices or applicants involved.

- (9) The Employers and the Union mutually agree to post in places where notices to employees and applicants for employment are customarily posted, all provisions of this Agreement relating to the hiring of applicants and all rules and regulations issued by the Joint Hiring Committee in connection therewith.
- (10) The Employers and the Union mutually agree that the provisions of this Article shall not be applicable to the employment of supervisory employees.
- (11) For purposes of this Article, the word "Employer" shall be deemed to include joint ventures and affiliated business entities.

- (12) For the purpose of placement on the Open Employment List, officers and business representatives of the Union and supervisory personnel who have worked previously in the State of Minnesota, in one or more categories of employment covered by this Agreement shall be deemed to have been employed in said categories for the duration of their employment as an officer, business representative or supervisor.
- (13) In order to meet Federal, State or other governmental requirements or regulations relative to Equal Employment Opportunity and Affirmative Action, contractors may hire from any source if the Union cannot supply. There shall be no discrimination against any Employee or applicant because of affiliation or non-affiliation with the Unions, race, color, creed, political or religious beliefs.
- (a) When the Employer needs people to satisfy Equal Employment Opportunity or Affirmative Action obligations, they shall give the Union equal opportunity with all other sources to provide suitable applicants. The Employer has the right to select prospective Employees from all applicants referred to them.
- (b) In order to meet Federal, State or other government requirements or regulations, contractors may hire from any source, if the Union cannot supply.
- (14) Notification of Desire to Quit. All Operators and Engineers desiring to quit their jobs shall notify their Employer and

the representative of the Local and remain on the job three (3) days unless relieved. The Employer shall be under no obligation to re-employ in the future any Engineer who quits without a three-day notice.

(15) This addendum shall become effective January 1, 1987.

ARTICLE 7 - INSURANCE AND TAXES

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

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

ARTICLE 8 - CONFLICTING AGREEMENTS

8.01 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.

8.02 In the event the Unions signatory hereto enter into any agreement with any individual Employer or group of Employers competing in the highway and heavy construction of employment more favorable to said Employer than herein provided, these more favorable terms and conditions may, at the option of the Employers signatory hereto, be implemented as a part of this contract, provided the AGC-Basic Trades Liaison Committee has first met and studied the evidence and is con-

vinced the Union has, in fact, given better conditions or wages to the other party. In the event the AGC-Basic Trades Liaison Committee deadlocks, the arbitration procedure in the grievance article will be followed to reach a final decision.

ARTICLE 9 - VIOLATIONS OF AGREEMENTS

9.01 In the event the Employer deliberately violates the provisions of this Agreement relating to wages, hours of work, or overtime differentials, and vacations, 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 and overtime rate.

9.02 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.

9.03 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 Board of Arbitration so orders.

9.04 Determination of violation to this Agreement as set forth in 9.01, 9.02, 9.03 above shall be determined in accordance with the "Settlement of Disputes" Article of this Agreement.

ARTICLE 10 - DISCHARGE

10.01 The Employers may discharge any Employee whose work or behavior, is unsatisfactory or who fails to observe the safety precautions or

other rules and regulations prescribed by the Employer or any governmental agency. No Employee shall be discharged for refusing to work under unsafe conditions.

ARTICLE 11 - SETTLEMENT OF DISPUTES

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

11.02 If a satisfactory settlement cannot be reached within five (5) working days the matter may be brought to the AGC-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).

11.03 Both parties must sign Agreement to bring matter to Disputes Board. Both parties must sign the document binding them to 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.

11.04 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.

11.05 The Disputes Board is to be made up of equal numbers of Management and Labor repre-

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.

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

11.07 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 Joint Disputes Board then the matter may be referred to a Board of Arbitration that shall operate in the following manner: The Union shall appoint an Arbitrator and the Employer shall appoint an Arbitrator within ten (10) working days and the two Arbitrators thus selected shall appoint a Neutral Chairman. In the event of the failure of the Arbitrators selected by the parties to agree on a Neutral Chairman within ten (10) working days after the dispute is referred to arbitration, they shall ask the Federal Mediation and Conciliation Service for a list of five (5) names. Within five (5) days after receipt of such list, the parties shall determine by lot the order of elimination and thereafter each shall in the order alternately eliminate one name from the list until only one name remains and the final name shall be selected as the Neutral Chairman. The Neutral Chairman thus selected shall set the time and place for hearings, which shall begin no later than ten (10) working days after his/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.

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

11.09 The Employer will pay all expenses of his Arbitrator and the Union will pay all expenses of its Arbitrator, and the Employer and the Union shall share equally all fees and expenses of the Neutral Chairman.

11.10 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

12.01 The Union recognizes the right of the Employer to retain or to reduce or increase the number of Employees, and it is further understood that the Employer reserves the right to manage its job or business, just so long as exercising such rights does not violate any provisions of this Agreement.

12.02 The Employee shall use any tools, equipment, machinery, materials, products or procedures of their craft required by the Employer.

ARTICLE 13 - SAFETY

13.01 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.

13.02 To this end, the Employer shall from time to time, issue rules and notices to their 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 14 - PICKETS, BANNERS AND STRIKES

14.01 The Employer shall not require any Employee, to go through a primary 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 decided not to cross a primary picket line, or banner. This provision does not apply to watchmen or supervisory personnel, if they go through the picket line to protect life or property. This clause shall not apply to a secondary picket line and banners and it shall not apply to jurisdictional picket lines and banners.

ARTICLE 15 - STRIKES, LOCKOUTS, WORK INTERFERENCE

15.01 The Unions and the Employers agree that there shall be no strike, lockout, work-stoppage, slow-downs, sit-downs, or other concerted interference with the Employer's business or affairs by this Union and/or the members thereof, and there shall be no strike or lockout during the life of this Agreement without first giving AGC or the Employer and the Union forty-eight (48) hours written notice and sending the dispute through procedures established in Article 11.

ARTICLE 16 - SUBCONTRACTORS

16.01 If an Employer subcontracts work to be performed at the jobsite, the Employer shall require the Subcontractor to sign a subcontract agreement containing the following provisions:

The Subcontractor agrees to comply with the provisions relating to wages, fringe benefits and premium pay and on-the-job working conditions for the 2005 to 2008 collective bargaining agreements in the Highway and Heavy Construction Industry entered into between the Contractor and the Operating Engineers Union for the duration of such prime Contractor's or Employer's project.

16.02 The Agreement of the Subcontractor to so comply shall apply:

- A. Only to those collective bargaining agreements which cover classifications of work in which the Subcontractor has Employees working on the projects; and
- B. Only to work performed on the project.

16.03 The Employer shall require the Subcontractor to sign a subcontract agreement containing the foregoing provisions only:

- A. With respect to work located in territorial areas covered by the terms of the respective union agreements; and
- B. Where the Subcontractor does not represent to the Employer that they have an established building trades collective bargaining relationship covering the affected classification of work.

16.04 Controversy with Subcontractor. In the event a Subcontractor is involved in a controversy, the Union shall be obligated to bring it to the attention of the prime Contractor in an effort to

settle the controversy before a work-stoppage is brought about.

ARTICLE 17 - UNION REPRESENTATIVES

17.01 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.

17.02 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

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

ARTICLE 19 - PAYROLL RECORDS

19.01 In case of a dispute arising over hours and wages, 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 - APPLICATION OF WAGE RATES

20.01 The determining factor in applying different area rates shall be the location within the State in which the work is being performed and

not the home address of the Employee or Employer. Pay rates for other crafts with respect to areas are irrelevant.

20.02 When a job is in two wage districts, wages shall be the average of the two scales and rural working conditions shall prevail.

ARTICLE 21 - PAYDAY AND WAGE PAYMENT

21.01 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.

21.02 Wages shall be paid at or before the end of the shift of the designated payday. Employers may utilize alternative forms of pay check distribution such as mailing or by direct deposit upon mutual agreement with each Employee.

21.03 When an Employee is laid off, or discharged they shall receive all money due them in cash or negotiable check within twenty-four (24) hours. If the Employee does not appear to collect their check, the Employer will immediately mail their check to the Employee's last known address.

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

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

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

ARTICLE 22 - FRINGE BENEFITS

22.01 The Employer agrees to contribute every month, not later than the 15th of the following month, hereinafter called the "due date", such sums for Pension, Health and Welfare, Vacation, Apprenticeship and Promotion funds as they may be established, an amount for each hour worked by all Employees covered by this Agreement. The fund's Trustees shall equally represent the Union and the Employer. The terms of the trust agreements establishing those funds are hereby incorporated as a part hereof.

- A. Contributions to be paid on one check with all other fringes to an administrative agency with a local office.
- B. Reporting forms and instructions standardized with other basic trades.
- C. Contributions paid on an hourly basis on all hours worked and not to be pyramided. Example: if hourly wage is \$8.00 plus 10¢ fringe, time and one-half overtime rate equals \$12.00 plus 10¢ fringe. On shift work, contributions paid on the same proportionate hourly basis as hours worked to hours paid.
- D. Any Insurance Carrier, Administrator, Consultant, Actuary, Fiduciary Agent which may be used shall be selected by competitive bidding upon invitation by Trustees.
- E. 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.
- F. (1) An Employer shall be considered "delinquent" for a particular work month if its required report and payment for that month are not postmarked on or before

the 15th day of the following month (the "due date"), irrespective of whether such delinquency is willful or otherwise.

- (2) If an Employer becomes delinquent for a particular work month (as provided in (1) above), they shall be required to pay, as liquidated damages and not as a penalty, an amount equal to 15% 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.
- (3) If an Employer becomes delinquent for a particular work month (as provided in (1) above), as to any or all of the Trust Funds, and if the report and the full payment due for such work month (including liquidated damages) are not post-marked in the office of the Fund Administrator on or before the 15th day of the month following the applicable due date, such Employer shall (in addition to paying the full amount due) be required to post in the office of the Fund Administrator a cash or surety bond in form satisfactory to the Trustees and in the face amount of \$25,000 which shall cover all of the Trust Funds and assure payment of all sums called for by this Agreement in the event of the Employer's subsequent delinquency as to any and all of the Trust Funds, and which shall be kept in force and maintained in the full face amount for a period of not less than 12 consecutive calendar months during which no further

delinquency has occurred on the part of such Employer. 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 bond.

- (4) Illustration of clauses (1), (2) and (3): If an Employer's report and payment for the January work month have not been postmarked before February 16, such Contractor becomes delinquent at that point and must pay the full amount due, plus 15%. If the report and the full amount for January (including the 15% liquidated damages amount) are not postmarked before March 16, the Employer must then post a \$25,000 bond in addition to reporting and paying the full amount due.
- (5) The delinquent Employer shall also be required to pay all costs of collection actually incurred by the Trust Funds, including all attorney fees, service fees, filing fees, court reporter fees, and all other fees, costs and disbursements incurred by or on behalf of the Trust Funds in collecting the amount due. Trustees at their discretion may reimburse (from the fund) the Unions for picketing and 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.
- (6) Each Employer who is required to make payments to the Trust Funds shall promptly furnish to the Trustees and the

Unions, or their authorized agents, on demand, all necessary employment and payroll records relating to its Employees covered by this Agreement, including any other relevant information that may be required in connection with the administration of the Trust Funds. The Trustees and the Unions or their authorized agents, may examine such employment, or payroll records whenever such examination is deemed necessary by the Trustees and the Unions, or their authorized agents in connection with the proper administration of the Trust Funds. If any Employer fails or refuses to furnish its payroll records to the Trustees and the Unions, or their authorized agents upon demand or refuses to afford the Trustees, or their authorized agents reasonable opportunity to examine the same in accordance with standard auditing procedures, the Trustees and the Unions may enforce such rights by legal action, in which event all attorney fees, service fees, filing fees, court reporter fees and other legal costs and disbursements, as well as the auditing fees and costs incurred in conducting such audit, shall be paid by such Employer on direction of the Trustees. The Unions shall also have the right to take economic action to enforce such rights on behalf of the Unions and the Trustees, and the Trust Funds shall reimburse the Unions for picketing and bannering expenses actually incurred in enforcing such rights.

- (7) 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.

(8) 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 Unions, regardless of whether or not such Employees are members of the Union.

G. Any and all fringe contribution rates shall be open for adjustment upon each anniversary date of the effective date of this Contract, and shall be within the discretion of the Trustees. The Trustees shall provide thirty (30) days written notice to the Union and to the Company of any adjustment and such adjustment shall operate to adjust wages in a like amount.

H. Health and Welfare and Pension to be sent to Wilson-McShane Corp., 3001 Metro Drive, Suite 500, Minneapolis, Minnesota 55425.

ARTICLE 23 - SAVING CLAUSE

23.01 This Agreement is intended to be in conformity with all applicable and valid State and Federal laws, rules and regulations.

23.02 Any conflict between the provisions of this Agreement and the terms of any such laws and regulations shall cause the provisions of this Agreement so in conflict to be superseded or annulled but shall not supersede or annul the terms and provisions of this Agreement which are not so in conflict.

ARTICLE 24 - ENTIRE UNDERSTANDING

24.01 This Agreement covers the entire understanding between the parties hereto, with the exception of the Letter of Understanding relating to Picket Lines, which was signed by the parties on July 2, 1975.

ARTICLE 25 - DURATION

25.01 All terms of this Agreement shall take effect on May 1, 2005.

25.02 This Agreement shall remain in full force and effect through April 30, 2008.

25.03 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.

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

S U P P L E M E N T S

SCHEDULE 1 - NEW CLASSIFICATIONS

S1.01 Any question relative to the classification of a worker will be settled by the Employer and the Union.

S1.02 The Union and AGC shall determine proper classification and wage rates for any new type of equipment not presently covered by the classifications contained in this Agreement in accordance

with the following procedures:

- A. Union shall submit a written request to AGC for determinations.
- B. AGC shall meet with Union within 14 days of receipt of request.
- C. AGC and Union will determine:
 1. A descriptive classification title; and
 2. That the skill required for the operation of a new machine is most comparable to the skill required for the operation of one of the following key classifications; Classification 1 - 6. The wage rate shall then be the current rate paid for said key classification.
- D. In the event mutual agreement cannot be reached in (c) above, the matter shall be referred to arbitration under the provisions of Article 11 Settlement of Disputes. Determination referred to in (c) above shall be the sole issue decided in arbitration.

SCHEDULE 2 - CLASSIFICATIONS, WAGES AND FRINGES

Group 1

All Truck and Crawler Cranes 50 tons and over doing pile driving, sheeting work, caisson work, rotary drilling and boring.

Group 2

Helicopter Pilot

Concrete Pump Operator

*** Crane Operator with over 135' Boom, excluding jib

Dragline, Crawler, Hydraulic Backhoe and/or other similar equipment with shovel-type controls, 3 cubic yards and over Mfg. rated capacity

Grader or Motor Patrol, Finishing earthwork and bituminous

Pile Driving

Tugboat Operator - 100 hp and over when license required

Group 3

Asphalt Bituminous Stabilizer Plant Operator

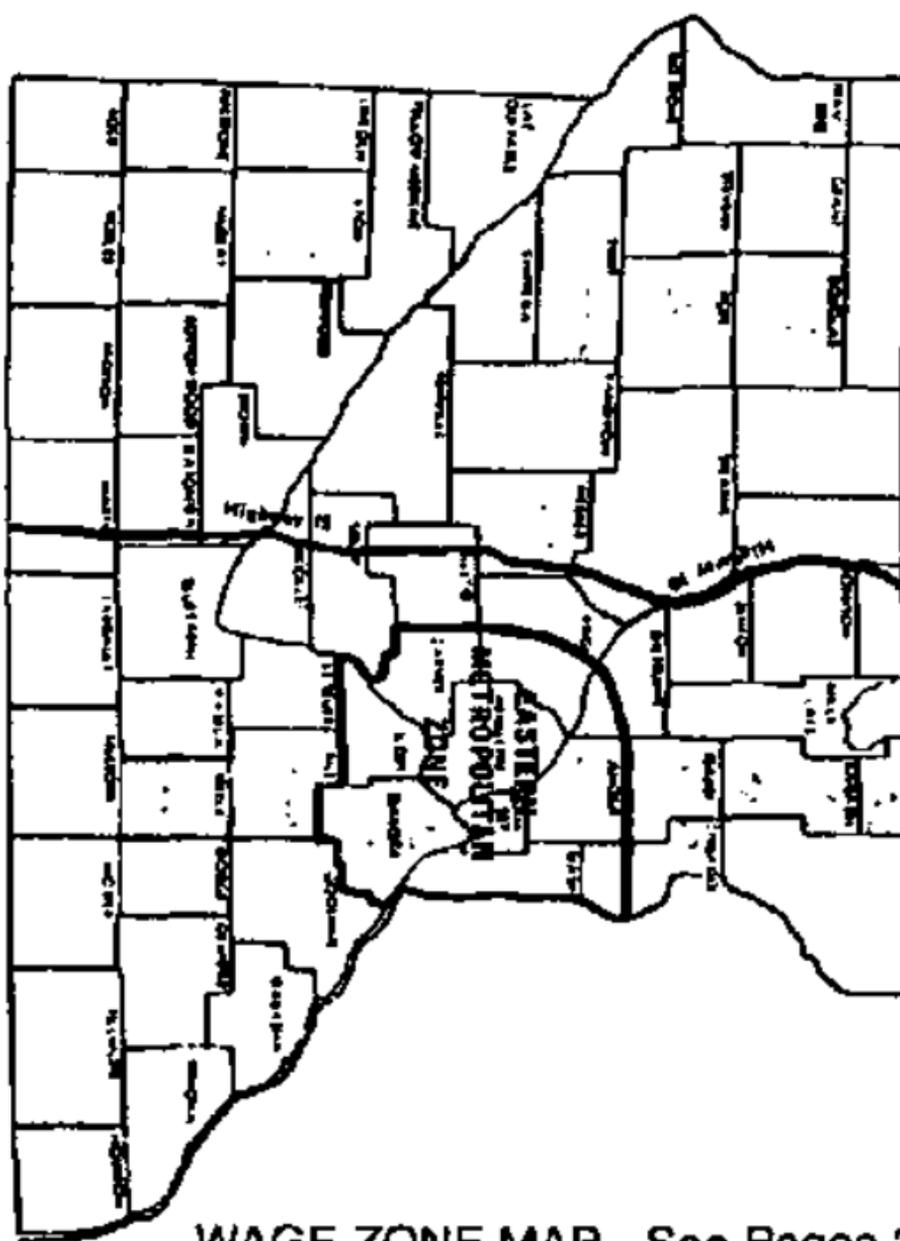
Cableway Operator

Concrete Mixer, Stationary Plant over 34E
Derrick (Guy or Stiffleg) (power) (skids or stationary)

Diver

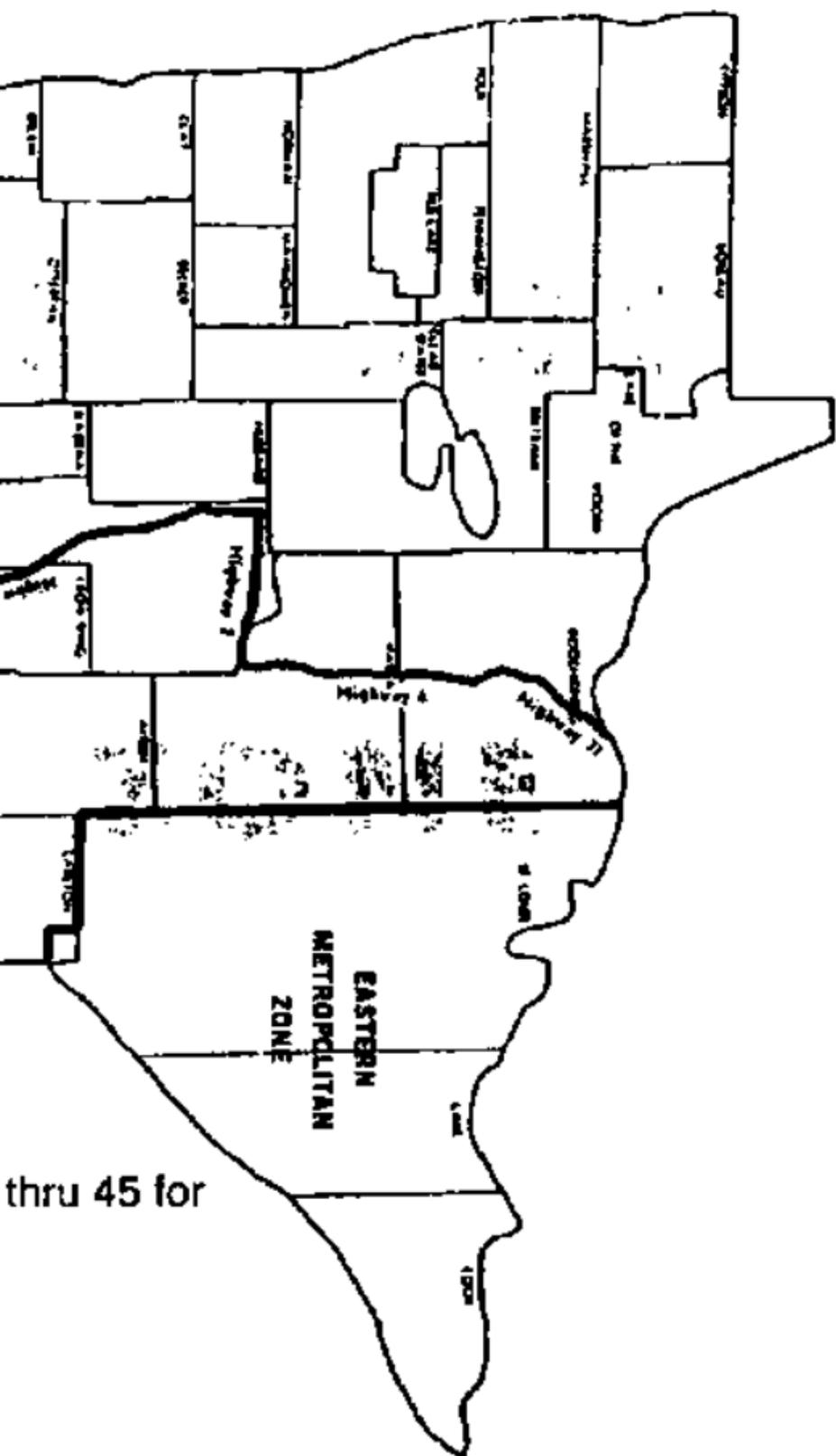
Dragline, Crawler, Hydraulic Backhoe and/or other similar equipment with shovel-type controls, up to 3 cubic yards Mfg. rated capacity

Dredge Operator or Engineers, Dredge Operator (power) and Engineer



WAGE ZONE MAP - See Pages 2
 wage rates and classifications.

- Western zone
- Eastern Metropolitan zone
- Remainder of Eastern zone



Front End Loader Operator, 5 cu. yds. and over
Locomotive Crane Operator
Master Mechanic
Mechanic or Welder
Mixer (Paving) Concrete Paving Operator, Road
Mole Operator, including power supply
Mucking Machine, including mucking operations, Conway or similar type
Refrigeration Plant Engineer
Tandem Scraper
Tractor Operator - Boom type
Truck Crane Operator - Crawler Crane
Tugboat Operator - 100 hp and over

Group 4

Air Track Rock Drill
Articulated Hauler Terex, Caterpillar or similar type
Automatic Road Machine Operator (CMI or similar)
Backfiller Operator
Bituminous Paver Screed Operator
Bituminous Spreader & Finishing Operator (power)
Bituminous Roller Operator, 8 Tons and over
Boom Truck Operator (power operated boom)
Brokk or R.T.C. 750 remote control or similar types with all attachments
Cat and Scraper
Cat Tractors with Rock Wagons or similar types

Challenger 75-D or 85-D when pulling
scraper or bulldozer
Chip Harvester & Tree Cutter over 150 HP
Concrete Batch Plant Operator
Concrete Distributor & Spreader Operator
Finishing Machine
Concrete Mixer Operator on jobsite over 14S
Concrete Mobile Operator
Crushing Plant Operator (gravel&stone) or
Gravel Wshg, Crshg and Scrng Plant Oper.
Curb Machine Operator
Directional Boring Machine, all types
Dope Machine (pipeline)
Drill Rigs, Heavy Rotary or Churn or Cable
Drill
Dual Tractor Operator
Elevating Grader Operator
Engineer in charge of plant requiring 1st
Class License
Fork Lift or Straddle Carrier Operator
Fork Lift or Lumber Stacker (for construc-
tion jobsite)
Front End Loader Operator, over 1 cu. yd.
GPS Operator remote operating of equip-
ment (refer to letter of understanding)
Grader Operator (Motor Patrol)
Hoist Engineer (power)
Hydraulic Tree Planter
Launcherman (Tankerman or Pilot License)
Lead Greaser
Locomotive, all types
Milling, Grinding and Planing Machine
Operator

Multiple Machines, such as Air Compressors, Welding Machines, Generators, Pumps Pavement Breaker or Tamping Machine Operator (power driven) Mighty Mite or similar type

Payhauler or similar type

Pickup Sweeper, 1 cu. yd. and over Hopper capacity

Pipeline Wrapping, Cleaning or Bending Machine Operator

Power Plant Engineer, 100 K.W.H. and over Power Actuated Horizontal Boring Machine, over 6" Operator

Pugmill Operator

Pumpcrete Operator

Rubber-Tired Farm Tractor, Backhoe Attachment

Scraper Operator, up to 32 cubic yards

Scraper Operator - Struck capacity 32 cu. yds and over

Self-Propelled Traveling Soil Stabilizer

Skid Steer Loader, over one cubic yard with backhoe attachment

Slip Form Operator (power driven) (paving)

Tie Tamper & Ballast Machine Operator

Tractor Operator, Bulldozer

Tractor Operator, over 50 HP with power take-off

Trenching Machine Operator all utilities, excludes walk behind trencher

Tub Grinder - Morbark or similar type

Well Point Installation, Dismantling or Repair Mechanic on day shift, one man in charge

Group 5

- Air Compressor Operator 600 CFM or over
- Bituminous Roller Operator under 8 Tons
- Bituminous Rubber Tired Roller
- Longitudinal Float Operator, Joint Machine Operator and Spray Operator
- Concrete Saw Operator (multiple blade) (power operated)
- Form Trench Digger (power)
- Front End Loader Operator, up to and including 1 cu. yd.
- Gunite Operator Gunall
- Hydraulic Log Splitter
- Loader Operator (Barber Greene or similar type)
- Post Hole Driving Machine, Post Hole Augar
- Power Actuated Augars and Boring Machine Operator
- Power Actuated Jacks Operator
- Pump Operator
- Self-Propelled Chip Spreader (Flaherty or similar)
- Sheep Foot Compactor with Blade - 200 HP and over
- Shouldering Machine Operator (power) Apsco or similar type including self-propelled sand & chip spreader
- Skid Steer Operator up to 1 cu. yd.
- Stump Chipper and Tree Chipper Operator
- Tractor Operator, Bulldozer, 50 HP or less
- Tree Farmer (a machine)
- Vibrating Extractor

Group 6

Challenger 75-D or 85-D when pulling disk or roller

Conveyor Operator

Crane Operator Apprentice

Dredge Deck Hand

Group 6 (continued)

Fireman or Tank Car Heater Operator

Gravel Screening Plant Operator (portable not crushing or washing)

Greaser (Truck or Tractor)

Leverman

Mechanic Helper

Mechanic, Space Heater (temporary heat)

Oiler (Power Shovel, Crane, Dragline)

Power Sweeper Operator

Rollers on gravel compaction

Self-Propelled Vibrating Packer Operator (35 HP and over)

Sheep Foot Rollers

Tractor Operator Wheel Type (over 50 HP)

Crane Operators in Group 1 with a CCO certificate will receive a 50¢ per hour premium. All other crane operators with a CCO certificate will move to Group 2 with a 50¢ per hour premium. Crane operators without a CCO certificate will be paid Group 2 or 3, whichever is applicable.

***Crane Operator with over 135' Boom, excluding jib, shall receive 25¢ per hour premium over the classification one scale, 50¢ premium over 200' Boom, excluding jib.

**** 25¢ premium on above classifications on work performed in underground tunnel; 50¢ premium on above classifications on work performed in underground tunnel under air pressure.

UNDERGROUND WORK

S2.01 Employees working in tunnels, shafts, etc. shall be paid an additional twenty-five cents (25¢) per hour over the regular negotiated wage rate. Employees working under (air pressure) shall receive fifty cents (50¢) per hour over the regular negotiated wage rate. Underground and air pressure pay differential shall apply for the full shift and all overtime to any Employee performing work underground or under air pressure.

S2.02 All shifts shall start and end above ground, or Employees engaged in work described in this Section shall be paid an additional one-half (1/2) hour pay as travel pay at the overtime rate from 0 to 10,500 ft., one (1) hour travel pay for over 10,500 ft. to 21,000 ft., one and one-half (1 1/2) hours travel pay for over 21,000 ft. to 31,500 ft. Travel distance shall be measured from point of entry of the Employee. Employee must report before their normal starting time as required by the travel time listed herein. At the end of the shift, Employees must be out of the shaft at the normal quitting time or be paid overtime pursuant to the terms of this Agreement unless reason for not being out of the shaft is an act or fault of the Employee.

HAZARDOUS WASTE

S2.03 Operators working on hazardous waste projects for which a site specific safety plan (Site Safety Plan) has been prepared in accordance with the requirements of 29 CFR 1910.120 or 1926.65, as applicable, or an operator working on an emergency response clean-up operation or participating in site assessment shall be paid for all reasonable time spent on personal preparation and cleanup – i.e., suiting up, personal decontamination, etc., required by the Site Safety Plan.

S2.04 If the Site Safety Plan requires Employees to wear Level C or higher personal protection equipment (PPE), such Employees shall be allowed to take paid personal relief breaks as necessary to regulate body core temperature as required by O.S.H.A. regulations. Personal relief breaks will be taken outside the Exclusion Zone. The Employer will determine the times during the shift when relief breaks will be taken. Relief breaks will not be taken simultaneously by all Employees, unless so directed by the Employer.

S2.05 The Union agrees that the amount of time reasonably required for personal preparation and clean-up and the number and length of personal relief breaks to be taken during a shift shall be determined by the Employer. The Union acknowledges that personal relief breaks are granted solely as necessary to protect the health and safety of Employees and agrees that they will not be abused.

S2.06 If the Site Safety Plan requires Employees to wear Level C or higher PPE, they will be paid the following premiums over the wage rates normally applicable to their classifications:

PPE REQUIRED	WAGE PREMIUM
Level A	\$1.25 per hour
Level B	\$0.90 per hour
Level C	\$0.60 per hour
Level D	\$0.50 per hour

S2.07 When an Operator must carry the Hazmat certification card to perform the work and does not need full personal protection equipment as described in OSHA regulation, Appendix B to 1926.65, the Operators will get paid premium only when working in Hot Zones. On project let as Hazmat projects, the appropriate level of pay will be paid.

S2.08 An Employee who elects to wear PPE at the level higher than required by the Site Safety Plan will be paid only for the level of PPE actually required by the Site Safety Plan.

S2.09 Levels of PPE are defined in Appendix B to 29 CFR 1910.120 or 1926.65, as applicable.

Worker Readiness Program: The Union and Employers recognize the value of a skilled workforce. To this end, Labor and Management agree as follows: During the term of this Agreement, all workers covered by this Agreement shall possess an OSHA 10 completion card. It is agreed that all Local 49 members receive eight (8) hours per year of training during the term of this agreement. Scheduling of these classes shall be the shared responsibility of the Employer, the Union and the Joint Training Program. All classes eligible under this section shall be approved by the Training Program Director.

WAGES EFFECTIVE MAY 1, 2005

EASTERN METROPOLITAN ZONE (See Wage District Map)

GROUP	1-1/2% of GROSS WAGES EXCLUDING			APPREN. TICESHIP		TOTALS
	WAGES	FRINGES	H/W	PENSION	TICESHIP	
1	\$28.77	**	\$5.55	\$5.80	\$.35	\$40.47
2	27.77	**	5.55	5.80	.35	39.47
3	27.22	**	5.55	5.80	.35	38.92
4	26.92	**	5.55	5.80	.35	38.62
5	23.88	**	5.55	5.80	.35	35.58
6	22.67	**	5.55	5.80	.35	34.37

REMAINDER OF EASTERN ZONE (See Wage District Map)

GROUP	1-1/2% of GROSS WAGES EXCLUDING			APPREN. TICESHIP		TOTALS
	WAGES	FRINGES	H/W	PENSION	TICESHIP	
1	\$26.31	**	\$5.55	\$5.80	\$.35	\$38.01
2	25.31	**	5.55	5.80	.35	37.01
3	24.86	**	5.55	5.80	.35	36.56
4	24.56	**	5.55	5.80	.35	36.26
5	21.99	**	5.55	5.80	.35	33.69
6	21.12	**	5.55	5.80	.35	32.82

In Zone 2 (which is the Remainder of Eastern Zone) and Zone 3 (which is the Western Zone) where Pre-D's are low or non-existent, the percentage rate shall be 90% of the Base Rate, plus total Fringe Package.

In Zones 2 and 3, any Heavy Industrial Sites are exempt from the percentage reduction for projects with no Pre-D or low Pre-D wages, except when it is mutually agreed between the Union and the Employers that such reduction is necessary.

In Zones 2 and 3 where percentages are used, any project let by the Minnesota Department of

Transportation, or any letting agency, with higher pre-determined wage rates and fringe benefits than those set forth, the higher rates and benefits shall be applied.

WESTERN ZONE (See Wage District Map)

GROUP	1-1/2% of GROSS WAGES EXCLUDING			PENSION	APPREN- TICESHIP	TOTALS
	WAGES	FRINGES	H/W			
1	\$23.10	**	\$5.55	\$5.80	\$.35	\$34.80
2	22.10	**	5.55	5.80	.35	33.80
3	21.17	**	5.55	5.80	.35	32.87
4	20.86	**	5.55	5.80	.35	32.56
5	19.15	**	5.55	5.80	.35	30.85
6	18.55	**	5.55	5.80	.35	30.25

In Zone 2 (which is the Remainder of Eastern Zone) and Zone 3 (which is the Western Zone) where Pre-D's are low or non-existent, the percentage rate shall be 90% of the Base Rate, plus total Fringe Package.

To deviate from the 90% rule on specific projects in the Western Zone, when an Employer calls and asks for relief, it will be considered by the Union, but it will not be the Union's responsibility to notify other Union contractors that wage reductions were granted.

In Zones 2 and 3, any Heavy Industrial Sites are exempt from the percentage reduction for projects with no Pre-D or low Pre-D wages, except when it is mutually agreed between the Union and the Employers that such reduction is necessary.

In Zones 2 and 3 where percentages are used, any project let by the Minnesota Department of Transportation, or any letting agency, with higher pre-determined wage rates and fringe benefits than those set forth, the higher rates and benefits shall be applied.

WAGES EFFECTIVE MAY 1, 2006

EASTERN METROPOLITAN ZONE (See Wage District Map)

GROUP	1-1/2% of			APPREN- TICESHIP TOTALS
	GROSS WAGES EXCLUDING FRINGES	H/W	PENSION	
1		**		
2		**		
3	\$1.55	**To be decided prior to May 1, 2006.		
4		**		
5		**		
6		**		

REMAINDER OF EASTERN ZONE (See Wage District Map)

GROUP	1-1/2% of			APPREN- TICESHIP TOTALS
	GROSS WAGES EXCLUDING FRINGES	H/W	PENSION	
1		**		
2		**		
3	\$1.55	**To be decided prior to May 1, 2006.		
4		**		
5		**		
6		**		

In Zone 2 (which is the Remainder of Eastern Zone) and Zone 3 (which is the Western Zone) where Pre-D's are low or non-existent, the percentage rate shall be 90% of the Base Rate, plus total Fringe Package.

In Zones 2 and 3, any Heavy Industrial Sites are exempt from the percentage reduction for projects with no Pre-D or low Pre-D wages, except when it is mutually agreed between the Union and the Employers that such reduction is necessary.

In Zones 2 and 3 where percentages are used, any

project let by the Minnesota Department of Transportation, or any letting agency, with higher pre-determined wage rates and fringe benefits than those set forth, the higher rates and benefits shall be applied.

WESTERN ZONE (See Wage District Map)

GROUP	1-1/2% of			APPREN. TICESHIP	TOTALS
	WAGES	FRINGES	H/W PENSION		
1		**			
2		**			
3	\$1.10	**	To be decided prior to May 1, 2006.		
4		**			
5		**			
6		**			

In Zone 2 (which is the Remainder of Eastern Zone) and Zone 3 (which is the Western Zone) where Pre-D's are low or non-existent, the percentage rate shall be 90% of the Base Rate, plus total Fringe Package.

To deviate from the 90% rule on specific projects in the *Western Zone*, when an Employer calls and asks for relief, it will be considered by the Union, but it will not be the Union's responsibility to notify other Union contractors that wage reductions were granted.

In Zones 2 and 3, any Heavy Industrial Sites are exempt from the percentage reduction for projects with no Pre-D or low Pre-D wages, except when it is mutually agreed between the Union and the Employers that such reduction is necessary.

In Zones 2 and 3 where percentages are used, any project let by the Minnesota Department of Transportation, or any letting agency, with higher pre-determined wage rates and fringe benefits

than those set forth, the higher rates and benefits shall be applied.

WAGES EFFECTIVE MAY 1, 2007

EASTERN METROPOLITAN ZONE (See Wage District Map)

GROUP	1-1/2% of GROSS WAGES EXCLUDING	APPREN- TICESHIP	TOTALS
WAGES	FRINGES H/W	PENSION	
1	**		
2	**		
3	\$1.55	**To be decided prior to May 1, 2007.	
4	**		
5	**		
6	**		

REMAINDER OF EASTERN ZONE (See Wage District Map)

GROUP	1-1/2% of GROSS WAGES EXCLUDING	APPREN- TICESHIP	TOTALS
WAGES	FRINGES H/W	PENSION	
1	**		
2	**		
3	\$1.55	**To be decided prior to May 1, 2007.	
4	**		
5	**		
6	**		

In Zone 2 (which is the Remainder of Eastern Zone) and Zone 3 (which is the Western Zone) where Pre-D's are low or non-existent, the percentage rate shall be 90% of the Base Rate, plus total Fringe Package.

In Zones 2 and 3, any Heavy Industrial Sites are exempt from the percentage reduction for projects with no Pre-D or low Pre-D wages, except when it

is mutually agreed between the Union and the Employers that such reduction is necessary.

In Zones 2 and 3 where percentages are used, any project let by the Minnesota Department of Transportation, or any letting agency, with higher pre-determined wage rates and fringe benefits than those set forth, the higher rates and benefits shall be applied.

WESTERN ZONE (See Wage District Map)

GROUP	1-1/2% of GROSS WAGES EXCLUDING		APPREN- TICESHIP TOTALS
	WAGES	FRINGES H/W PENSION	
1		**	
2		**	
3	\$1.10	**To be decided prior to May 1, 2007.	
4		**	
5		**	
6		**	

In Zone 2 (which is the Remainder of Eastern Zone) and Zone 3 (which is the Western Zone) where Pre-D's are low or non-existent, the percentage rate shall be 90% of the Base Rate, plus total Fringe Package.

To deviate from the 90% rule on specific projects in the Western Zone, when an Employer calls and asks for relief, it will be considered by the Union, but it will not be the Union's responsibility to notify other Union contractors that wage reductions were granted.

In Zones 2 and 3, any Heavy Industrial Sites are exempt from the percentage reduction for projects with no Pre-D or low Pre-D wages, except when it is mutually agreed between the Union and the Employers that such reduction is necessary.

In Zones 2 and 3 where percentages are used, any project let by the Minnesota Department of Transportation, or any letting agency, with higher pre-determined wage rates and fringe benefits than those set forth, the higher rates and benefits shall be applied.

A DOLLAR (\$1.00) PER HOUR INCREASE SHALL BECOME EFFECTIVE MAY 1, 2008 IF A HIGHER RATE HAS NOT BEEN NEGOTIATED BETWEEN THE UNION AND THE AGC. SAID INCREASE SHALL BE SUBJECT TO THE FRINGE BENEFIT FUND ALLOCATIONS.

ADMINISTRATIVE DUES

S2.08 During the term of this Agreement, in accordance with the terms of an individual and voluntary written authorization for checkoff of administrative dues, the Contractor shall deduct each week from the wages of all Employees covered by this Agreement 1 1/2 % of the Gross Wage as administrative dues excluding fringes.

S2.09 All money collected by the Employer as provided herein shall be remitted to Local 49's Office not later than the fifteenth (15th) day of the month following the month in which deductions were made. The Union accepts full responsibility for the disposition of the funds so deducted, once they have been remitted to Local 49's office. The Union shall be responsible for obtaining all individual signed authorizations.

SCHEDULE 3 - HOURS, SHIFTS, OVERTIME, SUNDAYS AND HOLIDAYS

S3.01 All work performed on Saturdays must be paid at 1 1/2 times the hourly rate in the seven (7) county metro area and the city limits of Duluth. If

an Employee misses a day on their own accord, Saturday shall not be an overtime day.

S3.02 In the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington and that part of Sherburne County south of the northern boundary of T. 34-N and east of the western boundary of R. 27-W; and that part of Wright County east of the western right of way of Minnesota Highway 25; that part of Chisago County south of the northern boundary of T. 34-N and that part of St. Louis County within the city limits of Duluth, overtime shall be paid at the rate of one and one-half (1 1/2) times the regular hourly rate after forty (40) hours in one week. Where two shifts are worked, each shift shall consist of eight (8) hours work and all Employees who work such shifts shall receive eight (8) hours pay.

S3.03 In the remainder of the State, eight (8) hours shall constitute a work day, forty (40) hours shall constitute a work week. All time worked in excess of forty (40) hours in any week shall be paid at one and one-half (1 1/2) times the regular hourly rate.

S3.04 It is understood that there shall be no pyramiding of overtime and Employees shall not be paid daily and weekly overtime.

SHIFTS

S3.05 Where not more than two (2) shifts are worked, the wages paid shall be based on hours worked, however, each shift shall constitute eight (8) hours work and eight (8) hours pay.

S3.06 Where work is only allowed to be performed during off-peak traffic hours (evenings and nights), the \$1.00 per hour premium shall apply. 6:00 p.m. to 6:00 a.m. Metro area only.

S3.07 There shall be a minimum of one-half (1/2) hour break from work for lunch near the middle of each shift. Lunch breaks are not paid hours.

S3.08 When three (3) shifts are worked, the first shift shall constitute eight (8) working hours. The second shift shall constitute the following seven and one-half (7 1/2) working hours. The third shift shall constitute the succeeding seven (7) working hours. Each such full shift shall be compensated by eight (8) hours straight time pay.

SUNDAYS AND HOLIDAYS

S3.09 In the Eastern Zone all work performed between midnight Saturday and midnight Sunday shall be classed as Sunday work and paid for at the rate of two (2) times the regular hourly rate, except as a regular shift which ends on a Sunday or holiday morning or begins at or after 6:00 p.m. on a Sunday or holiday evening, shall be paid at the straight time rate. This includes the Eastern Metropolitan Zone.

S3.10 In the Western Zone, all work performed between midnight Saturday and midnight Sunday shall be classed as Sunday work and paid for at the rate of one and one-half (1 1/2) times the regular hourly rate, except as a regular shift which ends on a Sunday or a holiday morning and begins at or after 6:00 p.m. on a Sunday or holiday evening shall be paid at the straight time rate.

S3.11 Work performed on the following holidays shall be compensated for at the rate of two (2) times the regular hourly rate: New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. When Monday or Friday is designated and celebrated as one of the above listed legal holidays according to the regulations produced by the Federal government, they shall be observed as such.

SCHEDULE 4 - OWNER-OPERATORS

S4.01 If an Employer uses the services of an owner who operates their own piece of equipment on work covered by this Agreement, the sole obligation of the Employer shall be limited to:

- A. Pay the owner-operator wages at the rate of pay, fringe benefits and overtime specified in this Agreement; and
- B. Payments for wages and equipment shall be on two separate checks. The above shall be limited to cases where the owner-operator is used for three (3) days or more.

SCHEDULE 5 - MANNING BY OPERATORS

S5.01 All equipment operated, regardless of controls or power, coming under Operating Engineers jurisdiction must be manned by Operating Engineers.

1. **Cold Weather Maintenance:** When it is necessary for the machine to be taken care of in cold weather, said work shall be done by the Operator of machine in question and the Employer shall be the sole judge when such work shall be necessary.
2. **Running Repair Work:** Operators shall do running repair work on machines they operate if no mechanic is employed.
3. **Repair Work:** All repair work on jobs on equipment under our jurisdiction shall be done by Operating Engineers at the regular scale of wages, but this shall not bar the employment of specialists when necessary. Said Operators shall possess the necessary hand tools.
4. **Air Compressors:** Air Compressors 800 CFM and over shall require an Operator. A Crane

Operator Apprentice (Oiler) on the project may be required to service and operate compressors, in lieu of an Operator, at the Group 5 rate, if the compressors are in the vicinity of the crane the Crane Operator Apprentice (Oiler) is servicing.

5. **Boilers:** When Boilers which require licensed Firemen are used on construction work, they shall be manned by Operating Engineers.
6. **Well Point Installation:** In accordance with past practices, Well Point Installation and dismantling shall be done by Engineers, assisted by Laborers. On day shift, one person in charge. (Not to be construed as requiring an extra person.)
7. **Assembling or Dismantling Equipment:** Operators or Mechanics should be employed in assembling or dismantling a plant or crusher covered by this Agreement. On such work they shall be paid at their regular rate. This does not, however, preclude the use of other help if necessary.
8. **Pile Driving Operations:** On pile driving operations, when three drums are in use, the classification one (1) scale shall be used.
9. **Finishing Rate:** When an Employer classifies an Employee as a Grader or Motor Patrol, Finishing Earth Work and Bituminous Operator, and the Employee is assigned to perform Grader Operator (Motor Patrol) work, they shall continue receiving the Finishing rate. (Exclusive of snow plowing.)
10. **Servicing Other Trades:** Crane or Derrick Operators regularly assigned to directly service Ironworkers and/or Boilermakers shall receive the same overtime provisions paid to Journeymen of these crafts for the time spent

while directly servicing those crafts, but not less than that specified in this Agreement.

11. Crane Operator Apprentice (Oilers) and Firemen: In the counties of Anoka, Carver, Cook, Dakota, Hennepin, Lake, Ramsey, St. Louis, Scott and Washington, that part of Sherburne County south of the northern boundary of T. 34-N and east of the western boundary of R. 27-W and that part of Wright County east of and including Highway 25, and that part of Chisago County south of the northern boundary of T. 34-N and that part consisting substantially of the cities of Thomson, Cloquet, Scanlon and Carlton.

Crane Operator Apprentice required on all heavy industrial sites in Zone 1 per schedule 5, paragraph 11, (a) - (i). Both parties to this agreement realize the necessity to increase the number of qualified crane operators in the construction industry. For this reason, employers are encouraged to utilize Crane Operator Apprentices in lieu of Oilers. Crane Operator Apprentices will be paid a percentage of the base wage in Classification Group 2, per the schedule in Schedule 8, Apprentice Training and Retraining. Crane Operator Apprentices do not receive premiums, i.e. boom lengths, tonnage, etc. there is no requirement for both a Crane Operator Apprentice and an Oiler on the same crane.

- A. Truck Cranes and Locomotive Cranes must have a Crane Operator Apprentice (Oiler) or Fireman.
- B. Two-Axle, self-propelled hydraulic cranes over 50 Ton Mfg. Rates capacity must have a Crane Operator Apprentice (Oiler).

- C. All cranes and draglines, over 50 ton and up to and including 100 ton, must have a Crane Operator Apprentice (Oiler) on the 1st crane and every other crane thereafter, if in close proximity of each other.
- D. All cranes, 50 ton and over, doing pile driving, sheeting work, caisson work, rotary drilling and boring must have a Crane Operator Apprentice (Oiler).
- E. Cranes, over 100 ton, must have a Crane Operator Apprentice (Oiler).
- F. All dismantling and erection of cranes not requiring Crane Operator Apprentices (Oilers) must be done by members of the Operating Engineers.
- G. Underground utility construction crews must have a Crane Operator Apprentice (Oiler) on backhoes (excavators) having a manufacturer's operating weight of 115,000 lbs and over. The CAT 350L and similar equipment does not require an Oiler.
- H. Underground utility construction crews will not require a Crane Operator Apprentice (Oiler) when stripping with backhoes, installing services, installing storm sewer leads and catch basins. Crane Operator Apprentices (Oilers) may be required to operate compactior equipment in lieu of Operators.
- I. On all cranes, backhoes, excavators, draglines, where a Crane Operator Apprentice (Oiler) is not required, if second Employee is needed, they must be a member of the Operating Engineers, at Management's discretion.

12. **Oilers and Firemen in the Remainder of the State:** When, as and if the Employer determines that an Employee is needed to perform an Oiler's function on power shovels, hydraulic backhoes, cranes, draglines, rotary or churn drill rigs, blacktop plants, trenchers, traveling soil stabilizers, dredges or locomotive cranes, they shall be an Oiler or a Crane Operator Apprentice.
13. **Pump Operator and Mechanical Space Heater Operator Provision:** Notwithstanding any other provisions in this Agreement to the contrary when used, pump operators and mechanical space heater operators shall receive no more than time and one-half on holidays and from Saturday midnight till Sunday midnight.
14. **Snow Removal:** To increase opportunities for work, Operating Engineers working on snow removal in the winter months will receive no overtime pay except after forty (40) hours in any week.
15. **Employment with other Crafts:** In the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington and that part of Sherburne County, south of the northern boundary of T. 34-N and east of the western boundary of R. 27-W; that part of Wright County east of the western right of way of Minnesota Highway 25; that part of Chisago County south of the northern boundary of T. 34-N and that part of St. Louis County within the city limits of Duluth:
 - A. When an Engineer with a craft working less than eight (8) hours a day, they must be employed for a full eight (8) hours' pay.

- B. When Engineers are required to operate machines overtime, the Engineer employed on the machine shall work the overtime hours.

SCHEDULE 6 - CALL-IN PAY

S6.01 Employees shall receive full time pay for all time spent in the service of Employers. There shall be no split shifts. When an Employee is called to work, they shall receive two hours' pay if not put to work.

S6.02 Call-In. If the Employer calls the Union for help and workers do not report at the time agreed to between the business agent and Employer, the workers are not entitled to Call In Pay.

S6.03 In the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington and that part of Sherburne county south of the northern boundary of T. 34-N and east of the western boundary of R. 27-W; that part of Wright County east of the western right of way of Minnesota Highway 25; that part of Chisago County south of the northern boundary of T. 34-N and that part of St. Louis County within the city limits of Duluth. When an Operator starts work, either on the first or last half of the day or shift, and is afterwards ordered to shut down, they shall receive full time pay for that part of the day or shift. For example Operator starts work at 8:00 a.m. and is ordered to shut down at 10:30 a.m., they will receive four (4) hours pay, the same rule applies to afternoon shift. If they work over four (4) hours and is ordered to shut down, they shall receive not less than eight (8) hours' pay.

S6.04 In the Remainder of the State: Employee told to report for work and then released o

worked any fraction of the first hour, shall be guaranteed a minimum of two (2) hours' pay at the rate specified.

\$6.05 The above provisions shall not apply 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; (3) Acts of God, including weather conditions will not permit work. The Employer also however shall provide telephone notification if arrangements are made to reach Employees through a central source.

SCHEDULE 7 - DEFINITION OF WORK

\$7.01 Heavy construction and railroad contracting work is defined as construction substantially in its entirety and fixed structure and other improvement or modification thereof, or an addition or repair thereto, including any structure or operation which is an incidental part of the contract thereof, including without limitation (not including Building Construction except as to work below grade and including grading on site), railroads and street construction projects, underground utilities, watermains, grade separations, foundations, pile driving, piers, abutments, retaining walls, viaducts, shafts, tunnels, subways, track elevation, elevated highways, drainage projects, sanitation projects, aqueducts, irrigation projects, flood control projects, reclamation projects, reservoirs, water supply projects, water power developments, hydro-electric developments, duct lines, pipe lines, locks, dams, dikes, levees, revetments, channels, channel cut-offs, intakes, dredging projects, (all dredging in the State of Minnesota and boundary waters, excluding dipper and hydraulic dredging on Lake Superior and up to the Fond du Lac bridge

where T.H. 23 crosses the St. Louis River), jetties, breakwaters, docks, harbors, industrial sites, airports, excavation and disposal of earth and rock, including the assembly, operation, maintenance and repair on all equipment, vehicles and other facilities used in connection with and serving the aforementioned work and services. Highway construction is defined as all work ordinarily included in highway construction contracts, bridges, underground utilities and street grading street paving, curb setting, sidewalks, etc.

Note: A. In the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington and that part of Sherburne County south of the northern boundary of T. 34-N and east of the western boundary of R. 27-W; that part of Wright County east of the western right of way of Minnesota Highway 25; that part of Chisago County south of the northern boundary of T. 34-N and that part of St. Louis County within the city limits of Duluth. Maintenance and repair work in contractors permanent shops will be covered by the Metropolitan Shop Agreement for those contractors now signatory thereto. The Shop Agreement will be a rider to this construction contract. When a new Metropolitan Shop Agreement is negotiated, it will become a rider to this Agreement.

Note: B. Demolition of all highway, heavy and building structures is covered by the terms of this Agreement.

Note: C. Exclude the following work when done in connection with Building Construction: Caissons, foundations, concrete pilings, and piling that remains part of the permanent structure within the building line.

SCHEDULE 8 - APPRENTICE TRAINING AND RETRAINING

S8.01 The Employer and the Union agree that a committee comprised of three representatives from each group shall establish an apprentice training program and retraining program to function under the National Joint Apprenticeship and Training Committee for Operating Engineers. Said committee has adopted a Trust Agreement, rules and regulations, and shall determine eligibility and supervise the local administration of said program.

S8.02 Effective May 1, 2005, the Employer shall pay monthly into the Operating Engineers Local 49 Apprentice Training and Retraining Fund thirty-five cents (35¢) per hour for each hour paid for or worked in the preceding month by all Employees covered by this Agreement. Said payments shall be made on the dates, in the manner, and form, and in accordance with the rules and regulations as adopted by the Trustees. Negligence of the Employer in complying with this Article shall be deemed a direct violation of this Agreement.

S8.03 APPRENTICES: The use of apprentices shall be encouraged and promoted.

RATIO OF APPRENTICES TO JOURNEYWORKERS

S8.04 The utilization of Apprentices by an Employer shall be in relationship to the number of Operators employed. The ratio of Apprentices to Journeyworkers shall be the following: 1 Apprentice to 10 full-time Operators, or as follows:

- 1-10 Operators employed
- No more than 1 Apprentice

- 11-20 Operators employed
- No more than 2 Apprentices
- 21-30 Operators employed
- No more than 3 Apprentices
- 31-40 Operators employed
- No more than 4 Apprentices
- 41-50 Operators employed
- No more than 5 Apprentices
- 50+ Operators employed
- No more than 1 Apprentice for each 10
(or portion thereof) Operators employed.

(One apprentice will be allowed as long as there is one journeyworker. A second apprentice will not be allowed until there are eleven journeyworkers. An additional apprentice will be allowed for each additional ten journeyworkers. This ratio will be based on the Employer's total Operating Engineer work force (excluding employed apprentices) and not on a per job basis.)

\$8.05 Apprentice wages are as follows: Wage rate based on Group 5 in the appropriate Zone.

Excavating and Grading Apprentice Program

First	1,000 hours	70%
Second	1,000 hours	80%
Third	1,000 hours	90%
Fourth	1,000 hours	100%

Wage Scale for Crane Operator Apprentice

Crane Operator Trainees shall be paid at the following percentages. (Percentages based on Group 2 scale.)

- * 0 - 2000 hrs. 70%
- * 2000 hrs. 75%
- * 4000 hrs. 86% - existing oilers to start
- * 6000 hrs. 93%

* 8001 hrs. – Journey worker 100%

Course Length

The total time spent in the program will ultimately be based upon the learner's ability to comprehend various subjects and apply them to various tasks. The minimum time in the program is 8000 hours (minus previous experience that is granted when possible.) Persons who are unable to achieve the goals set forth in the training outline will be offered remedial help, however, if a person is unable to comprehend the program after additional time is given they will be removed from the program.

SCHEDULE 9 - DRUG/ALCOHOL ABUSE PROGRAM

S9.01 Section 1. Contractors who wish to sign "Labor user Contractors Committee Joint Labor Management Uniform Drug/Alcohol Abuse Program" may do so by obtaining forms from Local 49's office or the Associated General Contractors of Minnesota office.

S9.02 Contractors shall be permitted to perform random drug/alcohol testing to meet legal or owner requirements if the Employer has adopted a written drug and alcohol testing policy complying with the provisions of the LUC program and applicable statutes.

S9.03 The Parties to this Agreement agree that the Employers shall be allowed to perform random drug/alcohol testing on all projects in accordance with applicable statutes. The AGC and Local 49 will meet to draft proper language to incorporate and make part of this Agreement. Until this language is agreed to and made part of this Agreement, random testing will be allowed only

under Section 2, above.

One (1) hour pay for negative drug testing on pre-hire testing.

SCHEDULE 10 - NATIONAL HEALTH INSURANCE PROGRAM

S10.01 In the event that a National Health Insurance Program is enacted, the Employer contribution to the current Health and Welfare Plan as described in Schedule 2, shall be applied to any cost incurred by the Employer and/or the Employees covered hereunder in connection with such National Health Plan.

S10.02 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.

SCHEDULE 11 - WORKERS' COMPENSATION

S11.01 AGC of Minnesota and Operating Engineers Local #49 hereby agree to enter into an Agreement and Declaration of Trust for the establishment of the AGC of Minnesota-Basic Construction Crafts Workers' Compensation Fund (hereinafter "the Fund") to provide workers' compensation benefits to eligible employees under the Collective Bargaining Agreement.

S11.02 The operation of the Worker Compensation program will be determined by the Trustees in accordance with the Agreement and Declaration of Trust establishing the Fund together with any amendments thereto and regu

lations established by the Trustees, and the parties hereby designate as their representatives of the Board of Trustees such Trustees as are named pursuant to the Trust Agreement, together with any successors who may be appointed pursuant to the Agreement and Declaration of Trust. The parties hereto agree to be bound by the delinquency collection procedures established by the Trustees of the Fund, as may be revised from time to time.

§11.03 It is the purpose of this Trust Fund to provide Employees who claim compensable personal injuries and occupational diseases occurring under Minnesota Workers' Compensation laws with benefits required by law. The amount of contributions to this Fund shall be established by the Trustees and may be changed from time to time.

IN WITNESS WHEREOF the parties have caused this Agreement to be executed this 1st day of May, 2005.

ASSOCIATED GENERAL
CONTRACTORS OF
MINNESOTA

INTERNATIONAL UNION
OF OPERATING ENGINEERS
LOCAL NO. 49

By Dave Semerad
Dave Semerad, CEO

By Glen D. Johnson
Glen D. Johnson, Business Mgr.

By Keith Kramer
Keith Kramer
Director of Labor Relations

By Thomas H. Pariseau, Jr.
Thomas H. Pariseau, Jr.,
President

By Kyle D. Jones
Kyle D. Jones
Recording-Corresponding
Secretary