

BUILDING AGREEMENT

between

ASSOCIATED GENERAL CONTRACTORS OF MINNESOTA

and

**NORTH CENTRAL STATES REGIONAL
COUNCIL OF CARPENTERS**

May 1, 2016- April 30, 2019



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ARTICLE 1 – CONSIDERATIONS FOR AGREEMENT

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 on construction work in the State of Minnesota.

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

- A. 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 and jurisdictional work assignments existing during past years between the Employers and the employees represented by the Union.

ARTICLE 2 – DESIGNATIONS OF PARTIES

- A. Associated General Contractors of Minnesota (hereinafter called AGC), and affiliated organizations are a party to this Agreement in a representative capacity and as agent only, acting on behalf of certain of its members who have agreed to be bound to the terms of this Agreement through the AGC, and on behalf of such additional Employers as may execute identical counterparts. The AGC is entitled to recognition in such capacity, as agent and collective bargaining representative for the Employers who are or may become parties hereto, for all purposes of this Agreement including its right in such capacity to represent such Employer parties before NLRB or otherwise pursuant to and/or in aid, support or enforcement of the terms and provisions of this Agreement.
- B. The AGC members who have agreed to be bound to the terms of this Agreement through the AGC, or other Employers who have done likewise (hereinafter called Employers) are parties hereto as principals, but their status is several and not joint. An Employer becoming bound to this Agreement shall execute a form demonstrating the Employer's assent to the terms of this Agreement that must also be countersigned by the Union demonstrating the Union's acceptance of the Employer becoming bound to the terms of this Agreement.
- C. The labor organizations on their own behalf and on behalf of Carpenters, Pile Drivers, and their Apprentices whom they represent and on whose behalf they are recognized (hereinafter called Union) are parties hereto. The status of said Union is dual, in that they are parties hereto as principals and also as agents for the employees whom they represent and on whose behalf they are recognized or to be recognized as hereinafter provided.

ARTICLE 3 – UNION RECOGNITION

- A. 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.

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

If the Union enters into any Agreement, or modifies a term within an agreement, with any individual Employer or group of Employers competing in the same type of work as defined in this Agreement, which provides for different wages, hours or conditions than herein specified, the parties may open this Agreement for the express and exclusive purpose of negotiating those different wages, hours or concessions. The Union will provide the Association with copies of all agreements entered into by the Union for the work jurisdiction described herein, including any modifications to an Agreement.

ARTICLE 4 – SCOPE OF AGREEMENT AND TERRITORIAL JURISDICTION

This Agreement shall cover work traditionally performed by the Employers and assigned to employees under this Agreement or predecessor Agreements, anywhere within the geographical jurisdiction of this Agreement.

The employers recognize that the floor covering trade is part of the North Central States Regional Council of Carpenters' craft jurisdiction. The Floor Covering Addendum is hereby recognized as part of this Agreement for purposes of subcontracting under Article 11.

This Agreement shall cover all the State of Minnesota south of the north lines of Traverse, Grant, Douglas, Todd, Morrison, Mille Lacs, Kanabec and Pine counties. It shall also include the following territory in Wisconsin east of the St. Croix River; Highway 70 to Grantsburg, Wisconsin, then Highway 87 to the intersection of Highway 48, then Highway 48 to the intersection of Highway 35, then Highway 35 to the intersection of Highway 8, then U.S. Highway 8 to the intersection of Highway 65 to River Falls, then Highway 29 to Prescott and across to Hastings. Any city or village located in this line in Wisconsin shall be in the jurisdiction of this Agreement.

There are different wage packages within this contract, basically along county lines, however where cities or towns fall on county lines the city limits are usually in more than one county. These cities or towns are referenced separately at the end of this Article under the heading "Cities and Towns on Boundary Lines."

METRO AREA (AREA A)

Metro Area shall consist of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Kanabec, Pine, Ramsey, Scott, Sherburne, Washington and Wright counties in Minnesota and the territory in Wisconsin described above in this article. EXCEPTION: In Sherburne County, the portion extending 5 miles beyond the city limits of St. Cloud shall be in the Central Wage Area.

Area A-2 the city limits of Red Wing, Wacouta Township, Welch Township and extending 5 miles

outward. Area A-2 will have a wage increase of an additional \$2.49 above the negotiated increase for all areas effective May 1, 2017. Area A-2 will have a wage increase of an additional \$2.48 above the negotiated increase for all areas effective May 1, 2018 and be merged into Area A-1 Metro effective on May 1, 2018.

SOUTHEASTERN AREA (AREA B)

Southeastern Area shall consist of Dodge, Fillmore, Goodhue, Houston, Olmstead, Wabasha, and Winonia Counties. (See A-2 for the City of Red Wing),

CENTRAL AREA (AREA C)

Central Area shall consist of Benton, Blue Earth, Faribault, Freeborn, Le Sueur, McLeod, Meeker, Mille Lacs, Morrison, Mower, Nicollet, Rice, Sibley, Stearns, Steele, and Waseca and (in Sherburne County, the portion extending 5 miles beyond the city limits of St. Cloud), counties

WESTERN AREA (AREA D)

Western Area shall consist of Big Stone, Brown, Chippewa, Cottonwood, Douglas, Grant, Jackson, Kandiyohi, Lac Qui Parle, Lincoln, Lyon, Martin, Murray, Nobles, Pipestone, Pope, Redwood, Renville, Rock, Stevens, Swift, Todd, Traverse, Watonwan, and Yellow Medicine

CITIES OR TOWNS ON BOUNDARY LINES

Each city or town listed below falls on or adjacent to Boundary lines, where there would normally be a wage rate difference. There will be one wage rate as shown below for each city or town, which will extend 5 miles beyond the city limits or town boundary:

Belle Plaine	Metro Area (Carver, Scott & Sibley counties)
Princeton	Metro Area (Sherburne & Mille Lacs counties)
Red Wing	Wage Area A-2 (Goodhue & Dakota counties)
Cannon Falls	Southeastern Area (Goodhue & Dakota counties)
Clearwater	Central Area (Sherburne, Wright & Stearns counties)
Brooten	Central Area (Sherburne, Stearns & Benton counties)
St. Cloud	Central Area (Stearns, Benton & Sherburne counties)
Motley	Central Area (Todd, Morrison & Cass counties)
New Prague	Central Area (Scott, Le Sueur & Rice counties)
Northfield	Central Area (Rice and Dakota counties)
Hazelwood	Central Area (Rice & Dakota counties)

ARTICLE 5 – UNION SECURITY

There shall be no discrimination against any employee because of race, color, creed, political/religious beliefs, sex, disability, national origin, marital status or age. Wherever the terms "man" or "men" are used in this Agreement, it is understood that these references or any other references, are generic and shall apply equally to the female gender.

The Employer shall not discriminate against any employee as long as the employee is performing work assigned in a safe, normal and workmanlike manner.

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. "In good standing" for the purposes of this Agreement, is defined to mean the payment of a standard initiation fee and standard regular monthly dues, uniformly required as a condition of acquiring or retaining membership in the Union.

ARTICLE 6 – REFERRAL

The Union and employers agree to this referral article in order to efficiently dispatch and utilize labor based on the skills and experience needed by the Employers. The Employers reserve the right to refuse any referral. This is not an exclusive hiring hall. Employers may hire past employees.

- A. The Employer shall notify the Union of opportunities for employment, and shall provide the Union the opportunity to refer qualified applicants.
- B. The Employer shall be the sole judge of and have the right to determine the number of employees required on any job, or any portion of the work being done by the Employer.
- C. Neither the Union nor the Employer shall discriminate in the referring or hiring of employees because of age, race, color, religion, sex, or national origin.
- D. The Union agrees to furnish journeypersons, apprentices, and pre-apprentices on a non-discriminatory basis as required by the Employer within twenty-four (24) hours, excluding Saturdays, Sundays, and Holiday, after notice by the Employer.
- E. If the Union fails to furnish journeypersons, apprentices, and pre-apprentices as required, the Employer may draw from whatever sources are available to meet the requirements at the time.
- F. Contractors have freedom of movement of employees covered by this Agreement throughout the geographical area of this Agreement.
- G. An employee referred shall be paid not less than the applicable rate in the area to which the employee has been referred for work.

ARTICLE 7 – GRIEVANCES, DISPUTES AND ARBITRATION

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

- B. The party against whom the grievance was filed shall respond in writing to the grievance within ten (10) working days of the filing of the grievance. Either party to the dispute may confer with the other party at any point during the grievance process to attempt to reach a satisfactory settlement. Any settlement reached pursuant to such a conference shall be confirmed in writing and signed by the parties.
- C. If a satisfactory settlement cannot be reached within five (5) working days the matter may be brought to the AGC-Basic Trades Dispute 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, the Union and the AGC. (The rules of the Disputes Board shall be those already adopted by the Joint Committee).

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

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

- D. The disputes board is to be made up of equal numbers of Management and Labor representatives, who will meet regularly to settle any disputes, (other than jurisdictional disputes) to avoid work stoppages, or other problems affecting productivity. This Board shall have no power to add to, delete, or modify, any of the terms or provisions of this Agreement. All decisions of the Disputes Board shall be final and binding on the parties. 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.
- E. 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 from which the aggrieved party shall strike the first two (2) names and the other party shall then strike two (2) names, 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 selection, with the final decision to be handed down in not more than ten (10) working days after the last hearing is held. The time may be extended by mutual agreement between the parties. The decision of the 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.

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 will share equally all fees and expenses of the Neutral Chairman.

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 8 - MANAGEMENT

- A. Management reserves the right to manage its jobs to the best interest of Management; the right to retain or dispense with employees for cause; to reduce or increase the number of employees needed on each project, crew, activity or piece of equipment.
- B. Management has the right to determine reasonable employment qualifications of employees and may discharge any employee whose work is unsatisfactory or who fails to observe reasonable regulations or safety precautions prescribed by the Employer or any governmental agency. The employee shall use any tool, equipment, machinery, new material and products or procedure of his craft required by the Employer.

ARTICLE 9 - SAFETY

- A. Accident and injury free operations 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 requirement of the several State and Federal Construction Safety Codes and Regulations.
- B. To this end the Employer shall from time to time issue rules or notices to his employees regarding on the job safety requirements. Any employee violating such rules or notices may be subject to disciplinary action. No employee may be discharged for refusing to work under unsafe conditions.
- C. OSHA Training see ARTICLE 24B

ARTICLE 10 – PICKETS, BANNERS, STRIKES, LOCKOUTS, AND WORK INTERFERENCE

- A. The Employer shall not require an employee to go through a primary picket line or banner to work. It shall not be a violation of this Agreement and it shall not be cause for discharge or disciplinary action in the event any employee decided not to cross a primary picket line or banner. This clause shall not apply to secondary picket lines or banners and it shall not apply to jurisdictional picket lines or banners.
- B. The Union and the Employer agree that there will be no strike, work stoppage, handbilling, walkout or other interference with the Employer's business affairs by the Union or members thereof, and there shall be no lockout during the life of this Agreement without first giving AGC or the Employer and the Union 48 hours written notice and sending the dispute through procedures established in Article 7.

- C. Spread-work tactics, slow-down, stand-by crews, forcing of overtime is condemned by both parties.
- D. The Employer agrees not to request or instruct any employee covered by this Agreement except designated Watchmen or Supervisory Employees to go through a picket line except to honor a picket line of any Local Union not based in Minnesota without first notifying the AGC and attempting to resolve the controversy.
- E. The Unions agree there shall be no cessation of work or any recognition of picket lines of any Union, without first giving notice to AGC or the Employer.
- F. The Unions will not honor any jurisdictional banner.
- G. The Union may not require rotation of employees during the life of this Agreement, other than Apprentices shifted for purposes of training.
- H. The AGC or its Employer member's signatory to this Agreement will not sue the Local Union for refusal to require men to go through a separate gate. The individual employee who voluntarily refuses to go through a separate gate will not be discharged or disciplined and may be re-hired if work is available, but without back pay.

ARTICLE 11 – SUBCONTRACTORS

WORK PRESERVATION

To protect and preserve, for the employees and their Employers covered by this Agreement, work traditionally having been performed by the Employers and assigned to employees under this Agreement or its predecessor Agreements, and to prevent intentional interference with the protection and preservation of such work, it is agreed as follows:

SUBCONTRACTING

There are four (4) different districts relating to subcontracting, basically along county lines; however where cities or towns fall on Boundary lines, the city limits or towns are referenced separately at the end of the article under the heading "Cities and Towns on Boundary Lines", and are covered by the subcontracting language applicable to those areas.

SUBCONTRACTING LANGUAGE FOR DISTRICT 1 ONLY

With regard to work traditionally having been performed by the Employers and assigned to employees under this Agreement or its predecessor Agreements on the job-site, if the Employer subcontracts such work to a subcontractor, the Employer shall require that such subcontractor be signatory to a current collective bargaining agreement with the Union covering such work.

This provision shall be enforceable through Article 7, Settlement of Disputes. In addition to any amount payable to the joint Employer/Union Trust Funds covering pensions, health and welfare and vacation and/or the joint apprenticeship program, an arbitrator enforcing this Agreement shall have authority to award other damages to be payable to one or more of the above Employer/Union Trust Funds.

The above language pertains to District 1 only, which shall consist of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Kanabec, Pine, Ramsey, Scott, Sherburne, Washington and Wright counties in Minnesota, and the territory in Wisconsin described in Article 4 of this contract; (excluding the City of St. Cloud and extending 20 miles beyond the city limits in Sherburne County), the city limits of Red Wing and extending 20 miles beyond the city limits in Goodhue County in Minnesota and the territory in Wisconsin described in Article 4 of this contract. See "Cities or Towns on Boundary Lines".

SUBCONTRACTING LANGUAGE FOR DISTRICT 2 ONLY

If the Employer subcontracts carpentry work to be performed at the jobsite, the Employer shall require the subcontractor to sign a Subcontract Agreement containing the following provision:

"The subcontractor agrees to comply with the provisions relating to wages, fringe benefits, premium pay and on-the-job working conditions in the current collective bargaining agreement entered into between the AGC and the Lakes and Plains Regional Council of Carpenters & Joiners for the duration of the Employer's project."

The Employer shall require the subcontractor to sign a Subcontract Agreement containing the foregoing provision only when performing carpentry work on the project, and when the subcontractor does not represent to the Employer that he has an established building trade's collective bargaining agreement covering the affected classification of work.

The above language pertains to District 2 only, which shall consist of Meeker, McLeod, LeSueur, Rice, Goodhue (Note: See Red Wing exclusion in cities or towns on Boundary lines), Wabasha, Steele, Dodge, Olmsted, Winona, Faribault, Freeborn, Mower, Fillmore, Houston and the portions of Sibley and Nicollet counties east of the following roads shall be in Subcontracting District 2; starting at Highway 22 on the northern Sibley County line and proceeding south to the town of New Sweden in Nicollet County, and then continuing south on Highway 111 to the town of Nicollet and then continuing south on Highway 23 to the south line of Nicollet County. NOTE: Extending 5 miles beyond the town or city limits of New Auburn, Gaylord, New Sweden and Nicollet shall be in Subcontracting District 4. See "Cities or Towns on Boundary Lines".

SUBCONTRACTING LANGUAGE FOR DISTRICT 3 ONLY

1. If the Employer subcontracts bargaining unit work, the Employer will subcontract such work only to another Employer which has a current collective bargaining agreement with this Union covering such bargaining unit work.
2. Where the Employer is competing against non-union prime contractors, or where Union subcontractors are not available, or where the project owner designates certain non-union subcontractors to be used on the project, the contractor shall notify the Union who the non-signatory contractor is, and provide the total wage package to be paid to employees of this subcontractor in writing, in a timely manner.
3. It is agreed that not more than one (1) non-signatory subcontractor, limited to one phase (i.e. drywall/steel framing, wood framing, roofing, etc.) of bargaining unit work on a jobsite shall be utilized, as specified in Paragraph 2 above. All others shall comply with paragraph 1 of

this subcontractor clause.

If the Employer is unable to comply with this Section (3) due to availability of signatory subcontractors, it is agreed that the Union and the Employer will convene to resolve the problem.

The above language pertains to District 3 only, which consists of Stearns counties and the area surrounding the City of St. Cloud and extending 20 miles beyond the city limits in Sherburne County. See "Cities or Towns on Boundary Lines".

SUBCONTRACTING LANGUAGE FOR DISTRICT 4 ONLY

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

The above language pertains to District 4 only, which consists of Blue Earth, Waseca, Traverse, Grant, Douglas, Todd, Big Stone, Stevens, Pope, Lac Qui Parle, Swift Chippewa, Kandiyohi, Yellow Medicine, Renville, Lincoln, Lyon, Redwood, Brown, Pipestone, Murray, Cottonwood, Watonwan, Rock, Nobles, Jackson and Martin counties, and the western portions of Sibley and Nicollet counties following the roads starting at Highway 22 on the northern Sibley County line and proceeding south to the town of New Sweden in Nicollet County, and then continuing south on Highway 111 to the town of Nicollet, and then continuing south on Highway 23 to the south line of Nicollet County. NOTE: Extending 5 miles beyond the town or city limits of New Auburn, Gaylord, New Sweden and Nicollet shall be in Subcontracting District 4. See "Cities or Towns on Boundary County Lines".

SUBCONTRACTING OF FLOORCOVERING WORK

The employers recognize that the floor covering trade is part of the North Central States Regional Council of Carpenters' craft jurisdiction. The Floor Covering Addendum is hereby recognized as part of this Agreement for purposes of subcontracting under this Article, except as modified below:

Floorcovering work performed in the Counties of Blue Earth, Waseca, Morrison, Mille Lacs, Benton, Stearns, the Western half of Sherburne, Meeker, McLeod, Le Sueur, Rice, Goodhue, Wabasha, Steele, Dodge, Winona, Faribault, Freeborn, Mower, Fillmore, Houston, Sibley, and Nicollet shall be governed by District 4 subcontracting language in this Article. In the event project requirements prevent compliance with this Article, the parties agree to meet to determine a mutually agreeable solution.

CITIES OR TOWNS ON BOUNDARY LINES

Each city or town listed below falls on or adjacent to Boundary lines where there would normally be a change in subcontract language.

There will be one subcontract district as shown below for each city or town, which will extend 20 miles beyond the city limits or town boundary.

Belle Plaine	District 1 – Carver, Scott and Sibley counties
Princeton	District 1 – Sherburne and Mille Lacs counties
Red Wing	District 1 – Goodhue County
Lake City	District 2 – Goodhue and Wabasha counties
Bellechester	District 2 – Goodhue and Wabasha counties
New Prague	District 2 – Scott and Le Sueur counties
St. Cloud	District 3 – Sherburne, Benton and Stearns counties
Motley	District 3 – Morrison, Todd and Cass counties
Eden Valley	District 3 – Meeker and Stearns counties
Brooten	District 4 – Pope and Stearns counties

ARTICLE 12 – UNION REPRESENTATIVES AND STEWARDS AND PRE-JOB CONFERENCE

A. Union Representatives and Stewards.

1. Authorized Representatives of the Union may visit the job during working hours, but shall first make a reasonable effort to contact the job superintendent, or whoever is in charge of the job. In the event neither is available, said Representatives shall leave their business card in the job office before contacting employees. Said Representatives shall not unduly hinder or interfere with the progress of the work and must comply with all safety regulations on the job.
2. The Union Representatives shall have the right to designate a Steward from among the employees on the job, and shall notify the Employer, or his Representative on the job, in writing, of the designated Steward.
3. The Steward shall not be docked for time spent in giving assistance to injured workmen or caring for his tools or clothing.
4. The Steward shall not be discharged or transferred for performing the normal duties of a Steward in a reasonable manner.
5. The Steward shall not be terminated except on completion of the job, until a hearing has been held before a committee composed of a Representative of the Employer and a Representative of the Union. Such hearing will be held within two (2) working days of said notice. If there is any disagreement as to the reason, the termination of the Steward shall be taken to the Disputes Board as per Article 7.

B. Pre Job Conference.

The Employer shall notify the North Central States Regional Council of Carpenters prior to starting work on any project in the Regional Council’s jurisdictional area. On any project over two million dollars (\$2,000,000), the Regional Council and Employer, if jointly agreed, will conduct a pre-job conference at a time and place mutually determined.

ARTICLE 13 – PAYROLL RECORDS

In case of a dispute arising over hours and wages, the Union shall have the right to examine the payroll records of the individual employee 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 14 – PAYDAY, WAGE PAYMENTS AND CALL IN PAY

- A. All regular, full time employees covered by this Agreement shall be paid in full each week. Not more than seven (7) days shall be held back, including payday.
- B. Wages shall be paid at or before the end of the shift on the designated payday. Employers may utilize alternative forms of pay check distribution such as mailing of pay checks or by direct deposit. If pay checks are mailed, they shall be mailed at least one (1) day prior to the Employer's designated payday based on the envelope's postmark to be considered timely. A two (2) hour penalty may be imposed for any violation of the above.
- C. An employee who is laid off or discharged shall receive all monies due in cash or negotiable check at time of layoff, or the employee's check shall be immediately mailed to the employee's last known address on the next working day. If the Employer does not mail the employee's pay check as provided by the envelope's postmark, a two (2) hour penalty shall be added for each working day after the day it should have been mailed.

If an employee is laid off outside of the regular working hours, he shall receive four (4) hours pay for that day, unless such layoff is caused by conditions beyond the control of the Employer

- D. An employee who quits will be paid any wages due him at the next regular payday.
- E. The Employer agrees to provide the following information on employee's check stub: Hours, date, regular pay, overtime pay, gross pay, deductions, and net pay.
- F. The employee shall be given one (1) hour notice prior to layoff.
- G. When an employee is called to work, he shall receive two (2) hours pay if not put to work, but he must remain on the jobsite in order to receive this two (2) hours pay.
- H. When an employee has been engaged by the Employer, either directly, or by a referral request made by the Employer of the Union is refused employment when arriving at work with his tools, he shall be paid four (4) hours time, provided he arrives within a reasonable period of time not to exceed four (4) hours provided such refusal of employment is not due to conditions beyond the control of the Employer.

If an employee is called to work and is directed to go to work, he shall receive a minimum of four (4) hours pay, but he must remain on the jobsite.

- I. These provisions, however, are not to be effective when work is unable to proceed because: (1) railroads or common carriers fail to make deliveries as scheduled; (2) the Engineer or

Architect refuses to permit work; or (3) Acts of God or weather conditions will not permit work.

- J. Any employee who is given a pay check that is returned by a bank for insufficient funds shall receive an additional four (4) hours pay. An employee that loses a pay check shall be responsible for the stop payment charges.
- K. In the event that the Employer deliberately violates the provisions of the foregoing Articles or deliberately violates any provisions of this Agreement relating to wages, hours of work, overtime differentials and vacations, any back pay owed to the employee because of such violations shall be paid by the Employer at the rate of two times the standard straight time and overtime rate. Reasonable evidence of clerical error or honest mistake in interpretation of this Agreement shall exempt the Employer from the double penalty provisions, and in such case the Employer shall be required to pay only the actual amount of back pay involved, at the standard straight time and overtime rate.
- L. Insurance and Taxes: The Employer agrees to carry any and all insurance and pay all applicable taxes as provided by applicable State and Federal laws. The Employer further agrees to pay the State Workers' Compensation Insurance and into the State Unemployment Compensation Fund such amounts as are due under State and Federal laws. (This language was moved from former Article 6).

ARTICLE 15 – FRINGE BENEFITS

The Employer agrees to contribute every month, not later than the 15th of the following month, such sums for Pension, Health and Welfare, Savings, Apprenticeship, Labor-Management Cooperation Funds, Union Dues, and Industry Funds (the “Fringe Benefit Funds”) as they may be established, an amount for each hour worked by all employees covered by this Agreement. Each payment shall be accompanied by a report in a form as specified by the Trustees. The Funds’ Trustees shall equally represent the Union and the Employer. The terms of the Trust Agreement establishing those Funds are hereby incorporated as a part hereof.

- A. All Employers, upon becoming bound to this Agreement after May 1, 2010, shall obtain a \$50,000 surety bond to be held by the Trustees of the Fringe Benefit Funds. In the event that the Employer cannot or does not secure a \$50,000 bond, the Employer must pay fringe benefits on a weekly basis at the same time as the Employer’s regular payroll disbursements. “Weekly basis” shall mean that the Employer’s report and payment for a particular work week shall be due on the Friday of the following week. An Employer’s report and payment shall be considered “delinquent” if not postmarked on or before such day. In addition to the weekly Fringe Benefit contributions, the unbonded employers and delinquent employers must also pay into an escrow account held by the Fringe Benefit Fund Trustees or their designee(s) an amount equal to 20% of the Employer’s weekly fringe benefit payment. The unbonded/delinquent Employer shall continue to make weekly payments to the escrow account until the balance of the escrow account reaches \$50,000 (\$25,000 if the Employer has fewer than seven (7) regular employees). An Employer may cash out its escrow account only if the Employer has provided proof to the Trustees or their designee(s) that the Employer has obtained a \$50,000 surety bond to be held by the Trustees of the Fringe Benefit Funds.

- B. An Employer shall be considered “delinquent” for a particular work month (or work week in the case of Employers on weekly reporting under (c) below) if its required report and the proper payment for that month (week) are not postmarked on or before the 15th day of the following month (Friday of the following week, for Employers required to make payments on a weekly basis), irrespective of whether such delinquency is willful or otherwise.
- C. Contributions which are delinquent as defined in (D) above shall be deemed to be “unpaid contributions” for purposes of the Funds’ remedies pursuant to this Agreement and applicable law.
- D. An Employer who is delinquent and has unpaid contributions shall be required to pay to the Funds an additional amount of 10% of the amount of the unpaid contributions as liquidated damages together with interest on the unpaid contributions as specified in the Trust Agreement, or if greater, two times the specified interest on the unpaid contributions.
- E. When the Trustees have determined that an Employer is delinquent in its Fringe Benefit contributions, the Employer shall make ongoing and future Fringe Benefit contributions on a weekly basis and establish an escrow account as described in paragraphs (B) and (C) above. Once the Employer has made payments on a weekly basis for 26 consecutive weeks without further delinquency, the Trustees may, in their sole discretion, remove the requirement that such delinquent Employer make weekly fringe fund reports and payments and contributions to the escrow account. The Trustees may, in their sole discretion, permit such delinquent Employer to cash out its escrow account only after the Employer has made Fringe Benefit contributions for one year without delinquency and provided proof of a surety bond as described in paragraph (A).
- F. Illustration: If an Employer’s report and payment 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 interest and 10% as liquidated damages or, if greater, double interest. In addition, the Employer shall be placed on the weekly reporting basis for work weeks commencing after February 16. Reports and payments shall then be due each week on the Friday of the week following the work week, and weekly payments shall be made to an escrow account in an amount equal to 20% of the weekly contributions due. When the Employer has completed 26 consecutive weeks without further delinquency, the Trustees of the Fringe Benefit Funds may (in their discretion) allow the Employer to revert to monthly Fringe Benefit contributions. When the Employer has completed one year of required Fringe Benefit payments without further delinquency, and has proven to the Trustees that it has obtained a \$50,000 surety bond to be held by the Trustees, the Trustees may (in their discretion) allow the Employer to cash out the escrow account.
- G. The delinquent Employer shall also be required to pay all cost of collection actually incurred by the Trust Fund, 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.
- H. Each Employer who is required to make payments to the Trust Funds shall promptly furnish to the Trustees or their authorized agents, on demand, all necessary employment

and payroll records, and any other relevant information relating to its employees covered by this Agreement for examination, whenever such examination is deemed necessary in connection with the proper administration of the Trust Funds. The Trust Funds may, during the course of an audit, require that the Employer produce vendor information, material invoices, and information relating to other disbursements. Trust Fund auditors may require access to the Employer's electronic records relating to any information sought during an audit. If any Employer fails or refuses to furnish its payroll records to the Trustees 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 may enforce such right 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.

- I. The Union shall also have the right to take economic action, including but not limited to the right to refuse to supply personnel, to enforce the rights enumerated in this Article on behalf of the Union and the Trustees. 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 under this contract.
- J. The parties to this Agreement, and all Employers covered thereby, agree to be bound by all the terms of the respective Trust Agreements governing the establishment, administration, and operation of the Funds in accordance with the Trust Agreements. The employers and the Union hereby ratify all of the actions already taken or to be taken by such Trustees within the Scope of this authority provided that action is within the scope of the Trustees' authority and not in conflict with this agreement.
- K. **National or State Health Insurance.** In the event that health care reform enacted in 2010 under Public Law 111-148 (the Patient Protection and Affordable Care Act) and Public Law 111-152 (the Health Care and Education Reconciliation Act of 2010), or any subsequent health care reform enacted by Congress or by the legislature of a state in the jurisdiction of this Agreement, affects the amount of necessary contributions to the North Central States Regional Council of Carpenters Health Fund, this Agreement shall be open for the sole and exclusive purpose of apportioning the amount of the then-current hourly contribution required by this Article among the Carpenters and Joiners Welfare Fund, wages, and any payments required under such health care reform legislation. The reapportionment shall be made in accordance with agreement reached between the Trustees of said Fund and the negotiating committees of the Parties to this Agreement. Should the health insurance provisions contained in this Agreement and/or the Carpenters and Joiners Welfare Fund's plan design cause the Employer to become subject to a penalty, fine, or other assessable payment under the Patient Protection and Affordable Care Act or any related law or regulation, the matter will be referred to the Carpenters and Joiners Welfare Fund for a revision of the Plan so that the penalties cease. If the Trustees do not take action to have the penalties cease, the Union and the bargaining parties will immediately bargain over a solution that does not increase the total cost to the employer. The bargaining parties recognize that the Affordable Care Act and related regulation have created a challenging and dynamic environment for the Carpenters and Joiners Welfare Fund. Should health and

welfare coverage options become available through a legislative and/or government-sponsored program such as a health insurance exchange, and such coverage is more economical than that which can be offered by the Carpenters and Joiners Welfare Fund, either party may request in writing, and the other party shall agree, to meet in good faith within 30 days of the written request to review and consider changes to the Agreement that would accommodate the use of such a program as a supplement to or replacement for the current Carpenters and Joiners Welfare Fund.

- L. **Pension Rehabilitation Plan.** The actuary for the Twin City Carpenters and Joiners Pension Fund (the Plan) has certified that the Plan, for the Plan year beginning January 1, 2010, is in critical status as that term is defined in the Pension Protection Act of 2006. As a result of the Plan being so certified, the Trustees of the Plan are required to adopt and the parties to this Agreement are required to implement a Rehabilitation Plan. The Trustees have adopted a Rehabilitation Plan, dated April 9, 2010, and have communicated it to the bargaining parties, by notice dated April 30, 2010. The Rehabilitation Plan is hereby incorporated into this Agreement by this reference. The parties hereby implement the Rehabilitation Plan and authorize and direct the Trustees to take any and all actions permitted or required by the Rehabilitation Plan or which they find reasonable and appropriate in achieving the objectives of the Rehabilitation Plan as required by law.
- M. **Fringe Funds and Designated Depository.** Employers covered by this Agreement shall pay the contributions required to be made to the Funds listed in accordance with this Agreement to the following funds via the depository identified by this Agreement, or such depository as may be designated by the Trustees from time to time. Such contributions shall be sent together with the required remittance reports for the following funds to the designated depository.

Designated Depository

Minnesota Carpenter Fringe Benefits
Administrator: Wilson McShane,
3001 Metro Drive, Suite 500, Bloomington, MN 55420
952-854-0795

Fringe Benefit Funds/Dues

Twin City Carpenters & Joiners Pension Fund
Carpenters and Joiners Defined Contribution Plan
Carpenters and Joiners Welfare Fund
Carpenters & Joiners Apprenticeship and Journeymen Training Trust Fund
Carpenters International Training Fund
Carpenters Savings Plan
Working Dues
Industry Funds/CAF

- N. Under predecessor Agreements, Employers made contributions to the Twin City Carpenters & Joiners Vacation Fund (“Vacation Fund”). The Parties to this Agreement recognize that the trustees of the Vacation Fund have taken action to terminate the Vacation Fund. The Parties to this Agreement ratify the actions of the Vacation Fund trustees and, in accordance with Article 18 of this Agreement, the Parties direct that effective upon June

1, 2013, all contributions formerly directed toward the Vacation Fund shall be henceforth contributed as “Savings Plan” contributions made to the Carpenters Federal Credit Union, or such other financial institution designated by the Union. The Savings Plan hereby established is not a jointly trustee Taft-Hartley Plan, but rather an allocation from the gross taxable wage toward an individual savings account for each employee working under the terms of this Agreement. All payment, delinquency, and collection provisions of this Article shall apply to Savings Plan contributions. Nothing in this Section shall be interpreted to restrict any means of collection of Savings Plan contributions, nor the collection of an amount equivalent to dues through Savings Plan contributions per Article 25 of this Agreement.

- O. **Owner Operators.** A person performing bargaining unit work for an Employer owned in total or in part and/or controlled by the person, the person’s spouse, or member of the person’s family, shall participate in the fringe benefit and industry funds by paying contributions at the applicable rate multiplied by 160 hours per month. The Trustees of the Carpenters Trust Funds at their discretion may adjust the Owner Operator contribution requirement.
- P. **Sick Leave.** It is the mutual intent of the Employer and Union that the wage package described in this Agreement, including but not limited to the savings plan contribution, shall satisfy any present or future city ordinance, and/or state or federal law or regulation that addresses paid sick time or other paid leave or time off. The Employer and the Union further agree that this paragraph is intended as an express exemption from any City of Minneapolis ordinance on earned sick time and paid time off, and an express exemption from any other city ordinance, and/or state or federal law or regulation. In the event that the employer is required to accrue or award paid sick time or other paid leave or time off under any city ordinance, and/or state or federal law or regulation, the Employer and the Union will meet and confer over such effects with the goal of reaching a mutually agreeable solution that is in the spirit of this paragraph.

ARTICLE 16 – SAVING CLAUSE

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

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

ARTICLE 17 – DURATION DATES AND ENTIRE UNDERSTANDING

- A. This Agreement shall remain in full force and effect through April 30, 2019.
- B. The Union and the AGC have 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 by the Union and the AGC to give such notice shall cause this Agreement to be renewed automatically from year to year thereafter until either party provides written notice to terminate or amend this Agreement within sixty (60) days prior to the anniversary of the

expiration date. If an individual employer signatory to this Agreement has not conferred bargaining authority to the AGC and fails to give sixty (60) days notice to terminate or amend this Agreement, that employer shall be bound to the Successor Agreement covering work traditionally having been performed under this Agreement. For purposes of this Article, the Successor Agreement shall be the subsequent Agreement between the Union and the AGC or another employer association if there is no AGC agreement.

- C. In the event such written notice is given, and a new Agreement is not signed before the expiration date of this Agreement, then this Agreement shall continue in force until a new Agreement is signed, negotiations are formally broken off, or until a strike or lockout occurs.
- D. All terms of this Agreement shall take effect May 1, 2016.
- E. This Agreement covers the entire understanding between the parties hereto. Matters which are not contained herein will be of no force or effect upon any party hereto, except the Letter of Understanding relating to Picket Lines signed on July 3, 1975.

ARTICLE 18 – WAGES

(For boundaries, refer to Article 4, Scope of Agreement and Territorial Jurisdiction)

- A. The minimum scale of wages to be paid Journeymen Carpenters and Pile Drivers described in the Scope of Agreement of the North Central States Regional Council of Carpenters, shall be as follows:
- B. Foreman: Where job conditions require an employee covered by this Agreement to exercise responsible control and direction over other employees covered by this Agreement, he shall receive Foreman's pay. The minimum scale for foremen shall be \$2.00 above the Journeyman scale of wages as shown.

General Foreman: When a contractor hires a General Foreman, the General Foreman will be paid \$2.00 over Foreman scale. The Employer has the final authority as to whether to hire a General Foreman.

- C. Where materials are brush coated or pressure treated with toxic carbolineum or toxic creosote prior to installation or handling, employees actually engaged in brush coating, installing or handling such materials, shall be paid \$.25 per hour additional. Installation shall include the framing, boring and bolting up of materials.

The above does not apply to demolition or removal of material regardless of whether such material had ever been brush coated or pressure treated with toxic carbolineum or toxic creosote.

- D. Work performed on Swing Stage or in Tunnel*** (defined as being underground, part of a building and not openly excavated) shall receive \$.25 per hour additional pay.
- E. Whenever provision is made under this Schedule for payment of rates of pay in excess of the minimum set forth in the first paragraph, such rates shall only be paid for the time

during which the employees are actually engaged in the work for which such higher rate is established. This will also apply to Foremen.

RATES: (COMMERCIAL & RESIDENTIAL)

The following contributions to be paid monthly to Carpenters & Joiners Fringe Funds, 3001 Metro Drive, Suite 500, Bloomington, Minnesota 55425:

COMMERCIAL RATES

	Percent (%)	Gross Wage	Deductions		Fringe Benefits					Total Package	CAF
			Savings	Dues	Health	DB Pension	DC Pension	Apprentice/ Education	Fair Contracting		
Area A	100%	\$36.63	-\$1.20	-\$1.47	\$6.81	\$9.45	\$1.29	\$0.55	\$0.02	\$54.75	
May 1, 2017	100%	\$1.95 Package Increase. Allocation to be determined.								\$56.70	\$0.04
May 1, 2018	100%	\$1.95 Package Increase. Allocation to be determined.								\$58.65	
Area A-2	100%	\$31.35	-\$1.20	-\$1.25	\$6.81	\$9.45	\$1.60	\$0.55	\$0.02	\$49.78	
May 1, 2017	100%	\$1.95 +\$2.49 (halfway to Area A)= \$4.44								\$54.22	\$0.04
May 1, 2018	100%	\$1.95 +\$2.48 (complete merger with Area A)= \$4.43								\$58.65	
Area B	100%	\$30.29	-\$1.00	-\$1.21	\$6.81	\$8.60	\$1.25	\$0.55	\$0.02	\$47.52	
May 1, 2017	100%	\$1.95 Package Increase. Allocation to be determined.								\$49.47	\$0.04
May 1, 2018	100%	\$1.95 Package Increase. Allocation to be determined.								\$51.42	
Area C	100%	\$28.16	-\$1.10	-\$1.13	\$6.81	\$9.01	\$1.00	\$0.55	\$0.02	\$45.55	
May 1, 2017	100%	\$1.95 Package Increase. Allocation to be determined.								\$47.50	\$0.04
May 1, 2018	100%	\$1.95 Package Increase. Allocation to be determined.								\$49.45	
Area D	100%	\$24.75	-\$0.60	-\$0.99	\$6.81	\$7.62	\$1.00	\$0.55	\$0.02	\$40.75	
May 1, 2017	100%	\$1.95 Package Increase. Allocation to be determined.								\$42.70	\$0.04
May 1, 2018	100%	\$1.95 Package Increase. Allocation to be determined.								\$44.65	

RESIDENTIAL CONSTRUCTION DEFINITION

Any work above grade involved in the erection, remodeling or finishing of a wood frame structure, up to four (4) levels, that is intended for use as a residence or residences or as an appurtenance. Any portion of work included and done in conjunction with the residential portion of the base building (i.e. garage, community/party room, manager’s office, lobby, laundry area, etc.). This excludes interior tenant build-out of a commercial/retail space. Any portion of work in a building five (5) stories or less in total height intended for use as a residence or residences regardless of intended use of other portions of the building shall be deemed to be residential construction. (Note: includes wood framed licensed nursing homes, convalescent facilities and motels)

The remodeling of any structure four (4) stories or less in total height regardless of structural materials shall be deemed residential construction provided intended use is for a residence or residences.

RESIDENTIAL CONSTRUCTION WAGE RATE FOR JOURNEYMEN IN AREAS A-1 AND A-2 ONLY

	Percent (%)	Gross Wage	<i>Deductions</i>		<i>Fringe Benefits</i>					Total Package	CAF
			Savings	Dues	Health	DB Pension	DC Pension	Apprentice/ Education	Fair Contracting		
Area A	100%	\$31.69	-\$1.35	-\$1.27	\$6.81	\$8.35	\$2.00	\$0.55	\$0.02	\$49.42	\$0.04
May 1, 2017	100%	\$1.95 Package Increase. Allocation to be determined.								\$51.37	
May 1, 2018	100%	\$1.95 Package Increase. Allocation to be determined.								\$53.32	

RESIDENTIAL RATES – SOUTHEASTERN, CENTRAL AND WESTERN WAGE AREAS

Residential rates for Journeymen in all wage areas shall be \$2.00 less than commercial base wages, plus full fringes in each area, except as otherwise stated.

APPRENTICESHIP RATES FOR COMMERCIAL & RESIDENTIAL

Residential and Commercial Apprentice rates are calculated according to the formula set forth below which is calculated based on the applicable journeyman rate of the area in which the apprentice is working. Commercial Apprentice rates for the A-1 Metro area shall be as follows:

		Percent (%)	Gross Wage	<i>Deductions</i>		<i>Fringe Benefits</i>					Total Package	CAF
				Savings	Dues	Health	DB Pension	DC Pension	Apprentice/ Education	Fair Contracting		
Metro Area Only												
Journeyman		100%	\$36.32	-\$1.20	-\$1.45	\$6.81	\$9.45	\$1.60	\$0.55	\$0.02	\$54.75	\$0.04
Apprentice	6501-7000	95%	\$34.50	-\$0.25	-\$1.09	\$6.81	\$2.50	\$1.60	\$0.55	\$0.02	\$45.98	\$0.04
	6001-6500	90%	\$32.69	-\$0.25	-\$1.09	\$6.81	\$2.50	\$1.60	\$0.55	\$0.02	\$44.17	\$0.04
Pre-Apprentice	5001-6000	85%	\$30.87	-\$0.25	-\$1.09	\$6.81	\$2.50	\$1.60	\$0.55	\$0.02	\$42.35	\$0.04
	6001+	4001-5000	80%	\$29.06	-\$0.25	-\$1.09	\$6.81	\$2.50	\$1.60	\$0.55	\$40.54	\$0.04
	5001-6000	3001-4000	75%	\$27.24	-\$0.25	-\$1.09	\$6.81	\$2.50	\$1.60	\$0.55	\$38.72	\$0.04
	4001-5000	2001-3000	70%	\$25.42	-\$0.25	-\$1.09	\$6.81	\$2.50	\$1.60	\$0.55	\$36.90	\$0.04
	3001-4000	1501-2000	65%	\$23.61	-\$0.25	-\$1.09	\$6.81	\$2.50	\$0.56	\$0.55	\$34.05	\$0.04
	2001-3000	1001-1500	60%	\$21.79	-\$0.25	-\$1.09	\$6.81	\$2.50	\$0.56	\$0.55	\$32.23	\$0.04
	1001-2000	501-1000	55%	\$19.98	-\$0.25	-\$1.09	\$6.81	\$2.50	\$0.56	\$0.55	\$30.42	\$0.04
	0-1000	0-500	50%	\$18.16	-\$0.25	-\$1.09	\$6.81	\$2.50	\$0.56	\$0.55	\$28.60	\$0.04

Note: Apprentice DB Pension contributions are \$2.50 at all levels. Effective May 1, 2016, Apprentices above 2001 hours will receive \$1.04 to allocate to Defined Benefit Pension or Defined Contribution Pension to be allocated by the Apprentice Committee. All other contribution rates are subject to allocation.

Effective May 1, 2016, the sum of eight cents (\$0.08) per hour is allocated as a contribution to a Plan, administered in accordance with Article 15, hereby established for the purpose of defraying the expenses of apprentices who are separated from employment to attend weeklong apprenticeship school, such contribution shall be remitted to the Plan as established.

All new Apprentices shall be registered through the Apprenticeship Office. If not registered, that worker will be considered a Journeyman. All Apprentices shall be governed by the provisions of the Carpenters Joint Apprenticeship Standards as adopted for this Agreement.

RATIOS [Residential Only] - 1 journeyman, 1 Apprentice and 1 Pre Apprentice. Ratios are established on a payroll basis.

HUD Exception: Employers employed on a HUD project may utilize 2 Apprentices to 1 Journeyman, except that at least 1 Apprentice must have over 4,000 hours.

INTERIM JOURNEYPERSONS

Individuals, hired by an employer, who have not previously been classified in the Union membership processing system and not placed in any apprentice classification may be hired as an Interim Journeyman. Interim Journeypersons shall be paid at 80% of the journeyperson total taxable wage rate and 80% of any pension contributions plus all other non-taxable fringe benefit contributions in full for a period of 1000 hours at which time they shall be paid at 90% of the Journeyperson total taxable wage rate and 90% of any pension contributions plus all other non-taxable fringe benefits contributions in full for the next 1000 hours. Interim Journeypersons must complete a minimum 50 hours of training, as sponsored by the Joint Training Committee, to include OSHA training and Orientation. After the 2000 working hours and completion of a minimum 50 hours of training the Interim Journeyman shall be a Journeyman. The training curriculum, except as specified here, is to be determined by the Training Program with Employer input and agreed to by the Employee. Employees shall be credited cumulatively for all hours worked under multiple employers as an Interim Journeyman, such hour totals to be verified by the fringe fund reports. An Employer may increase the Interim Journeyman's rate to the regular rate prior to the 2000 hours. All Interim Journeypersons must be registered with the Union prior to starting work. The ratio of Interim Journeypersons to Journeypersons shall not be greater than 1 to 10 on a company wide basis. A company with less than 10 Journeypersons is allowed 1 Interim Journeyman if they have at least 4 Journeypersons. Interim Journeypersons must be paid regular Journeyman scale on prevailing wage work.

Interim Journeyman Wage Rates effective May 1, 2016: (For rates effective May 1, 2017 and May 1, 2018 and for wage areas outside of the metro, refer to wage schedules mailed to contractors and available at the Regional Council office.)

	Percent (%)	Gross Wage	<i>Deductions</i>		<i>Fringe Benefits</i>					Total Package	CAF
			Savings	Dues	Health	DB Pension	DC Pension	Apprentice/ Education	Fair Contracting		
Journeyman	100%	\$36.63	-\$1.20	\$1.47	\$6.81	\$9.45	\$1.29	\$0.55	\$0.02	\$54.75	\$0.04
Interim Journeyman	90%	\$32.97	-\$1.20	\$1.32	\$6.81	\$8.51	\$1.16	\$0.55	\$0.02	\$50.01	
	80%	\$29.30	-\$1.20	\$1.17	\$6.81	\$7.56	\$1.03	\$0.55	\$0.02	\$45.28	

ARTICLE 19 – TRAVEL OUTSIDE DISTRICT – METRO AREA ONLY

- A. It is agreed that when employees covered by this Agreement are hired for work in Area A-1 and then directed by their Employer to work outside the territorial jurisdiction of Area A-1 in this Agreement and 65 miles or more from their home of record, traveling time to and from the job shall be paid. In addition they shall be paid a mileage allowance of \$.28 per mile from their home of record to the job and return each day worked. The mileage allowance shall apply only to the driver and not to passengers. When said employee is directed by his Employer to remain away from home overnight, board and lodging shall be paid for at the rate of \$30.00 per day for each day so directed and no mileage shall be paid for that day. They shall be paid not less than the scale of wages provided for in this Agreement, and if the scale is higher where such work is performed than provided for in this Agreement, such higher prevailing rate shall be paid.
- B. For the purpose of the Wage and Hours Regulations, travel and subsistence allowance shall be paid on a separate check apart from wages.

ARTICLE 20 - PARKING

- A. The Employer shall reimburse employees to a maximum of five dollars (\$5.00) per day for parking in downtown Minneapolis/St. Paul when provided with a receipt by the employee. This amount shall increase to eight dollars (\$8.00) on May 1, 2017. The Employer has the option of providing parking or shuttle service.
- B. The Employer shall provide free parking at the University of Minnesota, Minneapolis and St. Paul campuses.

ARTICLE 21 – WORK BREAK

The employee shall be entitled to a break in the forenoon and afternoon, and shall not otherwise hinder the progress of the job. The break shall not exceed ten (10) minutes, to be taken in the close proximity of the employees work station.

ARTICLE 22 - HOURS

- A. The standard work day shall consist of eight (8) hours between the hours of 8:00 a.m. and 4:30 p.m., except by mutual agreement between the Employer and the Union; the hours may be adjusted up to two hours earlier to promote the efficiency of the job. The standard work week shall consist of forty (40) hours in any one (1) week, Monday through Friday.
- B. Overtime worked between the hours of 8:00 a.m. Monday and to midnight Saturday shall be at the rate of time and one-half. All work done between Saturday midnight and the following Monday at 8:00 a.m. shall be at the rate of double time with the exception of shift work, and where earlier starting hour is permitted. It shall be understood that there shall be no pyramiding of overtime.
- C. No Carpenter or Pile Driver shall work on the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, or Christmas Day, unless in case of necessity for which double time shall be paid. When any of the above holidays to be observed falls on Saturday, then the preceding Friday shall be observed as such. If it falls on Sunday, then the following Monday shall be celebrated as such by employees covered under this Contract.

D. **FOUR-TEN WORK WEEK EXCEPTION**

SOUTHEASTERN AND CENTRAL AREAS ONLY (not including McLeod or Meeker counties)

Four-Tens: During the term of this Agreement, an Employer may establish a scheduled four (4) ten (10) hour work days, Monday through Thursday, between the 1st Saturday of April and the last Saturday of October by mutual agreement with the Union. When a scheduled 4-10 hour work week is in use, any hours worked in excess of 10 hours in any one work day or on Friday shall be paid time and one-half (1-1/2). An additional ten (10) minute break shall be observed after the 10th hour, if work is to be continued.

If a holiday recognized by this Agreement falls during a scheduled 4-10 hour work week, Friday may be used to facilitate the employee receiving a full 40 hour week. No employee may be penalized for refusal to work Friday under this provision.

WESTERN AREA including McLeod and Meeker Counties Four (4) ten (10) hour days, Monday through Thursday in the Western Area and McLeod and Meeker counties is permitted, with Friday as a make-up day if time is lost due to inclement weather Monday through Thursday of a scheduled four 10 hour work week. If an employee declines to work Friday as a make-up day, that employee shall not be penalized.

- E. **RESIDENTIAL CONSTRUCTION WORK ONLY** – If an employee is prevented from working by reason of inclement weather, Saturday or any part thereof may be worked as a makeup day at the straight time hourly rate. All work performed in excess of forty (40) hours, or eight (8) hours in any one day will be paid at time and one-half (1 ½). If an employee declines to work Saturday as a make-up day, that employee shall not be penalized. Sundays and Holidays may not be used as a make-up day.

- F. When conditions make it necessary to work more than one shift, any extra shifts shall be considered night shifts and shall work seven (7) hours and receive eight (8) hours pay. An unpaid rest period of at least one-half (1/2) hour shall be taken in the middle of all shifts; the same men shall not work on more than one (1) shift; no extra shifts shall be started for less than four (4) days.
- G. It is agreed that in situations beyond the control of the Employer, in owner occupied buildings or facilities, the Employer may schedule all work, or portions of work, which starts and ends outside the standard work day, during the standard work week. Provided such work is not part of a scheduled multiple shift operation, the first 8 hours of work shall be at the applicable straight time rate. The Employer will provide the union with advance notification that work is being performed outside the regular work schedule.
- H. If an employee is required to work six (6) 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.

ARTICLE 23 - TOOLS

The Employer shall provide a proper tool shed for the Carpenters and Pile Drivers to store their tools. A place shall be provided with sufficient quarters for them to keep their lunch and eat in, this place to be adequately heated in cold weather. While tools are in the care, custody, and control of the Employer, the Employer shall indemnify each employee for tool losses caused by fire, wind, burglary, theft and forcible entry up to a maximum of \$600.00. The Employer may request employees to provide an itemized list of their tools on the job. The Employer shall furnish all safety equipment, power tools, cords and electrical accessories (to include rechargeable tools). No employee shall be required as a condition of employment to furnish his own truck. The Employer shall provide sanitary drinking water and toilets. The Employer shall pay for sharpening of saws.

The Employer may establish a system of signing out for tools or equipment that are the property of the Employer and used by the employee. If the tools are not returned, the Employer is allowed to deduct an amount representing the reasonable value of the missing item from the wages of the employee that has signed out for the tool or piece of equipment. This does not include when tools and equipment are stolen; employees shall report thefts to the Employer immediately. The Employer may only deduct an amount representing the reasonable value of the missing item.

ARTICLE 24 – TRAINING FUND, APPRENTICESHIP, AND PRE-APPRENTICES

- A. The Employer shall contribute an amount specified per hour for each hour worked to a Training Fund to be known as the Twin City Carpenters Apprenticeship and Training Fund under a Trust Agreement, copies of which the Employer will receive and to which the Employer shall be automatically bound. A portion of the per hour contribution shall be contributed to UBC National Funds.
- B. The parties to this Agreement recognize that OSHA requires that workers are trained in safety matters in order to be employed on work sites and employers may require such training to be a condition of employment. It is also recognized that the cost of providing

this training is the responsibility of the Employer, but is also for the benefit of the employee, and therefore time spent in training will not be compensated. This training shall be administered by the Joint Apprenticeship Committee.

- C. The parties agree to sponsor a "Recruitment Program" which will allow high school students to work on construction sites under supervision of a journeyman according to the guidelines/rules adopted by the Minnesota Department of Children, Families and Learning. The program shall be supervised by the Joint Apprenticeship Committee.
- D. The Union agrees to actively participate with the Employer in formulating and implementing apprenticeship and training programs that are needed by the industry. The Union and the Employer agree to cooperate and utilize the services of a trained specialist to develop plans and programs to improve the present plan. The cost of these programs will be borne by the Fund.
- E. Apprenticeship
 - 1. The employment of apprentices shall be encouraged and promoted, and all employment will be governed by area standards.
 - 2. Apprentices shall be indentured under Minnesota law, including mandatory attendance at school and their employment shall be in accordance with the Department of Labor and Industry rules governing carpenter-apprentices.
 - 3. The ratios of journeymen to apprentices as set forth in the Apprenticeship Standards are hereby adopted. The ratio of apprentices to journeymen on any job shall not exceed 1 apprentice to 1 journeyman.
 - 4. The Employer and the Union agree to use every legal means to keep apprentices steadily employed actually learning the trade. When necessary, apprentices may be transferred from one Employer to another.
- F. Pre-Apprentices
 - 1. The established pre-apprenticeship percentage is calculated on the normal hourly base wage rate.
 - 2. The ratio of pre-apprentices is one pre-apprentice for each indentured apprentice employed by the Contractor.
 - 3. A pre-apprentice will not displace a journeyperson or indentured apprentice.
 - 4. Pre-apprentices will not work unsupervised. If legal requirements for a particular job do not allow for wage payments under the pre-apprentice category, then the pre-apprentice category may not be used on that job.
 - 5. A pre-apprentice can be placed in any of the percentage tiers of the pay schedule based on his/her experience or qualifications.

6. Any time before or at the end of two (2) years, the pre-apprentice may enter the four (4) year apprenticeship program.
7. If the pre-apprentice does not enter the apprenticeship program, he/she may advance according to the wage chart and can be frozen when the eighty percent (80%) wage rate is reached.

ARTICLE 25 – WORKING DUES/DUES CHECK-OFF

- A. During the term of this Agreement and in accordance with the terms of an individual and voluntary written authorization for check-off of membership dues in form permitted by the provisions of Section 302(c) of the Labor Management Relations Act of 1947, as amended, the Employer agrees to deduct once each week from the wages of each employee covered by this Agreement, who signs said authorization, a certain amount of money per hour for each hour worked by said employee during the week. The specific amount of money to be deducted shall be determined by the Union, from time to time, in accordance with its constitution and by-laws, and the Union shall notify the Employer, in writing, from time to time as changed by the Union, of the specific amount of money to be deducted. The amount deducted shall be payable to the fringe fund administrator on behalf of the North Central States Regional Council of Carpenters, for and on behalf of its affiliated Local Unions, monthly by the fifteenth (15th) day of the month following the month in which the required amount is deducted, and such amount shall be remitted in accordance with all of the applicable provisions and requirements of Article 15 above. The Union shall be responsible for obtaining necessary authorization forms.
- B. The Employer agrees to deduct an amount referenced by this Article from contributions otherwise payable to the Savings Plan as identified by Article 18 and Article 15(N) of this Agreement. The Parties recognize that certain existing executed authorization forms reflecting a deduction from contributions to the Vacation Fund provide a legal basis for the deduction from contributions to the employee's Savings Plan. The Union will ensure that the proper authorization card is signed by the employee for deduction of dues from wages. If it is deemed that the authorization was not effective, or was not obtained from the employee by the Union, the Union agrees to reimburse the employer, if the employer is required to reimburse the employee for unauthorized deductions.

ARTICLE 26 – CONTRACT ADMINISTRATION FUND

Effective May 1, 2010 and continuing thereafter during the term of this Agreement, contractors signatory to this Agreement shall pay four cents (.04) per hour worked to a Contract Administration Fund (CAF).

All money collected as provided herein shall be remitted to the office of the fringe benefit fund administrator not later than the fifteenth (15th) day of the month following the month in which the work was performed.

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

ARTICLE 27 – LABOR MANAGEMENT PROGRAMS

- A. The Labor User Contractor Committee Joint Labor-Management Uniform Drug/Alcohol Abuse Program, copies of which are on file with the AGC of Minnesota and the North Central States Regional Council of Carpenters, is incorporated herein by reference and is made a part of the collective bargaining agreement between the North Central States Regional Council of Carpenters and the Associated General Contractors of Minnesota.

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

The parties agree to establish provisions to allow the contractors to perform random drug/alcohol testing in accordance with applicable statutes, providing the North Central States Regional Council has representation in the development of these provisions and is in agreement with the final draft.

- B. **WORKERS' COMPENSATION PROGRAM:** It is agreed to establish an optional jointly managed Workers' Compensation Program, providing the North Central States Regional Council of Carpenters is in agreement with the final draft of said program, and has representation as a trustee of the same.

Workers' Compensation Program - AGC of Minnesota and North Central States Regional Council of Carpenters 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 this Collective Bargaining Agreement. This Fund will be administered by an equal number of Employer trustees and Union trustees and will be funded from contributions from employers on behalf of employees covered by this Collective Bargaining Agreement.

The operation of the Workers' Compensation program will be determined by the trustees in accordance with the Agreement and Declaration of Trust of the Fund. The parties hereto agree to be bound by the Agreement and Declaration of Trust establishing the Fund, together with any amendments thereto and regulations established by the trustees, and the parties hereby designate as their representatives on 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.

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.

- C. **SUBSTANCE ABUSE TESTING AND ASSISTANCE PROGRAM:** The Union and the Employers agree that both parties have an interest in establishing and maintaining a drug-free workplace and resolve to establish a Substance Abuse Testing and Assistance Program (“Program”) that is maintained on an industry basis. The parties agree to meet on a labor-management basis to formulate the terms of this program during the period of the agreement. The funding of this program will be through a \$.xx per hour contribution into a joint labor-management trust formed for the purpose of administering the program. Copies of the trust agreement will be provided upon request. The funding will begin upon the date May 1st immediately prior to the implementation of the program. (For example, if the program is to be implemented November 2008, then a \$.xx contribution will commence May 1, 2008). This is an Employer contribution; in the event that the program is terminated, then the contribution will discontinue for the Employers. Under no circumstances will this article or any negotiations, signing, or implementation of the program pursuant to this article be considered an opener or re-opener of the Agreement, or subject to any work stoppage.
- D. **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.

Each Employer shall contribute two cents (2¢) per compensated labor hour to the FCF Trust Fund and this funding shall be borne equally by the workers and employers, each contributing one cent (1¢) for each compensated labor hour. Each Employer shall forward payment monthly, in a form and manner prescribed by the Trustees, no later than fifteen (15) calendar days following the last day of the month in which the labor was performed.

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.

Employer contributions to FCF shall sunset at the expiration date of this Agreement pending negotiations of the Successor Agreement.

The St. Paul and Minneapolis Builders Division of Associated General Contractors of Minnesota, and the North Central States Regional Council of Carpenters agree this Letter of Understanding applies to Article 10.

ACCEPTANCE OF BUILDING AGREEMENT

between

ASSOCIATED GENERAL CONTRACTORS OF MINNESOTA

and

**NORTH CENTRAL STATES REGIONAL
COUNCIL OF CARPENTERS**

**ALL WAGE AREAS
(May 1, 2016 through April 30, 2019)**

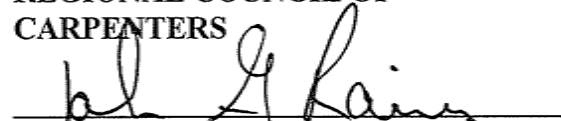
**ASSOCIATED GENERAL
CONTRACTORS OF MINNESOTA**



**David C. Semerad
Chief Executive Officer**

8/22/16
Date

**NORTH CENTRAL STATES
REGIONAL COUNCIL OF
CARPENTERS**



**John G. Raines
Executive Secretary-Treasurer**

8/30/2016
Date