

AGREEMENT

between

INDEPENDENT CERAMIC TILE EMPLOYERS

and

BRICKLAYERS AND ALLIED CRAFTWORKERS

LOCAL UNION 1

MINNESOTA / NORTH DAKOTA

TILE LAYERS AND FINISHERS

Effective May 1, 2016 and expires April 30, 2019

This Agreement is entered into between the Independent Ceramic Tile Employers and the Bricklayers and Allied Craftworkers Local Union 1 Minnesota / North Dakota (Tile Layers and Finishers) (“the Union”), effective May 1, 2016. Now, therefore, for such purposes, it is agreed as follows.

ARTICLE 1. TRADE JURISDICTION

Section 1. This Agreement pertains to the setting, slabbing, or installing of all classes of tile and to the supplying of Tile Finishers, Marble Finishers and Tile Layers whenever necessary while performing any of the work described below in this article, whether for interior or exterior purposes, in any public or private building anywhere within the geographical areas described in Article 2.

Section 2. TILE LAYERS WORK is defined as:

- (a) The laying, cutting or setting of all tile where used for floors, walls, ceilings, walks, promenade roofs, exterior veneers, stair treads, stair risers, facings, hearths, fireplaces and decorative inserts, together with any marble plinths, thresholds, or window stools used in connection with any tile work; also to prepare and set all concrete, cement, brickwork, or other foundations or material that may be required to properly set and complete such work.

- (b) The application of a coat or coats of mortar, prepared to proper tolerance to receive tile on floors, walls and ceilings, regardless of whether the mortar coat is wet or dry at the time the tile is applied to it.
- (c) The setting of all tile bonded with mortar, where the bed is floated, screed, slabbed, or buttered and where joints are not filled in the same operation.
- (d) The setting of all tile by the adhesion method with organic and/or inorganic thin-bed bonding materials where such bonding material is applied to the backing surface and/or the back of the tile units of sheets of tile.
- (e) The setting of tile as herein provided shall include the installation of accessories and the insertion of decorative tile inserts in other materials.
- (f) The setting, sealing and installation of prefabricated tile systems.

Section 3. TILE FINISHERS WORK shall include but not be limited to all cleaning, grouting and polishing of all tile, handling all sand, cement, lime, tile and all other similar materials that may be used in the installation, repair and maintenance of tile and/or similar materials. Finishers can fill all joints and voids regardless of method on all tile work.

Section 4. TILE is herein defined as the following products:

- (a) All burned clay products, as used in the tile industry, either glazed or unglazed.
- (b) All composition materials, Marble Tiles, Granite Tiles, Glass Mosaics and all substitute materials for tile made in tile-like units.
- (c) All mixtures in tile-like form of cement, metals, plastics and other materials that are made for and intended for use as a finished floor surface, stair treads, promenade roofs, walks, walls, ceilings, swimming pools and all places where tile is used to form a finished interior or exterior surface for practical use, sanitary finish, or decorative purposes.

ARTICLE 2. GEOGRAPHICAL APPLICATION

Section 1. It is understood and agreed that the provisions of this Agreement apply within the Union's territorial jurisdiction as it now exists.

Every Employer who is a party to this Agreement shall be required to observe the conditions of this Agreement regardless of the geographical location of the work within the territorial jurisdiction listed below. The Employer will not pursue or conduct any illegal, dual or double-breasted union/non-union operations within the work jurisdiction of this Agreement.

To protect and preserve, for the Employees covered by this Agreement, all work covered by this Agreement, and to prevent any device or subterfuge to avoid the protection and preservation of such work, it is agreed as follows; If the Employer performs on-site construction work of the type covered by this Agreement, under its own name or another name the terms and conditions of this Agreement shall be applicable to all such work.

Section 2. Jurisdiction of TILE LAYERS and TILE and MARBLE FINISHERS of the Union: will cover ALL OF the States of MINNESOTA and NORTH DAKOTA. The Metro, Rochester – Addendum A, Duluth – Addendum B, Southwestern – Addendum C, Western – Addendum D, Northwestern Minnesota – Addendum E and North Dakota – Addendum F. areas will be defined as follows for those employers signatory to this Agreement:

SOUTHWESTERN: Lac Qui Parle, Yellow Medicine, Lincoln, Lyon, Red Wood, Brown, Pipestone, Murray Cottonwood, Watonwan, Rock, Nobles, Jackson and Martin.

WESTERN: Big Stone, Stevens, Pope, Stearns, Swift, Kandiyohi, Meeker, Benton, Chippewa, Renville, McLeod, and Sherburne (Not Including the City of Elk River).

NORTHWEST MINNESOTA: Crow Wing, Cass, Hubbard, Becker, Otter Tail, Clay, Wadena, Clearwater, Beltrami, Lake of the Woods, Norman, Mahnomen, Polk, Pennington, Marshall, Kittson, Red Lake, Roseau, Morrison, Todd, Douglas, Grant, Wilkin, Traverse and that part of Mille Lacs County north of an east-west extension of the northern border of Isanti County.

METRO: Kanabec, Isanti, Anoka, Chisago, Hennepin, Ramsey, Washington, Wright, Carver, Scott and Dakota. The agreement shall also cover all of the part of Pine County south of County Road 30. It shall also include that portion of Rice County that is north of County Road 1 that runs from Montgomery to Dennison. It shall also include that portion of Goodhue County that is north of County Road 9 that runs from Dennison through the town of Goodhue and that part of Mille Lacs County south of an east-west extension of the northern border of Isanti County and that part of Sherburne County encompassing the City of Elk River.

DULUTH: All of Koochiching, Itasca, Aitkin, St. Louis, Carlton, Lake, and Cook Counties. The agreement shall also cover all of the part of Pine County north of County Road 30 and include the city of Sandstone.

ROCHESTER: Counties of Faribault, Freeborn, Mower, Filmore, Houston, Blue Earth, Waseca, Steele, Dodge, Olmsted, Winona, Nicollet, Sibley, Le Sueur and Wabasha. It shall also include that portion of Rice County that is south of County Road 1 that runs from Montgomery to Dennison. It shall also include that portion of Goodhue County that is south of County Road 9 that runs from Dennison through the town of Goodhue.

NORTH DAKOTA: All of the State of North Dakota.

ARTICLE 3. HOURS OF WORK.

Section 1. Ten consecutive hours (exclusive of thirty minute lunch period) constitutes a day's work. Forty hours constitutes a workweek. Regular working hours are from 6:00 a.m. to 5:30 p.m., Monday through Friday, including a thirty minute lunch period.

- A ten (10) minute break will be given twice each day.
- Employers may, when requested by the owners of a project, on so called Green Projects or to establish LEED innovation credits, may establish a work week of 4-10 hour days Monday through Friday for all crafts covered by this Agreement.

Section 2. The wage rate for hours worked in excess of ten (10) hours in one day on Monday through Friday and/or forty (40) during the work week is one and one-half (1.5) times the regular wage rate. The wage rate for Saturday hours is one and one-half (1.5) times the regular wage rate. The wage rate for Sunday hours is two (2) times the regular wage rate.

Section 3. SHIFT TIME. Shift Time shall only apply to projects in duration of 3 or more work days. When a contract calls for shift time, the party of the second part shall provide men in eight hour shifts without payment of overtime when approved by the Union Business Representative and no Tile Layer shall be permitted to work on more than one shift of eight hours in any twenty four hours. Any work at night in an existing business will be paid at the rate of 10 hours of pay for 8 hours of work Monday through Friday, 12:00 a.m. (Midnight) on Friday all work to be paid at time and one-half, and 12:00 a.m. (Midnight) on Saturday all work to be paid at double time through 12:00 a.m. (Midnight) Sunday.

Section 4. HOLIDAYS. The wage rate for holiday hours is two (2) times the regular wage rate. The following are declared to be legal Holidays: New Year's Day, Memorial Day, July Fourth, Labor Day, Thanksgiving and Christmas. If any of said Holidays fall on Saturday or Sunday, then the above-stated Holidays are celebrated according to Federal and/or State designation.

ARTICLE 4. MEALS, LODGINGS AND TRAVEL EXPENSES PER WORKING DAY.

Section 1. No reimbursement for travel on projects within a 25 mile perimeter from the city limits of St. Paul and Minneapolis (metropolitan area). Employees residing beyond the 25 mile perimeter limits of metropolitan area, no reimbursement for travel on projects within the metropolitan area or within a 40 mile perimeter of the Employees place of residence. Projects 25 to 66 miles from the perimeter of the metropolitan area, 40 to 66 miles from Employees place of residence, the transportation expense is to be paid at the mileage rate prescribed under Federal law, round trip each day, based on mileage from the city limits of St. Paul and Minneapolis or beginning at 40 miles from the Employee's residence, whichever is less. For projects over 67 miles, the per diem expense is \$65.00. Expense receipts are required. If the Employee is required to stay out of town over a weekend then Saturday and/or Sunday per diem will be paid. Also, for projects over 67 miles, the employer will pay travel time of one round trip, in addition to the mileage. Such travel time will be based on 60 miles per hour.

Section 2. Per Diem Expense will be paid for holidays falling on Tuesday, Wednesday or Thursday, providing the employee works full time on the remaining days of the holiday week.

Section 3. If an Employee's job assignment is located in an area in which the Employee must pay for parking, then parking will be reimbursed in a daily amount not to exceed \$8.00. A dated receipt is required to be turned in within fourteen (14) days after expense is incurred before reimbursement will be made. The expense will be reimbursed on the next paycheck.

Section 4. Mileage hereunder shall be based on the mileage shown on Mapquest or another map service determined by the employer and the union to be accurate.

ARTICLE 5. WAGES.

Section 1a. The Journeyman Tile Layer scale for the Metro Area during the period of this Agreement shall be as follows:

	INCREASE	TOTAL
May 1, 2016 thru November 6, 2016	\$1.90	\$52.15
November 7, 2016 thru April 30, 2017	\$1.10	\$53.25
May 1, 2017 thru November 5, 2017	\$1.95	\$55.20
November 6, 2017 thru April 30, 2018	\$1.05	\$56.25
May 1, 2018 thru November 4, 2018	\$1.95	\$58.20
November 5, 2018 thru April 30, 2019	\$1.05	\$59.25

Section 1b. The Journeyman Tile and Marble Finishers scale for the Metro Area during the period of this Agreement shall be:

	INCREASE	TOTAL
May 1, 2016, thru November 6, 2016	\$1.52	\$42.72
November 7, 2016 thru April 30, 2017	\$.88	\$43.60
May 1, 2017 thru November 5, 2017	\$1.56	\$45.16
November 6, 2017 thru April 30, 2018	\$.84	\$46.00
May 1, 2018 thru November 4, 2018	\$1.56	\$47.56
November 5, 2018 thru April 30, 2019	\$.84	\$48.40

Section 2a. The Journeyman Tile Layer scale for the Duluth Area during the period of this Agreement shall be as follows:

	INCREASE	TOTAL
May 1, 2016 thru April 30, 2017	\$1.40	\$47.45
May 1, 2017 thru April 30, 2018	\$1.40	\$48.85
May 1, 2018 thru April 30, 2019	\$1.40	\$50.25

Section 2b. The Journeyman Tile and Marble Finishers scale for the Duluth Area during the period of this Agreement shall be:

	INCREASE	TOTAL
May 1, 2016, thru April 30, 2017	\$1.40	\$35.95
May 1, 2017 thru April 30, 2018	\$1.40	\$37.35
May 1, 2018 thru April 30, 2019	\$1.40	\$38.75

Section 3a. The Journeyman Tile Layer scale for the Rochester Area during the period of this Agreement shall be as follows:

	INCREASE	TOTAL
May 1, 2016 thru April 30, 2017	\$2.60	\$39.38
May 1, 2017 thru April 30, 2018	\$1.65	\$41.03
May 1, 2018 thru April 30, 2019	\$1.75	\$42.78

Section 3b. The Journeyman Tile and Marble Finishers scale for the Rochester Area during the period of this Agreement shall be:

	INCREASE	TOTAL
May 1, 2016, thru April 30, 2017	\$2.20	\$26.11
May 1, 2017 thru April 30, 2018	\$1.25	\$27.36
May 1, 2018 thru April 30, 2019	\$1.35	\$28.71

Section 4a. The Journeyman Tile Layer scale for the Southwestern, Western, and Northwest Minnesota Area during the period of this Agreement shall be as follows:

	INCREASE	TOTAL
May 1, 2016 thru April 30, 2017	\$1.50	\$41.19
May 1, 2017 thru April 30, 2018	\$1.55	\$42.74
May 1, 2018 thru April 30, 2019	\$1.55	\$44.29

Section 4b. The Journeyman Tile and Marble Finishers scale for the Southwestern, Western, and Northwest Minnesota Area during the period of this Agreement shall be:

	INCREASE	TOTAL
May 1, 2016, thru April 30, 2017	\$1.20	\$28.19
May 1, 2017 thru April 30, 2018	\$1.24	\$29.43
May 1, 2018 thru April 30, 2019	\$1.24	\$30.67

Section 5a. The Journeyman Tile Layer scale for the North Dakota Area during the period of this Agreement shall be as follows:

	INCREASE	TOTAL
May 1, 2016 thru April 30, 2017	\$.95	\$25.14
May 1, 2017 thru April 30, 2018	\$1.00	\$26.14
May 1, 2018 thru April 30, 2019	\$1.00	\$27.14

Section 5b. The Journeyman Tile and Marble Finishers scale for the North Dakota Area during the period of this Agreement shall be:

	INCREASE	TOTAL
May 1, 2016 thru April 30, 2017	\$.76	\$19.40
May 1, 2017 thru April 30, 2018	\$.80	\$20.20
May 1, 2018 thru April 30, 2019	\$.80	\$21.00

At any time during the life of this Agreement, the Union, the Associations, and the signing employer, in consultation with the Fund Trustees (“the Parties”) have the right to adjust the wage and fringe benefit allocations by joint agreement. All such adjustments shall be based on the financial health of the Funds and no such adjustment shall be approved which would worsen the condition of the Funds.

Section 3. FOREMAN RATE. A Foreman shall be designated when there are five or more Bricklayers and Allied Craftworkers members covered by this Agreement employed by the employer at the project, one shall be designated a Foreman. Such Foreman shall receive the sum listed below per hour for that project, over the basic scale.

- FOREMAN RATE \$2.25 per hour over basic scale. The Metro area Foreman rate shall increase on May 1, 2016 to \$2.50 per hour providing the employee has an OSHA 30 certificate and current CPR and First Aid training.

Section 4. Payment for the workweek shall be on the following Wednesday, provided the time is turned in to the Employer not later than the Saturday before pay day.

- Payment for the workweek may be extended to Thursday when Monday is one of the legal Holidays listed in Article 3, Section 4.
- The Employer may use direct electronic deposit as a means of wage payment. All other conditions of wage payment shall remain in effect.

- An Employee who quits employment will be paid any wages due him/her on the next scheduled payday for the week worked.
- Wage rate classifications in this Agreement establish only rates for Employees doing work covered by this Agreement.
- Time cards shall be turned in by all employees in accordance to the written policy of the Employer in order to receive a pay check on pay day.
- Time clocks and electronic time cards are a suitable means of tracking an employee time.
- The Employer agrees to provide the following information on an Employee's check stub: Hours, date, regular pay, overtime pay, gross pay, deductions, contributions and net pay.

ARTICLE 6. FRINGE BENEFITS

Section 1. The Employer agrees to contribute every month, not later than the 20th day of the following month, hereinafter called the "due date," such sums for Retirement, International Pension, Health, Vacation, Apprenticeship, and Promotion Funds as they may be established, an amount for each hour worked by all Employees covered by this Agreement. The Funds' Trustees shall equally represent the Union and the Association. The terms of the trust agreements establishing those Funds are hereby incorporated as a part hereof.

In projects that involve the application of Native American, or Indian, hiring preference requirements, the Union, the Employer and the affected fringe benefit Funds agree to the terms of a separate Tribal Employment Rights Office ("TERO"), or other similarly named, Agreement to comply with the preference requirements stated in the applicable tribal resolution in the event the Tribal member requests fringe benefits on their check.

Contributions to be paid on one check with all other fringes to an administrative agency with a local office.

- The amounts of Employer contributions to the Funds are determined by the membership, as a portion of the negotiated pay rate set forth in this Agreement. The Union shall ensure that such amounts comply with the terms of applicable law, the relevant Trust Agreements, and any Funding Improvement Plan or Rehabilitation Plan adopted to comply with the Pension Protection Act of 2006 (PPA).
- Effective May 1, 2016, in accordance with the PPA-mandated Rehabilitation Plan adopted by the Board of Trustees of the Bricklayers & Trowel Trades International Pension Fund (IPF) following the March 17, 2016, certification of the IPF's critical status, the parties adopt the applicable default schedule under the IPF Rehabilitation Plan and make it part of this Agreement. In accordance with that schedule, the contributions to the Funds shall include an additional contribution to IPF in the amount of **4% of the 2015 IPF rate, an additional 6% effective May 1, 2017 and an additional 6% May 1, 2018**, for each hour or portion thereof for which a covered employee receives pay, which additional amount shall be used solely to increase IPF's funding in accordance with the mandates of the PPA. This increase in contribution shall be a portion of the negotiated pay rate set forth in this Agreement.
- The Union and its membership specifically agree that the amount of Employer contributions to the IPF shall be determined by the membership in a manner consistent with the applicable default contribution schedule adopted under the Rehabilitation Plan, as it may be updated from time to time by the Board of Trustees. The Union and its membership further agree that such amounts shall be determined and made a part of this Agreement in a timely manner, to avoid imposition of a surcharge under Section 432(e)(7) of the Internal Revenue Code.

Section 2. Reporting forms and instructions standardized with other basic trades.

Section 3. An employer, for the first three years of a contractual relationship with the Union, shall post a surety bond, in a form satisfactory to the Trustees, insuring their obligations to the Employee Benefit Plans provided for in this agreement. The bond shall be posted with the Plans Administrator, as provided by the Trustees. The bond amount shall be determined by the number of employees working pursuant to the terms of this agreement (Collectively Bargained Employees, or "CBE's"), as follows:

1. Employers with 5 or less CBE's shall post a bond in the amount of \$25,000;
2. Employers with 6 or more CBE's shall post a bond in the amount of \$50,000;
3. Employers that have posted a \$25,000 bond are required to post a \$50,000 in lieu of the \$25,000 bond, when they have had 6 or more CBE's on their payroll for two consecutive reporting periods.

At the end of a three year continuous contractual relationship with the Union, the Employer may request the Trustees of the Employee Benefit Plans referenced above to waive the requirement of a bond. The Trustees shall act through their normal delinquency committee rules and process in making this determination.

Any Employer becoming delinquent in any obligation, for more than 30 calendar days, to the Employee Benefit Plans referenced above shall immediately post a surety bond in the amounts set forth above, which must remain in force for three years.

At the time an Employer first enters into a contractual relationship with the Union, the Employer may submit a \$10,000 Cashiers Check payable to the Minnesota Bricklayers and Allied Craftworkers Fringe Benefit Funds, which shall insure the Employers obligations for a period of seven days. On the eighth day of the contractual relationship, the bond called for above must be on file with the Plans Administrator. On filing of the bond with the Plans Administrator, the Cashiers check shall be returned to the Employer.

Section 4. Contributions paid on an hourly basis.

- (a) Contributions due to the Minnesota Ceramic Tile and Allied Trades Retirement Fund and the Twin City Bricklayers Pension Fund for overtime and Sunday will be pyramided as follows: If the wage rate is one and one-half times (1.5) the regular wage rate, then the Retirement Fund contribution rate (Minnesota Ceramic Tile Contribution Rate) is one and one-half times (1.5) the regular Retirement Fund contribution rate. If the wage rate is two times (2) the regular wage rate, then the Retirement Fund contribution rate is two times (2) the regular Retirement Fund contribution rate. All overtime rates will be calculated and appear on the yearly wage addendum.
- (b) Contributions for all new ceramic tile finishers into the Twin City Bricklayers Pension Fund and the Ceramic Tile Retirement fund will begin at 176 hours after joining the Union. Employers shall be notified in writing.
- (c) On shift work, contributions paid on the same proportionate hourly basis as hours worked to hours paid.

Section 5. Any Insurance Carrier, Administrator, Consultant, Actuary, Legal Counsel or Fiduciary Agent which may be used by any of the Trust Funds shall be selected by competitive bidding upon invitation by the Trustees.

Section 6. When Employees who reside in and regularly work in the geographical area covered by the terms of this Agreement are specifically ordered to go to a project located outside of the geographical area covered by this Agreement, Employers shall make, on their behalf, fringe benefit payments provided for in the Agreement. When a fringe benefit plan is in existence or is hereafter established for said outside area, this Article shall be of no force and effect insofar as that plan is concerned.

Section 7. It is also agreed by both parties that two Promotion Funds have been established. The Funds are designated as the Minnesota Ceramic Tile Promotion Fund and the International Masonry Institute (IMI). These Funds have been established in accordance with all existing laws governing promotion funds and anything contained herein which is, or may be, contrary to any existing law shall be inapplicable.

Section 8.

- (a) An Employer shall be considered "delinquent" for a particular work month if its required report and payment for that month are not postmarked on or before the 20th day of the following month (the "due date"), irrespective of whether such delinquency is willful or otherwise.
- (b) If an Employer becomes delinquent for a particular work month (as provided in (a) above), he shall also be required to pay, as liquidated damages and not as a penalty, an amount equal to 10% of the payment otherwise due for such work month, it being understood and acknowledged by the parties that actual damages are extremely difficult or impossible to ascertain and that the amount so fixed as liquidated damages is reasonable.
- (c) Delinquency Procedures - If an Employer becomes delinquent for a particular work month (as provided in (a) above), as to any or all of the Trust Funds, and if the report and the full payment due for such work month (including any applicable liquidated damages) are not postmarked in the administrative office of the Funds on or before the 20th 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 \$50,000.00 (or \$25,000.00 for three years if 5 or less employees), which shall cover all of the Trust Funds and assure payment of all sums as to any or 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 36 consecutive calendar months during which no further delinquency has occurred on the part of such Employer. If a bond was currently in place, the bond shall be collected by the Trust Fund and will be deducted from the amount owed by the employer. The Union shall refuse to supply men 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.
- (d) Illustration of clauses (a), (b), and (c); If an Employer's report and payment for the January work month have not been postmarked before February 21, such Employer becomes delinquent at that point and must pay the full amount due, plus 10%. If the report and the full payment for January (including the 10% liquidated damages amount) are not postmarked before March 21, the employer must then post a \$50,000 bond, or \$25,000.00 if 5 or less employees, for three years in addition to reporting and paying the full amount due.

- (e) The delinquent Employer shall also be required to pay all costs 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.
- (f) Notwithstanding the provisions of Article Thirteen (13) - Arbitration, 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.
- (g) The parties to this Agreement acknowledge that the provisions of this Agreement establishing rates of pay, wages, all hours of employment and other terms and conditions of employment, including fringe benefits, apply to Employees employed in job classifications within the jurisdiction of the Union at the time this Agreement is executed, but no other job classifications.

Section 9. The Health Fund previously established by the parties shall continue and the Employers shall contribute to said Fund during the period of this Agreement for all hours worked by each employee subject to this Agreement. The employers' contribution and the wage deduction from the employees shall be paid to the Health Fund in accordance with the terms of the Trust Agreement relating thereto.

Section 10. Defined Benefit Plans –The Defined Benefit Funds previously established by the parties shall continue and the Employers shall contribute to said Fund during the period of this Agreement for all hours worked by each employee subject to this Agreement. The employers' contribution and the wage deduction from the employees shall be paid to the Defined Benefit Funds in accordance with the terms of the Trust Agreement relating thereto. The employee's contribution rate will be determined by the membership and will include all Bricklayers and Allied Craftworkers Local Union #1 of Minnesota members covered by this agreement.

ARTICLE 7. INSURANCE

The parties agree to implement a Taft-Hartley based Workers' Compensation Fund to provide statutory and other workers' compensation benefits to employees working for employers who are signatory to Collective Bargaining Agreements between the Minnesota Ceramic Tile Contractors Association or Independent Employers and Basic Building Trades Unions affiliated with the AFL/CIO. Participation in this program is voluntary for each Employer.

ARTICLE 8. APPRENTICESHIP (Tile Layers).

Section 1. It is the intention to select Apprentices in a manner consistent with Federal and State Employment Laws, without regard to race, sex, or creed.

Section 2. The Tile Layer Apprentice wage rate during the period of this Agreement is as follows:

- 90% of base wage plus full fringe benefits for 0 – 1,999 hours
- 95% of base wage plus full fringe benefits for 2,000 – 3,999 hours
- At 4,000 hours – Full wages and full fringe benefits

Section 3. Except for the wage differentials set forth in this Article with respect to Apprentices, this Agreement shall apply with full force and effect to Apprentices and in the same manner as if they were Journeymen.

ARTICLE 9. APPRENTICESHIP (Finishers).

Section 1. In order to maintain and ensure an adequate number of Finishers for employment in the Industry, the parties agree to set up, organize and maintain, consistently with the provision of the Apprentice Labor Standards, a training program for Apprentices and other persons employed or employable for this Agreement.

Section 2. The Bricklayers and Allied Craftworkers (BAC) Joint Apprenticeship Committee shall consist of equal numbers of members from the Associations (Minnesota Tile Contractors Association, AGC and the MC&MCA) and from the Union.

Section 3. The BAC Joint Apprenticeship Committee shall be responsible for the administration and supervision of the Standards, which, among other things includes a progressive scale of wages; on the job training; periodic examination; ratio; classroom instruction and judgment of complaints.

The BAC Joint Apprenticeship Committee may seek assistance from the parties' signatory to this Agreement, or any other agency interested in the furtherance of Apprenticeship Training.

Section 4. New and inexperienced Finishers may be employed for a period of seven days and upon joining the Union will apply for Apprenticeship.

Section 5. The Employer will endeavor to keep the Apprentice employed during such training period. The percentages stated below for Apprentice Tile Finishers are based on the Journeyman Tile Finisher wage rate. The following is the wage schedule for Apprentice Tile Finishers:

- 70% of base wage plus fringe benefits as currently outlined in Article 6, Section 4 (b) for 0 – 999 hours.
- 75% of base wage plus full fringe benefits for 1,000 – 1,999 hours
- 80% of base wage plus full fringe benefits for 2,000 – 2,999 hours
- 85% of base wage plus full fringe benefits for 3,000 – 3,999 hours
- At 4,000 hours – Full wages and full fringe benefits
- A Tile Finisher can receive a permit to set tile for a period of up to 90 days, with the approval of the Union Business representative, and will be paid at the rate of a 1st Year Tile Layer Apprentice, but shall retain Tile Finisher benefits.

Section 6. Apprentice requirements: All Apprentices shall enter into a written Agreement with the BAC Joint Apprenticeship Committee and said Agreements shall be registered with the State of Minnesota. All new applicants shall serve a probationary period of not more than six months. Failure on the part of the Apprentice to satisfactorily complete his obligations in this period will result in the automatic cancellation of his application.

Section 7. The Bricklayers and Allied Craftworkers (BAC) Joint Apprenticeship Committee shall determine the establishment and scheduling of related and supplemental instruction classes.

- (a) The parties of this Agreement agree that all Apprentices shall attend these related classes, as assigned by the BAC Joint Apprenticeship Committee.
- (b) The BAC Joint Apprenticeship Committee shall have the authority to exercise disciplinary action of layoff or removal from the job for failure to meet these minimum requirements in accordance with the terms of the local Joint Apprentice Standards and addendum's thereto.
- (c) The Employer is required to notify the Union of opportunities of employment with the Employer and give the Union an opportunity to refer applicants who are qualified for employment.

ARTICLE 10. WORK JURISDICTION AND UNION MEMBERSHIP.

All work as defined in this Agreement shall be performed by Journeyman Tile Layers, Apprentices and Finishers. All employees shall, as a condition of employment be required to become Union members after the seventh day following the beginning of their employment, or the effective date of this Agreement, whichever is later.

ARTICLE 11. LABOR STANDARDS HEREIN TO PREVAIL.

The Union, on behalf of its members, agrees that they shall not accept employment at wages or other working condition less than the standards set forth herein, which standards shall prevail in the entire geographical area covered by this Agreement.

ARTICLE 12. AUTHORIZED TILE SETTING METHODS.

One of the purposes of this Agreement is to provide and train competent Craftworkers for the continued welfare of the Tile Setting industry. It is to be understood that tile is to be set only by methods authorized and described in the American Standard Specification for Installation of Ceramic Tile, Ceramic Mosaic Tile and Quarry Tile, of the National Tile Council of America, as interpreted in the common, practical methods of the industry, which shall generally be made part of the project through specifications prepared by a registered architect or engineer.

No Employer, Employer Representative or Tile Layer shall bargain or contract with each other to lay a designated number of feet of tile for the day's work, nor shall they bargain or contract that a Tile Layer do a certain piece of work in a designated time.

In order to provide sufficient Tile Layers for the natural expansion of the Tile Setting industry, it is agreed to by the signatories to this Agreement that an Apprentice System be established from time-to-time in order to meet the Employers' requirements as to skills, number and efficiency of their workers.

ARTICLE 13. GRIEVANCE - ARBITRATION – SETTLEMENT OF DISPUTES.

1. 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. The grieving party agrees to submit in writing its grievance to the other party within ten (10) working days after the first occurrence of the event or knowledge of the condition giving rise to the grievance. Failure to submit timely the written grievance constitutes waiver of the grievance.
2. If the parties cannot reach satisfactory settlement within five (5) working days after submission of the written grievance, then the parties may bring the matter to the AGC-Basic Trades Disputes Board (“Disputes Board”). Both parties must agree in writing to submit the matter to the Disputes Board. In such case, the grieving party shall submit a written statement of the claim and facts of the matter to other party and the Disputes Board.
3. The Disputes Board is to be made up of an equal number of Employer and Union representatives, who meet regularly to settle disputes (excluding jurisdictional disputes) to avoid work stoppages, and to address other problems affecting productivity. The Disputes Board will render a decision, even though a party may not be present. The Disputes Board has no power to 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 referenced agreements, refuses to abide by the Disputes Board’s decision, then the other party may take economic action may be taken by the other party.

4. If the Disputes Board is unable to reach a decision, due to a deadlock (lack of majority), then it may refer the matter to a Board of Arbitration that shall operate in the following manner: The Union shall appoint one (1) Arbitrator and the Employer shall appoint one (1) Arbitrator within ten (10) working days after declaration of deadlock. The two (2) Arbitrators thus selected shall appoint a Neutral Chairman. In the event the selected Arbitrators fail to agree on a Neutral Chairman within ten (10) working days after declaration of deadlock, then 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. The remaining 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 being selected, 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 Board of Arbitration’s decision shall be final and binding on the parties to the dispute; provided, however, that the arbitrators shall have no power to modify any provisions of this Agreement.

Each party agrees to pay the expenses of their selected Arbitrator, and both parties agree to equally share 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.

ARTICLE 14. UNION SUPPLY OF MANPOWER.

The Employer is required to notify the Union of opportunities of employment with the Employer and give the Union an opportunity to refer applicants who are qualified for employment. "Qualified" means the Union must refer applicants who have the necessary training and experience to perform the available work. If the Union is unable to refer a qualified applicant within thirty-six (36) hours of the Employer's initial request, then the Employer shall be free to hire applicants from any source. The Employer is the sole judge of the applicant's qualifications, suitability and ability to perform the work required.

ARTICLE 15. EQUAL TREATMENT.

If the Union enters into any agreements, oral or written, with any Employer in which the terms and conditions of such Agreement are more favorable to such Employer, then the terms and conditions of this Agreement; then such favorable terms and conditions shall automatically be extended to all other Employers covered by this Agreement.

ARTICLE 16. DURATION.

This Agreement shall remain in full force and effect to and including April 30, 2019, and shall continue in effect from year to year after that date, unless either party, sixty (60) days prior thereto, notifies the other party of its intention to modify or terminate the contract. Where such notice is given, this Agreement shall continue in full force and effect until a new Agreement is executed.

It is expressly understood that any and all disputes and any and all claims, demands, or actions asserted during the duration of this Agreement, regarding its interpretation or application, shall be settled exclusively by the full use of the processes of free collective bargaining, failing in which the matters shall be submitted to Grievance and Arbitration procedure, in accordance with Article 13 of this Agreement.

ARTICLE 17. MISCELLANEOUS PROVISIONS.

Section 1. LUC Drug/Alcohol Program on a discretionary basis. See addendum "G" attached to this Agreement.

Section 2. Tools to be provided as agreed upon, for employment.

Section 3 The parties agree that certain minimum qualifications and proof of responsibility are necessary to ensure compliance with this Agreement and the applicable workplace laws. Every employer party to this Agreement must:

1. Have an operational telephone number on file with the Union for purposes of convenient communication.
2. Carry workers' compensation insurance and pay social security and unemployment compensation on employees.

3. Properly classify all persons performing work covered by this Agreement as employees rather than independent contractors.
4. Employ at least one journeyman tile layer and/or one journeyman tile and marble finisher working under this Agreement.
5. No work covered by this Agreement to be performed at the site of construction, installation, alteration, renovation, or repair may be contracted out or subcontracted by the signatory employer except to a contractor that is signatory to this Agreement.
6. No signatory employer may knowingly assist a non-union employer in misrepresenting that it employs union labor or is a legitimate union contractor.

The Union will demand proof of qualifications and responsibility as set forth in this section from any employer that is or seeks to become signatory and will use its best efforts to enforce the above-listed requirements vigorously. These requirements will be enforced through the grievance procedure in Article 13. If it is determined in the grievance procedure that a signatory employer is not in compliance with this section, then damages shall be imposed on that employer for each violation.

Section 4. The Employer, when engaged in any covered work within the geographic area of this Agreement, shall, in hiring employees covered by this Agreement, give preference to hire 50% of the crew from persons residing or normally employed in the geographic area covered by this Agreement, if available.

Section 5. The Employer shall make their best effort to employ one (1) apprentice for every ten (10) journeyman.

Section 6. The parties, in conjunction with the trustees of the Minnesota and North Dakota Bricklayers and Allied Craftworkers Health Plan, will meet to confer in the event of Affordable Care Act (ACA) penalties or health insurance exchange options.

Section 7: **Sick/safe pay clause.** It is the mutual intent of the Employer and Union that the wage package described in this Agreement, including but not limited to the vacation 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 18. SUBCONTRACTORS.

Section 1. The subcontractor agrees to comply with the provisions relating to on the job working conditions and wages, fringe benefits and premium pay for the Collective Bargaining Agreement in the Tile Industry entered into between Minnesota Ceramic Tile Contractors Association and the Union for the duration of such prime Contractor or Employer's project. The subcontractor agrees that any commercial job site work relating to the construction, alteration or repair of a building, structure, or other work traditionally and historically performed by members of Bricklayers and Allied Craftworkers Local Union #1 (Chapter #18) of Minnesota & North Dakota will be performed by employees.

Subcontracts containing the required language set forth above will be deemed to be in compliance with the Collective Bargaining Agreement. The Taft-Hartley Trust Funds provided for in this collective Bargaining Agreement are deemed third party beneficiaries for purposes of enforcement of this clause with respect to fringe benefit payments.

The agreement of the Subcontractor to so comply shall apply:

1. Only to those Collective Bargaining Agreements which cover classifications of work in which the Subcontractor has Employees; and,
2. Only to work performed on the project. 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 Union agreement; and
 - B. Where the Subcontractor does not represent to the Employer that he has an established tile trades collective bargaining relationship covering the affected classification of work.

ARTICLE 19. MANAGEMENT RIGHTS.

The Employer reserves the right to: manage its business and its jobs in its best interest: to retain or dispense with Employees; to reduce or increase the number of Employees needed on each project, crew, activity or piece of equipment; to select, hire, train, layoff, assign and reassign Employees; to schedule work, hours worked, including overtime; to determine performance and quality standards; to evaluate Employees' performance; including safety, disciplinary and work rules and practices, except where specifically limited by this Agreement.

The Employer shall have the right to determine employment qualifications of Employees, and it may discharge or otherwise discipline any Employee whose work, in Management discretion, is unsatisfactory or who fails to observe the reasonable rules, regulations or safety precautions prescribed by the Employer or any government agency.

The Employer has the right to (at the Employer's expense) request a pre-employment physical of all job applicants, which may include a drug test, and to implement any other lawful screening, testing or training programs for applicants and Employees.

The Employee shall use any tools, equipment, machinery, materials, products or procedures of his/her craft, so long as it does not conflict with this Agreement.

To the extent that the rights, powers, prerogatives and authority of the Employers have been specifically abridged, delegated, granted, or modified by this Agreement, the issues relating thereto are subject to the grievance-arbitration procedure.

ARTICLE 20. SAFETY.

- A. Accident and injury-free operation is the goal of all Employers, Union and Employees. The Employers and Employees agree to abide by, the requirements of State and Federal Construction Safety Codes and Regulations.
- B. The Employer agrees to periodically issue rules or notices to Employees regarding on the job safety requirements. Any Employee violating such rules or notices may be subject to an Employer's disciplinary action. No Employee may be discharged for refusing to work under unsafe conditions.

ADDENDUM “A”

Rochester Area

ARTICLE 1. GEOGRAPHICAL APPLICATION

ROCHESTER: Counties of Faribault, Freeborn, Mower, Fillmore, Houston, Blue Earth, Waseca, Steele, Dodge, Olmsted, Winona, Nicollet, Sibley, Le Sueur and Wabasha. It shall also include that portion of Rice County that is south of County Road 1 that runs from Montgomery to Dennison. It shall also include that portion of Goodhue County that is south of County Road 9 that runs from Dennison through the town of Goodhue.

ARTICLE 2. MEALS, LODGING, TRAVEL EXPENSES PER WORKING DAY AND PARKING.

Section 1. No reimbursement for travel on projects within 0 - 25 of the Rochester city limits. Projects 26 to 75 miles from the Rochester city limits, the transportation expense is to be paid at the mileage rate of \$.40 per mile round trip each day. For projects over 76 - 100 miles, the per diem expense is \$40.00 per day. Also, for projects over 100 miles, the per diem expense will be negotiated by the Employer, the Employees and the Union.

Section 2. Parking in downtown Rochester which the Employee must pay for parking, then parking will be reimbursed in a daily amount not to exceed \$7.00. A dated receipt is required to be turned in within fourteen (14) days after expense is incurred before reimbursement will be made. The expense will be reimbursed on the next paycheck.

ARTICLE 3. WAGES.

Section 1a. The Journeyman Tile Layer scale for the Rochester Area during the period of this Agreement shall be as follows:

	INCREASE	TOTAL
May 1, 2016 thru April 30, 2017	\$2.60	\$39.38
May 1, 2017 thru April 30, 2018	\$1.65	\$41.03
May 1, 2018 thru April 30, 2019	\$1.75	\$42.78

Section 1b. The Journeyman Tile and Marble Finishers scale for the Rochester Area during the period of this Agreement shall be:

	INCREASE	TOTAL
May 1, 2016, thru April 30, 2017	\$2.20	\$26.11
May 1, 2017 thru April 30, 2018	\$1.25	\$27.36
May 1, 2018 thru April 30, 2019	\$1.35	\$28.71

Section 5. FOREMAN RATE. A Foreman shall be designated on all projects where there are five (5) or more Bricklayers and Allied Craftworkers members employed, by the employer at the project, one shall be designated

a Foreman. The Foreman shall be the Tile Layer designated by the Employer. Such Foreman shall receive the sum listed below per hour for that project, over the basic scale:

FOREMAN RATE: \$1.75

Section 5. Payment for the workweek shall be on the following Friday, provided the time is turned in to the Employer not later than the Monday before payday. All Employees will be paid each week and no more than seven days will be held back including payday.

Construction Partnership Inc. (CPI) deduction will be \$0.10.

ARTICLE 4. APPRENTICESHIP

An Employer shall contribute 20 cents (\$.20) per hour for each hour worked to the Minnesota Bricklayers and Allied Craftworkers Apprentice Training Trust Fund. A portion of the contribution, 10 cents (\$.10) per hour shall be dedicated to the Worker Readiness program.

ARTICLE 5. UNION RECOGNITION

The employer hereby recognizes the Bricklayers and Allied Craftworkers Local Union 1 Minnesota / North Dakota as the exclusive bargaining representatives of the Employees in the craft signatory to this agreement, in areas including, but not limited to, rates of pay, wages, hours of work, fringe benefits where applicable, and other conditions of employment, The respective Union is hereby recognized by the Employer as the sole and exclusive bargaining representative of the employees respectively represented by them. The respective Union represents that they are qualified for such recognition.

ARTICLE 6. 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 shall cause the provisions of this agreement so in conflict to be superseded or annulled. The terms and provisions of this Agreement, which are not so in conflict remain in effect.

SCHEDULE 1. GENERAL CONDITIONS

- A. Employers agree to employ a minimum of 50% of Tile Layers who belong to Chapter #8 on all jobs in the jurisdiction.

ADDENDUM “B”

COMMERCIAL TILE

Duluth Area

ARTICLE 1. GEOGRAPHICAL APPLICATION

This Agreement shall cover the counties of:

Koochiching, Itasca, Aitkin, St. Louis, Carlton, Lake, and Cook Counties. The agreement shall also cover all of the part of Pine County north of County Road 30 and include the city of Sandstone.

- The following language shall be included under Trade Jurisdiction, Article 1 regarding the use of robotics: The preparation, setup, calibration, loading, operation, cleaning, and routine maintenance of any mechanical devices, automated or semi-automated systems, lasers, robotics or other emerging technologies that are used to, including but not limited to, install, cut, set, lay, level, range, plumb, align, anchor, fasten, secure, point, joint, grout, fill, grind, polish, seal, clean, repair, replace or restore masonry units, materials and surfaces, or that otherwise assist the mason in performing any of the work described in Article II and Code 1 of the IU Constitution, as well as the preparation and ongoing maintenance of the work area to allow proper installation of masonry units and materials. In addition, the International Union shall have the authority to establish additional general or special categories of work jurisdiction as may from time to time be required to identify and maintain the skills coming within the work jurisdiction of the International. This shall include **robotics and emerging technologies as well as** the specialized skills identifiable within the major branches of the trade described above, such as all burning and welding required to secure or anchor all types of masonry materials.

ARTICLE 2. UNION RECOGNITION

The Employer hereby recognizes the Union to which the Employer has agreed to be bound, as the exclusive collective bargaining representative of the Employees, in respect to rates of pay, wages, hours of employment and fringe benefits, and savings where applicable, and other conditions of employment. The Union is hereby recognized hereunder by the Employer as the sole and exclusive bargaining representative of the Employees respectively represented by them. The Union represents that it is qualified for such recognition.

ARTICLE 3. WAGES.

Section 1a. The Journeyman Tile Layer scale for the Duluth Area during the period of this Agreement shall be as follows:

	INCREASE	TOTAL
May 1, 2016 thru April 30, 2017	\$1.40	\$47.45
May 1, 2017 thru April 30, 2018	\$1.40	\$48.85
May 1, 2018 thru April 30, 2019	\$1.40	\$50.25

Section 1b. The Journeyman Tile and Marble Finishers scale for the Duluth Area during the period of this Agreement shall be:

	INCREASE	TOTAL
May 1, 2016, thru April 30, 2017	\$1.40	\$35.95
May 1, 2017 thru April 30, 2018	\$1.40	\$37.35
May 1, 2018 thru April 30, 2019	\$1.40	\$38.75

ARTICLE 4. JURISDICTIONAL DISPUTES

Jurisdictional disputes between this Union and other Unions shall be determined in the manner and by the procedure established by the Building and Construction Trades Department of the AFL-CIO.

ARTICLE 5. PICKETS AND BANNERS

The Employer shall not require an Employee to go through a primary picket line or banner to work. It shall not be a violation of this Agreement and it shall not be cause for discharge or disciplinary action in the event an Employee decides not to cross a primary picket line or banner. This clause shall not apply to secondary picket lines or banners and it shall not apply to jurisdictional picket lines or banners.

ARTICLE 6. STRIKES, LOCKOUTS, WORK INTERFERENCE

It is agreed that there will be no strike, work-stoppage, slow-down, sit-down, stay-in or any other concerted interference with any Employer's business or on construction jobs by this Union or the members thereof, nor any lockout by any Employer during the existence of this Agreement without first giving the other party forty-eight (48) hours written notice and sending the dispute through procedures established in ARTICLE 9 of this Agreement.

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

ARTICLE 7. UNION REPRESENTATIVES

Only authorized Union Representatives shall have the right to confer with Employees on the job. Each and every Union Representatives shall first contact the job superintendent or foreman or whoever is in charge of the project, before conferring with any Employee. If no Employer Representative is available, the Union Representative shall leave his business card in the job shack before conferring with Employees. At no time shall such Union Representative hinder or interfere with the progress of the work.

It shall be the obligation of the Union Representative to adhere to all pertinent safety rules of the particular job while on the Employer's premises.

ARTICLE 8. PAYDAY AND WAGE PAYMENT

- A. All regular, full time Employees covered by this Agreement shall be paid in full each week. Not more than seven (7) calendar days shall be held back including payday.
- B. Wages shall be paid at or before the end of the shift of the designated payday.
- C. If an Employee is laid off they shall be paid in full, in cash or check, within twenty-four hours.
- 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 the Employee's check stub: Hours, date, regular pay, overtime pay, gross pay, deductions, and net pay.
- F. Wage rate classifications in this Contract establishes only a rate for Employees and in no way relates to manning of projects.
- G. When a member of the Union is ordered by the Employer or his representative to report for work on a specific job, and then through no fault of the member is not put to work or employed for less than two (2) hours, the Employer shall pay him/her for two (2) hours time, weather permitting work. On jobs of more than two (2) hours duration, all members shall be paid for the actual hours worked.
- H. The employer may use direct electronic deposit as a means of wage payment. All other conditions of wage payment shall remain in effect.

If the Employer fails, after a five (5) working day notice in writing, to make full wage payment and full check-off payments and/or full payments of any and all contributions to all funds, the Union shall have the right to take whatever steps are necessary, including the withdrawal of manpower, to secure compliance with this Agreement, any other provision hereof to the contrary notwithstanding, and the Employer shall be liable for all costs, including all the costs the Union incurs, for the collection of payments due together with attorney's fees and such liquidated damages as may be assessed by the courts. The Employer's liability for payment shall not be subject to or covered by any grievance or arbitration procedure or any "no strike" clause which may be provided for or set forth elsewhere in this Agreement.

ARTICLE 9. SAVINGS CLAUSE

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

**SUPPLEMENTS OF BRICKLAYERS AND ALLIED CRAFTWORKERS UNION
LOCAL 1 MINNESOTA / NORTH DAKOTA (Chapter #3 DULUTH AREA)**

SCHEDULE 1. MILEAGE, ZONE, PARKING AND SUBSISTENCE PAY

- A. **MILEAGE EXPENSE:** On the jobs over thirty (30) miles from Lake Avenue and Superior Street in the City of Duluth, Minnesota, the employer agrees to pay the driver the mileage rate prescribed under federal law, round trip, each day. On jobs over 75 miles from Lake Avenue and Superior Street in the City of Duluth the Employer agrees to pay the driver the mileage rate prescribed under federal law, round trip, once per week.
- B. **ZONE PAY:** There shall be a “FREE ZONE” within a radius of thirty (30) miles from Lake Avenue and Superior Street in the City of Duluth, Minnesota. Everything outside of the Free Zone, the Employer agrees to pay each Employee a flat rate of \$30.00 per day.
- C. **PARKING:** Downtown parking in Duluth shall be paid for by the Employer when applicable.
- D. **SUBSISTENCE PAY:** On jobs located over seventy-five (75) miles from Lake Avenue and Superior Street of Duluth, Minnesota, the Employer will supply a room at a reasonable quality motel.
- E. Subsistence and/or zone pay will be paid as follows: For holidays falling on Tuesday, Wednesday or Thursday providing the Employee works on the remaining days of the holiday week and was required to stay there.

OUTSIDE AREA WORK: When Employees covered by this Agreement are directed by their Employer to work outside the geographical jurisdiction of this Agreement, they shall be paid not less than the scale of wages provided for in this Agreement, such higher prevailing rate shall be paid.

SCHEDULE 2. HOURS, SHIFTS AND HOLIDAYS

- 1. Regular working hours are to be between 8:00 a.m. and 4:30 p.m. If mutually agreed between the employer and the employees, working hours may be adjusted up to one (1) hour earlier to promote job efficiency. The union shall be notified and such adjusted starting time.
- 2. ALL work in excess of forty (40) hours in any one week and work performed over eight (8) hours in any one day of Monday through Friday and ALL work performed on Saturday shall be compensated for at the rate of one and one-half (1 ½) times the regular hourly rate.
- 3. Double time shall be paid for all overtime worked after 12:00 Midnight. Extra shifts working Saturday and/or Sunday shall receive pay at two (two) times the regular hourly rate of pay.
- 4. Work performed on Sunday and the following holidays shall be compensated for at the rate of two (2) times the regular rate: NEW YEARS DAY - MEMORIAL DAY - INDEPENDENCE DAY - LABOR DAY - THANKSGIVING DAY - CHRISTMAS DAY. When Monday 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.
- 5. In order to work a second and third shift without being required to pay overtime, said additional shifts shall be scheduled for a minimum of three (3) consecutive working days.

6. Where shifts are employed the following shall apply:

1st Shift – 8:00 AM – 4:30 PM – Eight (8) hours pay for eight (8) hours worked.

2nd Shift - 4:30 PM – 12:30 AM –Eight hours pay for seven and one half (7 ½) hours worked.

3rd Shift – 12:30 AM – 8:00 AM – Eight hours pay for seven (7) hours worked.

7. Where it is impractical for the Employees to start work at regular prescribed time because of a conflict of work hours with store hours, the regular eight (8) hour day shall start at the designated time that the store closes, but the following shall be applicable:

- A. A letter from the owner of the client's company, to the Union Business Representative, explaining/describing the circumstances regarding their situation.
- B. Mutually agreed upon between the Employer and the Employees.
- C. Eight (8) hours straight time pay for seven and one half (7 ½) hours worked.

8. **FOUR TENS:** In an effort to promote job efficiency and to promote versatility in the work hours during the work week the following shall apply: If mutually agreeable between both parties, the work week may be scheduled for ten (10) hour days from Monday through Thursday, from 8:00 a.m.- 6:30 p.m. or 7:00 a.m. - 5:30 p.m., without having to pay overtime. ALL work performed on Friday on that same project, shall be compensated for at the rate of one and one-half (1 ½) times the regular hourly rate.

The employee shall be at his working station at starting time and return to the main exit or ground floor at quitting time.

SCHEDULE 3. FOREMAN

Where five (5) or more Employees (including: Journeymen, Apprentices, Improvers, Finishers and Grouters) are employed on a job one Journeyman Tile Layer shall be appointed Foreman by the Employer, and shall be paid one dollar (\$1.00) in addition to the Journeyman's hourly rate.

SCHEDULE 4. GENERAL CONDITIONS

- A. To prevent unnecessary loading of Employees' automobiles with company merchandise, Employees may not carry more than the equivalent of three cartons of wall tile.
- B. Employers agree to employ a minimum of 50% of Tile Layers who belong to Chapter #3 on all jobs in the jurisdiction.
- C. Gross of faulty workmanship when determined shall be replaced by the responsible Employee without remuneration. Example: If there is a problem with a section of the Employees work that is deemed to have caused by shoddy workmanship and is not corrected during the work day in which it was installed, and then t a later date it is found necessary to replace said work in question. The Union will receive prior notice to any replacement work to allow time for an investigation and determination with the Employer.
- D. **TOOL IDENTIFICATION:** All power tools and cleaning equipment, including rags, sponges, etc., are considered shop equipment & shall be furnished by the Employer. The following **BASIC HAND TOOLS** shall be furnished by the Employee: All hand trowels, hand levels, hand chisels, floats, hammer (steel & rubber), nippers, duster and chalk-box. The only power tool to be supplied by the Employee is a hand grinder when needed. The blades for the grinder will be supplied by the Employer.

SCHEDULE 5. FAIR CONTRACTING FOUNDATION LABOR-MANAGEMENT COOPERATIVE COMMITTEE (LMCC)

Effective May 1, 2013 the parties agree to participate in and fund the Fair Contracting Foundation of Minnesota (FCF) through a Labor-Management Cooperation Committee Trust Fund, pursuant to Sec. 6(b) of the Labor Management Cooperation Act of 1978, 29 U.S.C. § 175a and Sec. 302(c)(9) of the Labor Management Relations Act, as amended.

The parties agree that the terms and conditions of this labor agreement help establish industry standards for safety, training, workforce availability, dependable benefits and reasonable wages. Unlawful conduct on construction projects jeopardizes these negotiated terms, interferes with contractors' lawful competition, erodes industry standards and conflicts with society's interests at large. Therefore, the FCF is established as a LMCC to monitor and enforce compliance with federal, state and local laws, rules and regulations. FCF's further purpose is to study and implement solutions to problems that impede fair competition and stunt economic development in the industry.

The Employer agrees to contribute every month, not later than the 20th day of the following month, hereinafter called the "due date," such sums for FCF as is designated in the wage schedule of this Agreement for each hour worked by all Employees covered by this Agreement. The FCF contributions are to be paid on one check along with the other fringe benefit contributions and submitted to the agent of the Funds as designated by the Trustees.

The FCF shall function in accordance with a Trust Fund established solely and exclusively for the FCF by a separate Agreement and Declaration of Trust for the Fair Contracting Foundation of Minnesota, any amendments thereto, and any of its governing documents. The terms of the FCF Agreement and Declaration of Trust and all other governing documents are fully incorporated into this Article by reference. This provision of the contract shall sunset on April 30, 2019.

ADDENDUM “C”

Southwest Minnesota

ARTICLE 1. GEOGRAPHICAL APPLICATION

This Agreement shall cover the counties of:

SOUTHWEST: Lac Qui Parle, Yellow Medicine, Lincoln, Lyon, Red Wood, Brown, Pipestone, Murray Cottonwood, Watonwan, Rock, Nobles, Jackson and Martin.

ARTICLE 2. MEALS, LODGINGS AND TRAVEL EXPENSES PER WORKING DAY.

Section 1. The driver of each vehicle shall be the only one that is required to receive a travel expense. Travel, meals and lodging expense reimbursement for projects will be negotiated by the Employer, Employees and the Union.

Section 2. Lodging supplied by the employer shall be a reasonable quality hotel. Two members per room shall be acceptable.

ARTICLE 3. WAGES.

Section 1a. The Journeyman Tile Layer scale for the Southwestern Area of Minnesota during the period of this Agreement shall be as follows:

	INCREASE	TOTAL
May 1, 2016 thru April 30, 2017	\$1.50	\$41.19
May 1, 2017 thru April 30, 2018	\$1.55	\$42.74
May 1, 2018 thru April 30, 2019	\$1.55	\$44.29

Section 1b. The Journeyman Tile and Marble Finishers scale for the Southwestern Area of Minnesota during the period of this Agreement shall be:

	INCREASE	TOTAL
May 1, 2016, thru April 30, 2017	\$1.20	\$28.19
May 1, 2017 thru April 30, 2018	\$1.24	\$29.43
May 1, 2018 thru April 30, 2019	\$1.24	\$30.67

When an Employer dispatches an Employee to work outside of their Home Chapter Area (Home Area) and within the jurisdiction of BAC Local 1 Minnesota/North Dakota into another chapter area where there is a different wage and fringe package in place (Travel Area), the Employer and the Union will discuss and come to a mutual agreement on the wage and benefit package that will be used. The option to pay said Employee Travel Area wages and Home Area benefits shall be available. Work hours may be reported on the Home Chapter Area Fringe Report Form.

ARTICLE 4. WORK JURISDICTION AND UNION MEMBERSHIP.

All work as defined in this Agreement shall be performed by Journeyman Tile Layers, Apprentices and Finishers. All employees shall, as a condition of employment be required to become Union members after the seventh day following the beginning of their employment, or the effective date of this Agreement, whichever is later, with the exception of the State of North Dakota and its Right to Work Labor Laws where joining a Labor Union is not mandated.

ADDENDUM “D”

West Minnesota

ARTICLE 1. GEOGRAPHICAL APPLICATION

This Agreement shall cover the counties of:

WEST: Big Stone, Stevens, Pope, Stearns, Swift, Kandiyohi, Meeker, Benton, Chippewa, Renville, McLeod, and Sherburne (Not Including the City of Elk River).

ARTICLE 2. MEALS, LODGINGS AND TRAVEL EXPENSES PER WORKING DAY.

Section 1. The driver of each vehicle shall be the only one that is required to receive a travel expense. Travel, meals and lodging expense reimbursement for projects will be negotiated by the Employer, Employees and the Union.

Section 2. Lodging supplied by the employer shall be a reasonable quality hotel. Two members per room shall be acceptable.

ARTICLE 3. WAGES.

Section 1a. The Journeyman Tile Layer scale for the Western Area of Minnesota during the period of this Agreement shall be as follows:

	INCREASE	TOTAL
May 1, 2016 thru April 30, 2017	\$1.50	\$41.19
May 1, 2017 thru April 30, 2018	\$1.55	\$42.74
May 1, 2018 thru April 30, 2019	\$1.55	\$44.29

Section 1b. The Journeyman Tile and Marble Finishers scale for the Western Area of Minnesota Area during the period of this Agreement shall be:

	INCREASE	TOTAL
May 1, 2016, thru April 30, 2017	\$1.20	\$28.19
May 1, 2017 thru April 30, 2018	\$1.24	\$29.43
May 1, 2018 thru April 30, 2019	\$1.24	\$30.67

When an Employer dispatches an Employee to work outside of their Home Chapter Area (Home Area) and within the jurisdiction of BAC Local 1 Minnesota/North Dakota into another chapter area where there is a different wage and fringe package in place (Travel Area), the Employer and the Union will discuss and come to a mutual agreement on the wage and benefit package that will be used. The option to pay said Employee Travel Area wages and Home Area benefits shall be available. Work hours may be reported on the Home Chapter Area Fringe Report Form.

ARTICLE 4. WORK JURISDICTION AND UNION MEMBERSHIP.

All work as defined in this Agreement shall be performed by Journeyman Tile Layers, Apprentices and Finishers. All employees shall, as a condition of employment be required to become Union members after the seventh day following the beginning of their employment, or the effective date of this Agreement, whichever is later, with the exception of the State of North Dakota and its Right to Work Labor Laws where joining a Labor Union is not mandated.

ADDENDUM "E"

Northwest Minnesota

ARTICLE 1. GEOGRAPHICAL APPLICATION

This Agreement shall cover the counties of:

NORTHWEST MINNESOTA: Crow Wing, Cass, Hubbard, Becker, Otter Tail, Clay, Wadena, Clearwater, Beltrami, Lake of the Woods, Norman, Mahnommen, Polk, Pennington, Marshall, Kittson, Red Lake, Roseau, Morrison, Todd, Douglas, Grant, Wilkin, Traverse and that part of Mille Lacs County north of an east-west extension of the northern border of Isanti County.

ARTICLE 2. MEALS, LODGINGS AND TRAVEL EXPENSES PER WORKING DAY.

Section 1. The driver of each vehicle shall be the only one that is required to receive a travel expense. Travel, meals and lodging expense reimbursement for projects will be negotiated by the Employer, Employees and the Union.

Section 2. Lodging supplied by the employer shall be a reasonable quality hotel. Two members per room shall be acceptable.

ARTICLE 3. WAGES.

Section 1a. The Journeyman Tile Layer scale for the Northwest Minnesota Area during the period of this Agreement shall be as follows:

	INCREASE	TOTAL
May 1, 2016 thru April 30, 2017	\$1.50	\$41.19
May 1, 2017 thru April 30, 2018	\$1.55	\$42.74
May 1, 2018 thru April 30, 2019	\$1.55	\$44.29

Section 1b. The Journeyman Tile and Marble Finishers scale for the Northwest Minnesota Area during the period of this Agreement shall be:

	INCREASE	TOTAL
May 1, 2016, thru April 30, 2017	\$1.20	\$28.19
May 1, 2017 thru April 30, 2018	\$1.24	\$29.43
May 1, 2018 thru April 30, 2019	\$1.24	\$30.67

When an Employer dispatches an Employee to work outside of their Home Chapter Area (Home Area) and within the jurisdiction of BAC Local 1 Minnesota/North Dakota into another chapter area where there is a different wage and fringe package in place (Travel Area), the Employer and the Union will discuss and come to a mutual agreement on the wage and benefit package that will be used. The option to pay said Employee Travel Area wages and Home Area benefits shall be available. Work hours may be reported on the Home Chapter Area Fringe Report Form.

ARTICLE 4. WORK JURISDICTION AND UNION MEMBERSHIP.

All work as defined in this Agreement shall be performed by Journeyman Tile Layers, Apprentices and Finishers. All employees shall, as a condition of employment be required to become Union members after the seventh day following the beginning of their employment, or the effective date of this Agreement, whichever is later, with the exception of the State of North Dakota and its Right to Work Labor Laws where joining a Labor Union is not mandated.

ADDENDUM “F”

North Dakota

ARTICLE 1. GEOGRAPHICAL APPLICATION

This Agreement shall cover:

NORTH DAKOTA: All of the State of North Dakota.

ARTICLE 2. MEALS, LODGINGS AND TRAVEL EXPENSES PER WORKING DAY.

Section 1. The driver of each vehicle shall be the only one that is required to receive a travel expense. Travel, meals and lodging expense reimbursement for projects will be negotiated by the Employer, Employees and the Union.

Section 2. Lodging supplied by the employer shall be a reasonable quality hotel. Two members per room shall be acceptable.

ARTICLE 3. WAGES.

Section 1a. The Journeyman Tile Layer scale for the North Dakota Area during the period of this Agreement shall be as follows:

	INCREASE	TOTAL
May 1, 2016 thru April 30, 2017	\$.95	\$25.14
May 1, 2017 thru April 30, 2018	\$1.00	\$26.14
May 1, 2018 thru April 30, 2019	\$1.00	\$27.14

Section 1b. The Journeyman Tile and Marble Finishers scale for the North Dakota Area during the period of this Agreement shall be:

	INCREASE	TOTAL
May 1, 2016, thru April 30, 2017	\$.76	\$19.40
May 1, 2017 thru April 30, 2018	\$.80	\$20.20
May 1, 2018 thru April 30, 2019	\$.80	\$21.00

When an Employer dispatches an Employee to work outside of their Home Chapter Area (Home Area) and within the jurisdiction of BAC Local 1 Minnesota/North Dakota into another chapter area where there is a different wage and fringe package in place (Travel Area), the Employer and the Union will discuss and come to a mutual agreement on the wage and benefit package that will be used. The option to pay said Employee Travel Area wages and Home Area benefits shall be available. Work hours may be reported on the Home Chapter Area Fringe Report Form.

ARTICLE 4. WORK JURISDICTION AND UNION MEMBERSHIP.

All work as defined in this Agreement shall be performed by Journeyman Tile Layers, Apprentices and Finishers. All employees shall, as a condition of employment be required to become Union members after the seventh day following the beginning of their employment, or the effective date of this Agreement, whichever is later, with the exception of the State of North Dakota and its Right to Work Labor Laws where joining a Labor Union is not mandated.

ADDENDUM “G”

LABOR USER CONTRACTOR COMMITTEE JOINT LABOR-MANAGEMENT UNIFORM DRUG/ALCOHOL ABUSE PROGRAM

I. POLICY STATEMENT

The parties recognize the problems created by drug and alcohol abuse and the need to develop prevention and treatment programs.

The signatory employers and the signatory unions seek to protect people and property and to provide a safe working environment. The purpose of the following program is to establish and maintain a drug free, alcohol free, safe and healthy work environment for all of its employees.

II. DEFINITIONS

- **Company Premises-**
The term “Company Premises” as used in this policy includes all property, facilities, land, buildings, structures, automobiles, trucks, and other vehicles owned, leased or used by the company. Construction job sites for which the company has responsibility are included.
- **Prohibited Items and Substances-**
Prohibited substances include illegal drugs (including controlled substances, look a like drugs, and designer drugs) alcoholic beverages, and drug paraphernalia in the possession of or being used by an employee on the job.
- **Employee-**
Individuals who perform work for the signatory employers, but are not limited to, management, supervision, engineering, craftworkers, and clerical personnel.
- **Accident-**
Any event resulting in injury to a person or property to which an employee, or contractor / contractor’s employee, contributed as a direct or indirect cause.
- **Incident-**
An event which has all the attributes of an accident, except that no harm was caused to person or property.
- **Reasonable Suspicion-**
A belief based on specific facts and rational inferences drawn from these facts sufficient to lead someone to suspect that the person is using drugs or alcohol. Such facts shall include excessive tardiness, excessive absenteeism, and erratic behavior such as noticeable imbalance, incoherence, and disorientation.

III. CONFIDENTIALITY

- All parties to this policy and program have only the interests of employees in mind, therefore encourage any employee with a substance abuse problem to come forward and voluntarily accept our assistance in dealing with the illness. An employee assistance program will provide guidance and direction for you during your recovery period. If an employee volunteers for help, the company will make reasonable efforts to return the employee to work upon recovery. The company will also take action to assure that the employee's illness is handled in a confidential manner.
- All actions taken under this policy and program will be confidential and disclosed only to those with a "need to know", pursuant to Minnesota Statute Section 181.954.
- When a test is required, the specimen will be identified by a code number, not by name, to insure confidentiality of the donor. Each specimen container will be properly labeled and made tamper proof. The door must witness this procedure.
- Unless an initial positive result is confirmed as positive, it shall be deemed negative and reported by the laboratory as such.
- The handling and transportation of each specimen will be properly documented through the strict chain of custody procedures, as well as other reliable and fair safeguards as required by Minnesota Statute Section 181.954.

IV. RULES, DISCIPLINARY ACTIONS, GRIEVANCE PROCEDURES

- a. Rules.** All employees must report to work in a physical condition that will enable them to perform their jobs in a safe and efficient manner. Employees shall not:
- Use, possess, dispense or receive prohibited substances on Company premises; or
 - Report to work with any measurable amount of prohibited substances in their system as indicated by these undertaken pursuant to this policy.
- b. Discipline.** When the company has reasonable suspicion to believe an employee is under the influence of a prohibited substance, for reasons of safety, the employee may be suspended until test results are available. If no test results are received after three (3) working days, the employee, if available, shall be returned to work with back pay. If the test results prove negative, the employee shall be reinstated with back pay. In all other cases:
- Applicants testing positive for prohibited substance use will not be hired.
 - Employees who have not voluntarily come forward, and who test positive for a prohibited substance use, will be offered an opportunity to participate in an EAP program, if available, or a counseling / rehabilitation program. However, if the employee refuses to participate in a treatment program or fails to complete the program, the employee will be terminated.

- Employees who refuse to cooperate with testing procedures will be terminated.
 - Employees found in possession of drugs, drug paraphernalia, or alcohol will be terminated.
 - Employees found selling or distributing prohibited items or substances will be terminated.
- c. Prescription Drugs. Employees using prescribed medication which may impair the performance of job duties, either mental or motor functions, must immediately inform their supervisor of such prescription drug use. For the safety of all employees, the company will consult with his/her physician to determine if a re-assignment of duties is necessary. The company will attempt to accommodate the employee's needs by making an appropriate re-assignment. However, if a re-assignment is not possible, the employee will be placed on temporary medical leave until released as fit for duty by the prescribing physician.
- d. Grievance. All aspects of this policy and program shall be subject to the grievance procedure of the applicable collective bargaining agreement.

V. DRUG AND ALCOHOL TESTING-

The parties to this policy and program agree that under certain circumstances, the company will find it necessary to conduct drug and alcohol testing. While "random" testing is not necessary for the proper operation of this policy and program, it may be necessary to require testing under the following conditions:

- a. A pre-employment drug and alcohol test may be administered to all applicants for employment pursuant to Minnesota Statute Section 181.951, Subdivision 2. "If pre-employment testing is conducted, all applicants must be tested."
- b. A test may be administered in the event a supervisor has a reasonable suspicion to believe that the employee has reported to work under the influence, or is or has been under the influence while on the job; or has violated this prohibited substance policy. During the process of establishing reasonable suspicion for testing, the employee has the right to request his on-site representative to be present.
- c. Testing may be required if an employee is involved in a workplace accident/incident or if there is a workplace injury.
- d. Testing may be required as a part of a follow up to counseling or rehabilitation for substance abuse, for up to a one (1) year period.
- e. Employees may also be tested on a voluntary basis.

Each employee and applicant will be required to sign a consent and chain of custody form, assuring proper documentation and accuracy. An employee or applicant has the right to refuse to sign a consent form authorizing the test, but ongoing employment by the company will be terminated.

Prohibited substance testing will be conducted by an independent laboratory licensed by the Commissioner of the Department of Health, according to the standards established by the Drug and Alcohol Testing In The Work Place Statute and related rules. The applicable threshold detection levels will be those that are established by the Commissioner of Health, pursuant to Minnesota Statute Section 181.953.

If an initial test is positive, a confirmatory test using gas chromatography / mass spectrometry methods will be given. If the confirmatory test is positive, the laboratory will then conduct a confirmatory retest by the gas chromatography / mass spectrometry methodology within three (3) working days. Also, within three (3) working days of a positive test result, the employee or applicant may submit to the employer any information to explain the positive test results.

THE COMPANY WILL BEAR THE COSTS OF ALL TESTING PROCEDURES

VI. REHABILITATION AND EMPLOYEE ASSISTANCE PROGRAM

If an employee tests positive for substance abuse, the company will assist in locating a suitable employee assistance program for referral to treatment, and the employee welfare fund administrator will counsel the employee regarding medical benefits available under the health and welfare / insurance program.

If treatment necessitates time away from work, the company shall provide for the employee an unpaid leave of absence for purposes of participation in an agreed upon treatment program. An employee who successfully completes a rehabilitation program shall be reinstated to his/her former employment status, if work for which he/she is qualified exists.

VII. REGULATORY OR CUSTOMER PROGRAM

The provisions and protection contained in this policy may be superseded when a contractor is engaged in a project which requires employees and applicants to be subject to drug and alcohol testing pursuant to:

- Federal regulations or requirements;
- State Agency rules; or
- Owner requested policy as a pre-qualification for the contractor to be awarded the job. The policy and testing (if required) will be implemented and completed according to the policy of the government agency or owner.

**LABOR USER CONTRACTOR COMMITTEE
JOINT LABOR-MANAGEMENT
UNIFORM DRUG/ALCOHOL PROGRAM**

QUESTIONS AND ANSWERS

QUESTION: Who is covered and tested?

ANSWER: Anyone performing work for the company will be covered including managers, supervisors, Craftworkers and engineering and clerical personnel.

QUESTION: What type of testing is permitted?

ANSWER: The following testing is addressed in the Labor User Contractor (LUC) Uniform Drug/Alcohol Programs:

- Pre-employment
- Reasonable suspicion basis
- Workplace accident/incident
- Follow-up to counseling or rehabilitation
- Voluntary basis

QUESTION: What is the basis for “Reasonable Cause” testing?

ANSWER: The basis for Reasonable Cause in the LUC Program mirrors the definition contained in the Minnesota Drug and Alcohol Testing Act:

Reasonable Suspicion-

A belief based on specific facts and rational inferences drawn from these facts sufficient to lead someone to suspect that the person is using drugs or alcohol. Such facts shall include excessive tardiness, excessive absenteeism, and erratic behavior such as noticeable imbalance, incoherence, and disorientation.

Additionally, workplace accidents and/or injuries are considered to be events permitting suspicion testing under the Minnesota Drug and Alcohol Testing Act and are also grounds for testing under the LUC Program.

QUESTION: Are both drugs and alcohol use tested?

ANSWER: Under the LUC Program both drugs and alcohol use is tested.

QUESTION: What arrangements are made for collection?

ANSWER: The LUC Program emphasizes that actions under the program will be handled in a confidential manner, and any results should be disclosed only to those with a “need to know”. When a test is required the specimen will be identified by a code number. Each specimen should be properly labeled and made tamper proof. The donor must witness this procedure.

QUESTION: **Does an employee have the right to refuse to test?**

ANSWER: Yes. However, the employee will be subject to discipline, including discharge.

QUESTION: **What occurs if an employee tests positive?**

ANSWER: The employee is offered an opportunity to participate in an Employee Assistance Program (EAP) for referral to a counseling/rehabilitation treatment program.

QUESTION: **Does the Substance Abuse Program incorporate an Employee Assistance Program?**

ANSWER: The LUC Program states that employees who test positive will be offered an opportunity to participate in an EAP Program, if available. An EAP Program should then be able to assess the extent of the problem and refer the employee to the appropriate treatment.

QUESTION: **What threshold levels will be used by testing laboratory?**

ANSWER: The threshold levels used for testing are specified in the regulations. See Minnesota Rule Section 4740.1075 and .1080.

QUESTION: **What is done in regards to back pay if any employee is forced out of work waiting for test results?**

ANSWER: When the company has reasonable suspicion to believe an employee is under the influence of a prohibited substance, for reasons of safety, the employee may be suspended until the test results are available. If no test results are received after three (3) working days, the employee, if available, shall be returned to work with back pay. If the test results prove negative, the employee shall be reinstated with back pay.

QUESTION: **Who bears the cost of the testing program or the treatment program?**

ANSWER: The employer bears the costs of all testing procedures

QUESTION: **What types of appeals process are available to the employee?**

ANSWER: All aspects of the program are subject to the grievance procedure of the applicable collective bargaining agreement.

AGREEMENT

Between

THE INDEPENDENT TERRAZZO CONTRACTORS OF MINNESOTA

And

**BRICKLAYERS AND ALLIED CRAFTWORKERS
LOCAL UNION 1 MINNESOTA / NORTH DAKOTA
CHAPTER #107 AND CHAPTER #5
TERRAZZO MECHANICS & FINISHERS**

Effective May 1, 2016 and expires April 30, 2019

This Agreement, between the Terrazzo Contractors of Minnesota and Bricklayers and Allied Craftworkers Local Union 1 Minnesota / North Dakota (Chapters #107 & #5) (herein referred to as the Union). The word "Employer", as used herein shall mean the individual Terrazzo Contractors operating under this agreement.

ARTICLE 1 STATEMENT OF PURPOSE

This Agreement is entered into to facilitate peaceful adjustment of grievances and disputes between employer and employee, to prevent waste, avoidable delays and expense, and for the further purpose of securing for the employer sufficient skilled employees, and so far as possible, to provide continuous employment for such labor. Such employment is to be in accordance with the conditions herein set forth, and wages herein agreed upon.

ARTICLE 2 GEOGRAPHICAL JURISDICTION

SECTION 1: The Union's jurisdiction of Chapter #107 and #5 is Minnesota and North Dakota.

SECTION 2: It is understood and agreed that the provisions of this Agreement apply within the Union's territorial jurisdiction.

ARTICLE 3

WORK DESIGNATION – PART 1

SECTION 1: It shall be understood that the word “Terrazzo” refers to any kind of aggregate, whether crushed or manufactured and then crushed, regardless of the material they are made of, or the name they may be called, and then mixed with cement or any other binding materials in the right proportions, laid or installed to form a finish for any exposed surface, whether upon interior or exterior floors, stair treads, promenade roofs, garden walks, interior walls, ceilings, swimming pools, window stools and aprons, toilets, bath and shower partitions, mullion caps, cornices, etc., and all places where Terrazzo and Rustic Terrazzo may be used to form a finished surface for practical use, sanitary finish, or decorative purposes when installed by the terrazzo or mosaic methods. This includes trade name materials such as Dex-O-Tex, Selby-Battersby, installed in a manner described as Terrazzo.

SECTION 2: The laying of all terrazzo, mosaic, and similar architectural finishes where used for floors, walls, ceilings, walks, promenade roofs, stair treads, stair risers, fascia, newel, soffits, window stools, and aprons, etc.; also to prepare and set all concrete cement, temporary grounds where projection in terrazzo occurs, or other foundations or materials that may be required to properly set and complete such work; the laying or bedding of all terrazzo and mosaic with any other material required in connection with the above work; also the imbedding or setting of all strips of metal or any other material which may be used to form joints in and for the terrazzo and mosaic work, shall be the work of the terrazzo and mosaic layers, assisted by Terrazzo Workers Finishers.

SECTION 3: The established customs of the Terrazzo and Mosaic trade as to laying, grinding, handling of materials, etc., by helpers shall be maintained. This shall include the handling, whether by hand, wheelbarrow or power buggies, of any and all materials, after they have been delivered to the job site. Such materials shall include sand, cement, chips, and the resinous materials used for terrazzo, mosaic or similar architectural finishes. Mixing by any method, hand or machine, distribution of concrete or mortar underbeds and scratch coats, preparation of any composition or resinous materials to be used in terrazzo, mosaic or other architectural finishes shall be the work of the Finisher. The Finisher shall assist the Terrazzo worker mechanic in all operations pertaining to Terrazzo or architectural finishes, which is the work of terrazzo worker mechanics of Bricklayers and Allied Craftworkers who will be assisted in all of the operations by the Terrazzo Worker Finishers. All operations outlined above, being the work of the Terrazzo Helper, will continue to be the work of the Terrazzo helper under their new title of Terrazzo Worker Finisher.

SECTION 4: Casting of all cement, terrazzo, Magnesite Terrazzo, Epoxy Terrazzo, Latex Terrazzo, Dex-O-Tex Terrazzo, and all other similar materials, for the interior or the exterior of buildings, and any other kind of plastic mixtures composed of marble, granite, bluestone, glass, enamel, mother of-pearl, trap-rock, alundum and all other kinds of chips when mixed with cement, rubber, magnesite, magnesium chloride or other binding materials, when used on floors, ceilings, stairs, saddles, or any other part of the interior of buildings, or any other structures, not considered part of a building.

SECTION 5: All beddings, scratchcoat (or screed coat) and the preparation, cutting, laying or setting of all metal, wooden or other kinds of strips for floor; also wood grounds at top of base or wainscot up to ½” thick, when fastened to a finished wall and form, and the laying and cutting of metal, strip or lath or other reinforcements, where mosaic and terrazzo is to be applied. This also includes any patching of Terrazzo or Mosaic Work.

SECTION 6: The finishing of cement floors where additional aggregate stone is added by spreading or sprinkling on top of the finished base and troweled or rolled into the finish shall be under the jurisdiction of and performed by the Terrazzo Journeyman.

PART 2

SECTION 1: SENIORITY. It is the intention and the desire of the employers and it is hereby agreed to be their policy, to recognize the employees' service in connection with lay-offs, and re-hiring after lay-offs, provided that, in good faith judgement of the employer, the employee is qualified to do the work. This policy shall be the policy of each employer only as to the employees in its own shop. In the event the employer has re-hired all of its own employees with shop seniority, the employer shall then give consideration to other qualified Terrazzo Finishers available in the immediate area. Apprentice Finishers will be hired only after all full-scale finishers of the employer are employed or offered the job.

There will be no job seniority for new hires as of May 1, 1997.

SECTION 2: UNION SHOP. New employees will be required to join the Union on or after the seventh (7th) day following the beginning of their employment.

SECTION 3: HIRING PROCEDURES. New employees may apply either to the employers or to the union, and will be hired on a non-discriminatory basis.

ARTICLE 4 RECOGNITION

SECTION 1: The employer recognizes this Union as the exclusive bargaining agent of Terrazzo Mechanics and Finishers covered under this Agreement, wherever located, including terrazzo work done in shop, except for such employees who may be determined to come under the jurisdiction of a different terrazzo union.

ARTICLE 5 HOURS OF WORK/OVERTIME

SECTION 1: WORK DAY.

- A. Any eight (8) hours worked per day, exclusive of a one-half (1/2) hour lunch period, between the hours of 7:00 A.M. and 4:30 P.M., Monday through Friday, shall constitute a standard work day
- B. All work performed after 4:30 P.M. or before 7:00 A.M., shall be considered night work and shall be paid \$6.00 per hour over the straight time rate.

SECTION 2: WORK WEEK.

- Any forty (40) working hours, Monday through Friday, shall be established as the Work Week.
- The Employer may use direct electronic deposit as a means of wage payment. All other conditions of wage payment shall remain in effect.
- Payment for the workweek will be no later than Friday of the following week.
- Time cards shall be turned in by all employees in accordance to the written policy of the Employer in order to receive a pay check on pay day.
- Time clocks and electronic time cards are a suitable means of tracking an employee time.

SECTION 3: OVERTIME.

- A. All work performed after the forty (40) hour work week shall be paid at the rate of time and one-half.
- B. All work performed after the eight (8) hour work day shall be paid time and one-half on all work covered by the Contract Work Hours.
- C. All work performed after the eight (8) hours in one night shall be paid at the rate of time and one-half the regular rate of pay. (Overtime rates will not be based on the night differential rate.)

SECTION 4: HOLIDAYS. The rate of pay on New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day shall be Double Time.

SECTION 5: SATURDAYS AND SUNDAYS: The rate of pay on all Saturdays and Sundays shall be the rate of time and one-half.

**ARTICLE 6
WAGES**

SECTION 1: A. TERRAZZO FINISHERS (Hired before May 1, 2007)

Total compensation for the Journeyman Terrazzo Finisher during the period of this Agreement shall be as follows:

	INCREASE	TOTAL
May 1, 2016 - April 30, 2017	\$1.90	\$52.41
May 1, 2017 - April 30, 2018	\$1.95	\$54.36
May 1, 2018 - April 30, 2019	\$1.95	\$56.31

BASE MACHINE WORKER (Hired before May 1, 2007)

Effective May 7, 2001, all employees that are performing the work of the Base Machine Worker; for example: the grinding, polishing of base, curbs, steps and fascia's, shall, in addition to the Terrazzo Finisher wage receive a premium pay for such work. The premium pay will be as follows:

	PREMIUM	TOTAL WAGE
May 1, 2016 - April 30, 2017	\$.33	\$52.74
May 1, 2017 - April 30, 2018	\$.33	\$54.69
May 1, 2018 - April 30, 2019	\$.33	\$56.64

A member who has achieved base machine pay before May 1, 1989, and is ready, willing and qualified to perform base machine work shall continue to receive base machine pay no matter what classification of Terrazzo work they are made to perform. However, a floor machine worker operating a base machine for edge grinding shall not receive base machine pay.

TERRAZZO MECHANIC (Hired before May 1, 2007)

All employees that are performing the work of a Terrazzo Mechanic shall receive in addition to the Terrazzo Finisher wage receive a premium pay for such work. The premium pay will be as follows:

	PREMIUM	TOTAL WAGE
May 1, 2016 - April 30, 2017	\$2.00	\$54.41
May 1, 2017 - April 30, 2018	\$2.00	\$56.36
May 1, 2018 - April 30, 2019	\$2.00	\$58.31

Employees shall not be eligible for the base machine worker premium and the Terrazzo Mechanic premium simultaneously.

B. TERRAZZO FINISHERS (Hired after May 1, 2007)

Total compensation for the Journeyman Terrazzo Finisher during the period of this Agreement for new employees hired after May 1, 2007 shall be as follows:

	INCREASE	TOTAL
May 1, 2016 - April 30, 2017	\$1.90	\$43.87
May 1, 2017 - April 30, 2018	\$1.95	\$45.82
May 1, 2018 - April 30, 2019	\$1.95	\$47.77

BASE MACHINE WORKER (Hired after May 1, 2007)

Effective for all new employees hired after May 1, 2007 that are performing the work of the Base Machine Worker; for example: the grinding, polishing of base, curbs, steps and fascia's, shall, in addition to the Terrazzo Finisher wage receive a premium pay for such work. The total wage package shall be based on a percentage of the Terrazzo mechanic wage. The premium base pay will be as follows with full Finisher benefits:

	0-999	1000-1999	2000-2999	3000 Full
May 1, 2016 - April 30, 2017	82.5% \$26.19	85% \$26.98	87.5% \$27.77	90% \$28.57
May 1, 2017 - April 30, 2018		To be determined		
May 1, 2018 - April 30, 2019		To be determined		

A member who has achieved base machine pay and is ready, willing and qualified to perform base machine work shall continue to receive base machine pay no matter what classification of Terrazzo work they are made to perform. However, a floor machine worker operating a base machine for edge grinding shall not receive base machine pay.

TERRAZZO MECHANIC (Hired after May 1, 2007)

Effective for all new employees hired after May 1, 2007 that are performing the work of a Terrazzo Mechanic shall receive the Terrazzo Mechanic wage pay for such work. The total wage package shall be based on a percentage of the Terrazzo Mechanic wage. The premium base pay will be as follows with full Mechanic benefits. The premium pay will be as follows:

	0-999	1000-1999	2000-2999	3000 Full
May 1, 2016 - April 30, 2017	92.5% \$29.36	95% \$30.15	97.5% \$30.95	100% \$31.74
May 1, 2017 - April 30, 2018		To be determined		
May 1, 2018 - April 30, 2019		To be determined		

The wages for the Terrazzo Mechanic hired after May 1, 2007 shall be:

	INCREASE	TOTAL
May 1, 2016 - April 30, 2017	\$1.95	\$54.41
May 1, 2017 - April 30, 2018	\$1.95	\$56.36
May 1, 2018 - April 30, 2019	\$1.95	\$58.31

From all of the above rates, the following deductions shall be made:

A dollar amount per hour for Vacation Fund as determined by the membership to be forwarded to the Minnesota and North Dakota Bricklayers and Allied Craftworkers Vacation Fund, in accordance with Section 5 of Article 6.

A dollar amount per hour worked shall be paid as determined by the membership to the Minnesota and North Dakota Bricklayers and Allied Craftworkers Health Fund in accordance with Section 4 of Article 6.

\$7.15 Local Union and \$2.02 International Union per hour shall be paid to the Retirement Funds in accordance with Section 6 of Article 6.

\$.20 per hour for Apprenticeship Training shall be paid to the Minnesota and North Dakota Bricklayers and Allied Craftworkers Journeyman and Apprentice Training Trust Fund.

Select employees of the Terrazzo Mechanics Chapter #5 will have contributions made on their behalf to the Ceramic Tile Retirement Fund, instead of the International Union Pension Fund and the Minnesota and North Dakota Bricklayers and Allied Craftworkers Pension Fund. These contributions will be made from the above-stated wage schedule. Total compensation remains the same as other Terrazzo Mechanics. All new members must participate in the Minnesota and North Dakota Bricklayers and Allied Craftworkers Pension Fund and the International Union Pension Fund.

The change in contribution is effective May 1, 2016.

C. Method of Payment. Employees shall be paid weekly by check on the same day each week, and no later than 4:30 P.M. of that day. Checks shall be delivered to the jobsite or mailed out, unless the employee notifies the employer that they intend to pick it up at the shop. If the employee picks up their check at the shop, they shall do so on their own time.

D. In Charge-Foreman. When five (5) or more members are on a project, one member will be designated as Foreman, and this Foreman shall receive the additional wage of \$1.00 per hour over the basic scale. Effective May 1, 2016, Foreman will receive \$2.00 per hour over the Terrazzo Mechanic's wage. Provided they have current First Aid/CPR Certification & completed OSHA 10 Safety Training.

E. Parking Expense. If an Employee's job assignment is located in an area in which the Employee must pay for parking, then parking will be reimbursed in a daily amount not to exceed \$8.00. The expense will be reimbursed on the next paycheck. A dated receipt is required to be turned in within fourteen (14) days after expense is incurred before reimbursement will be made.

F. Out of Town Board, Travel & Transportation. Free Zone: When an employee is required to travel regularly, to and from a jobsite thirty (30) miles from the center point of Minneapolis and St. Paul, namely University and Snelling, he/she shall not be reimbursed for transportation or traveling times, and this shall be deemed the Twin Cities Free Zone.

Outside Free Zone, Thirty (30) to Seventy (70) Miles: Travel expense shall be paid on a daily rate at the rate that the IRS allows per mile on a round trip basis to and from the job location from the closest point on a thirty (30) mile radius circle drawn from the center point of Minneapolis and St. Paul.

Beyond Seventy Miles (70), the employee shall be paid Board and Room at \$80.00 per each eight (8) hours worked beginning May 1, 2016. Fare shall be paid at the beginning and at the end of the job at the rate the IRS allows per mile from the closest point on a Thirty (30) mile radius circle drawn from the center point of Minneapolis and St. Paul. Also, for projects over 70 miles, the employer will pay travel time of one round trip, in addition to the mileage.

G. Mileage hereunder shall be based on the mileage shown on Mapquest or another map service determined by the employer and the union to be accurate.

SECTION 2: Terrazzo Workers Finishers Apprentice.

A. Apprentice Finishers shall mean workers not fully trained in the trade as Terrazzo Worker Finishers.

- B. Starting Apprentice Finishers wage scale for employees hired after May 1, 2007 will be 70% of base wage, plus the Health Fund contributions and dues check-off at the same rate that the Union establishes for all journeyman Finishers hired after May 1, 2007.
- C. At 600 hours, the employer will begin contributions to the Vacation Fund. At 1000 hours, the employer will begin contributions for all fringe benefits.

Apprenticeship rates for finishers hired before May 1, 2007 shall be as follows:

- From 0-999 hours the wage will be 70% of the Journeyman wage plus fringes as shown above.
- From 1,000 – 1,999 hours the wage will be 75% of the Journeyman wage plus full fringes.
- From 2,000 – 2,999 hours the wage will be 80% of the Journeyman wage plus full fringes.
- From 3,000 – 3,999 hours the wage will be 85% of the Journeyman wage plus full fringes.

At 4,000 hours, the Apprentice Finishers will receive the full Finisher wage scale.

- D. When an Apprentice Finisher reaches 85% Journeyman Finisher Scale, he/she is eligible to apply to become a Journeyman Finisher. To become a Journeyman Finisher, he must have his Terrazzo Finisher Qualification Form filled out and signed by two (2) Finishers that he has worked with for at least 300 hours each, and he must obtain a signature from an Employer principle where he has worked at least 300 hours. All signatures shall attest that the Apprentice is a fully qualified Finisher and that he can perform in a quality manner all of the Finishers tasks. (A Terrazzo Finisher Qualification Form is attached to the Contract.)
- E. Dues check-off shall become effective immediately joining the Union.

SECTION 3: TERRAZZO MECHANIC APPRENTICESHIP

After successful completion of the Terrazzo Mechanic Apprenticeship education courses required by the Union. If the Terrazzo Finisher feels he or she is qualified to be a Terrazzo Mechanic. After completing 3000 hours as a Terrazzo Mechanic Apprentice they may apply for Terrazzo Mechanic status by obtaining Terrazzo Mechanic forms from the Union.

To become a Terrazzo Mechanic, the applicant must have his Terrazzo Mechanic Qualification Form filled out and signed by two Terrazzo Mechanics that he has worked with for at least 300 hours each, and he must obtain a signature from an Employer principle where he has worked at least 300 hours. All signatures shall attest that the Finisher is a fully qualified Terrazzo Mechanic and that the applicant can perform in a quality manner all of the Terrazzo Mechanics tasks. (A Terrazzo Mechanic Qualification form is attached to the Contract). Premium pay for a Terrazzo Mechanic Apprentice will be as follows:

For Mechanics hired before May 1, 2007

	1,000 hours	2,000 hours	3,000 hours	After 3000 Full
May 1, 2016 - April 30, 2019	\$.50	\$1.00	\$1.50	\$2.00

For Mechanics hired after May 1, 2007, the total wage package shall be based on a percentage of the Terrazzo Mechanic wage. The premium base pay will be as follows with full Mechanic benefits. The premium pay will be as follows:

	0-999	1000-1999	2000-2999	3000 Full
	92.5%	95%	97.5%	100%
May 1, 2016 - April 30, 2017	\$29.36	\$30.15	\$30.95	\$31.74
May 1, 2017 - April 30, 2018		To be determined		
May 1, 2018 - April 30, 2019		To be determined		

SECTION 4: HEALTH FUND. Each employer shall contribute the sum per hour determined by the membership for each hour worked to the Minnesota and North Dakota Bricklayers and Allied Craftworkers Health Fund. This contribution shall be remitted to the Health Fund in accordance with the terms of the Trust Agreement relating thereto, and subject to Section #7 of this Article.

Should the Trustees of the Health Fund determine that an increase in the Health Fund Contribution is required during the term of the Agreement, the Union shall notify the employers in writing, at least thirty (30) days prior to any date and increase in wages is provided herein, of its intent to designate a portion of such wage increase for such Health Fund contribution, and the wage rate enumerated above shall be reduced accordingly.

SECTION 5: VACATION. A Vacation Fund has been established as the Minnesota and North Dakota Bricklayers and Allied Craftworkers Vacation Fund, jointly administered by the parties hereto, and all monies withheld under Vacation deductions in accordance with Schedule of Wages in Article 6, shall be remitted promptly to said Fund at such times and places as the Trustees shall designate, and in accordance with Section #6 of this Article.

New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day shall be designated as Holidays. It shall be understood that the Holidays enumerated shall be designated and celebrated according to regulations by federal law.

Benefit payments from the Vacation Fund shall be made on May 1st for 70% of all monies contributed for hours worked during the previous calendar year, and on December 1st for 30% of all monies contributed for hours worked during the previous calendar year.

Each employee is required to give his employer at least two (2) weeks notice of his intent to be on vacation.

SECTION 6: RETIREMENT. For retirement benefits, there is the Minnesota and North Dakota Bricklayers and Allied Craftworkers Pension Fund and the International Union of Bricklayers and Allied Craftworkers Pension Fund. Effective May 1, 2016 each employer subject to this agreement shall contribute the sum of \$9.17 per hour for each hour worked by all persons performing work covered by this Agreement. All monies shall be remitted promptly to the said Funds at such time and places, as the Trustees shall designate, in accordance with Section #7. If the Union desires additional Funds for retirement during the term of the agreement, then the Union shall notify the employers in writing, at least thirty (30) days prior to any date an increase in wages is provided herein, of its intent to designate a portion of such wage increase for such retirement contribution, and the wage rate enumerated above shall be reduced accordingly.

- The amounts of Employer contributions to the Funds are determined by the membership, as a portion of the negotiated pay rate set forth in this Agreement. The Union shall ensure that such amounts comply with the terms of applicable law, the relevant Trust Agreements, and any Funding Improvement Plan or Rehabilitation Plan adopted to comply with the Pension Protection Act of 2006 (PPA).

- Effective May 1, 2016, in accordance with the PPA-mandated Rehabilitation Plan adopted by the Board of Trustees of the Bricklayers & Trowel Trades International Pension Fund (IPF) following the March 17, 2016, certification of the IPF's critical status, the parties adopt the applicable default schedule under the IPF Rehabilitation Plan and make it part of this Agreement. In accordance with that schedule, the contributions to the Funds shall include an additional contribution to IPF in the amount of **4% of the 2015 IPF rate, an additional 6% effective May 1, 2017 and an additional 6% May 1, 2018**, for each hour or portion thereof for which a covered employee receives pay, which additional amount shall be used solely to increase IPF's funding in accordance with the mandates of the PPA. This increase in contribution shall be a portion of the negotiated pay rate set forth in this Agreement.
- The Union and its membership specifically agree that the amount of Employer contributions to the IPF shall be determined by the membership in a manner consistent with the applicable default contribution schedule adopted under the Rehabilitation Plan, as it may be updated from time to time by the Board of Trustees. The Union and its membership further agree that such amounts shall be determined and made a part of this Agreement in a timely manner, to avoid imposition of a surcharge under Section 432(e)(7) of the Internal Revenue Code.

Defined Contribution Plan – In the event that the membership decides to start a Defined Contribution Retirement Fund, the Employer will contribute, a sum per hour yet to be determined from the existing wage package, to an established or a yet to be established Defined Contribution Plan. The Plan will be subject to compliance with ERISA and the relevant tax code provisions. The Employer will forward the hourly contributions to the designated administrative agent, and in such form and manner as required pursuant to the Plan and requirements of law. The contribution rate will be determined by the membership and will include all Bricklayers and Allied Craftworkers Local Union 1 Minnesota / North Dakota members covered by this agreement.

SECTION 7: PENALTIES – FRINGE BENEFITS. The Employer agrees to contribute every month, not later than the 20th day of the following month, hereinafter called the "due date," such sums for Pension, Health, Vacation, as they may be established, an amount for each hour worked by all Employees covered by this Agreement. The Funds' Trustees shall equally represent the Union and the Employer. The terms of the Funds' trust agreements establishing the Funds are hereby incorporated as a part hereof.

1. All Fringe Benefit Contributions are to be paid on one check and sent to an administrative agency with an office located in the State of Minnesota.
2. Fringe Benefit Contribution Reporting Forms and instructions are standardized with other basic trades.
3. Employers pay all fringe benefit contributions on an hourly basis for all hours worked, and they may not be pyramided. Example: if hourly wage is \$3.00 plus \$.10 fringe, double time overtime rate equals \$6.00 plus \$.10 fringe. On shift work, Employers pay contributions on the same proportionate hourly basis as hours worked to hours paid.
4. The Funds' Boards of Trustees select Insurance Carriers, Administrators, Consultants, Actuaries and/or Fiduciary Agents by competitive bidding upon written invitation by the Funds' Boards of Trustees.
5. When an Employer assigns Employees who reside in and regularly work in the geographical area covered by this Agreement to go to a project located outside of this Agreement's geographical

area, then the Employer agrees to submit, fringe benefit contribution payments provided for in the Agreement. When a fringe benefit plan is in existence or is hereafter established for said outside area, then this Article shall be of no force and effect regarding the particular plan.

6. (a) An Employer shall be considered "delinquent" for a particular work month if its required report and payment to all of the Funds for that month are not postmarked on or before the 20th day of the following month (the "due date").
- (b) If an Employer becomes delinquent, then it agrees to pay, as liquidated damages and not as a penalty, an amount equal to 10% of the base fringe benefit contribution payment amount otherwise due for such work month. It is understood and acknowledged by the parties hereto that actual damages are extremely difficult or impossible to ascertain and that the amount so fixed as liquidated damages is reasonable.
- (c) An employer, for the first three years of a contractual relationship with the Union, shall post a surety bond, in a form satisfactory to the Trustees, insuring their obligations to the Employee Benefit Plans provided for in this agreement. The bond shall be posted with the Plans Administrator, as provided by the Trustees. The bond amount shall be determined by the number of employees working pursuant to the terms of this agreement (Collectively Bargained Employees, or "CBE's"), as follows:
 4. Employers with 5 or less CBE's shall post a bond in the amount of \$25,000;
 5. Employers with 6 or more CBE's shall post a bond in the amount of \$50,000;
 6. Employers that have posted a \$25,000 bond are required to post a \$50,000 in lieu of the \$25,000 bond, when they have had 6 or more CBE's on their payroll for two consecutive reporting periods.

At the end of a three year continuous contractual relationship with the Union, the Employer may request the Trustees of the Employee Benefit Plans referenced above to waive the requirement of a bond. The Trustees shall act through their normal delinquency committee rules and process in making this determination.

Any Employer becoming delinquent in any obligation, for more than 30 calendar days, to the Employee Benefit Plans referenced above shall immediately post a surety bond in the amounts set forth above, which must remain in force for three years.

At the time an Employer first enters into a contractual relationship with the Union, the Employer may submit a \$10,000 Cashiers Check payable to the Minnesota Bricklayers and Allied Craftworkers Fringe Benefit Funds, which shall insure the Employers obligations for a period of seven days. On the eighth day of the contractual relationship, the bond called for above must be on file with the Plans Administrator. On filing of the bond with the Plans Administrator, the Cashiers check shall be returned to the Employer.

- (d) Illustration of clauses (a), (b), and (c); If an Employer's report and payment for the January work month have not been postmarked before February 21, such Employer becomes delinquent at that point and must pay the full amount due, plus 10%. If the report and the full payment for January (including the 10% liquidated damages amount) are not postmarked before March 21, the employer must then post a \$50,000 bond, or

\$25,000.00 if 5 or less employees, for three years in addition to reporting and paying the full amount due.

- (e) The delinquent Employer also agrees 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.

The funds' Board of Trustees, at their discretion, may reimburse the Union (from the Funds) 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.

- (f) Notwithstanding the provisions of Article Ten (10) Arbitration, the failure, refusal or neglect of an Employer to report and to pay sums due the Trust Funds or otherwise to comply with the terms and provisions of this Article shall not be subject to arbitration.

The parties to this Agreement acknowledge that the provisions establishing rates of pay, wages, all hours of employment and other terms and conditions of employment, including fringe benefits, apply to Employees employed in job classifications within the jurisdiction of the Union.

Copies of the Trust Agreements will be on file and subject to inspection at the offices of both the Union and Administrator.

SECTION 8: DUES CHECK OFF. A dues check off has been established for all members of the Bricklayers and Allied Craftworkers Local Union 1 Minnesota / North Dakota. All monies withheld under this section after deduction from employees shall be remitted promptly to the Union. Dues check off will be determined by the Local Union.

At any time during the life of this Agreement, the Union has the right to adjust the wage and fringe benefit allocations. With any adjustment, the Union will give a 30-day notice to the Employer advising of the adjustments.

ARTICLE 7 QUALIFICATIONS OF MEMBERS

The Union represents that its members are skilled in the work of Terrazzo Finishers and Terrazzo Mechanics as stated above in Article 3, Part 1, and in the grinding and finishing of Terrazzo installations.

ARTICLE 8 NO STRIKE PROVISION

There shall be no strikes, lockouts, or work stoppages of any nature between the parties hereto during the duration of this Agreement, unless either party fails or refuses to abide by the arbitration procedure set forth in this Agreement.

ARTICLE 9 EQUAL AGREEMENT

It is mutually agreed that the Union will not enter into any agreements, oral or written, with any employer who is not signatory hereto, but who is engaged in terrazzo work, in which the terms and conditions of such agreement are more favorable to such employer than the terms and conditions contained in this Agreement with the signators; then, such favorable terms and conditions shall automatically be extended to employers covered by this Agreement.

ARTICLE 10 ARBITRATION

SECTION 1: There shall be a Joint Arbitration Board consisting of not more than three (3) representatives of the Union, and not more than three (3) representatives of the Contractors, with equal representation given to both parties, regardless of the number of representatives present at any meeting. The duties of the Joint Arbitration Board shall be the mutual consideration and settlement of all disputes that may arise under this contract. In the event of a tie vote, an impartial Arbitrator shall be added, so that a decision may be reached to settle any dispute, complaint or grievance brought before the Board. Such Arbitrator shall be picked from a list of names supplied by the Federal Mediation Service.

SECTION 2: All charges or complaints shall be made in writing within thirty (30) days of the incident causing the charge or complaint, to the secretary of the union in the event of an employer charge, or to the defendant contractor signator of this contract in the event of a union charge. A copy of the charge or complaint shall be given to the defendant.

SECTION 3: All charges or complaints shall be resolved by a majority vote, and penalties, if any, shall be determined by the Arbitration Board. If charges are sustained against employer or the union, and penalty or fine is assessed, the said penalty or fine, awarded as liquidated damages, shall be paid to any charity by the Board.

SECTION 4: A decision and order of a majority of the Board shall be final and binding. The failure of any party to appear at the hearing after notification shall not be cause for delay or postponement, and the Board shall proceed as though the absent party were present.

SECTION 5: The cost of the Arbitration shall be borne equally by union and contractor.

ARTICLE 11 MANAGEMENT RIGHTS

The Employer has the right to (at the Employer's expense) request a pre-employment physical of all job applicants, which may include a drug test, and to implement any other lawful screening, testing or training programs for applicants and Employees.

LUC Drug/Alcohol Program on a discretionary basis. **Please refer to page 34 of the Ceramic Tile Agreement, addendum "G" attached to this Agreement Book for the LABOR USER CONTRACTOR COMMITTEE JOINT LABOR-MANAGEMENT UNIFORM DRUG/ALCOHOL ABUSE PROGRAM.**

Sick/safe pay clause. It is the mutual intent of the Employer and Union that the wage package described in this Agreement, including but not limited to the vacation 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. 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 12 DURATION

This Agreement shall remain in full force and effect to and including April 30, 2019, and shall continue in effect from year to year after that date, unless either party, sixty (60) days prior thereto, notifies the other party of its intention to modify or terminate the contract. Where such notice is given, this Agreement shall continue in full force and effect until a new Agreement is executed.

It is expressly understood that any and all disputes and any and all claims, demands, or actions asserted during the duration of this Agreement, regarding its interpretation or application, shall be settled exclusively by the full use of the processes of free collective bargaining, failing in which the matters shall be submitted to Grievance and Arbitration procedure, in accordance with Article 10 of this Agreement.

