

**JUNE 1, 2006 TO MAY 31, 2010**

**SEWER AND TUNNEL AGREEMENT**

**between the**

**UNDERGROUND CONTRACTORS ASSOCIATION**

**Represented by the**

**MID-AMERICA REGIONAL BARGAINING ASSOCIATION**

**and the**

**CONSTRUCTION AND GENERAL  
LABORERS' DISTRICT COUNCIL  
OF CHICAGO AND VICINITY**

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OF CHICAGO AND VICINITY**

**AGREEMENT**

This AGREEMENT made and entered in the City of Chicago, Cook, Lake, DuPage, Will, Grundy, Kendall, Kane, McHenry and Boone Counties, Illinois, (certain local unions covering Counties outside Cook and DuPage County may have local agreements which differ from this area-specimen agreement. In these cases, local area agreements shall prevail for work performed in the respective areas; however, nothing herein shall limit the geographic jurisdiction of this Agreement to less than the geographic area covered by the Laborers' District Council of Chicago and Vicinity), on the 1st day of June, 2006 by and between:

1. Construction and General Laborers' District Council of Chicago and Vicinity, for and on behalf of its affiliated Local Unions nos. 2, 5, 96, 149, 288, 582 and 1035;
2. The Underground Contractors Association and their individual members having assigned bargaining representation to the Mid-America Regional Bargaining Association (hereinafter called the "Employer"); and

3. All other persons, firms, partnerships and corporations who have signed this Agreement, hiring men engaged in the trade (hereinafter described), individually and collectively (herein also called the "Employer"); shall remain in full force and effect until 11:59 P.M. May 31, 2010. Nothing in this Agreement restricts the areas where Laborers may work within the Union's geographic jurisdiction.

If either party wishes to modify this Agreement, it shall serve written notice by certified or registered mail, upon the other party not less than sixty (60) days prior to May 31, 2010 of its intent to begin negotiations for a new Agreement. In the absence of the service of such notice, this Agreement shall automatically renew itself, together with all amendments and improvements as negotiated after said initial expiration date, by and between the parties in area-wide bargaining, from year to year thereafter.

### **WITNESSETH:**

### **PURPOSE OF AGREEMENT**

The purpose of this agreement is to prevent strikes and lockouts; to facilitate peaceful adjustment of grievances and disputes which might arise between Employer and Employees; to prevent waste and unnecessary and avoidable delays and expense; to provide employment in accordance with conditions hereinafter set forth, at the wages hereinafter agreed upon, so that stable and equitable conditions may prevail in such work and trade; and to establish the necessary procedure by which these ends may be accomplished.

### **DECLARATION OF FUNDAMENTAL PRINCIPLES**

The following principles are hereby declared to be fundamental to this Agreement:

1. It is the intention of all the parties hereto to fully comply with the provisions of the Labor-Management Relations Act of 1947, and all acts amendatory thereto, anything to the contrary notwithstanding.
2. The Employer is at liberty to hire and discharge whomever he sees fit, consistent with the existing Federal, State and Municipal laws appertaining thereto.
3. In the absence of a Referral System, the Employer, should the need arise, shall notify the Union of opportunities of employment with such Employer; however, when not so notified by Employer of such opportunities of employment, the Union shall be extended the opportunity to refer qualified applicants for such employment.
4. There shall be no limitations or restrictions as to the amount of work a man shall be required to perform during a working day.
5. There shall be no restrictions of the use of machinery, tools or appliances.

6. The principles contained in this paragraph are fundamental, and no other terms of this Agreement shall be construed as being in conflict therewith.

7. The parties hereto desire to establish the necessary procedure to accomplish the purposes and put into effect the principles above stated.

8. The parties agree that Employees will not be discriminated against because of race, creed, religion, color, age, sex or national origin.

THEREFORE, THE PARTIES HERETO MUTUALLY AGREE AS FOLLOWS:

## **Article I RECOGNITION**

**Paragraph 1.** The UNDERGROUND CONTRACTORS ASSOCIATION and their individual members having assigned bargaining representation to the MID-AMERICA REGIONAL BARGAINING ASSOCIATION, recognizes and confirms the Union as the sole and exclusive bargaining agent for all Employees employed in work covered by the trade and territorial jurisdiction of the Union by Employers who are now members of the Association or such Employers as may hereafter become members of the Association and who have assigned bargaining authority to the Association or other Employers signatory to this Agreement for the purpose of collective bargaining with respect to rates of pay, wages, fringe benefits, hours of employment and other conditions of employment. The Union recognizes and confirms the Association as the sole and exclusive bargaining agent for its members and for such other persons, firms, partnerships and corporations as may hereafter become members of the Association and who have assigned bargaining authority to the Association.

**Paragraph 2.** All other persons, firms, partnerships and corporations, who are not members of the Association, who have signed this Agreement, recognize and confirm the Union and the Union recognizes and confirms the signatories individually or collectively as the sole respective bargaining agent for the purpose of collective bargaining with respect to rates of pay, wages, fringe benefits, hours of employment and other conditions of employment for all Employees employed by such signatory Employers who engage in work which comes within the trade and territorial jurisdiction of the Union.

**Paragraph 3.** All other persons, firms, partnerships and corporations, who are not members of the Association, or signatories hereto who engage in work which comes within the trade and territorial jurisdiction of the Union shall be subject to the terms of this Agreement.

## **Article II JURISDICTION**

**Paragraph 1. TERRITORIAL SCOPE OF AGREEMENT** The area in which this Agreement shall apply shall cover all work in the Counties of Cook, Lake, DuPage, Will, Grundy, Kendall, Kane, McHenry and Boone Counties, Illinois, (certain local unions covering Counties outside Cook and Lake County may have local agreements which differ from this area-

specimen agreement. In these cases, local area agreements shall prevail for work performed in the respective areas; however, nothing herein shall limit the geographic jurisdiction of this Agreement to less than the geographic area covered by the Laborers' District Council of Chicago and Vicinity), or within such other area as the Union may later establish lawful jurisdiction during the period of this Agreement.

**Paragraph 2.1 SUBCONTRACTING** On work covered by this Agreement, the contractor or subcontractor agrees to see that all subcontractors on work within the Union's jurisdiction on this job site adhere to the wages and fringes contained in this Agreement when the subcontract is let by the contractor or subcontractor. If, upon the Union's request, the subcontractor chooses to sign a current labor agreement with the Union (although such signing might not be required under Paragraph 2.1), then the contractor shall be relieved of any liability under this Paragraph 2.1.

**Paragraph 2.2.** The Employer agrees that it will not contract or subcontract any work covered by this Agreement to be done at the site of construction, alteration, painting or repair of a building, structure or other work, except to a person, firm or corporation that is party to the applicable collective bargaining agreement with the Union.

**Paragraph 2.3.** If an Employer, bound to this Agreement, contracts or subcontracts any work covered by this Agreement to be done at the jobsite of the construction, alteration, painting or repair of a building, structure or other work to any person or proprietor who is not signatory to this Agreement, the Employer shall require such subcontractor to be bound by all the provisions of this Agreement, or the Employer shall maintain daily records of the subcontractor's or the subcontractor's Employees jobsite hours and be liable for payments to the Health and Welfare Department of Construction and General Laborers' District Council of Chicago and Vicinity, the Laborers' Pension Fund, and the Construction and General Laborers' District Council of Chicago and Vicinity Joint Apprentice and Training Trust Fund.

**Paragraph 3. TRADE JURISDICTION** This Agreement shall apply to all Employers engaging Employees who perform any of the following work:

(a) The digging and excavation for all sewers, catch basins, manholes, test holes, shafts and subways; the excavation for bridges and viaduct abutments; the excavation or the digging of trenches for, and the laying of, drain pipes, concrete pipes, water pipe extensions, water main taps, water main fusing, water mains from whatever source and beyond the first point of connection from building, conduits in which wire or cables are carried or run, all underground pipe transportation lines for gas, oil, gasoline, fluids and liquids, water aqueducts, and water lines and utilities, including temporary, of every description, including excavations or digging to uncover such utilities, drain pipes, concrete pipes, water pipes, water mains, sewer pipes, conduits and gas pipe lines for the purpose of relocation, removal, repair or alterations of such pipes, conduits or pipe lines, and all temporary piping of every description in connection with excavating and underground construction; the handling, placing and bracing in position of all sheeting forms and steel reinforcing, including the driving thereof, and the welding and burning of same, putting on grout mortar on bottom of sewers about pumping stations, including the erection, al-

teration and remodeling of same; all common labor performed in connection with the erection, alteration, remodeling, or demolition of bridges and viaducts, all installations of repairs to and removal of temporary ventilation pipes or water lines in underground work, sewer work or tunnels; the laying and connecting of all non-metallic and metallic pipes; the rodding of all sewer, drain and conduit pipes or systems; and all common labor performed on or about, or in connection with the mixing or handling of materials on any of the work above set forth.

(b) All work performed in free or compressed air in shafts and tunnels for piping, sewers, water, subways (mass transportation systems of all kinds), transporting, diversion, storage, shelters, aquifers and all other types of reservoirs, related to water pollution projects, and all other types of reservoirs, caissons, cofferdams, dikes, dams, levees, culverts, flood control projects, pilings, soil test borings, ground water well test holes, seismograph testing of subsurface, geology, excavation for subsurface installations of industrial, manufacturing, commercial, military, federal, state, county and municipal governmental facilities of every type and description, missile and anti-missile silo shafts, and underground construction for the preparation of the installation of atomic smashing accelerations and appurtenances; and all other underground structures of every type, nature and description in free or compressed air.

(c) The work covered by this Agreement shall be classified as follows: All preparatory work, including the excavating, bracing, drilling and blasting (handling of all powder, including splitting and making of primers), mucking and removal of material from the tunnels and shafts; the cutting, drilling and installations of materials used for timbering or re-timbering, lagging, bracing, propping or shoring the shaft or tunnel, and all welding incidental thereto; assembly and installation of multiplate, liner plate, rings, mesh, mats or forms for any tunnel or shaft, including the setting of rods for same; pouring, pumpcreting and guniting of concrete in any tunnel or shaft; the operation, manual or hydraulic jacking of shields and the use of such other mechanical equipment as may be necessary; all concrete work described as above, and in addition thereto, the hooking on, signaling and dumping of concrete for work over on caissons, pilings, abutments, etc.; the installation of pipe, gratings and grill work for drains or other subsurface purposes; the installation of well points or any other dewatering systems; and also all alterations, maintenance and demolition work on all underground projects; and all other work covered by classifications hereinafter enumerated in Article V herein.

(d) **Compressed Air:** In compressed air, all work underground or in compression chambers, including tending of the outer air lock, shall be covered by this agreement; all construction work in compressed air including, but not limited to, grout men, track men, drillers, shield drivers, miners, lock tenders, muckers, and mucking machine, motor men, rod men, laser beams, compressed air electricians, liner plate setters, ring setters, dynamite men or blasters, air hoist, form men, concrete blower, concrete laborers, power knives, erectors, key boards, agitator car, car pushers, grout machines, steel setters, cage tenders, skimmers, track layers, dump men, timber men or bracers, cherry pick men, nippers, chuck tenders and cable tenders, vibrator men, jet gunmen, gunmen, gunite nozzle men, and all other types of work connected therewith shall be covered by this Agreement.

**PERIOD AND INTERVALS OF WORK FOR EACH TWENTY-FOUR HOUR PERIOD**

<b>Pressure</b>		<b>Periods</b>	<b>Compression and Decompression</b>
More than Minimum number of pounds Column 1	Not more than maxi- mum number of pounds Column 2	Maximum total hours  Column 3	See Current OSHA Regulations
Normal	15	8	
16	26	6	
27	33	4	
34	38	3	
39	43	2	
44		1	

The Employer may determine the time of each period when the pressure is not more than fifteen pounds per square inch, provided that the total for the periods does not exceed eight hours and does not conflict with OSHA regulations. The limits or hours as specified in said table shall apply accordingly to the maximum pressure attained at any time during the period.

(e) **Concrete and Asphalt Testing and Quality Control.** All work in connection with quality assurance/quality control and the collection and testing of construction materials and soil samples for the purposes of quality control/quality assurance. (Concrete and Asphalt Testing and Quality Control shall not be subject to the subcontracting restrictions in Article II).

(f) **Inspection, Maintenance and Repair of Underground Utilities, and Sewers:** All underground and preparatory work, which includes televised inspections, telegrouting, root cutting, herbicide application, lining, vacuuming, vacuum excavation, and jetting, in new or existing utilities, water mains, structures, shafts, tunnels, sewers, drains, pipes and related structures of every character and description; all work performed on the ground when excavating with a vacuum truck.

(g) **Scaffolds:** Erection, planking, maintenance and removal of all scaffolds and windbreaks for lathers, plasterers, bricklayers, masons and other construction trade crafts. Building planking or installation and removal of all staging, swinging, tubular and hanging scaffolds, including maintenance thereof.

**Paragraph 4. Jurisdictional Disputes.** In the event of a jurisdictional dispute over any of the work covered under this Agreement that cannot be adjusted by both parties to this Agree-

ment and the contending party, and if a binding authority recognized by the Union determines the work to be definitely the jurisdiction of some other union, then the parties shall jointly abide by such determination; provided that in the event the decision is appealed by the Union, this provision shall not be applicable until such time as the final decision issues.

### **Article III UNION SECURITY**

All Employees who are members of the Union on the effective date of this Agreement shall be required to remain members in good standing as a condition of employment during the term of this Agreement. All other Employees shall be required to become and remain members of the Union in good standing as a condition of continued employment from and after the eighth day following the beginning of his employment or the effective date of this Agreement, whichever is later. For the purpose of this Agreement, an employee shall be considered a member of the Union in good standing, provided he is not delinquent in tendering payment of his periodic union dues and the initiation fees uniformly required by the Union as a condition of membership. If any employee shall fail to comply with the membership requirements of this Agreement, the Union may notify the Employer to discharge such employee. The Employer agrees that he will discharge such employee when notified in writing by the Union that such employee has failed to comply with the membership requirements of this Agreement. The Union, by written notice served by registered mail upon the Employer, may demand the discharge of said employee, specifically stating the basis of said demand, and subject at all times to the Union guarantee to defend, save harmless and indemnify the Employer from any claims or damages accruing to the employee as a result of the wrongful discharge demand by the Union. The foregoing in all other aspects shall be subject to existing and applicable Federal and state laws governing labor management relations. This Union security provision shall be subject to immediate negotiation with the Employer as to any further changes permissible under future legal authority.

#### **JOB NOTIFICATION AND PRE-JOB CONFERENCE NOTIFICATION (Tunnel Work Only)**

1. Immediately upon obtaining a job, the Employer shall notify the Union at its Office, currently located at 8842 W. Ogden Avenue, Brookfield, IL 60513, Phone 708-387-2075, or such other location as designated by the Union, describing the size, location and length of the proposed job and the starting time thereof, at least one (1) week prior to the proposed starting date, for the purpose of arranging a pre-job conference.

2. The Employer or his authorized representatives, the District Council, and the Local Union involved shall hold the aforesaid pre-job conference so that the start and continuation of the work may progress without interruption. It shall be the purpose of the pre-job conference to agree upon such matters as the applicable work week and establish starting time, the number of men to be employed, including the number of key men required by the Employer, the method of referral, whether or not there will be a check-off of Union initiation fees and dues, or Agency

fees, the applicable wage rates and other matters, not including the interpretation of this Agreement it being agreed that any interpretation of this Agreement, should be made between the principal parties hereto so that proper application thereof may be made on the jobs.

3. The Union and the Employer Associations agree to send a copy of this Agreement to all of their affiliates so that the work covered by this Agreement may be performed in an effective and peaceful manner and the Union agrees that the terms of this Agreement shall be recognized by its affiliated District Councils and Local Unions.

### **PRE-JOB CONFERENCES (Non-Tunnel Work)**

If the Union elects, a pre-job conference prior to commencement of work shall be held or if need is for additional men after the job has started, then the conference shall be held before the additional hiring commences if the Union elects. At the pre-job conference, the Employer shall advise the Union of its requirements as to workmen required in the respective classifications, the probable starting date, duration of the job, subcontractors, and working schedules.

### **Article IV CHECK-OFF & DUES DEDUCTIONS**

**Paragraph 1.** Employers also agree to deduct from the net earnings payable to an Employee covered by this Agreement, initiation fees and quarterly Union dues insofar as permitted by state and federal laws upon receipt and in accordance with a duly executed authorization form from the Employees. Said authorization form shall not be revocable for a period of more than one (1) year or prior to the termination date of this Agreement, whichever occurs sooner.

**Paragraph 2.** All Employers covered by this Agreement shall deduct from the wages of Employees covered by said contract, working dues in the amount of one and three-quarters percent (1.75%) of gross wages for each hour worked or such amount as approved by the Union, and shall remit monthly to the Union office the sums so deducted, together with an accurate list of Employees from whose wages said dues were deducted and the amounts applicable to each Employee, not later than the 10th day of the month next following the month for which such deductions were made. Dues remittance reports shall include a report of the hours worked and wages earned by each Laborer. Employers who fail to timely remit Union dues shall be assessed an additional ten percent (10%) liquidated damages.

**Paragraph 3.** It is the intention of the parties that such deductions shall comply with the requirements of Section 302(c)(4) of the Labor Management Relations Act of 1947, as amended, and that such deductions be made only pursuant to written assignments from each Employee on whose account such deductions are made, which assignment shall not be revocable for a period of more than one (1) year, or prior to the termination date of this Agreement, whichever occurs sooner.

**Paragraph 4.** The Union agrees that it will indemnify and hold harmless the Employer from any and all claims, suits, causes of action, or otherwise, as regards the creation and administration of the dues check-off established by this Section and such indemnity and agreement to hold harmless shall include the payment of costs and attorneys' fees on behalf of the beneficiaries of such indemnity.

**Paragraph 5.** Should any Employer fail to remit dues to the Union as required under this Agreement, the Employer shall be liable for and pay all costs of collection, including reasonable audit expenses and reasonable attorney fees and costs. The Union may file suit, or remove employees that it represents, or both, for non-remittance or underpayment of dues by an Employer.

**Article V  
WAGES, HEALTH AND WELFARE AND PENSION  
FUND AND PAYMENTS THEREOF**

**Paragraph 1. WAGES** The scale of hourly wage rates for Sewer Work, Drain Work, Manholes, Water Pipes, Conduit Pipes and Systems and other related tunnel and non-tunnel work shall be increased by \$2.90 per hour effective June 1, 2006 to May 31, 2007 for a wage rate of \$31.55 per hour which includes the dues deduction. June 1, 2007 to May 31, 2008, \$3.00 per hour increase to be allocated between wages, fringe benefits and other funds by the Union in its sole discretion. June 1, 2008 to May 31, 2009, \$3.00 per hour increase to be allocated between wages, fringe benefits and other funds by the Union in its sole discretion. June 1, 2009 to May 31, 2010, \$3.10 per hour increase to be allocated between wages, fringe benefits and other funds by the Union in its sole discretion. The foregoing allocations may include allocations to LECET and LDC/LMCC.

For the economic increases listed above, the Union shall also have discretion to allocate to another fund(s) to be established, up to a maximum of thirty cents (\$ .30) per hour over the term of the Agreement (up to twelve cents (\$ .12) in the first year and up to eighteen cents (\$ .18) over the remaining years). The fund(s) shall indemnify and hold harmless Employers who have assigned their bargaining rights to a MARBA-represented Association for purposes of collective bargaining with the Union, and the MARBA-represented Associations party to this Agreement, and MARBA, as regards the creation, implementation and operation of the fund(s), other than the obligation to contribute the designated amounts to the fund(s), and such indemnity and hold harmless shall include the payment of all reasonable costs and attorney's fees actually incurred on behalf of the employer. The Employer shall give prompt notice to the fund(s) of any claims asserted or suits filed that are subject to indemnification.

**SEWER WORK**

<b>CLASSIFICATION</b>	<b>6/01/06</b>	<b>6/01/07</b>	<b>6/01/08</b>	<b>6/01/09</b>
Air Track Drill Operations.....	\$31.90	\$3.00	\$3.00	\$3.10
Bottom Men.....	31.90			
Bracers-Bracing.....	31.90	to be allocated between wages and		

Bricklayers Tenders.....	31.90
Catch Basin Diggers.....	31.90
Drainlayers.....	31.90
Dynamiters.....	31.90
Form Men.....	31.90
Jackhammermen.....	31.90
Powerpack.....	31.90
Pipelayers.....	31.90
Rodders.....	31.90
Welders and Burners.....	31.90
Well Point System Men.....	31.90
Cement Carriers.....	31.775
Cement Mixers.....	31.775
Concrete Repairmen.....	31.775
Mortar Men.....	31.775
Scaffold Men.....	31.775
Second Bottom Men.....	31.775
Concrete Laborers.....	31.675
Steel Setters.....	31.675
Signal Men.....	31.55
Top Laborers.....	31.55
All Other Laborers.....	31.55

fringe benefits by the Union in its sole discretion.

**Material Testing Laborer I**

(Hand coring and drilling for testing of materials; field inspection of uncured concrete and asphalt)..... 21.55

**Material Testing Laborer II**

(Field Inspection of welds, structural steel, fireproofing, masonry, soil, facade, reinforcing steel, formwork, cured concrete, and concrete and asphalt batch plants; adjusting proportions of bituminous mixtures.)..... 26.55

- Apprentices (1st 6 months)..... 60% of base rate: (\$18.93)
- Apprentices (2nd 6 months)..... 70% of base rate: (\$22.085)
- Apprentices (3rd 6 months)..... 80% of base rate: (\$25.24)
- Apprentices (4th 6 months)..... 90% of base rate: (\$28.395)
- Apprentices (after 24 months).... 100% of base rate: (\$31.55)

The premium over and above wages and classifications for all Employees working in compressed air should be as follows:

0 - 15 pounds	\$1.00 per hour
16 - 20 pounds	\$1.50 per hour
21 - 26 pounds	\$2.00 per hour
27 - 33 pounds	\$3.00 per hour
34 and over	\$4.00 per hour

**TUNNEL WORK**

<b>CLASSIFICATION</b>	<b>6/01/06</b>	<b>6/01/07</b>	<b>6/01/08</b>	<b>6/01/09</b>
Maintenance Technician.....	\$31.90	\$3.00	\$3.00	\$3.10
Air Track Drill Operators.....	31.90			
Miner.....	31.90	to be allocated between wages and fringe benefits by the Union in its sole discretion.		
Bricklayers Tenders.....	31.90			
Concrete Blower Operators.....	31.90			
Drillers.....	31.90			
Dynamiters.....	31.90			
Erector Operators.....	31.90			
Form Men.....	31.90			
Jackhammermen.....	31.90			
Powerpack.....	31.90			
Mining Machine Operators.....	31.90			
Mucking Machine Operators.....	31.90			
Laser Beam Operators.....	31.90			
Liner Plate & Ring Setter.....	31.90			
Shield Driver.....	31.90			
Power Knife Operators.....	31.90			
Welders-Burners.....	31.90			
Pipe Jacking Machine Operators..	31.90			
Skinner.....	31.90			
Concrete Repairmen.....	31.775			
Lock Tender (Pressure Side).....	31.775			
Mortar Men.....	31.775			
Muckers.....	31.775			
Grout Machine Operators.....	31.775			
Track Layers.....	31.775			
Air Hoist Operators.....	31.675			
Key Board Operators.....	31.675			
Car Pushers.....	31.675			
Concrete Laborers.....	31.675			
Grout Laborers.....	31.675			
Lock Tenders (Free Air Side)....	31.675			
Steel Setters.....	31.675			
Tuggers.....	31.675			
Switchmen.....	31.675			
Cage Tenders.....	31.55			
Dump Men.....	31.55			
Flagmen, Signalmen.....	31.55			
Top Laborers.....	31.55			
Rod Men.....	31.55			
Material Testing Laborer I (Hand coring and drilling for testing of materials; field inspection of uncured concrete and asphalt).....	21.55			
Material Testing Laborer II				

(Field Inspection of welds, structural steel, fireproofing, masonry, soil, facade, reinforcing steel, formwork, cured concrete, and concrete and asphalt batch plants; adjusting proportions of bituminous mixtures.)..... 26.55

**Paragraph 2.** The scale of hourly wage rates for Foremen and Sub-Foreman shall be as follows:

CLASSIFICATION	6/01/06	6/01/07	6/01/08	6/01/09
Sewer and Caisson Foremen.....	\$32.65	\$3.00	\$3.00	\$3.10
Sewer and Caisson Sub-Foremen.....	32.35	to be allocated between wages and		
Tunnel Foremen.....	33.15	fringe benefits by the Union in its		
Tunnel Sub-Foremen.....	32.65	sole discretion.		
General Foreman.....	33.15			
Superintendent.....	33.15			

**Paragraph 3. DOSIMETER USE:** A premium of One (\$1.00) Dollar per hour shall be paid to any Laborer required to work with a dosimeter used for monitoring nuclear exposure or with any similar instrument or measuring device.

**Paragraph 4. POWER PAC:** When a Laborer uses a power driven piece of equipment he shall be paid the rate of pay of the tool at the end of the power pac.

**Paragraph 5. MANNER OF PAYMENT:** Wages must be paid by payroll check and shall include a stub or statement showing the number of straight time and overtime hours worked and rate of pay.

Direct Deposit. In lieu of paying wages by payroll check, the Employer may make payment by electronic bank draft if the employee voluntarily accepts such alternate method of payment. The Employer shall not mandate electronic banking as a condition of employment. Electronic wage payments must be transferred to the employee's bank account no later than the employee's regular pay day and at no cost to the employee. If payment is made by electronic bank draft, the Employee must also be provided a record of hours worked, rates of pay, and deductions made, at the same time and containing the same information as if wages were paid by payroll check.

If full wages are not timely transferred to the employee's account, the Employer shall pay the employee an additional four (4) hours pay for each day or portion thereof until full wages are received. Employers who violate the provisions of these paragraphs shall be denied the use of electronic banking for wage payments.

**Paragraph 6. WELFARE:** Beginning the period from June 1, 2006 to May 31, 2007, the Employer agrees to make Health and Welfare contributions of \$7.46 per hour for each hour worked by all Employees covered by this Agreement in addition to the wages herein stipulated.

This \$7.46 per hour shall be paid to the Health and Welfare Department of Construction and General Laborers' District Council of Chicago and Vicinity or a designated appointee at the end of each month.

That for the periods June 1, 2007 to May 31, 2008; June 1, 2008 to May 31, 2009; June 1, 2009 to May 31, 2010; that on May 1 of each year, if able, but not later than June 1, the Union in its sole discretion, shall determine the amount of additional contributions to Welfare and/or Pension and Training to be allocated from the economic package for that year. (See Article V, Paragraph 1)

The Employer agrees to be bound by the Agreements and Declarations of Trust establishing the Health and Welfare Department of Construction and General Laborers' District Council of Chicago and Vicinity, as well as any amendments thereto.

**Paragraph 7. PENSION:** Beginning June 1, 2006 the Employer agrees to make a pension contribution of \$4.84 per hour for each hour worked by all Employees covered by this Agreement in addition to the wages and welfare payments herein stipulated. This \$4.84 per hour shall be paid to the Laborers' Pension Fund or to a designated appointee at the end of each month.

That for the periods June 1, 2007 to May 31, 2008; June 1, 2008 to May 31, 2009; June 1, 2009 to May 31, 2010; that on May 1 of each year, if able, but not later than June 1, the Union in its sole discretion, shall determine the amount of additional contributions to Welfare and/or Pension and Training to be allocated from the economic package for that year. (See Article V, Paragraph 1)

The Union will allocate a minimum of fifty-cents (\$.50) per hour from the total economic increase over the contract term, which includes twenty cents (\$.20) per hour in the first contract year, which will be dedicated only toward reduction in the Laborers' Pension Fund unfunded liability and will not be used to fund benefit improvements. The foregoing does not limit the allocation of additional contributions for increased benefits based on actuarial cost projections.

The Employer agrees to be bound by the Agreements and Declarations of Trust establishing the Laborers' Pension Fund, as well as any amendments thereto.

The parties agree that the Employer shall make lump sum contributions to employee fringe benefit accounts, administered by the Trustees on behalf of each employee. It is further agreed that such contribution shall be accompanied by a breakdown of payment according to appropriate benefits.

The Trustees of the Welfare Fund and the Trustees of the Pension Fund shall, among other things, have authority to determine the type and amount of benefits to be provided in each of said funds, the eligibility rules governing entitlement to benefits, and whether and to what extent benefits are to be provided for covered Employees.

The failure of the Employer to contribute to the said Welfare or Pension Funds when the same is established, as provided herein, shall for the purposes of the remedies the Union may pursue, be deemed the same as the failure of the Employer to pay wages, and the Union shall be permitted to remove workers whom they represent for non-payment of such contributions, anything to the contrary in this Agreement notwithstanding.

A grace period of thirty (30) days shall be granted for Employers to submit reports and contributions as provided. Said reports and contributions not received during this grace period shall be assessed liquidated damages amounting to ten (10%) percent of the amount of the contributions which are owed. The Employer acknowledges that the liquidated damages shall be used to defer administrative costs arising by said delinquency and acknowledges the costs to be actual and substantial, though difficult to ascertain. However, the Employer acknowledges these costs to be at a minimum of ten (10%) percent, waiving the necessity of any additional proof thereof. In addition, the delinquent contributions shall bear interest at the maximum legal rate of interest per annum from the due date until they are paid.

Further, in the event the Trustees refer the account to legal counsel for collection, the delinquent Employer shall be liable for reasonable attorneys' fees, and for all reasonable costs incurred in the collection process, including court fees, audit fees, etc.

Reasonable attorneys' fees shall mean: All reasonable attorneys' fees in the amounts for which the Trustees become legally bound to pay, including recovery of liquidated damages, interests, audit costs, filing fees, and any other expenses incurred by the Trustees.

The Trustees of the aforementioned Welfare and Pension Funds and the Union shall have the authority to audit the books and records of a participating Employer, either directly or through their authorized representative, whenever such examination is deemed necessary for the purpose of compliance with the provisions of this Agreement, including the obligation to remit Union Dues under Article IV.

Each participating Employer shall make its books and records available to the Trustees for such purpose. In the event the audit discloses that the Employer, during the period of the audit, has underpaid its contributions and/or wages, the Employer shall be liable for the costs of the examination, including but not limited to, audit fees and reasonable attorneys' fees. The Trustees' authority to waive any costs shall be governed by the terms of the Trust Agreement.

Article III Section 2 of the trust agreements of the Health and Welfare Department of Construction and General Laborers' District Council of Chicago and Vicinity and the Laborers' Pension Fund shall be amended to include the following: "Association-appointed Trustees must be full-time employees of Contributing Employers within the Association's membership. A Contributing Employer shall be defined as an Employer that has employed an average of five (5) or more Laborers performing bargaining unit work for whom contributions have been made per month in each of the previous three (3) calendar years."

The parties agree that the Health and Welfare Department of Construction and General Laborers' District Council of Chicago and Vicinity and the Laborers' Pension Fund will be operated and administered by a board of trustees that is expanded to include 8 employer and 8 union

trustees. Appointing authority for the two additional employer trustees shall be vested with new employer associations that currently are not party to the trust agreements and under whose labor agreements more than 20,000 hours of benefits were paid in 2005.

**Section 415 Excess Benefit Fund.** A Section 415 Excess Benefit Fund shall be established for the purpose of providing alternative benefit to any employees of the Employer who become unable to receive the entire amount of the accrued pension benefits to which they would be entitled under one or more of the pension plans sponsored by their Employer because of limitations established by Section 415 of the Internal Revenue Code. The Employer may be required and directed by the Board of Trustees of the Excess Benefit Fund to contribute a portion of its agreed-upon "pension" contribution to the Section 415 Excess Benefit Fund and shall not increase the Employer's cost beyond the amount that the Employer is obligated to contribute to the Laborers' Pension Fund and that the funding of the Section 415 Excess Benefit Fund shall be fully tax deductible to the Employer for Federal Income Tax purposes. The Employer hereby agrees that the Board of Trustees of any such Section 415 Excess Benefit Fund shall be authorized to determine each year the amount that will be contributed by the Employer and the amount to be credited to the account of any eligible retiree for payment in lieu of accrued benefits that would exceed the limits set by Section 415 of the Internal Revenue Code.

**Chicagoland Laborers' Vacation Fund.** The Employer agrees to be bound by the Agreements and Declarations of Trust, as well as any amendments thereto, establishing the Chicagoland Laborers' Vacation Fund, a jointly-trusted vacation plan established for the purpose of providing income to members during their winter layoffs. Contributions to the Fund will be allocated in the Union's sole discretion from the total economic increase.

**Chicagoland Laborers' Annuity Fund.** The Employer agrees to be bound by the Agreements and Declarations of Trust, as well as any amendments thereto, establishing the Chicagoland Laborers' Annuity Fund, a jointly-trusted defined contribution plan providing a supplemental retirement benefit. Contributions to the Fund will be allocated in the Union's sole discretion from the total economic increase.

**Paragraph 7.A. FOX VALLEY FUNDS, RECIPROCITY.** Employers that employ Employees who participate in the Fox Valley Laborers' Health and Welfare Fund and Fox Valley and Vicinity Laborers' Pension Fund (collectively "Fox Valley Funds") may contribute directly to these funds in the amounts allocated for the Fox Valley Funds by the Union from the economic package.

Effective June 1, 2006 such an Employer shall contribute for each hour worked \$7.20 per hour to the Fox Valley Laborers' Health and Welfare Fund and \$5.10 per hour to the Fox Valley and Vicinity Laborers' Pension Fund (\$12.30 per hour in total). The Union in its sole discretion, shall determine the division of additional contributions to be allocated from the economic package to the Fox Valley Funds in future years, provided that the total amount to be allocated is the same as the total amount allocated to the Health and Welfare Department of the Construction and General Laborers District Council of Chicago and Vicinity and the Laborers Pension Fund.

Employers contributing to the Fox Valley Funds agree to be bound by the Agreements and Dec-

larations of Trust establishing the Fox Valley Funds, as well as any amendments thereto.

The parties agree that, whenever contributions are made on behalf of an Employee to welfare and pension funds that are not the home funds of the Employee, the funds receiving such contributions, in accordance with the funds' Reciprocity Agreement, shall transfer such contributions to the home funds and the home funds shall reallocate the contributions between such home funds in the amounts set forth herein.

**Paragraph 8. SUPERVISORS:** To the extent permissible by the Internal Revenue Service or any Federal Act, and for the purposes of Paragraphs 7 and 8 of Article V of this Agreement only, the bargaining unit shall also include those persons in the employ of an Employer who are supervisors, as defined in the Labor Management Relations Act, as amended; and who at one time were Employee members of the bargaining unit herein on whose behalf contributions were required to be made to the trust funds described in the aforesaid Paragraph 7 and 8 of Article V hereof.

**Paragraph 9. Out of Town Work.** When Laborers who reside or work in the nine-county geographic area covered by this Agreement are asked to work at locations outside these nine counties, the Employer shall continue to report and pay benefits for all hours worked outside the nine counties. If the work performed is covered under a labor agreement with the Laborers' International Union of North America or its affiliates, the Employer shall report and pay the benefit contributions to the fringe benefit fund identified, and the contribution rates specified, under that labor agreement. If the work performed is not covered under a labor agreement with the Laborers' International Union of North America or its affiliates, then the Employer shall report and pay the benefit contributions to the fringe benefit funds identified, and the contributions rates specified, under this Agreement.

**Paragraph 10. Special Rules for Bonding.** An employer that is owned or managed, in whole or part, by an individual who currently has or previously had in the last ten (10) years ownership or principal managerial responsibility for another contributing employer that currently is or ceased doing business when delinquent to the Funds shall be required to post for the benefit of the Funds an additional cash bond or obtain a surety bond from a Fund-approved insurer in an amount equal to twice the amount of the other contributing employer's delinquency. This amount may be adjusted by the Benefit Fund Trustees for each individual employer. This bond shall be in addition to and separate from the bond required elsewhere in this Agreement.

## **Article VI BONDING TO GUARANTEE WAGE PAYMENTS AND WELFARE AND PENSION CONTRIBUTIONS**

**Paragraph 1.** All Employers shall procure, carry and maintain a surety bond in form and amount satisfactory to the Union, but not less than in the principal sum of \$5,000.00, to guarantee payment of wages, Pension and Welfare Trust contributions, during the term of this Agreement.

**Paragraph 2.** If the Employer employs between seven (7) and ten (10) Laborers the surety bond shall be increased to \$15,000. If the Employer employs between eleven (11) and twenty (20) Laborers, the surety bond shall be increased to \$25,000. If the Employer employs twenty-one (21) to forty (40) Laborers, the surety bond shall be increased to \$35,000. If the Employer employs forty-one (41) or more Laborers, the surety bond shall be increased to \$45,000.

**Paragraph 3.** The Employer shall be required to obtain an appropriate bond within thirty (30) days of executing this Agreement, which bond may also be posted in cash. Should the Employer fail to comply with the provisions of this Article, the Union may withdraw its employees or strike until such compliance occurs, and the Employer shall further be liable for all costs, including attorneys fees, incurred in enforcing these provisions.

**Paragraph 4.** The Employer shall give notice to the Union and the appropriate Fund Office in writing not later than ten (10) days after the occurrence of any of the following events relating to the Employer, occurring after the date hereof:

- (a) Formation of Partnerships;
- (b) Termination of business;
- (c) Change of name commonly used in business operation;
- (d) Change in form of business organization;
- (e) Incorporation of business;
- (f) Dissolution of corporation;
- (g) Name and business organization of successor;
- (h) Admission to or withdrawal from any association operating as a multi-employer bargaining agent.

## **Article VII INDUSTRY FUNDS**

**Paragraph 1.** Each Employer shall pay into the Mid-America Regional Bargaining Association Industry Advancement Fund (hereinafter sometimes referred to as the "Industry Fund"), or such other fund as MARBA may in its sole discretion designate at any time during the term of this Agreement, the amount of six cents (\$ .06) for each hour worked for the Employer by those of his Employees covered by this Agreement.

Each Employer shall pay into the Chicago-Area Laborers-Employers Cooperation and Education Trust ("LECET"), the amount of five cents (\$ .05) for each hour worked for the Employer by those of his Employees covered by this Agreement.

Each Employer shall pay into the Laborers' District Council Labor-Management Cooperation Committee ("LDC/LMCC"), the amount of twelve cents (\$ .12) for each hour worked for the Employer by those of his Employees covered by this Agreement.

Each Employer shall contribute one cent (\$ .01) per hour for each hour worked by his/her employees covered by this Agreement to the Construction Industry Service Corporation ("CISCO"), a not for profit corporation.

