

2019-2024

AGREEMENT

between

MICHIGAN UNION CONTRACTORS GROUP,  
UNDERGROUND AGREEMENT

and

INTERNATIONAL UNION OF  
OPERATING ENGINEERS  
LOCAL No. 324 – AFL-CIO

Effective

September 1, 2019 to August 31, 2024

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## **AGREEMENT**

This Agreement, made and entered into as of September 1, 2019 by and between the MICHIGAN UNION CONTRACTORS GROUP (hereinafter called the Association), for and on behalf of its members (hereinafter called the Contractors) as party of the first part, and the INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL No. 324 - AFL-CIO (hereinafter called the Union) as party of the second part.

### **ARTICLE I**

#### **Section 1. CONTRACTOR**

“Contractor,” where used in this Agreement, means any Contractor who is a member of the Michigan Union Contractors Group, or who has agreed to be bound by the terms of this Agreement when performing underground construction work.

#### **Section 2. WORK**

The word “work” where used herein, means any work performed by any such Contractor coming within the jurisdiction of the Union which is the operation, maintenance, repair, assembly and disassembly of power-driven equipment used for construction in the State of Michigan.

#### **Section 3. EMPLOYEE**

“Employee” shall only include Operating Engineers, Mechanics, Oilers and Apprentice Engineers employed by the Contractors coming within the jurisdiction of the Union which is the operation, maintenance, repair, assembly and disassembly of power-driven equipment used for construction in the State of Michigan.

### **ARTICLE II**

#### **Section 1. PURPOSE**

The purpose of this Agreement is to determine the hours, wages and other conditions of employment and to adopt measures for the settlement of differences and maintaining a cooperative relationship so that the Contractors may secure sufficient capable employees and the employees may have as much continuous employment as possible without interruption by strikes, lockouts or other labor trouble.

## **Section 2. EFFECT OF AGREEMENT**

It is mutually understood that the following terms and conditions relating to the employment of employees covered by this Agreement have been decided upon by means of collective bargaining, and that the following provisions will be binding upon the Contractors and the Union during the term of the Agreement, and any renewal thereof. This Agreement may be modified by mutual consent in writing by the parties thereto.

## **Section 3. COVERAGE OF AGREEMENT**

This Agreement shall govern all underground construction work which any Contractor performs in the State of Michigan and which comes within the jurisdiction of the Union.

Underground construction work shall be construed to mean any work which requires the excavation of earth, including industrial, commercial and residential building site excavation and preparation, land balancing, grading, paving other than roads and parking lots, sewers, utilities and improvements, underground electrical, and also including, but not limited to, tunnel, underground piping, retention, oxidation and flocculation facilities, conduits, general excavation, landfills and steel sheeting for underground construction. Underground construction work shall not include structural modifications, structures for retention, oxidation and flocculation facilities, alterations, additions and repairs to building or highway work as defined under the agreement between the Union and the Michigan Union Contractors Group (Road Agreement, including roads, streets, bridge construction and parking lots) or steel erection work.

When any work is being performed by a Contractor under this Agreement, within that area of a building site which is within a five (5) foot line around the perimeter of a building, during a period of contract expiration between the Associated General Contractors of Michigan/LRD Detroit Area, AGC of Michigan/LRD, and the Union, which results in strike action by the Union, then and in that event the Contractor shall cease work on such building site, during such strike action period.

# GEOGRAPHICAL JURISDICTION OF THIS AGREEMENT



AREA COVERED BY THIS AGREEMENT:  
LOWER PENINSULA AND UPPER PENINSULA

#### **Section 4. EQUAL TREATMENT**

If the Union shall enter into any agreement with any contractor who is engaged in underground construction work under which the terms and conditions, including wage rates, are more favorable than the terms and conditions contained in this Agreement, then those more favorable terms and conditions, including wage rates, shall automatically be extended to the Contractors covered by this Agreement.

#### **Section 5. CONTRACTOR REPRESENTATION**

It is understood that this Association is acting only as an agent in the negotiation of this Agreement and that it is agent only for those individuals, partnerships, firms, corporations and joint ventures who have authorized it so to act, and in no event shall it be bound as principal or be held liable in any manner for any breach of this Agreement by any of the Contractors for whom it is acting or any employee of such Contractors. It is further agreed and understood that the liabilities of the Contractors who have authorized the negotiation and execution of this Agreement shall be several and not joint.

#### **Section 6. MICHIGAN EMPLOYMENT SECURITIES COMMISSION (MESC) AND WORKERS' COMPENSATION COVERAGE**

Contractor is to submit their Michigan Employment Security Commission registration number and Workers' Compensation certificate to the Union upon request.

#### **Section 7. SUBCONTRACTING**

In the event a project is over five (5) acres and approved site plan by the governmental agency with jurisdiction for approval of a building to be built on the site in excess of 20,000 square feet, the Contractor expressly agrees that in the event he subcontracts any work covered by this Agreement, to be performed on the job site, he will not so subcontract with any subcontractor unless the subcontractor agrees that in the performance of the work he will comply with all rates, terms and conditions and fringe benefit contributions of this Agreement. This provision takes effect for all projects bid after the execution date of this Agreement.

In interpreting and applying the foregoing paragraph, it is understood and agreed that the Contractor shall not be liable for any subcontractor who becomes party to this Agreement, except where the subcontractor is a corporation or other business entity in which the contractor has a controlling ownership interest (i.e. at least 50% ownership interest) and except to the extent of any liability the Contractor may have by law with respect to work covered by the federal Davis Bacon Act, or a prevailing wage rate law of a Local Unit of Government.

## **Section 8. GENERAL PROVISIONS**

### **(a) UNDERGROUND TUNNEL WORK**

(1) Employees working in tunnels, shafts, etc., shall be paid an additional forty cents (\$0.40) per hour over the regular negotiated wage rate. In addition to this, employees working under air pressure (1/2 lb. to 7 lbs.) shall receive fifty cents (\$0.50) per hour over the regular negotiated wage rate. Employees working under air pressure (7 lbs. or over) shall receive sixty-five cents (\$0.65) per hour over the regular negotiated wage rate. Underground and air pressure pay differential shall apply for the full shift and all overtime to any employee performing work underground or under air pressure.

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

### **(b) MINING MACHINES - BORING MACHINES - MICRO TUNNELING**

(1) The crew operating and maintaining the mining machines shall be compensated an additional fifty (\$0.50) cents per hour over and above the regular wage scale for operating and maintaining such machine. The crew shall consist of, at a minimum, an operator on the mining machine. Heading mechanics and/or oilers will be employed as needed and at the discretion of the Contractor.

(2) All Micro Tunneling operations shall require an operator. However, in the case where the Contractor leases the Micro Tunneling equipment from a manufacturer/supplier for a short duration (up to 90 days), the Contractor may elect instead to have such manufacturer/supplier supply a technician to operate the Micro Tunneling equipment. After 90 days the Micro Tunneling equipment shall require an operator.



(c) In the Employer's discretion, foreman and Low-Boy Operator may be included in the bargaining unit and covered by this Agreement.

(d) Upon request by the Union or the Employer, and upon reasonable advance notice, a Pre-Job Conference shall be held.

(e) Where an Operator is required to use a Company-owned vehicle requiring the Operator to have a CDL license, the Operator shall be paid all hours worked driving the vehicle dispatched to and/or from the Company yard.

### **ARTICLE III**

#### **Section 1. PAYMENT OF WAGES**

(a) Employees are to be paid the wages applicable to the work performed without any discount, and in return the Contractors are to receive a fair and honest day's work without any slowing down or stoppage of work.

(b) All wages shall be paid to the employees at least once a week on the job site upon completion of the shift. The weekly payday established by the Contractors shall remain the same for the life of the job. Employees shall be paid in United States currency or with a check drawn on a Michigan bank. On the regularly established payday, as agreed to in this Agreement, payroll checks must be available at the job site within two (2) hours of the start of the shift and ready for distribution in the event that weather or other circumstances prevent the job from being worked, or electronic deposit of wages if mutually agreed; any employee who had reported to the job site at the regular starting time and does not receive his payroll check, as stated above, would receive waiting time at the regular established rate of wages until the payroll check is made available; provided however, alternative mutually agreed to arrangements for obtaining payroll checks may be made between an employee and the Contractor.

Waiting time is not to exceed the end of the normal workday. If the payday falls on a holiday, the employees will be paid the day before the holiday. For any Contractor that has elected to perform work on a project under the optional work week schedule, the regular payday shall be Thursday.

(c) Pay stubs or other written form will be given weekly to the employees showing straight-time hours worked and hourly rate, overtime hours worked, deductions for Federal, State and City income taxes and Vacation and Holiday pay. All deductions will be identified and listed.

(d) If an employee is discharged or permanently laid off from a job, he must be paid within two (2) hours of the time of discharge or permanent layoff, or he shall be paid straight-time for any time he is required to wait beyond such two (2) hours. This shall be construed to apply during normal working hours only. If, however, an employee quits of his own accord, he shall wait for his pay until the next regular payday.

(e) At the request of the employee, the Contractor will furnish a written statement stating the reason for any termination of employment.

(f) Direct deposit will be made available to any employee(s) covered under this Agreement.

## **Section 2. MACHINERY OR TOOLS**

Contractor shall not be hindered or prevented from using any type or quantity of machinery, tools or appliances, and may secure materials or equipment from any market or source he sees fit, except prison-made goods.

## **Section 3. SELECTION OF EMPLOYEES**

(a) The Contractor is to be the judge as to the satisfactory performance of work by an employee and may discharge any employee whose work is unsatisfactory or who fails to observe the safety precautions prescribed by the Contractor for the health, safety and protection of his employees. However, no employee shall be discharged for defending the rights of any employee under the terms of this Agreement.

(b) The number of employees to be employed and the work assignments of such employees are also at the sole discretion of the Contractor. However, this does not relieve the Contractor from properly manning any piece of equipment that is placed in operation.

## **Section 4. ENTIRE AGREEMENT**

This Agreement covers the entire understanding between the parties hereto. No oral or written rule, regulation or understanding which is not mentioned or referred to herein will be of any force or effect upon any party hereto.

## **Section 5. UNION REPRESENTATIVE**

The Union shall select a representative (hereinafter referred to as the "Union Representative") who is to confer with the Contractor on all matters pertaining to this Agreement.

## **Section 6. UNION REPRESENTATIVES PERMITTED ON JOBS**

The authorized representatives of the Union may visit jobs during working hours but must not hinder or interfere with the progress of the work. The Contractor shall, upon request by the Union Representative, inform the Union of the exact location of their jobs. The Contractor agrees to assist in obtaining passes for official Union Representatives to enter all jobs.

## **Section 7. STEWARDS**

(a) The Contractor recognizes the right of the Union to select a working Steward from the members of the Union in accordance with Union procedure. The Steward's activities shall be confined to the area in which work is performed by his Contractor. It is further agreed and understood that the selection of a Steward shall not increase the number of Engineers necessary to man the job, as determined by the Contractor. The Steward shall be permitted sufficient time to perform his usual Steward duties with the least interference to the job. It is agreed and understood that such Steward shall not receive any extra compensation above his regular wages. A Steward shall be required to do a full day's work and shall be subject to discharge the same as any other employee. The Steward shall not be discriminated against in any manner, including assignment of work and overtime, because of his Union Representative position.

(b) The Contractor shall be given the name of the Steward in writing.

(c) The Steward on the job shall be one (1) of the last two (2) employees laid off when the job is finishing up, provided, in the judgment of the Contractor, he is capable of performing the available work.

## **Section 8. SAFETY**

(a) The Contractor agrees to comply with the State of MI Licensing and Regulatory Affairs, Construction Safety and Health Division, and to cooperate fully with its provisions on safety. All Contractors and employees covered under this Agreement shall abide by the State of MI Licensing and Regulatory Affairs, Construction Safety and Health Division Standards rules and regulations.

(b) Whenever an employee is injured on the job so as to require prompt attention by a doctor or hospital, the Contractor shall provide transportation for the employee to the doctor or hospital. Any injury requiring an employee to leave the job shall be reported to the Steward or the Union as soon as possible.

(c) The Contractor may require that employees submit to a physical examination, to be paid for by the Employer, including substance abuse testing.

## **Section 9. EMPLOYMENT**

(a) The Union agrees to furnish competent applicants for employment upon notification to the Dispatcher or Business Representative of the Union.

(b) The Contractor agrees that in the employment of Operating Engineers to perform the various classifications of labor required in the work under this Agreement that the Contractor will not discriminate against applicants because of membership or non-membership in the Union. Each employee shall, as a condition of employment thereafter, become and remain a member of the Union for the term of his employment after the seventh (7th) calendar day following the beginning of his employment by a Contractor or Contractors covered by this Agreement, or the effective date of this Agreement, whichever is later. The seven (7) day period following which an employee is required to join the Union shall be computed from the second day such employee enters the employment of any Contractor or Contractors.

(c) In the event the National Labor Relations Act is amended, while this Agreement is in force, so that an employee may be lawfully required to become a member of a union as a condition of employment in less than seven (7) days, then such shorter period of time shall immediately become operative under this Agreement, notwithstanding the provisions of (b) above.

(d) The Contractor shall not be obligated hereunder to discharge or discriminate against any employee for non-membership in the Union:

- (1) If the Contractor has reasonable grounds for believing that such membership was not available to the employee on the same terms and conditions generally applicable to other members; or
- (2) If the Contractor has reasonable grounds for believing that membership was denied or terminated for reasons other than the failure of the employee to tender the periodic dues and the initiation fees uniformly required as a condition of acquiring or retaining membership; and
- (3) Unless the Contractor shall be furnished with a notice in writing by the Union, signed by the proper officer, setting forth that the

employee has refused to join the Union, although he has been offered membership on the same terms as other members, or that the employee's membership in the Union has been terminated for reason of nonpayment of periodic dues or initiation fees, and that the Union requests that said employee be discharged for one of the above reasons.

- (4) It is agreed that membership in good standing shall mean only the payment of those periodic dues and fees germane to collective bargaining contract administration and grievance adjustment.

(e) The Contractor and the Union acknowledge that they are subject to applicable laws regarding equal employment opportunity and fair employment practices and agree that they shall cooperate in taking necessary steps to comply with such laws and lawful regulations thereunder. Referral and selection of all employees shall be on the basis of qualifications without regard to race, creed, color, sex, age, religion, national origin and/or ancestry.

(f) CHECK-OFF. The Contractor agrees to honor, upon presentation by the Union, all assignments for initiation fees, membership dues and uniform assessments which have been properly signed by an employee and to deduct the amount stated thereon from the wages earned by that employee and to pay the amount so deducted to the Union; provided, however, that this paragraph shall apply only to those assignments which are not irrevocable for longer than one (1) year or until this Agreement expires, whichever occurs sooner, and to those assignments which in addition provide that they shall automatically renew themselves for successive yearly or applicable contract periods thereafter, whichever is the lesser, and which further provide that the employee may revoke said assignment by giving written notice thereof to the Contractor and the Union at least sixty (60) days and not more than seventy-five (75) days before any periodic renewal date.

(g) HIRING HALL AGREEMENT FOR EMPLOYMENT REFERRALS. In an effort to better match a skilled workforce with the opportunities provided by the employers, it is mutually agreed to adopt the Hiring Hall Agreement dated June 1, 2014.

## ARTICLE IV

### Section 1. CLASSIFICATIONS

All employees working under this Agreement shall be paid in accordance with Sections 5, 6, 7 and 9 of this Article, and classified in accordance with Sections 10,

11, 12, 13 and 14 of this Article, and no other classifications of labor of any kind will be recognized. Any question relative to the classification of Engineers, Mechanics, Oilers or Apprentice Engineers will be settled by the Contractor and the Union Representative. If they are unable to reach a mutual decision, the matter shall be referred to the Joint Arbitration Board. The Contractor may classify such employees pending the final decision of the Joint Arbitration Board.

## **Section 2. TRUCK CRANES**

No one but an Operating Engineer shall move (drive) the truck crane except where an Oiler or Apprentice is also employed. Where a truck crane of twenty (20) ton lifting capacity or over is used, an Oiler or Apprentice shall also be employed, except that an Oiler or Apprentice is not necessary on a truck crane when the crane is used in stationary position. Tonnage of the truck cranes shall be determined by the manufacturer's rated lifting capacity.

## **Section 3. HOUR GREASING TIME**

Every Operator on cranes, shovels, draglines, clamshells and backhoes shall be entitled to the equivalent of one (1) hour's pay for greasing his machine where an Oiler is not required. This hour's pay shall be in addition to his regular day's wages. Grease time must be actually worked.

## **Section 4. ZONE I AND ZONE II - WAGE AND FRINGE BENEFIT PAYMENTS**

(a) The wage rates and benefits upon the effective dates shown herein shall apply on all work covered under this Agreement in Zone I and Zone II.

(b) Zone I shall include the following Counties: Genesee, Lapeer, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw and Wayne.

(c) Zone II shall include the following Counties: Alcona, Allegan, Alpena, Antrim, Arenac, Barry, Bay, Benzie, Berrien, Branch, Calhoun, Cass, Charlevoix, Cheboygan, Clare, Clinton, Crawford, Eaton, Emmet, Gladwin, Grand Traverse, Gratiot, Hillsdale, Huron, Ingham, Ionia, Iosco, Isabella, Jackson, Kalamazoo, Kalkaska, Kent, Lake, Leelanau, Lenawee, Manistee, Mason, Mecosta, Midland, Missaukee, Montcalm, Montmorency, Muskegon, Newaygo, Oceana, Ogemaw, Osceola, Oscoda, Otsego, Ottawa, Presque Isle, Roscommon, Saginaw, Sanilac, Shiawassee, St. Joseph, Tuscola, Van Buren and Wexford. Zone II shall also include all fifteen (15) counties within the Michigan Upper Peninsula.

<b>CLASS I</b>	Zone 1		Zone 2	
	<u>1st Shift</u>	<u>2nd/3rd</u>	<u>1st Shift</u>	<u>2nd/3rd</u>
*Base Wage Per Hour	\$30.07	\$30.75	\$28.58	\$29.17
*Vacation & Holiday (15% Funded)	\$4.51	\$4.61	\$4.29	\$4.38
*Supplemental Vacation (funded)	\$0.05	\$0.05	\$0.05	\$0.05
Pension (Funded)	\$13.45	\$13.45	\$13.45	\$13.45
Health Care (Funded)	\$8.40	\$8.40	\$8.40	\$8.40
Apprenticeship Fund	\$1.00	\$1.00	\$1.00	\$1.00
Retiree Benefit (Funded)	\$0.45	\$0.45	\$0.45	\$0.45
Labor Management Education Committee	\$0.16	\$0.16	\$0.16	\$0.16
IUOE National Training Fund	\$0.05	\$0.05	\$0.05	\$0.05
DC Plan	\$1.00	\$1.00	\$1.00	\$1.00
Industry Labor Management Fund	<u>\$0.03</u>	<u>\$0.03</u>	<u>\$0.03</u>	<u>\$0.03</u>
Gross Wage	\$59.17	\$59.95	\$57.46	\$58.14
Industry Labor Management Fund	\$0.03	\$0.03	\$0.03	\$0.03
MUCG Industry Advancement fund	\$0.03	\$0.03	\$0.03	\$0.03
 <b>CLASS II</b>				
	<u>1st Shift</u>	<u>2nd/3rd</u>	<u>1st Shift</u>	<u>2nd/3rd</u>
*Base Wage Per Hour	\$25.96	\$26.62	\$24.33	\$24.88
*Vacation & Holiday (15% Funded)	\$3.89	\$3.99	\$3.65	\$3.73
*Supplemental Vacation (funded)	\$0.05	\$0.05	\$0.05	\$0.05
Pension (Funded)	\$13.45	\$13.45	\$13.45	\$13.45
Health Care (Funded)	\$8.40	\$8.40	\$8.40	\$8.40
Apprenticeship Fund	\$1.00	\$1.00	\$1.00	\$1.00
Retiree Benefit (Funded)	\$0.45	\$0.45	\$0.45	\$0.45
Labor Management Education Committee	\$0.16	\$0.16	\$0.16	\$0.16
IUOE National Training Fund	\$0.05	\$0.05	\$0.05	\$0.05
DC Plan	\$1.00	\$1.00	\$1.00	\$1.00
Industry Labor Management Fund	<u>\$0.03</u>	<u>\$0.03</u>	<u>\$0.03</u>	<u>\$0.03</u>
Gross Wage	\$54.44	\$55.20	\$52.57	\$53.20
Industry Labor Management Fund	\$0.03	\$0.03	\$0.03	\$0.03
MUCG Industry Advancement fund	\$0.03	\$0.03	\$0.03	\$0.03

<b>CLASS III</b>	Zone 1		Zone 2	
	<u>1st Shift</u>	<u>2nd/3rd</u>	<u>1st Shift</u>	<u>2nd/3rd</u>
*Base Wage Per Hour	\$25.32	\$25.90	\$23.90	\$24.38
*Vacation & Holiday (15% Funded)	\$3.80	\$3.88	\$3.58	\$3.66
*Supplemental Vacation (funded)	\$0.05	\$0.05	\$0.05	\$0.05
Pension (Funded)	\$13.45	\$13.45	\$13.45	\$13.45
Health Care (Funded)	\$8.40	\$8.40	\$8.40	\$8.40
Apprenticeship Fund	\$1.00	\$1.00	\$1.00	\$1.00
Retiree Benefit (Funded)	\$0.45	\$0.45	\$0.45	\$0.45
Labor Management Education Committee	\$0.16	\$0.16	\$0.16	\$0.16
IUOE National Training Fund	\$0.05	\$0.05	\$0.05	\$0.05
DC Plan	\$1.00	\$1.00	\$1.00	\$1.00
Industry Labor Management Fund	<u>\$0.03</u>	<u>\$0.03</u>	<u>\$0.03</u>	<u>\$0.03</u>
Gross Wage	\$53.71	\$54.37	\$52.07	\$52.63
Industry Labor Management Fund	\$0.03	\$0.03	\$0.03	\$0.03
MUCG Industry Advancement fund	\$0.03	\$0.03	\$0.03	\$0.03
 <b>CLASS IV</b>				
	<u>1st Shift</u>	<u>2nd/3rd</u>	<u>1st Shift</u>	<u>2nd/3rd</u>
*Base Wage Per Hour	\$24.83	\$25.32	\$23.65	\$24.09
*Vacation & Holiday (15% Funded)	\$3.72	\$3.80	\$3.55	\$3.61
*Supplemental Vacation (funded)	\$0.05	\$0.05	\$0.05	\$0.05
Pension (Funded)	\$13.45	\$13.45	\$13.45	\$13.45
Health Care (Funded)	\$8.40	\$8.40	\$8.40	\$8.40
Apprenticeship Fund	\$1.00	\$1.00	\$1.00	\$1.00
Retiree Benefit (Funded)	\$0.45	\$0.45	\$0.45	\$0.45
Labor Management Education Committee	\$0.16	\$0.16	\$0.16	\$0.16
IUOE National Training Fund	\$0.05	\$0.05	\$0.05	\$0.05
DC Plan	\$1.00	\$1.00	\$1.00	\$1.00
Industry Labor Management Fund	<u>\$0.03</u>	<u>\$0.03</u>	<u>\$0.03</u>	<u>\$0.03</u>
Gross Wage	\$53.14	\$53.71	\$51.79	\$52.29
Industry Labor Management Fund	\$0.03	\$0.03	\$0.03	\$0.03
MUCG Industry Advancement fund	\$0.03	\$0.03	\$0.03	\$0.03



<b>CLASS V</b>	<u>1st Shift</u>
*Base Wage Per Hour	\$18.61
*Vacation & Holiday (15% Funded)	\$2.79
Pension (Funded)	\$3.50
Health Care (Funded)	\$6.50
Apprenticeship Fund	\$0.50
IUOE National Training Fund	\$0.05
DC Plan	\$1.00
Industry Labor Management Fund	<u>\$0.03</u>
Gross Wage	\$32.97
Industry Labor Management Fund	\$0.03
MUCG Industry Advancement fund	\$0.03
*Taxable Income	

### **ALLOCATIONS CLASS I – CLASS IV**

Effective September 1, 2019 an increase of \$2.55 per hour

Effective September 1, 2020 an increase of \$1.75 per hour

Effective September 1, 2021 an increase of \$1.75 per hour

Effective September 1, 2022 an increase of \$1.75 per hour

Effective September 1, 2023 an increase of \$2.00 per hour

### **ALLOCATIONS CLASS V**

Effective September 1, 2019 an increase of \$.50 per hour

Effective September 1, 2020 an increase of \$.50 per hour

Effective September 1, 2021 an increase of \$.50 per hour

Effective September 1, 2022 an increase of \$.50 per hour

Effective September 1, 2023 an increase of \$.50 per hour

Any Fringe Benefit adjustment will be allocated by the Union from the negotiated increases first or come off the Base Rate.

## **Section 5. CLASS I EQUIPMENT**

Class I wages shall apply to employees operating the following equipment:

Air Compressors in Manifold with throttle valve  
Auto Grade or similar type machine  
Backfill Tamper  
Backhoe  
Backhoe on Farm Type Tractor 45 H.P. & over.  
Ballast Regulator (R.R.)  
Batch Plant (concrete - central mix)  
Batch Plant Operator (concrete)  
Blade Grader Operator  
Bulldozer  
Caisson Drilling Machine  
Cherry Picker--15 ton or over  
Clamshell  
Concrete/Asphalt Saw Operator – Power Driven (3yrs experience or more)  
Concrete Belt Placer (Formless)  
Concrete Cure/Finish Machine Operator  
Concrete Mixer 21 cu. ft. or over  
Concrete Paver [two (2) drums or larger]  
Concrete Pump (Truck Mount)  
Concrete Pump (3 inch and over)  
Concrete Pump with Boom Operator  
Conveyor Loader Operator (Euclid type)  
Core Drilling Machine  
Crane (Crawler, truck type or pile driving)  
Crane or Derrick with any attachment incl. clamshell, dragline, shovel, backhoe, etc.  
Directional Drill/Boring Machine Operator  
Dozer  
Dragline  
Dredge Engineer  
Dredge Operator  
Drilling Machine on which the drill is an integral part  
Earth Mover--rubber tired--(paddle wheel, 619, 631, TS-24 or similar type)

Earth Mover rubber tired--tandem (\$.50 cents per hr. added for each bowl)  
Elevating Grader Operator  
End Loader  
End Loader Operator (1½ yard capacity and over)  
Excavator  
Farm type tractor with attached pan  
Finishing Machine Operator (Asphalt or Concrete)  
Foreman/Operating Engineer  
Forklift (10 ton or over)  
GPS or Electronic Grade on motorized equipment  
Gradall and similar type machine  
Grader  
Gravel Processing plant (portable)  
Operator of Guard Rail Post Driver  
Haul Units (off-highway)  
Helicopter crew  
Highlift Shovel--1-1 /2 cu. yd. or over  
Hoisting Engineer  
Horizontal Directional Drill  
Hydraulic Boom Truck  
Hydro demolition equipment (water blaster)  
Hydro Excavator  
Loader--Self-propelled (Belt-Chain-Wheel) (Holland or similar type)  
Locomotive and/or Dinkey Engine  
Mechanic  
Milling Machine  
Mucking Machine  
Operator of Guard Rail Post Driver  
Paver Operator - Concrete  
Pile Driver--Skid or Crawler  
Power Shovel  
Rock Breaking Plant  
Rock Crushing Plant (Portable)  
Root Rake, Tractor Mounted Sand Blaster Vacuum  
Roto Mill  
Scraper Self-Propelled or Tractor Drawn  
Self-propelled Widener or Gravel distributing shoulder machine  
Shovel Operator  
Side Boom Tractor (type D-4 or equivalent or larger)

Slope Paver  
Stump Remover Tractor Mounted  
Surface Heater & Planer  
Surface Roller with Dozer Blade  
Swinging Boom Truck (over 12-ton capacity)  
Tilling Machine or (Roto Grader)  
Tractor Operator  
Tractor--Boom, Winch or Hoe Head  
Tractor--Push  
Tractor with Scoop  
Tractor Mounted Spreader  
Tree Mover  
Trench Machine (ladder or wheel type)  
Trencher (over 8ft. digging capacity)  
Tugboat Operator  
Tunnel Boring Machine  
Tunnel Shield  
Vacuum Machine/Truck Operator  
Well Drilling Machine  
Well Drilling Rig  
Winch Truck with A Frame

## **Section 6. CLASS II EQUIPMENT**

Class II wages shall apply to employees operating the following equipment:

Air Compressor with Throttle Valve or Clever Brooks type comb.  
Backhoe (with 3/8-yard bucket or less)  
Backhoe on Farm Type Tractor under 45 H.P.  
Batch Plant (concrete-dry batch)  
Boom Truck (power swing type boom)  
Cherry Picker under 15 ton  
Crusher  
Crusher Operator  
Concrete Pump  
Concrete Mesh Depressor--independently operated  
Concrete Spreader--Power Driven  
End Dumps when operated by an Operating Engineer  
End Loader under 1-1/2 cu yd.  
Guniting Machine

Head Greaser  
Hoist  
Lowboy Operator  
Mesh or Steel Placer (motorized)  
Multiple Tamping Machine (R.R.)  
Power Curing Spraying Machine (Formless)  
P.C.C. Concrete Belt Placer (form type)  
Pull Grader--Power Control  
Pump Operator (6" discharge or over, gas diesel, powered or generator of 300 amp or larger)  
Refrigerating Machine--Freezing operation  
Ross Carrier  
Self-propelled convey transfer devise.  
Sheepfoot Roller (self-propelled)  
Side Boom Tractor (smaller than D-4 type or equivalent)  
Sweeper (Wayne type and similar equipment)  
Telescoping laser finish machine (laser screed)  
Tractor (pneu-tired, other than backhoe or front-end loader)  
Trencher (8ft. digging capacity and smaller)  
Trench Machine 24" and under  
Tube Float (motorized)  
Vac Truck  
Washing Plant Operator Welder

### **Section 7. CLASS III EQUIPMENT**

Class III wages shall apply to employees operating the following equipment:

Air Compressor (600 CFM or larger)  
Air Compressor [two (2) or more – less than 600 CFM]  
Base Paver (Jersey or similar type machine)  
Boom Truck (Non swinging, Non powered type boom)  
Concrete Breaker  
Concrete Finishing Machine  
Concrete Paver (1 drum – ½ yard or larger)  
Curb Machine  
Elevator (other than passenger)  
Hoist (one drum)  
Jacks - Hydraulic Power-driven multiple jack system  
Maintenance Man

Mechanics Helper  
Paving Breaker  
Power Broom Self-propelled  
Pump [ two (2) or more 4 inch up to 6-inch discharge gas or diesel powered-  
excluding submersible pumps)  
Pumpcrete Machine and similar equipment  
Roller (Earth & Sub-base material)  
Screening Plant Operator  
Spike Machine (R.R.)  
Tamper—Multiple Vibrating—Earth and Sub-base material  
Tractor with Drill--50 H.P. or over Well Point System  
Wagon Drill (multiple)  
Welding Machine or Generator [two (2) or more 300 amp. Or larger -gas or  
diesel powered]  
Well Point System  
Widener (Apsco or similar type)

**Section 8. CLASS IV EQUIPMENT**

Class IV wages shall apply to employees operating the following equipment:

Air Compressor Operator (over 250 CFM)  
All Mulching Equipment  
All Walk Behind or Remote-Control Powered Equipment (autonomous  
equipment)  
Assistant to Engineer Automatic Dry Batch Plant  
Belt Spreader (motorized including transfer device by remote, wireless or cable)  
Boiler  
Boom or Winch truck operator  
Broom & Belt Machine  
Chair Cart (Self-propelled)  
Concrete Pumps (under 3")  
Curing Equipment Operator (self-propelled)  
Deck Hand  
Digger Post Hole (Power-driven)  
End loader Operator (under 3/4-yard capacity)  
Extend A Boom Forklift--under 10 Ton  
Farm Tractor with attachments  
Finishing Machine (concrete)  
Forklift under 10 ton

Form Grader (if motorized)  
Georgia Buggy -Power wheel barrel ¾ yard with a seat  
Generator (15 kw or greater)  
Greaser Helper  
Hydraulic pipe pushing machine  
Mechanical Heater  
Mechanics Helper  
Outboard or Inboard Motorboat  
Power Bin Operator  
Pug Mill  
Pumps – [two (2) or more up to 4 in. discharge if used three (3) hours or more a day – gas or diesel powered- excluding submersible pumps]  
Roller (other than asphalt)  
Seaman Tiller  
Skid Steer  
Stump Remover (Grinder)  
Sweeper (Wayne type and similar equipment)  
Tamper  
Trencher (service)  
Vibratory Compaction Equipment Operator (6 ft. wide or over)  
Walk Behind Forklift  
Water Wagon

#### **Section 9. CLASS V EQUIPMENT**

Class V Wages shall apply to the following equipment, when operation is assigned to the Operators bargaining unit by contractor:

Concrete/Asphalt Saw Operator- Power Driven (Less than 3 yrs. experience)  
Density/Soil Engineer  
Directional Boring Utility Man  
Discharge Pumps 4" or less (1 - 4 units)  
Dump Truck Operator  
Dumper (Wagon, Truck, Etc.) - or trade  
Fence Erector /Power Driven  
Guard Post Driver Operator (power driven)  
Hydra Seeder  
Light Plants (1 to 5 units)  
Oiler Fireman

Operator of minor equip.  
 Roto Mill Utility Grade Control Operator  
 Scissor lifts and basket lifts where used for material hoisting  
 Sign Installer/Sign Installer with Remote Control Operated Equipment  
 Straw Blower or Brush Mulcher  
 Top Man, And Railroad Track and Trestle Engineer  
 Utility Engineer  
 Water Blasting Utility Engineer

Class V employees may operate equipment in other classes for up to two (2) hours a day without changing the employee’s pay class.

**Section 10. STARTING RATE FOR APPRENTICE ENGINEERS**

The starting rate for Apprentice Engineers shall be seventy percent (70%) of the Class I base wage, plus the payment of all fringes (except the Journeyman and Apprentice Training Fund). For every 1,000 hours total of Training and Job Related Training the Apprentice Engineers rate will be increased by five percent (5%) of the Class I base wage plus applicable fringes, subject to the Apprenticeship Rules and receiving a passing grade on the validated competency tests, as certified by the Operating Engineers Local 324 Journeyman and Apprentice Training Committee (JATC).

**Total of Training & Job-Related Hours**

0-999	Hrs.	70%
1,000-1,999	Hrs.	75%
2,000-2,999	Hrs.	80%
3,000-3,999	Hrs.	85%
4,000-4,999	Hrs.	90%
5,000-5,999	Hrs.	95%

All fringe benefits are to be paid as indicated in this Agreement for all Operating Engineers except that Apprenticeship Fund contributions are not payable on Apprentices or Oilers.

In the event the Union shall on or after the date of signing this Agreement wish to apply a portion of the wage rate specified in this Agreement to funds provided for in this Agreement, it shall so notify the Michigan Union Contractors Group of such desire, in writing, and such increased contribution rate shall become applicable sixty (60) days after notification, or such time as shall be mutually agreed



upon. The wage rate, vacation and holiday payment and any other contributions affected shall be adjusted accordingly.

### **Section 11. MARKET RECOVERY PROGRAM**

It is recognized by the parties that in certain areas of the state, the Union construction market has been threatened by non-union competition. Where the mutual interests of the Union and the Contractor are served by cooperating to enable Association Contractor members to compete more effectively, it is agreed that, the Union and Contractor will meet to negotiate a market recovery rate and/or terms and conditions on a job by job or on an area basis.

### **Section 12. TIMELY PAYMENT OF FRINGE BENEFIT PAYMENTS**

In addition to the hourly wages provided for in this Agreement, the Contractor is obligated to make contributions, in the amounts and manner provided herein, to the fringe benefit funds which provide for vacation and holiday pay, health care insurance, pension, apprenticeship training, retiree benefit, supplemental vacation, labor management fund, and industry advancement, which contributions are payable by the 15th day of each month for work performed in the immediately preceding month. If these fringe benefit contributions are not made as provided for herein, the Contractor is in a status of delinquency and thereby has breached this Agreement. The Contractor and the Union agree that damages which will result from the failure of the Contractor to pay his fringe benefit contributions on time, or in correct amount, are difficult to calculate with any certainty, and therefore any Contractor who fails to make his payments to any of the Operating Engineers fringe benefit funds on time or in correct amount in accordance with this Agreement shall pay, as liquidated damages resulting from his breach of this Agreement, in addition to the contributions due, an amount as follows:

### **Section 13. MUCG LABOR MANAGEMENT COMMITTEE**

Effective the first full pay period commencing on or after September 1, 2019 the Employer agrees to pay to Industry Labor Management Committee, for each employee covered by this Agreement the sum of, three cents (\$.03) employer funded and three cents (\$.03) employee funded. Effective September 2020, September 2021, September 2022, and September 2023 contributions are to be allocated at that time.

All Industry Labor-Management Committee contributions shall be computed on actual hours paid without regard to whether the employee was working on straight time or overtime. These contributions shall be deposited each month, or at such other regular intervals as may be determined by the

Trustees of the Industry Labor-Management Committee, to such depository as may be designated by said Committee.

#### **Section 14. INDUSTRY PROMOTION FUND**

(a) The Contractor agrees to pay into the Michigan Union Contractors Group Association Industry Promotion Fund effective April 1, 2019, the sum of three cents (\$.03) per hour for all hours paid each employee working under this Agreement, without regard to whether the employee was working on straight-time or overtime.

(b) The contributions to the Industry Promotion Fund shall be deposited each month, or at such other regular intervals as may be determined by the Association, to the depository designated by the Association, and such contributions shall be reported on such forms as may be designated by the Association.

(c) The activities of the Industry Promotion Fund shall be determined by the Association and shall be financed from the payments herein provided for.

(d) The Contractor hereby agrees that the designated representative of the Association shall be permitted, upon request, to audit the payroll records of the Contractor to determine compliance with this Article.

(e) A contractor who elects not to make the aforementioned contribution to the Michigan Union Contractors Group Association, Industry Promotion Fund shall notify the Union, in writing, and in lieu of making said contribution to the Industry Promotion Fund shall pay three cents (\$.03) per hour to Operating Engineers' Local 324 Health Care Plan for actual hours paid each employee working under this Agreement. Said three cents (\$.03) per hour, to be in addition to the contribution provided for in Article V of this Agreement.

Contributions are due on the 15th of the month following the month worked, with an additional fifteen (15) day grace period. Daily interest is assessed from the due date at the rate of 18% per annum on late contributions, i.e., those paid after the grace period.

The Contractor agrees to pay the liquidated damages assessed against him in accordance with the foregoing schedule.

The Contractor agrees to furnish to the Trustees of the various fringe benefit funds provided for in this Agreement, upon request, such information and reports as

the Trustees may require in the performance of their duties. The Contractor further agrees that the Trustees, or any agent authorized by the Trustees, shall have the right to enter upon the premises of the Contractor to perform an audit and to have access to such of the Contractor's records as may be necessary to permit the Trustees to determine whether the Contractor is complying fully with the provisions of this Agreement regarding Contractor contributions.

**Section 15. CLASSIFICATION OF EQUIPMENT**

If any equipment not listed in any of the four (4) aforementioned classifications shall be used by the Contractors, then the classification for such equipment shall be agreed upon by negotiations between the Michigan Union Contractors Association and the International Union of Operating Engineers, Local 324.

**Section 16. EMPLOYEE CHANGING CLASSIFICATION**

Any employee may be temporarily shifted by the Contractor from any classification of work to another classification of work, provided the employee is capable of performing the other work and is paid at the rate of wages for the classification which provides the highest rate of wages.

**Section 17. PREMIUM PAY CLASSES**

The following hourly premiums shall be paid as follows:

- A. Crane Operators - \$1.00 per hour above Class I.
- B. GPS Technician (Capable of setting up models and operating software) - \$1.00 per hour above Class I.
- C. Mechanics - \$1.00 per hour above Class I.
- D. Drone Operator (where drone is used as an integral function of construction of the project) - \$1.50 per hour above Class I.

**Section 18. HAZARDOUS PAY**

Where Environmental Protection Agency (EPA) rates have been established, the following premiums apply:

EPA Level "A" protection	\$3.00 per hour
EPA Level "B" protection	\$2.00 per hour
EPA Level "C" protection	\$1.00 per hour

## **ARTICLE V FRINGE BENEFITS**

The Agreements and Declarations of Trust establishing the Funds and Committee set forth below are made a part of this Agreement by reference, and the Employer agrees to be bound by and comply with said Trust Agreements, any Amendments thereto, all related agreements, rules, regulations, reporting forms and other requirements lawfully established by the Trustees of said Funds and Committee, not in conflict with the terms of this Collective Bargaining Agreement.

Operating Engineers' Local 324 Health Care Plan  
Operating Engineers' Local 324 Pension Fund  
Operating Engineers' Local 324 Defined Contribution Plan  
Operating Engineers' Local 324 Vacation and Holiday Fund  
Operating Engineers' Local 324 Retiree Benefit Fund  
Operating Engineers' Local 324 Labor Management Education Committee  
Operating Engineers' Local 324 Journeyman and Apprentice Training Fund  
IUOE National Training Fund

The Employer agrees to pay into the various Funds outlined in this collective bargaining agreement (CBA) the sum in accordance with the Wage and Fringe Benefit Rates listed in Article IV for all hours paid each employee covered by this agreement in accordance with the terms and conditions of this agreement unless that work is specifically covered by; another Master Agreement or applicable National Agreement to either of which the Employer is signatory with Operating Engineers Local 324 (Union), or; another written agreement between the Employer and the Union, or, by extension; an agreement between the Employer and the Union through an Association. All hours paid to such employee for work not covered by this agreement or any other agreement between the Employer and the Union as outlined above, shall be paid the wage rate and fringe benefits under the terms and conditions within this agreement which is typically paid such employee. These contributions are payable by the 15th day of the succeeding month in the amount and manner provided herein or at such other regular intervals as may be determined by the Trustees of each individual Fund, to such depository as may be designated by the Trustees. If these contributions are not made as stated herein, it shall constitute a status of delinquency and a violation of this Agreement. Effective September 2019, September 2020, September 2021 and September 2022-23, contributions are to be allocated to the various Funds at that time.

With the exception of the portion of the Vacation and Holiday Fund contribution which is the sum of fifteen percent (15%) calculation of the applicable wage rates, all hours paid to the various Funds shall be paid at the straight time rate regardless of whether or not the hours are overtime hours.

**Conditions unique to specific Funds:**

**Retiree Benefit Fund:**

Contributions to the Retiree Benefit Fund shall be contingent upon and subject to obtaining and retaining such approval of the Internal Revenue Service as may be necessary to establish the deductibility for income tax purposes of any and all contributions made by the Employers as being qualified for tax exemption under applicable provisions of the Internal Revenue Code.

**Vacation and Holiday Fund:**

(a) The Employer agrees to pay into the Operating Engineers' Local 324 Vacation and Holiday Fund the sum of fifteen percent (15%) of the gross wages earned by each employee working under the terms of this Agreement.

(b) In addition to the payment provided for in paragraph (a) immediately above, the Employer agrees to pay into the Operating Engineers' Local 324 Vacation and Holiday Fund the sum of five cents (\$.05) per hour for all hours paid each employee working under the terms of this Agreement, as Supplemental Vacation and Holiday pay. This five cents (\$.05) per hour contribution to the Vacation and Holiday Fund shall be computed on actual hours paid, without regard to whether the employee was paid on straight-time or overtime.

(c) The payment into the Vacation and Holiday Fund shall be part of, and shall be included in, the employee's earnings for the purpose of computing all payroll withholdings such as income taxes, social security and other required deductions, and then shall be subtracted from the employee's weekly earnings and transmitted by the Employer to such bank as shall be designated by the Trustees of the Vacation and Holiday Pay Fund. Each Employee shall be paid his Vacation and Holiday monies in accordance with the terms of the Plan. The Employer shall show on each Employee's paycheck stub, the amount of Vacation and Holiday Pay deducted.

### **Journeyman and Apprentice Training Fund:**

Contributions to the Journeyman and Apprentice Training Fund are not due on behalf of Oilers and Apprentices covered by this agreement.

### **IUOE National Training Fund:**

The Employer agrees to pay into the IUOE National Training Fund (NTF) for each hour paid to all Employees covered by this Agreement in accordance with the rules, policies, procedures and Trust Agreement of NTF. These contributions will be made on the forms provided for and sent to such depository as shall be named by the NTF.

### **Industry Labor Management Committee**

Effective the first full pay period commencing on or after September 1, 2019 the Employer agrees to pay to Industry Labor Management Committee, for each employee covered by this Agreement the sum of, three cents (\$.03) employer funded and three cents (\$.03) employee funded. Effective September 2020, September 2021, September 2022, and September 2023 contributions are to be allocated at that time.

All Industry Labor-Management Committee contributions shall be computed on actual hours paid without regard to whether the employee was working on straight time or overtime. These contributions shall be deposited each month, or at such other regular intervals as may be determined by the Trustees of the Industry Labor-Management Committee, to such depository as may be designated by said Trustees.

### **INDUSTRY PROMOTION FUND**

(a) The Contractor agrees to pay into the Michigan Union Contractors Group Association Industry Promotion Fund effective June 1, 2019, the sum of three cents (\$.03) per hour for all hours paid each employee working under this Agreement, without regard to whether the employee was working on straight-time or overtime.

(b) The contributions to the Industry Promotion Fund shall be deposited each

month, or at such other regular intervals as may be determined by the Association, to the depository designated by the Association, and such contributions shall be reported on such forms as may be designated by the Association.

(c) The activities of the Industry Promotion Fund shall be determined by the Association and shall be financed from the payments herein provided for.

(d) The Contractor hereby agrees that the designated representative of the Association shall be permitted, upon request, to audit the payroll records of the Contractor to determine compliance with this Article.

(e) A contractor who elects not to make the aforementioned contribution to the Michigan Union Contractors Group Association, Agreement Industry Promotion Fund shall notify the Union, in writing, and in lieu of making said contribution to the Industry Promotion Fund shall pay three cents (\$.03) per hour to Operating Engineers' Local 324 Health Care Plan for actual hours paid each employee working under this Agreement. Said three cents (\$.03) per hour, to be in addition to the contribution provided for in Article V of this Agreement.

## **ARTICLE VI**

### **Section 1. HOURS**

(a) When a single shift is worked, eight (8) hours of continuous employment (except for lunch period) shall constitute a day's work, beginning at 7:00-8:00 a.m. on Monday through Friday of each week. Where work is performed in excess of eight (8) hours on any of those days, time and one-half (1-1/2) the regular rate of wages shall be paid.

(b) Upon request to and approval by the Business Manager of the Union, special starting time will be permitted when the Contractor is required by the owner or public authority to commence work prior to 7:00 a.m.

### **Section 2. SHIFT WORK**

Where two (2) or more shifts are worked, five (5) eight (8) hour shifts from Monday 7:00-8:00 a.m. through Saturday 7:00-8:00 a.m. shall constitute a regular week's work. Work performed on first (daytime) shift shall be paid for at the regular rate of wages. Work performed on the second and third shift shall be paid for at the shift rate of wages. Where work is performed in excess of eight (8) hours on any shift, time and one-half (1-1/2) the hourly shift rate of wages shall be paid for such

excess time. Premium rates of wages paid for work performed on the second and third shifts of any job shall apply only to work performed during those shifts which is of the same nature as the work performed on the first shift of the same job. However, where work performed on consecutive shifts is the established practice for any particular job on tunnel work, premium rates of wages for the second and third shifts shall not apply.

### **Section 3. OVERTIME**

(a) For all time worked Saturdays the employees shall be paid at the rate of time and one-half (1-1/2) the regular rate of wages. Where an employee is required to report back to work with less than an eight (8) hour break from the previous shift's quitting time, they shall remain at the premium rate of pay until such eight (8) hour period has elapsed.

(b) For all time worked on Sundays and holidays, the employees shall be paid at the rate of double (2) the regular rate of wages except if the employee has worked less than forty (40) hours in the preceding six days, Sunday will be paid at the rate of time and one-half (1 1/2) the regular rate. If Sunday hours are paid at time and one-half, such work shall be non-mandatory for the employee.

(c) DEWATERING. Recognizing the peculiarities involved where it is necessary on a continuous basis to maintain well points, deep wells, freeze systems, air pressure and any other forms of dewatering, it is agreed that when the Contractor finds it necessary to so maintain these type systems on a seven (7) day a week schedule, then the employees assigned to such systems shall receive time and one-half (1-1/2) for Sunday and holiday work; provided, however, that if any other employees covered by this Agreement are assigned to work on Sunday or a holiday on the same job site, then the employees maintaining such systems shall also receive double (2) time for such Sunday or holiday.

(d) HOLIDAYS. The following days are recognized as holidays:

New Year's Day

Labor Day

Decoration Day

Thanksgiving Day

Independence Day

Christmas Day

(e) SUPERVISORY PERSONNEL. Any Operating Engineer regularly assigned to a piece of equipment covered under this Agreement, or who has operated



same during his regular workday, shall perform any overtime work when overtime is assigned such machine.

#### **Section 4. OPTIONAL WORKWEEK SCHEDULE**

(a) The Contractor shall have the option of scheduling employees to work on the basis of four (4) ten (10) hour days, Monday through Friday, at straight time, for any work week, on a company-wide basis, a work crew basis or on a project basis.

(b) Any work over ten (10) hours in a day, or forty (40) hours in a week, and all work performed on Saturday, shall be at time and one-half (1 1/2).

(c) In the event work is unable to be performed on account of weather Monday through Thursday, then Friday work may be scheduled for the ten (10) hours, at straight-time.

(d) The Contractor may work split-crews, scheduling some employees to work Monday through Thursday and others to work Tuesday through Friday.

(e) On any job where the employees are scheduled to work four (4) ten (10) hour days the Contractor shall not bring in employees not scheduled to work four (4) ten (10) hour days to avoid the payment of overtime when the Contractor elects to work that job five (5) days in a week.

(f) When the Contractor elects to work four (4) ten (10) hour days under this Section, the Contractor will call the Local Union and offer to hold a pre-job conference to inform the Union of the contemplated work schedule for the job(s).

(g) For any Contractor that has elected to perform under the optional work week schedule, the regular payday shall be Thursday.

#### **Section 5. REPORTING TIME**

In the event any employee is ordered to report for work on any day, but is not needed that day, he shall be paid two (2) hours for show-up time, during which time he shall do any work required, in his jurisdiction, except operation of equipment. If the employee is required to stay on the job for more than two (2) hours or starts to operate machines, he shall receive not less than four (4) hours pay. Any employee performing work in excess of four (4) hours on any workday shall be paid for all hours actually worked, but in any event he shall be paid not less than eight (8) hours.

The aforementioned guarantees shall not apply if the employees fail or refuse to work due to a work stoppage or strike in violation of this Agreement.

Whenever a contractor has scheduled his employees on a four (4) ten (10) hour/day basis, the provision of this Section shall be applicable provided the term five (5) hours shall apply in place of the term four (4) hours and ten (10) hours shall apply in place of the term eight (8) hours.

## **ARTICLE VII**

### **Duties**

**Section 1.** No Operating Engineer shall quit or leave the job until they have given special notice to the Contractor and the Contractor has made a sincere effort to secure another Operating Engineer to take their place, unless that Operating Engineer is ordered to leave by the Contractor. This is intended to protect the Contractor against being left without an Operating Engineer and shall not be construed in any way as restricting the customary rights of a Contractor to discharge employees.

**Section 2.** In the event an employee quits, is discharged or laid off, they shall return any safety equipment, tools or greasing equipment furnished by the Contractor.

**Section 3.** In the event an employee does not comply with the provisions contained herein, the Contractor shall report the employee to the Union and the Union shall take whatever action is appropriate under its By-Laws.

## **ARTICLE VIII**

### **Arbitration**

(a) A grievance is an alleged breach, misinterpretation or misapplication of the terms of this Agreement. During the life of this Agreement the Employer shall not engage in any lockout and the Union and the Employees shall not cause, participate in or approve any strike or work stoppage of any sort.

(b) Settlement of grievances may be arrived at in any step of the grievance procedure which will be final and binding on the Union, the Employer and the Employee.

(c) Any grievance must be presented (verbally or in writing) within three (3) working days of the time the aggrieved party first becomes aware, or should have become aware, of the claim subject of the grievance. A “working day” shall not include Saturdays, Sundays or Holidays.

(d) Grievances shall be handled in the following manner:

**Step 1.** Between the Employer's Supervisor and a representative of the Union on the job site.

**Step 2.** Within ten (10) working days following completion of Step 1, an unresolved grievance shall be reduced to writing. The written grievance shall be submitted to a Union Business Representative and the Employer's Representative at the job site. The grievance shall set forth the time the grievance arose and the facts upon which the grievance is based.

**Step 3.** Within five (5) working days following completion of Step 2, an unresolved grievance shall be submitted to the Business Manager and the Representative of the Employer.

**Step 4.** Within five (5) working days following completion of Step 3, an unresolved grievance shall be submitted to the MUCG Labor Management Committee (LMC) . The LMC shall consist of four (4) persons, two (2) of whom are to be selected by MUCG and two (2) by the Union. The time limits provided for in any Step of the grievance procedure may be extended by mutual consent of the Union and the Employer.

The LMC shall appoint a Secretary from among its members, and the Board shall meet promptly upon written notice from the Secretary or from any member of the Board after receipt of such notice of requested meeting. The Secretary will schedule Board meetings after ascertaining the Employer's availability.

The Board will not issue a decision in the absence of the Employer. The Board will consider and decide all grievances relative to wages and all other terms and conditions of employment under this Agreement. Grievances shall be submitted in writing and shall be decided by a majority vote of the full Board consisting of four (4) members. The decision of the Board is final and binding.

The refusal or failure by any party, the Employer, Employee and the Union, to schedule or attend a Joint Grievance Board meeting shall constitute waiver of all prior irregularities in the grievance procedure,

and the complainant may proceed directly to arbitration. If the complainant prevails in the arbitration over such party, that party shall pay all costs of arbitration, excluding attorney fees. If the complainant does not prevail, each party will pay its own cost, except the arbitrator's fee shall be shared equally.

**Step 5.** If the Joint Grievance Board deadlocks regarding any grievance, it shall constitute a basis for submittal of the grievance to the American Arbitration Association (AAA). In such instances, the parties to the grievance shall appoint an arbitrator to review the dispute and render a decision. If the parties are unable to agree upon an arbitrator, the AAA shall make the designation. The arbitrator's fee shall be shared equally by the Employer and the Union. The arbitrator shall confine his decision to the dispute in question and shall not have authority to add to, subtract from, or in any way modify the terms of this Agreement. The arbitrator's decision shall be final and binding on the Employer and the Union and the Employee(s) involved.

(e) It is expressly agreed and understood that violation of payment of rates of pay, overtime work, Holiday and Vacation Fund, Security Deposit, Health Care and Pension Funds, Labor-Management Education Committee, Retiree Benefit Fund, Apprenticeship and Journeyman Retraining Fund, or Industry Advancement Funds (if applicable) contributions, as provided in this Agreement shall not be considered as subject to arbitration, provided the Union gives seventy-two (72) hours written or telegraphic notice to the Association and the Employer concerned prior to taking economic action for violation of payment as provided for in this Agreement.

(f) Wage and overtime claims will not be considered after thirty (30) days following the pay period for which said claims are made.

## **ARTICLE IX**

### **Certification to Government Agencies**

The Union and the Association shall jointly certify to any governmental agency letting a contract for underground construction work, as defined in this Agreement, that the wages and benefits herein provided are regarded by the Union and the Association as the prevailing rates for such underground construction work performed within the State of Michigan.

## **ARTICLE X**

### **Apprenticeship Program**

**Section 1.** The parties agree that it is in their mutual interest and in the interest of the underground construction industry that new employees be trained in the operation of the equipment covered by this Agreement. In furtherance of an Apprenticeship Training Program, the Employers agree that in addition to all other employees otherwise provided for in this Agreement, the ratio of apprentices to journey worker shall be in accordance to the collective bargaining agreement.

Operating Engineers' ratio is:

1. More than 5, up to and including 10 journey workers, 1 apprentice.
2. More than 10, up to and including 20 journey workers, 2 apprentices.
3. More than 20, up to and including 30 journey workers, 3 apprentices.
4. Thereafter, apprentices are to be employed on the same ratio.

The apprentice ratio shall be based on the total number of employees in the Operating Engineer bargaining unit working for the employer and shall not be based on the number of employees working on a project or a job site. The Apprentice Engineer shall be assigned to work with the various Engineers and to do other work as directed by the Contractor.

**Section 2.** When an Apprentice Engineer is employed by a Contractor, the Coordinator of the Apprenticeship Training Fund shall certify to the Contractor, in writing, the amount of training previously completed by the Apprentice.

**Section 3.** The parties agree to cooperate to provide training opportunities to assure the increased participation of minority group persons in the underground construction industry in compliance with orders issued by governmental agencies.

**Section 4.** The Contractor agrees to pay into the Operating Engineers' Joint Apprenticeship Training Program Fund the sum of fifty cents (\$.50) per hour for each hour paid employees working under this Agreement (except Oilers and Apprentices) in accordance with the rules of the Operating Engineers Joint Apprenticeship Committee. These contributions shall be computed on actual hours paid, without regard to whether the employee was paid on straight-time or overtime and shall be reported on the forms provided for and sent to such depository as shall be named by the Joint Apprenticeship Committee Trustees.

**ARTICLE XI**  
**Drug Usage**

In the interest of safety: intoxication, possession, consumption or use of alcoholic beverages or illegal drugs is not permitted on jobsites or while driving a company vehicle. Employees may be tested for causes, on a random basis, after incidents or injuries or after leaves of absence. In addition, employees may be tested for drugs and/or alcohol in those instances when testing is required by the owner employing the contractor, or by pertinent government regulation.

Testing will be performed by a laboratory located in and licensed by the State of Michigan and operating in compliance with the Scientific and Technical Guidelines for Federal Drug Testing Programs.

**ARTICLE XII**  
**Jurisdictional Disputes**

The parties hereto agree that in the event of a jurisdictional dispute with any other union or unions, the dispute shall be submitted to the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry for settlement in accord with the plan adopted by the Building Trades Department of the AFL-CIO and any successor agreement to same. The parties hereto further agree that they will be bound by any decision or award of the Disputes Board, and any obligations of the Employer under this Agreement shall not commence until the Disputes Board awards the work in question to Operating Engineers Local 324. There shall be no stoppage of work or slowdown arising out of any such dispute, nor shall either party resort to proceedings before the National Labor Relations Board, State Boards, or State or Federal Courts before a decision is rendered by the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry.

**ARTICLE XIII**  
**Duration of Agreement**

This Agreement shall remain in full force and effect until September 1, 2024 and thereafter shall continue in force from year to year, unless either party hereto shall notify the other party in writing at least ninety (90) days prior to the end of the current term, or as the case may be, ninety (90) days prior to the end of any additional Agreement year, of its intention to make changes in, or terminate, this Agreement. Such written notice shall specify any changes or amendments desired by the party giving such notice and shall be sent by registered mail to the other party.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed by their respective proper officers, duly authorized, as of the day and year first above written.

FOR: MICHIGAN UNION CONTRACTORS GROUP

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Robert C. Adcock – President  
Association Address:  
26300 Sherwood  
Warren, MI 48091  
Telephone: (586) 580-0821

FOR: INTERNATIONAL UNION OF OPERATING ENGINEERS,  
LOCAL No. 324 - AFL-CIO

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Douglas W. Stockwell, Business Manager

---

Ken Dombrow, President

---

Jeff McCarthy, Recording-Corresponding Secretary

Union Address:  
500 Hulet Drive  
Bloomfield Township, MI 48302  
Telephone: (248) 451-0324

AGREEMENT TO BE EXECUTED BETWEEN A CONTRACTOR WHO IS NOT  
A MEMBER OF THE SIGNATORY GROUP COVERED BY THIS  
AGREEMENT, AND THE UNION

Contractor (Firm) Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_ Zip Code \_\_\_\_\_

Telephone Number \_\_\_\_\_

Michigan Corporation and  
Security Reg. No \_\_\_\_\_

Workers' Compensation No \_\_\_\_\_

Expires \_\_\_\_\_

Name of Insurance Firm \_\_\_\_\_

Contractor's Code No. As Assigned By  
Fringe Benefit Funds Covered By This Agreement \_\_\_\_\_



WE, THE UNDERSIGNED, HAVE READ AND HEREBY AGREE TO BE BOUND BY ALL THE TERMS AND CONDITIONS SET FORTH IN THE FOREGOING LABOR AGREEMENT.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

FOR THE CONTRACTOR:

[Contractor (Firm, Partnership, Corporation, Individual,  
Joint Venture) Name]

By \_\_\_\_\_

Title \_\_\_\_\_

FOR THE UNION:

By \_\_\_\_\_

Title \_\_\_\_\_