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1998 - 2003
AGREEMENT

K 8479
1,000 workers

between the

LABOR RELATIONS DIVISION

of the

**MICHIGAN ROAD BUILDERS
ASSOCIATION**

and the

**MICHIGAN TEAMSTERS
JOINT COUNCIL 43**

Effective June 1, 1998 - 6/1/2003



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A G R E E M E N T

THIS AGREEMENT, made and entered into as of the 1st day of June, 1998, by and between the LABOR RELATIONS DIVISION OF THE MICHIGAN ROAD BUILDERS ASSOCIATION, (hereinafter called the "Association") and the MICHIGAN TEAMSTERS CONFERENCE JOINT COUNCIL 43, for and on behalf of those Local Unions of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, having jurisdiction over the work covered by this Agreement, (hereinafter called the "Union").

The Association is acting only as the collective bargaining agent in the negotiation and administration of this Agreement for those individual Contractor members of the Association who have authorized it so to act (hereinafter called the "Contractor") and in no event shall the Association be bound as principal or be held liable in any manner for any breach of this Agreement by any Contractor. It is further understood and agreed that the liabilities of the Contractor members of the Association who become parties to this Agreement shall be several and not joint.

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 as to have as much continuous employment for contractors and workmen as possible without interruption by strikes, lockouts, or other labor trouble.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, the Contractor and the Union hereby agree as follows:

ARTICLE I

SCOPE OF AGREEMENT AND OPERATIONS COVERED

It is understood and agreed that this Agreement shall cover all airport construction work (exclusive of buildings) and all highway, parking lot, roadway and bridge construction work and bicycle paths, running tracks and bridle paths which any Contractor bound by this Agreement performs within the State of Michigan and which comes within the jurisdiction of the Union.

ARTICLE II

RECOGNITION-UNION SHOP AND DUES

(a) The Contractor recognizes the Union as the sole and exclusive collective bargaining agent with respect to rates of pay, hours, and other conditions of employment as called for by this Agreement for all workmen performing the work within the classifications contained in this Agreement within the State of Michigan; and the Union recognizes the Labor Relations Division of the Michigan Road Builders Association as the sole and exclusive collective bargaining agent for all of its members who have appointed the Labor Relations Division as its bargaining agent for the purpose of collective bargaining within the State of Michigan.

(b) When the Contractor needs additional help it shall give the Union equal opportunity with all other sources to provide suitable applicants, but the Contractor shall not be required to hire those referred by the Union. The Contractor shall not be required to request the Union for applicants prior to hiring additional help.

(c) All present and future employees covered by this Agreement shall, as a condition of their continued employment by the Contractor, become and remain members in

good standing in the Union, to the extent of paying or tendering an initiation fee and periodic dues uniformly required as a condition of membership in the Union, after the seventh day following the beginning of their employment with the Contractor or the effective date of the Agreement, whichever is later.

(d) In the event the National Labor Relations Act is amended or construed, while this Agreement is in force, so that an employee covered by this Agreement may not lawfully be required to become a member of the Union as a condition of employment after the seventh day of employment, then such longer period of time as shall be lawful shall immediately become operative under this Agreement, notwithstanding the provisions of (c) above.

(e) The failure of any person to make application to and become a member of the Union within said period of time shall obligate the Contractor who employs such person, upon written notice from the Union to any representative of management, to such effect and to the further effect that Union membership was and is available to such person on the same terms and conditions as available to other members of the Union or applicants for such membership, to forthwith discharge such person. The failure of any person to maintain his Union membership in good standing by his failure to pay periodic dues to the Union shall, upon written notice to the Contractor by the Union to such effect, obligate the Contractor to discharge such person.

(f) The Contractors agree to honor, upon presentation by the Union, all assignment for initiation fees, membership dues and uniform assessments which have been properly signed by an employee, to deduct the amount stated thereon from the wages earned by that employee and to pay the amount deducted to the Local Union; pro-

vided, however, that this Section shall apply only to those assignments which are not irrevocable for more than one 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) In accordance with the terms of an individual and voluntary written authorization and assignment form in conformity with Section 302(c) of the Labor-Management Relations Act, as amended, and submitted to the Contractor, the Contractor agrees to deduct, once each month from the wages of each employee covered by this Agreement who signs said check-off authorization and assignment, the sum of two cents (2¢) per hour for each hour worked by said employee during the month. It is agreed that if an increase in the amount herein described is constitutionally approved in convention of the Michigan State Building & Construction Trades Council, the organization who shall be the recipient of these sums as per capita tax of the Local, and the Contractor is notified, it shall deduct such increased sum from the wages of each employee covered hereby, having signed an authorization and assignment form.

(h) The amount deducted shall be remitted to the Michigan State Building & Construction Trades Council by the 15th day of the following month together with a statement setting forth the names and hours worked of each employee from whose wages the deduction is made and a copy of said statement shall be furnished by the Contractor directly to the Local Union.

ARTICLE III

STEWARDS

(a) The employees of the Contractor may elect, from among the employee drivers of Company-owned equipment, one Company Steward. The Union may in addition appoint an acting Steward on each job site. The authority of all stewards shall be limited to and shall not exceed the following duties and activities:

1. The investigation and presentation of grievances to the Contractors in accordance with the provisions of this Agreement.
2. The collection of dues, when authorized by the appropriate Local Union action.
3. The transmission of such messages and information which shall originate with, and are authorized by, the Local Union, or its officers, provided such messages and information:
 - a. Have been reduced to writing, or
 - b. If not reduced to writing, are of a routine nature and do not involve work stoppages, slowdowns, refusal to handle goods, or any other interference with the Contractor's business.

(b) The Company Steward shall head the seniority list for purpose of layoff and recall but shall be subject to all the terms and conditions of this Agreement. Acting Stewards shall not have preferential seniority.

(c) The Contractor agrees to permit Stewards to post and maintain Union notices on the premises when expressly authorized by an officer of the Union and approved by the Contractor.

(d) Stewards have no authority to take strike action or any other action interrupting the Contractor's business, except as authorized by official action of the Union.

(e) The Contractor recognizes these limitations upon the authority of all Stewards and shall not hold the Union liable for any unauthorized acts. The Contractor in so recognizing such limitation shall have the authority to render proper discipline, including discharge without recourse, to any Steward in the event such Steward has taken unauthorized strike action, slowdown or other work stoppage in violation of this Agreement.

(f) All Stewards shall be employees of the Contractor and shall perform the duties of the classification for which they are employed.

ARTICLE IV

EXTRA CONTRACT AGREEMENTS

(a) The Contractor agrees not to enter into any agreement with another labor organization during the life of this Agreement with respect to the employees covered by this Agreement; or any agreement or contract with said employees, individually or collectively, which in any way affects wages, hours or working conditions of said employees, or any individual employee. Any such agreement shall be null and void.

(b) If the Union shall enter into any agreement with another Contractor or Contractors who are engaged in airport construction work (exclusive of buildings) or highway and bridge construction work within the State of Michigan, the terms and conditions of which are more favorable to such other Contractor than those contained in this Agreement, then such more favorable terms and conditions (including wage rates) shall automatically be extended to Contractors covered by this Agreement.

(c) This Agreement shall be binding upon the parties hereto, their successors, administrators, and executors. Any successor shall be given notice to the existence of this Agreement and copy of such notice shall be sent to the Michigan Teamsters Conference Joint Council 43.

ARTICLE V

MAJOR GRIEVANCE BOARD

(a) It is mutually agreed that all controversies and disagreements between the Contractors and employees covered by this Agreement and/or the Union as to the proper meaning or application of the terms of this Agreement shall be settled in accordance with the procedures herein provided and that there shall be at no time any strikes, tie-ups of equipment, slowdowns, walkouts, or any cessation of work of any kind on the part of the employees of the Union, nor shall the Contractors use any method of lockout.

(b) A Major Grievance Board shall be created consisting of two (2) representatives selected by the Union and two (2) representatives selected by the Contractors. The Contractors and the Union shall have the right to select such alternatives as may be required to assure their respective representation at any meetings of the Major Grievance Board. All four members of the Board shall constitute a quorum and must be present at all hearings.

(c) It is mutually agreed that employees, the Union and the Contractors shall have the right and shall make every effort to adjust directly and with reasonable speed, any and all grievances which may arise. If any such grievance is not satisfactorily settled by the Contractor, the employees shall, within ten (10) calendar days of the event giving rise to the grievance, report the same to the Union and the Contractor in writing setting forth the time

the grievance arose and the facts constituting the grievance. The Union and the Contractor shall make every effort to settle the same.

(d) If any grievance or disagreement is not satisfactorily settled, as provided above, then either the Union or the Contractor may submit the grievance to the Major Grievance Board; provided, however, the grievance must be submitted in writing to the Board not later than ten (10) calendar days from the date said grievance was filed in writing with the Union by the employee.

(e) The duty of the Major Grievance Board shall be to hear, within fifteen (15) days after presentation to it by a designated representative of either the Contractor or the Union, all grievances and disputes that cannot be settled locally by the parties in dispute. Decisions of the Board shall be reached by a majority vote of the entire Board. The decisions of the Board shall be binding upon the Contractor, the Union and the employee or employees involved. Unless otherwise agreed to between the Contractors and the Union, the Major Grievance Board must meet within the fifteen (15) day period herein above specified. The members of the Major Grievance Board shall render a written report with respect to the disposition of the grievance involved within ten (10) days after the hearing.

In the event the Contractors refuse or fail to meet with the Union representatives of the Major Grievance Board within the fifteen (15) day period herein above specified (or such other time as the parties mutually agree upon) the Union shall have the right to strike, notwithstanding any provisions of this Agreement to the contrary. Any grievance or dispute not processed by an employee or the Union within the time limits herein above provided shall be deemed withdrawn.

(f) If the Major Grievance Board cannot settle or adjust a grievance or dispute, the matter shall be submitted to a disinterested arbitrator who shall be selected by and be acceptable to both parties to this Agreement. In the event the Board is unable to mutually agree upon an arbitrator within five (5) days from the date of reaching impasse on a grievance or dispute, then the arbitrator shall be selected according to the rules and procedures of the American Arbitration Association. The arbitrator's fees shall be shared equally by the Contractor and the Union.

(g) The arbitrator shall confine his decision to the dispute in question, and shall have no 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 upon the Contractor, the Union and the employee or employees involved.

(h) It is mutually agreed that the provisions of this Article shall not apply if the dispute arises over failure or refusal of a Contractor to pay the wage rates, overtime, health and welfare or pension fund payments provided for in this Agreement; provided, however, that any dispute involving a particular employee's proper wage rate classification or eligibility to receive overtime pay shall be subject to the provisions of this Article. Wage and overtime claims will be considered only for the thirty (30) day period prior to the filing of a grievance, in writing, by the employee.

(i) The duly authorized Union representative carrying proper credentials shall be allowed to visit jobs and the Contractor's business office during work hours to interview the Contractor, Steward or men working, but shall in no way hinder the progress of the work.

ARTICLE VI

PROTECTION OF RIGHTS

(a) **Picket Line** - It shall not be in violation of this Agreement, and it shall not be a cause for discharge or disciplinary action, in the event an employee refuses to enter upon any property involved in a primary labor dispute, or refuses to go through or work behind any primary picket line, including the primary picket line of Unions party to this Agreement, and including primary picket lines at the Employer's place of business.

(b) **Struck Goods** - It shall not be in violation of this Agreement, and it shall not be a cause for discharge or disciplinary action if any employee refuses to perform any service which his Employer undertakes to perform for an employer or person whose employees are on strike, and which service, but for such strike, would be performed by the employees of the employer or person on strike.

(c) **Subject to Article XXII herein, (Subcontracting)**, the Employer agrees that it will not cease or refrain from handling, using, transporting, or otherwise dealing in any of the products of any other person, or fail in any obligation imposed by applicable law, as a result of individual employees' exercising their rights under this Agreement or under law, but the Employer shall, notwithstanding any other provision of this Agreement, when necessary, continue doing such business by other employees.

(d) **Grievances** - Within five (5) working days of filing of a grievance claiming violations of this Article, the parties to this Agreement shall proceed to the final step of the grievance procedure, without taking any intermediate steps, any other provisions of the Agreement to the contrary notwithstanding.

ARTICLE VII

DISCHARGE

The Contractor shall not discharge any employee without just cause and shall give at least three (3) written warning notices of the following complaints against such employee, copies of which shall be sent to the Union: tardiness, absenteeism without notifying Employer prior to the time the employee is scheduled to start his day's work, and inefficient performance.

1. First warning notice - Reprimand.
2. Second warning notice for the same offense -
Subject to three (3) working days off without pay.
3. Third warning notice for the same offense -
Subject to discharge.

Any claim of wrongful discharge or discipline shall be submitted to the Major Grievance Board within ten (10) days from the date of discharge. The Major Grievance Board shall, unless otherwise mutually agreed, meet within five (5) days after written notification of such grievance. Warning notices shall be void nine (9) months after date of issuance.

ARTICLE VIII

LAYOFF AND RECALL

(a) Seniority shall be applied on a "project site" basis so that in reducing the work force on a project the last employee hired or put to work on such project shall be laid off first, provided that the particular work done by the employee and the length of service shall be determining factors. In returning to work on a project, the last employee laid off shall be the first employee recalled.

(b) Any employee having "Contractor seniority" who is

laid off may exercise his seniority to displace any employee having less seniority and working within the territorial area of the Local Union's jurisdiction where the Contractor has his principal office or home base.

(c) Seniority rights as provided herein shall prevail among the Contractor's employees covered by this Agreement. "Project site seniority", as used herein, means the length of continuous service with a Contractor on a particular project. "Contractor seniority", as used herein, means the length of continuous service with the Contractor from the employee's last hiring-in date and shall apply only to employees driving Contractor-owned equipment who are hired within the area of the jurisdiction of the Local Union where the Contractor has his principal office or home base. Seniority shall be applicable only for purposes of layoff and recall and shall not entitle any employee to job preference.

(d) All employees hired after the date of this Agreement and those who have not worked for the Contractor for thirty (30) days shall be considered probationary employees for the first thirty (30) working days of their employment and during this period shall not be entitled to seniority status. The Contractor may terminate any employee who has not completed his probationary period and such action shall not be subject to the grievance procedure. Probationary employees may not complete their probationary period while absent or laid off. Seniority employees shall be given preference over probationary employees, working on the same project site, in assigning overtime work on Saturdays, Sundays and holidays.

(e) When a Contractor finds it necessary to send employee drivers of Contractor-owned equipment outside of the territorial area within the jurisdiction of the Local Union where the Contractor has his principal office or his

home base, or in the case of an out-of-state Contractor where he has his home base in the State of Michigan, he shall give all employees having "Contractor seniority" an opportunity to take the out of town assignment. This opportunity shall be afforded on a seniority basis and once a crew has been selected or assigned, there shall be no bumping by other employees for the duration of the project. Local Union No. 247 and Local Union No. 614 shall be considered as having the same territorial jurisdiction for purposes of this paragraph.

(f) A separate seniority list shall be maintained for Owner-Operators. Drivers of Contractor-owned equipment shall have seniority only among drivers of Contractor-owned equipment and Owner-Operators shall have seniority only among other Owner-Operators.

(g) The seniority of an employee shall terminate if:

1. The employee quits or is discharged for just cause; or
2. The employee is laid off for two years or more; or
3. When notified to report to work after a lay off, the employee fails to inform the Contractor of his intent to return to work within three (3) days or having notified the Contractor of his intent to return to work fails to report for work within seven (7) days of original notification by telegram or registered mail. Employees when requested to return shall be notified by telegram or registered mail at their last known address as appearing on the Contractor's records; or
4. The employee fails to report for work upon termination of a leave of absence, vacation or disciplinary layoff without justifiable reason and/or without notifying the Contractor and the Union Steward by telegram or registered mail.

(h) Any dispute concerning seniority shall be submitted to the Major Grievance Board.

ARTICLE IX

NOTIFICATION

The Local Union must be informed as to the starting date of a new job, and the Contractors agree to notify the Local Union as to the day work is scheduled to commence, such notification to be given in writing at least three (3) days prior to the scheduled starting time. Prior to commencing such work, the Union shall be given equal opportunity to all other sources to provide suitable applicants for employment. The Contractor retains the right to reject any and all applicants.

ARTICLE X

WAGES, ZONES AND RATES

(a) This Agreement applies to the entire State of Michigan which, for the purpose of establishing rates, shall be divided into two zones as follows:

Zone 1 - Counties of Wayne, Monroe, Washtenaw, Oakland, Macomb, Genesee and Livingston.

Zone 2 - The remaining counties in the Lower Peninsula of the State of Michigan, and all the counties in the Upper Peninsula of the State of Michigan.

WAGE RATES

(b) The following job classifications and rates of wages shall apply to all work and every worker covered by this Agreement. The wage rates upon the effective dates shall apply on all work, both old and new, in the geographical Zones as follows:

First Full Pay Period on or after June 1, 1998,
the wage rates shall be as follows:

	<u>Zone 1</u>	<u>Zone 2</u>
Truck Driver (on all trucks except dump trucks of 8 cubic yard capacity or over, tandem axle trucks, transit mix and semis, euclid type equipment, double bottoms and low boys).	\$20.17	\$20.07
Truck Driver on dump trucks of 8 cubic yard capacity or over (including tandem axle water trucks, transit mix and semis).	\$20.27	\$20.17
Euclid type equipment, double bottoms and low boys for hauling heavy equipment.	\$20.42	\$20.32

First Full Pay Period on or after June 1, 1999,
the wage rates shall be as follows:

	<u>Zone 1</u>	<u>Zone 2</u>
Truck Driver (on all trucks except dump trucks of 8 cubic yard capacity or over, tandem axle trucks, transit mix and semis, euclid type equipment, double bottoms and low boys).	\$20.945	\$20.845
Truck Driver on dump trucks of 8 cubic yard capacity or over (including tandem axle water trucks, transit mix and semis).	\$21.045	\$20.945
Euclid type equipment, double bottoms and low boys for hauling heavy equipment.	\$21.195	\$21.095

First Full Pay Period on or after June 1, 2000,
the wage rates shall be as follows:

	<u>Zone 1</u>	<u>Zone 2</u>
Truck Driver (on all trucks except dump trucks of 8 cubic yard capacity or over, tandem axle trucks, transit mix and semis, euclid type equipment, double bottoms and low boys).	\$21.62	\$21.52
Truck Driver on dump trucks of 8 cubic yard capacity or over (including tandem axle water trucks, transit mix and semis).	\$21.72	\$21.62
Euclid type equipment, double bottoms and low boys for hauling heavy equipment.	\$21.87	\$21.77

First Full Pay Period on or after June 1, 2001
the wage rates shall be as follows:

	<u>Zone 1</u>	<u>Zone 2</u>
Truck Driver (on all trucks except dump trucks of 8 cubic yard capacity or over, tandem axle trucks, transit mix and semis, euclid type equipment, double bottoms and low boys).	\$22.245	\$22.145
Truck Driver on dump trucks of 8 cubic yard capacity or over (including tandem axle water trucks, transit mix and semis).	\$22.345	\$22.245

Euclid type equipment, double bottoms and low boys for hauling heavy equipment.\$22.495 \$22.395

First Full Pay Period on or after June 1, 2002
the wage rates shall be as follows:

Zone 1 Zone 2

Truck Driver (on all trucks except dump trucks of 8 cubic yard capacity or over, tandem axle trucks, transit mix and semis, euclid type equipment, double bottoms and low boys).\$22.795 \$22.695

Truck Driver on dump trucks of 8 cubic yard capacity or over (including tandem axle water trucks, transit mix and semis).\$22.895 \$22.795

Euclid type equipment, double bottoms and low boys for hauling heavy equipment.\$23.045 \$22.945

On any project subject to a governmental prevailing wage rate(s) determination where the prevailing wage rate(s) issued by the governmental agency is not based on this Agreement or the 1992-1995 Agreement between the LRD and the Union, and the prevailing wage rate(s) are less than the rate(s) provided in this Agreement, then the governmental agency's wage rate(s) determination shall apply on that project. The Contractor shall furnish the Union a copy of the governmental agency's wage rate(s) determination for the project.

(c) In addition to the above hourly wage rates, the Contractor shall accrue fifty cents (50¢) per hour on all hours worked by an employee, whether at straight-time or overtime, to be paid to the employee for vacation and holiday benefits or to provide monies to the employee to permit the employee to continue his Health and Welfare coverage following seasonal layoff by self-payment to the Health and Welfare Fund. On the first pay day in October of each year the Contractor shall pay the employee the amount accrued for him (after deducting any applicable income and social security taxes) during the twelve month period from September 1 through August 31. In the event an employee's employment is terminated, other than by his layoff, prior to October 1, he shall receive his accrued monies within ten (10) days after the date he quits or is discharged.

(d) Eight (8) hours shall constitute a work day except when a schedule of four (4) ten (10) hour days is worked. Where two or more shifts are worked, employees working on the second or third shift shall be allowed a one-half (1/2) hour lunch period in each shift to be paid for as working time.

(e) A normal work week shall constitute five (5) days commencing Monday AM through Friday PM.

(f) On jobs where only one shift is worked but it is necessary to commence work at 4:00 PM or later, all employees who commence work between the hours of 4:00 PM and 4:30 AM shall receive a premium of ten cents (10¢) per hour in addition to their regular hourly rate. If the shift commences prior to 12:00 midnight on Friday and continues into Saturday, time and one-half (1 1/2) shall not be paid until eight (8) hours have been worked after the starting time of the shift, or until the employee has worked forty (40) hours in that work week, whichever occurs first. If the

shift commences at or after 8:00 PM on Sunday night, time and one-half (1 1/2) shall not be paid until eight (8) hours have been worked after the starting time of the shift, or until the employee has worked forty (40) hours in that work week, whichever occurs first.

FOUR (4) TEN (10) HOUR DAY WORK SCHEDULE

(g) The Contractor shall have the option of scheduling 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. When employees are scheduled to work on a four (4) ten (10) hour day schedule, time and one-half shall be paid for all hours over ten (10) in one day. In any week in which the Contractor schedules work on the basis of four (4) ten (10) hour days, the employees scheduled to work on a four (4) ten (10) hour day basis shall be paid on Thursday. The Contractor will notify the Local Union when he schedules work on a four (4) ten (10) hour day schedule and will hold a job conference with the Local Union if requested by the Local Union.

ARTICLE XI

OVERTIME RATE

(a) Employees shall receive time and one-half (1 1/2) the regular established rate per hour for all work performed in excess of eight hours per day, with the exception of the four (4) ten (10) hour day schedule described above in Article X, paragraph (g).

PAID-FOR TIME

(b) Employees shall receive time and one half (1 1/2) the regular established rate per hour for all work performed on Saturdays, Sundays and the following holidays, except as otherwise provided in Article X, paragraph (g):

New Year's Day
Christmas Day
Thanksgiving Day

Memorial Day
Fourth of July

No work shall be performed on Labor Day except in extreme emergencies. If work is performed on Labor Day, time and one-half (1 1/2) shall be paid.

(c) In the event an employee is ordered to report for work on any day, he shall be paid at least two (2) hours pay if he is not put to work, unless he is prevented from working on account of bad weather. If he commences work he shall receive four (4) hours pay unless he is prevented from working on account of bad weather. If the employee works more than four (4) hours he shall receive eight (8) hours work or eight (8) hours pay, unless he is prevented from working on account of bad weather. This Section shall not apply to equipment rental.

(d) All employees driving Contractor-owned equipment shall be paid for all time spent in the service of the Contractor. Time shall be computed from the time the employee is ordered to report to work and registers in until the time he is released from work.

(e) Employees called to work at other than their normal starting time on any job shall be allowed sufficient time, without pay, to get to the job site.

(f) All employees covered by this Agreement shall be paid weekly on the job site. In case of a layoff, the employee may be paid on the job site at the time of layoff or paid by check mailed to the address furnished by the employee.

ARTICLE XII

HEALTH AND WELFARE

(a) The Contractor agrees to pay into the Michigan Conference of Teamsters' Health and Welfare Fund \$132.70 per week for each regularly employed Owner-Operator and each regularly employed Company driver.

Any additional increases in the Health and Welfare Contribution prior to June 1, 2003, shall be offset by reducing the wage rates to cover the cost of the Health and Welfare increase.

A regularly employed Company driver or regularly employed Owner-Operator is an employee driver who has worked thirty (30) days for his employer since his last date of hire. All payments into the Welfare Fund must be made within fifteen (15) calendar days from the end of each calendar month to the National Bank of Detroit, which bank has been made depository for the Michigan Conference of Teamsters' Welfare Fund.

The Contractor agrees to make up to an additional four (4) weeks of contributions for each regularly employed seniority driver for each contract year following the layoff of such employee. No such contribution shall be made by the Contractor if the employee quits or is terminated. The contract year shall be the period from June 1st one year to May 31st in the next year. The Michigan Conference of Teamsters Health and Welfare Fund (the "Fund") will also provide up to four (4) benefit bank weeks per employee per year. Fund benefit bank weeks will be utilized before additional weeks are required to be contributed by the Contractor. The Fund benefit week allocation shall be limited to a maximum of four (4) weeks per

contract year and will not carry over from one contract year to the next. The Contractor's additional contribution of up to four (4) weeks shall only be used for layoffs and shall not be utilized for any other reason. Benefit bank weeks do not apply to voluntary or involuntary termination, or if the Contractor continues participation in the Fund, and cannot be selectively applied.

PENSION FUND

(b) The Contractor agrees to pay into the Central States Southeast and Southwest Areas Pension Fund for each regularly employed company driver and for each regularly employed owner-operator a contribution of Seventeen and 80/100 Dollars (\$17.80) for each day worked up to a maximum of Eighty-nine Dollars (\$89.00) for the work week; provided that where such regularly employed company driver or regularly employed owner operator is scheduled to work on a four (4) ten (10) hour day scheduled pursuant to Article X(g) of this Agreement, and works four (4) days within that work week the contribution shall be Eighty-nine Dollars (\$89.00) for that week. In contract years following the first year of this Agreement the following daily and weekly contributions shall apply in place of the Seventeen and 80/100 Dollars (\$17.80) daily rate and Eight-nine Dollars (\$89.00) weekly maximum.

Effective:	Daily rate	Weekly maximum
June 1, 1999	\$18.80	\$ 94.00
June 1, 2000	20.60	103.00
June 1, 2001	22.80	114.00
June 1, 2002	25.60	128.00

Any additional increase in the Pension contribution prior to June 1, 2003 shall be offset by reducing the wage rates to cover the cost of the Pension contribution increase.

A regularly employed Company driver or a regularly employed Owner-Operator is an employee driver who has

worked thirty (30) days for his employer since his last date of hire. All payments into the Central States Southeast and Southwest Areas Pension Fund must be made within fifteen (15) days from the end of each calendar month to the American National Bank, P.O. Box 1431, Chicago, Illinois 60680, Account Number 7000.

(c) Contributions to the Health and Welfare Fund and to the Pension Fund must be made for each week on each regular employee, even though such employee may work only part time under the provisions of this Contract. Employees who work either temporarily or in cases of emergency under the terms of this Contract shall not be covered by the provision of this paragraph.

(d) If an employee is absent because of illness or off-the-job injury and notifies the Contractor of such absence, the Contractor shall continue to make the required contributions to the Health and Welfare Fund and Pension Fund for a period of four (4) weeks. If an employee is injured on the job, the Contractor shall continue to pay the required Pension and Health and Welfare contribution while said employee is unable to work and is receiving weekly benefits under the Michigan Workers' Compensation law; provided, however, such contributions shall not be paid for a period of more than twelve (12) months.

(e) When an employee is laid off, the Company will accept from the employee or deduct from his last pay check the insurance or pension contributions, or both, provided for in this Agreement, as mutually agreed to between the Contractor and the employee. The employee must, however, commence making his contribution with the first week following his layoff and must remit such contributions to the appropriate fund. The Contractor shall have no obligation for the collection of such contri-

butions and the employee shall be responsible for making the contribution payments to the Contractor.

(f) No leave of absence shall be granted by a Contractor unless an employee shall submit in writing a request for such leave and an authorization to deduct from his last wages sufficient monies to pay the required contributions into the Health and Welfare and Pension Fund during the period of absence.

(g) In those instances where the Contractor is involved in an "Owner-Operator" arrangement, there shall be no deduction from the equipment rental of Owner-Operators by virtue of the contributions made to the Health and Welfare Fund and Pension Fund, regardless of whether the equipment rental is at the minimum rate or more, and regardless of the manner of computation of owner-driver compensation.

(h) In the case of Owner-Operators who are terminated by the Contractor for lack of work and subsequently are re-employed by the same Contractor, they shall not be required to re-establish their eligibility for health and welfare and pension contributions by working thirty (30) days provided they are recalled to work within two (2) years from the termination date of their last employment with the Contractor. In the event such Owner-Operator is offered employment by the Contractor and fails to report to work he shall be required to re-establish his eligibility for pension and health and welfare payments.

(i) Notwithstanding anything herein contained, it is agreed that in the event any Contractor is delinquent at the end of a monthly period in the payment of his contribution to the Health and Welfare or Pension Funds, in accordance with the rules and regulations of the Trustees of such Funds, and after the proper official of the Local

Union shall have given seventy-two (72) hours' notice to the Contractor of such delinquency in the Health and Welfare or Pension Fund payments, the Union shall have the right to take such action as it deems necessary until such delinquent payments are made.

(j) It is agreed that the Health and Welfare Fund and Pension Fund will be separately administered, each jointly by Contractor and Union in compliance with all applicable laws and regulations, both State and Federal.

ARTICLE XIII

INDUSTRY PROMOTION FUND

(a) The Contractor agrees to pay to the Michigan Road Builders Association Industry Promotion Fund the sum of eight cents (8¢) 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 form 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 contribution to the Michigan Road Builders Association Industry Promotion Fund shall so notify the Union in writing and in lieu of making the contribution to the Industry Promotion Fund shall pay eight cents (8¢) per hour for Vacation and Holiday pay for actual hours paid each employee working under this Agreement. Said eight cents (8¢) per hour to be paid in addition to the Vacation and Holiday pay as provided in Article X, Section c of this Agreement.

ARTICLE XIV

CREDIT UNION DEDUCTION AND DRIVE DEDUCTION

(a) The Contractor will make weekly deductions from the pay of an employee who chooses to deposit money in the Teamsters Credit Union of Wayne and Oakland County, provided the employee delivers written authorization to the Contractor and provided the authorized deduction is in an even dollar amount. Such payroll deduction authorization must be effective without change for a period of fifteen (15) weeks. If the wages earned by an employee in any week are not sufficient to pay the full amount of any authorized payroll deduction, no deduction shall be made.

(b) The Contractor will make weekly deductions from the pay of an employee who wishes to contribute to DRIVE, provided the employee delivers a written authorization to the Contractor and provided the authorized deduction is in an even dollar amount. Such payroll deduction authorization shall not be changed or revoked without at least thirty (30) days prior written notice delivered to the Contractor by the employee. If the wages earned by an employee in any week are not sufficient to pay the full amount of any authorized payroll deduction, no deduction shall be made. DRIVE Deductions shall be transmitted to: National DRIVE, International

ARTICLE XV

DEFECTIVE EQUIPMENT

(a) No employee shall be required to operate equipment upon streets and highways that is not equipped to conform with all applicable safety equipment required by law, nor shall the Contractor at any time require any employee to operate any equipment that is unsafe, and the employee's refusal to operate such equipment shall not be just cause for discharge unless such refusal is unjustified.

(b) Any employee involved in any accident shall immediately report said accident and any physical injury sustained, when required by the Contractor. The employee before starting his next shift shall make out an accident report in writing and shall turn in all available names and addresses of witnesses to any accident. Failure to comply with this provision shall subject such employee to disciplinary action.

ARTICLE XVI

LIABILITY OF PARTIES

(a) The Contractor agrees that it will not hold the Union liable for any acts of its members not authorized by said Union. The Union agrees that it will, on written request of the Contractor, notify the Contractor in writing within twenty-four (24) hours after receipt of said request, whether the act of the member or members of the Unions so complained of was or was not authorized, and if not authorized, the Union agrees that it will take immediate steps to rectify the situation complained of.

(b) The Union agrees that it will not hold the

Contractor liable for any acts of the agents of said Contractor not authorized by said Contractor. The Contractor agrees that it will, upon written request by the Union, notify the Union in writing within twenty-four (24) hours after receipt of said request at the office of said Contractor, whether or not the act of the Contractor's agent so complained of by the Union was authorized, and if not authorized the Contractor agrees that it will take immediate steps to rectify the situation complained of.

ARTICLE XVII

LEAVES OF ABSENCE

Any workman desiring a leave of absence from his employment shall secure written permission from the Contractor. The maximum leave of absence shall be for thirty (30) days, and may be extended by the Contractor at the request of the workman. During the period of leave of absence, the workman shall not engage in gainful employment in the same industry covered by this Agreement. Failure to comply with this provision shall result in the complete loss of seniority rights for the workman involved. The Union must be notified in writing of any leave of absence to be granted to workmen covered by this Agreement prior to commencement of the leave of absence, except in case of emergency.

ARTICLE XVIII

GENERAL PROVISIONS

(a) The Union agrees that the Contractor shall not be hindered or prevented from using such equipment as in the Contractor's judgment is necessary to perform any work covered by this Agreement.

(b) The Contractor shall not be required to take any action under this Agreement which is in violation of Federal, State or local laws.

(c) Nothing in this Agreement shall prevent the drivers of Contractor-owned equipment from moving from one area to another with such equipment and working in the latter area with such equipment.

(d) Under no circumstances will a workman be required or assigned to engage in any activity in violation of any applicable statute, or court order, or government regulation relating to safety of person or equipment.

(e) The Contractor will, when sanitary facilities are not otherwise available, provide temporary sanitary accommodations for the use of his employees.

(f) Any workman temporarily shifted by the Contractor from any classification of work to another classification of work shall be paid the rate of wage for the classification which provides the higher wage rate.

(g) It shall be considered a violation of this Agreement for the Contractor to deduct any money from the workman's pay or equipment rental payments except deductions required by Federal or State laws, court order or written authorization of the workman.

(h) The wage rates, hours and conditions of employment provided in this Agreement shall apply to drivers of equipment on the job site and drivers engaged in hauling equipment or materials to, from or between the job sites.

(i) When new types of equipment for which rates of pay are not established by this Agreement are put into use within operations covered by this Agreement, rates governing such equipment shall be subject to negotiation between the Association and the Union. Rates agreed upon or awarded shall be effective as of the date the equipment was put into use.

(j) Employees shall not be charged for loss or damage unless clear proof of willful negligence is shown.

(k) The terms and conditions of this Agreement shall be equally applicable to all employees without regard to race, creed, color, ancestry or national origin.

(l) 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 or ancestry.

(m) Whenever the Contractor hires on-the-job trainees to perform work within the jurisdiction of the union and covered under this Agreement such trainees shall receive the rate of pay provided for on-the-job trainees by applicable government regulation.

ARTICLE XIX

UNIFORMS

The Contractor agrees that if any employee is required to wear any kind of uniform as a condition of his continued employment, such uniform shall be furnished and maintained by the Contractor, free of charge, at the standard required by the Contractor. No employee shall be required to wear a uniform that does not bear a union label.

ARTICLE XX

PARTIES TO THIS AGREEMENT

(a) This Agreement shall include all members of the Labor Relations Division of the Michigan Road Builders Association who have designated the Labor Relations Division as their bargaining agent for the purposes of bargaining with the Teamsters and Chauffeurs Local Unions of the State of Michigan, covered by this Agreement, affiliated with the Michigan Teamsters, Joint Council 43.

(b) The terms of this Agreement shall become effective and binding on all members of the Labor Relations Division of the Michigan Road Builders Association who have designated the Labor Relations Division as their bargaining agent for the purpose of bargaining with the Teamsters and Chauffeurs Local Unions of the State of Michigan and all Local Unions having jurisdiction over the work covered by this Agreement who may request and receive membership in the Michigan Teamsters Conference, Joint Council 43.

ARTICLE XXI

MILITARY CLAUSE

Workmen enlisting in or entering the military or naval service of the United States, pursuant to the Selective Service Act of 1948, as amended, shall be granted all rights and privileges provided by the Act.

ARTICLE XXII

SUBCONTRACTING

In subcontracting work covered by this Agreement, where such work is to be done at the job site, the Contractor agrees to refrain from subcontracting to any

person who does not agree to observe the wages, hours and working conditions established by this Agreement. This Article shall not apply to delivery of materials to the job site except where fill material is put in place.

ARTICLE XXIII

BONDS

Should the Contractor require any workman to give bond, cash bond shall not be compulsory, and any premium involved shall be paid by the Contractor.

The primary obligation to procure the bond shall be on the Contractor. If the Contractor cannot arrange for a bond within ninety (90) days, he must so notify the workman in writing. Failure to so notify shall relieve the workman of the bonding requirement. If proper notice is given, the workman shall be allowed thirty (30) days from the date of such notice to make his own bonding arrangements, standard premiums only on said bond to be paid by the Contractor. A standard premium shall be that premium paid by the Contractor for bonds applicable to all other of its workmen in similar classifications.

ARTICLE XXIV

WORKERS' COMPENSATION

The Contractor agrees to cooperate toward the prompt settlement of employee on-the-job injury and sickness claims when such claims are due and owing. The Contractor shall provide workers' compensation for all employees covered by this Agreement even though not required by State Law.

ARTICLE XXV

DRUG AND ALCOHOL TESTING

a.) Introduction: The Employers have the responsi-

bility to provide their workers with a safe work place, reduce their liability from accidents, and promote public safety. This program is designed as an effective program to eliminate drugs and alcohol that would impair worker performance to the extent that these purposes are consistent with individual employee dignity and privacy.

In developing this Article, the parties attempted to be in compliance with applicable Federal and State laws. The parties agree that this drug and alcohol abuse program will be modified in the event Federal legislation or Department of Transportation regulations provide for revised testing methodologies or requirements.

b.) Applicable Work Rules: This program is based on the following work rules:

Employees are forbidden to possess alcohol, illegal drugs, or non-prescribed drugs while on duty or on Company or customer property.

Employees are forbidden to use alcohol, illegal drugs, or non-prescribed drugs while on duty or on Company or customer property.

Employees are forbidden to report to work under the influence of alcohol, illegal drugs, or non-prescribed drugs.

The Employer reserves the right to deny any employee permission to work if, in the opinion of the Employer, the employee's condition will adversely affect his work performance or safety.

All Federal, State, local and

Department of Transportation laws and regulations regarding drugs and alcohol are applicable.

c.) Employer Use of Drug and Alcohol Tests: The Employer may establish a uniform policy to require the employee to go to a medical clinic and provide for both blood and urine specimens for laboratory testing for any of the following reasons:

1. Pre-employment screening;
2. Department of Transportation and other periodical physical examinations;
3. Return to work after a layoff in excess of thirty (30) continuous days, provided there is at least three (3) days notice before testing;
4. In cases where the employee is acting in an abnormal manner, in the opinion of the supervisor, or the employee's condition will adversely affect his work performance and safety and the safety of others, in the opinion of the supervisor; or
5. In accordance with Sections I and J of this Article.

Prior to the performance of any test under this Section, the Employer shall offer to the employee the opportunity to consult with his Union representative and/or Steward if possible. Also, a reasonable amount of time should be allowed for consultation if desired by the employee.

A refusal to provide either specimen will constitute a presumption of intoxication or drug influence and the employee will be subject to discharge without the receipt of a prior warning letter.

d.) NIDA Accreditation: All laboratories used to perform testing pursuant to this Agreement must be accredited by the National Institute on Drug Abuse (NIDA). Any laboratory previously approved by the parties to this Agreement to perform testing may continue to be used for testing only if they: (a) either currently have NIDA accreditation; or (b) apply for and receive NIDA accreditation by May 1, 1989.

e.) "Chain of Custody" Documentation: To protect employee dignity and ensure testing accuracy, specimen handling must be accompanied with thorough "claim of custody" documentation, which is a written record detailing the handling of the specimen from the time it is collected from the employee until the time that the test is done. The "chain of custody" form is initialed by the individual collecting the specimen and maintained by each successive individual who comes in contact with the specimen. Each individual involved in the chain must identify the specimen and when an exchange occurs, it is to be documented by the signatures of the receiver and deliverer. A single "chain of custody" form will accompany each specimen at all times and be used to record all of the previously described transactions.

f.) Testing: All confirmatory testing or drug screens must be done by the gas chromatography/mass spectrometry (GC/MS) method. The level of which tests results will be reported "positive," in the case of alcohol testing, shall be the State of Michigan's blood alcohol concentration level for intoxication while driving a motor vehicle. The level at which test results will be reported "positive" in the case of drug screening, shall be the level prescribed by the National Institute on Drug Abuse (NIDA).

In reporting a positive test result, the laboratory shall state the specific substance(s) for which the test is posi-

tive and shall provide the quantitative results of both the screening and the GC/MS confirmation test, in terms of nanograms per milliliter. All positive test results must be reviewed by the certifying scientist or laboratory director and certified as accurate.

g.) Split Sample Safeguard: At the request of any employee tested under the drug and alcohol testing procedure contained in this Agreement, a portion of the original specimen(s) will be preserved for private testing by the employee at his or her own expense by an independent laboratory in the event questions are raised concerning the accuracy of the test administered at the request of the Employer. The additional test performed at the employee's request will be admissible under the grievance and arbitration procedures in this Contract; however, if and only if the methodology employed is substantially identical and equivalent to the methodology authorized in this Article.

If the split sample is negative, lost or contaminated, the test shall be presumed negative.

h.) Prescription and Non-Prescription Medications: The employee must notify the Employer of the use of any prescription or non-prescription medications before the test is given. The Employer may require the employee to provide evidence that a prescription medication has been lawfully prescribed by a physician.

If an employee is taking a prescription or non-prescription medication in the appropriate described manner and has noted such use, as provided above, he will not be disciplined. Medication prescribed for another individual, not the employee, shall be considered to be illegally used and subject the employee to discipline.

i.) Requested Leave of Absence Prior to Testing:

An employee shall be permitted to take sick leave for the purpose of undergoing treatment pursuant to an approved program for alcoholism or drug abuse. The sick leave must be requested prior to commission of any act subject to disciplinary action. Such sick leave shall be granted on a one time basis in each three (3) year period and shall be for a maximum of thirty (30) days, or up to forty-five (45) days if prescribed by the treating facility, unless extended by mutual agreement. While on such leave, the employee shall not receive any of the benefits provided by this Section except continued accrual of seniority.

An Employer may require the employee to provide proof that the employee is undergoing treatment as a condition of the sick leave.

Employees requesting to return to work from a leave of absence for drug use or alcoholism shall be required to submit to testing upon return to employment. Also, the employee will be subject to four (4) additional tests without notice and at the discretion of the Employer for the twelve (12) month period starting from the first day upon return from the leave of absence. Failure to comply will subject the employee to immediate discharge without prior notice.

The provisions of this Section do not apply to probationary employees.

j.) Disciplinary Action Based on Positive Test Results: Any employee testing positive under circumstances and procedures outlined in this Article shall be subject to immediate discharge without prior warning notice unless the employee agrees to the following rehabilitation requirements.

1. The employee successfully completes a program of evaluation and treatment as approved by the Michigan Conference of Teamsters Welfare Fund. Any cost of rehabilitation, over and above that paid for by the Welfare Fund must be borne by the employee. The Employer may require the employee to provide proof that the employee is undergoing treatment.
2. While undergoing treatment, the employee shall not receive any benefits provided by this Agreement except continued accrual of seniority.
3. Upon being reinstated, the employee will be subject to four (4) additional tests for drugs without prior notice and at the discretion of the Employer for the twelve (12) month period beginning with the first day of work after successful completion of the rehabilitation program. A positive test result during this twelve (12) month period or a refusal to submit to testing shall subject the employee to immediate discharge without the receipt of a prior warning letter.
4. The employee must sign a written agreement acknowledging the provisions and requirements of this Section necessary for his reinstatement.
5. The possibility of reinstatement after successful completion of this drug rehabilitation program is only available on a one time basis. Subsequent positive test results are subject to immediate discharge without prior warning notice.

k.) Preservation of Rights: Any employee shall have the right to use the grievance procedure of this Agreement to challenge any discipline resulting from the testing procedure and any unjust application of any step in the testing procedure.

This Agreement does not diminish in any way or waive any of the rights of individual employees under State and Federal laws relating to drug or alcohol testing whether such laws are in existence on the effective date of this Agreement or are hereinafter enacted.

ARTICLE XXVI

LIMITATIONS OF AUTHORITY AND LIABILITY

(a) No employee, Union member or other agent of the Union shall be empowered to call or cause any strike or work stoppage or cessation of employment of any kind whatsoever without the express approval of the Executive Board of the Local Union. The Union shall not be liable for any such activities unless expressly authorized.

(b) Any individual employee or group of employees who willfully violate or disregard the arbitration and grievance procedure set forth in Article V of this Agreement may be summarily discharged by the Contractor without liability on the part of the Contractor or Union.

(c) The authority of the Union Stewards shall be limited to acts or functions which said Stewards are expressly authorized to perform by the Executive Board of the Local Union of which they are members.

ARTICLE XXVII

SEPARABILITY AND SAVINGS CLAUSE

If any article or section of this Contract or of any riders thereto should be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any article or section should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Contract and of any rider thereto, or the application of such article or section

to persons or circumstances other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

In the event that any article or section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the parties affected thereby shall enter into immediate collective bargaining negotiations, upon the request of either party, for the purpose of arriving at a mutually satisfactory replacement for such article or section during the period of invalidity or restraint. If the parties do not agree on a mutually satisfactory replacement, either party shall be permitted all legal or economic recourse in support of its demands, notwithstanding any provision in this Contract to the contrary.

ARTICLE XXVIII

TERMINATION

This Agreement shall remain in full force and effect until June 1, 2003, and thereafter shall continue in force from year to year, unless either party hereto shall notify the other party in writing at least sixty (60) days prior to the end of the current term, or as the case may be sixty (60) days prior to the end of any additional contract 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 or certified mail to the other party.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the 1st day of June, 1998.

**LABOR RELATIONS DIVISION OF THE
MICHIGAN ROAD BUILDERS ASSOCIATION**

By:



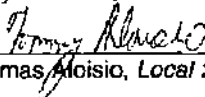
Anthony Milo, *Executive Vice President*

**MICHIGAN TEAMSTERS CONFERENCE,
JOINT COUNCIL 43**

By:



Larry Brennan, *President*



Thomas Aloisio, *Local 247*

MEMORANDUM OF UNDERSTANDING

In interpreting and applying Article XXII (Subcontracting) of this Agreement it is understood and agreed that the Contractor shall not be liable for any subcontractor's failure to comply with the rates, terms and conditions of 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, the Michigan Prevailing Wage Rate Act or a prevailing wage rate law of a Local Unit of Government.

LABOR RELATIONS DIVISION OF THE MICHIGAN ROAD BUILDERS ASSOCIATION

By:



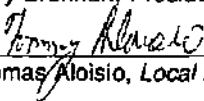
Anthony Milo, *Executive Vice President*

MICHIGAN TEAMSTERS CONFERENCE, JOINT COUNCIL 43

By:



Larry Brennan, *President*



Thomas Aloisio, *Local 247*

OWNER-OPERATOR SUPPLEMENT

Whenever "Owner-Operators" is used in this Agreement it means owner-drivers only and nothing in this Agreement shall apply to any equipment leased by the Contractors except where the owner is also employed as a driver. Service performed by any individual Owner-Operator who by lease, contract or arrangement places his motor vehicle at the disposal of the Contractor and is employed by the Contractor to drive such motor vehicle shall be deemed to be employed by the Contractor and the relationship between the Contractor and such individual shall be that of Employer and employee.

In addition to the minimum rates for truck rental provided herein, the Owner-Operator as an employee shall receive the full wages and working conditions provided in this Agreement for drivers. Working conditions shall be defined as but not limited to, overtime benefits, Health and Welfare and Pension payments.

A work day for Owner-Operators shall commence when they report for duty at the place specified by the Contractor and shall end at the same place when released from duty; provided, however, that if any Owner-Operator fails to report back at such place after delivering the last load of the day he shall be paid to the place where such delivery was made.

A separate seniority list shall be maintained for Owner-Operators. Drivers of Contractor-owned equipment shall have seniority only among other drivers of Contractor-owned equipment and Owner-Operators shall have seniority only among other Owner-Operators. Seniority shall be applied on a project site basis. Seniority shall be applicable only for purposes of layoff and recall.



Owner-Operators shall have project site seniority after thirty (30) continuous days employment with a Contractor on a project. In reducing the Owner-Operator force, the last man hired on the project shall be the first laid off, provided that the type of equipment required by the Contractor shall be the determining factor. In returning to work on a project, the last man laid off shall be the first man recalled, provided his equipment meets the requirements of the Contractor.

Rental minimum rates on Owner-operated equipment shall be based upon actual loads and shall be as follows:

	<u>Per Hour</u>
Up to 6 tons	\$10.80
Over 6 tons but not more than 7 1/2 tons.....	\$11.30
Over 7 1/2 tons but not more than 9 tons.....	\$11.80
Over 9 tons but not more than 10 1/2 tons.....	\$12.30
Over 10 1/2 tons but not more than 12 tons.....	\$12.80
Over 12 tons but not more than 13 1/2	\$13.30
Over 13 1/2 tons but not more than 15 tons.....	\$13.80
Over 15 tons but not more than 16 1/2 tons.....	\$14.30

Over 16 1/2 tons but
not more than 18 tons.....\$14.80

Over 18 tons but
not more than 19 1/2 tons.....\$15.30

Over 19 1/2 tons but
not more than 21 tons.....\$15.80

Add fifty cents (50¢) for each additional 1 1/2 tons.

When the Owner-Operator is ordered to report for work on a job site, other than the one he was working on at the time of such order, and reports to the job site with his equipment, he shall receive a minimum of one hour's rental rate unless prevented from working on account of bad weather.

Nothing in this Agreement or this Supplement shall be construed as preventing certified haulers from charging such rates as have been properly approved and made effective by the Michigan Public Service Commission.

In those instances where the Contractor is involved in an Owner-Operator arrangement there shall be no deduction from equipment rental of Owner-Operators by virtue of the contributions made to the Health and Welfare Fund and Pension Fund, regardless of whether the equipment rental is at the minimum rate or more, and regardless of the manner of computation of owner-driver compensation.

In the case of Owner-Operators who are terminated by the Contractors for lack of work and subsequently are re-employed by the same Contractor, they shall not be required to re-establish their eligibility for Health and Welfare and Pension contributions by working thirty (30) days, provided they are recalled to work within two (2)

years from the termination date of their last employment with the Contractor. In the event such an Owner-Operator is offered employment by the Contractor and fails to report for work he shall be required to re-establish his eligibility for Pension and Health and Welfare payments.

The Contractor agrees to make payments weekly by separate checks, to Owner-Operator employees of truck rental rates for owner-operated equipment and of wages, showing all deductions such as Social Security Tax, Income Tax, etc.

MEMORANDUM OF UNDERSTANDING

Article VIII (Layoff and Recall) of the Collective Bargaining Agreement dated June 18, 1995, between the Labor Relations Division of the Michigan Road Builders Association and the Michigan Teamsters Conference, Joint Council 43, shall be interpreted and applied in accordance with the following agreement and understanding:

- (1) In laying off or recalling employees and in the exercising of seniority by laid-off employees having "Contractor seniority", where the Contractor operates various types of equipment (e.g. single axle trucks, tandem trucks semis, Euclids, etc.) an employee regardless of seniority, shall be retained on the job or recalled only to drive the particular type of equipment that he had been accustomed to driving for that Contractor. If the employee has had experience driving more than one type or all types of equipment for the Contractor then he shall be laid off or recalled in line with his previous experience and seniority with such Contractor. Single axle dumps and single axle utility trucks shall be considered as equal types of equipment and tandem axle dumps and tandem axle utility trucks shall be considered as equal types of equipment.
- (2) An employee having "Contractor seniority" who is laid off due to weather conditions or laid off from a project outside the area of the jurisdiction of the Local Union where the Contractor has his principal office or home base shall be permitted to exercise his seniority to displace any other employee having less seniority at the home base upon three (3) days advance notice to the Contractor.

It is agreed that the Contractor will not hire additional trucks and drivers on Saturday and Sunday for the purpose of replacing employees working on the project site so as to deprive such regular employees of Saturday and Sunday overtime work when scheduled.

**LABOR RELATIONS DIVISIONS OF THE
MICHIGANROAD BUILDERS ASSOCIATION**

By:



Anthony Milo, *Executive Vice President*

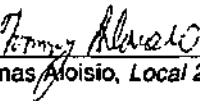
**MICHIGAN TEAMSTERS CONFERENCE,
JOINT COUNSEL 43**

By:



Larry Brennan, *President*

By:



Thomas Aloisio, *Local 247*

**TERRITORIAL AREA OF TEAMSTERS'
LOCAL UNIONS' JURISDICTION**

LOCAL NO. 7 - Kalamazoo

(616) 343-6241, 3330 Miller Road
Counties Covered: Van Buren, Barry,
Berrien, Kalamazoo, St. Joseph,
Allegan and Cass

LOCAL NO. 164 - Jackson

(517) 764-1102
3700 Ann Arbor Road
Counties Covered: Jackson, Lenawee and
Hillsdale

LOCAL NO. 247 - Detroit

(313) 961-0068-72
2741 Trumbull Avenue
Counties Covered: Wayne, Macomb,
Washtenaw, Monroe, Oakland County up to
12 Mile Road

LOCAL NO. 328 - Escanaba

(906) 786-2743
900 First Avenue
P.O. Box 605
Counties Covered: All counties in the Upper
Peninsula of Michigan

LOCAL NO. 332 - Flint

(313) 767-7330
1502 South Dort Highway
Counties Covered: Genesee, Lapeer and part
of Shiawassee

LOCAL NO. 339 - Port Huron
(313) 985-8127
2441 West Water Street
Counties Covered: St. Clair, Sanilac and Huron

LOCAL NO. 406 - Grand Rapids
(616) 452-1551
3315 Eastern Avenue, Southeast
Counties Covered: Montcalm, North portion of Ionia, Kent and split on Ottawa and Newaygo Counties and Lake, Wexford, Grand Traverse and Leelanau

LOCAL NO. 486 - Saginaw
(517) 755-0516
1245 East Genesee
Counties Covered: Cheboygan, Presque Isle, Otsego, Montmorency, Alpena, Crawford, Oscoda, Alcona, Roscommon, Ogemaw, Iosco, Clare, Gladwin, Arenac, Midland, Bay, Gratiot, Saginaw, Tuscola and Isabella

LOCAL NO. 580 - Lansing
(517) 484-5053
1202 South Washington
Counties Covered: Ingham, Eaton, Livingston, Clinton and Ionia

LOCAL NO. 614 - Pontiac
(313) 334-4573
1410 South Telegraph Road
Counties Covered: Oakland County