

**ILLOWA CONSTRUCTION
LABOR AND MANAGEMENT COUNCIL**

**IMPACT™
MEMORANDUM OF UNDERSTANDING**

MEMORANDUM OF UNDERSTANDING

For construction of facilities located within the nine (9) county area of Illinois and Iowa and represented by the Illowa Construction Labor and Management Council. These counties are Rock Island, Henry, Mercer, Knox, Warren and Henderson in Illinois and Muscatine, Scott and Clinton in Iowa.

This Memorandum of Understanding is between the signatory parties as listed on the signature page herein and has been developed in a mutually satisfactory manner to better service the needs of the construction consumer and to give the consumer the best overall value for their construction dollar.

In an effort to assure any client of our signatory contractors that there is a sincere effort to efficiently address the construction needs of a project, the signatories to this document have agreed to the following:

LABOR:

1. To increase productivity, the individual employee shall be made to realize their responsibility in achieving that objective. The necessity of performing a day's work for a day's pay will be emphasized.
2. Employees shall be at their place of work at the regular starting time and they shall continue working until quitting time. There shall be no limit on production by employees nor restrictions on the use of tools or equipment that increase production, other than that which may be required by safety regulations.
3. The unions agree to furnish qualified employees for the specific job as required by the project contractors.
4. No picketing, strikes or work stoppage of any type will be used to settle disputes of any kind. A pre-job jurisdictional conference will determine the assignment for each work discipline on an **IMPACT™** project to the appropriate craft. Economic disputes will be handled in accordance with provisions for in Article XVIII.
5. Work stoppages and strikes will not occur for any reason on any project site covered by this **IMPACT™** Agreement.

MANAGEMENT:

1. Contractors shall make installations in accordance with plans and specifications and recognized contract procedures.
2. Contractors shall exercise management rights. These rights shall include planning, directing, hiring, laying off, and transferring members of the work force.
3. Contractors shall provide employees with the necessary plans, specifications, contractor furnished tools, equipment and materials in a timely manner as required by the employees to perform their duties in the most efficient and expeditious manner.
4. Prime contractors shall be responsible for the project performance of their subcontractors.
5. Contractors shall follow all recognized ethical standards and procedures in soliciting bids and performing all work.
6. Contractors shall make work assignments to the proper craft in accordance with the pre-job jurisdictional decisions.

JOINTLY:

1. The (City, School, etc) will follow its normal bidding procedures and will include, as a condition of the bid, that any bidder must be willing to sign a project specific Agreement with the respective craft or be a craft user.
2. Unions and contractors will cooperate to demonstrate the contract-letting agencies that organized labor and their employers will produce the best quality installation for the construction dollar.
3. Any unnecessary or inefficient work practices such as slow downs, stand-by crews and work rules which increase cost will be eliminated.
4. MANDATORY pre-job jurisdictional conference outline:
 - A. Applies only to **IMPACT™** projects where an **IMPACT™** Agreement has been signed by the Owner/Contractor and/or Construction Manager previous to bid date.

- B. One complete set of plans and specifications will be provided by the Illowa Construction Labor and Management Council to the Tri-City Building and Construction Trades Council for pre-job examination.
 - C. The Tri-City Building and Construction Trades Council shall schedule a pre-job jurisdictional conference. A notice stating the date, time and location of this conference will be sent to all crafts having jurisdiction of the project.
 - D. All aspects of construction will be discussed at this jurisdictional conference and the jurisdiction designation will be determined and assigned for each work discipline to the appropriate craft. All determinations will adhere to prevailing trade agreements and local practices in the best interest of the project owner.
 - E. The Tri-City Building and Construction Trades Council will provide a letter to all bidders of record within 48 hours of bid time indicating the results of the conference. In the event that specialty assignments are made to trade crafts that are not substantially represented by local union contractors the Tri-City Building and Construction Trades Council will provide a minimum of three names of prospective contractors that will provide bids for these specialties.
 - F. In the event that the bidding contractors, after sending written invitation to the suggested specialty contractors, are unable to receive at least two competitive bids, the bidding contractor, after notifying the respective trade representative, will be allowed to use the service of any bidder that is willing to sign a one time agreement with respective craft.
 - G. After receipt of the letter of jurisdictional assignment by the bidding contractor, the Tri-City Building and Construction Trades Council agrees that all work will be carried out in accordance with this letter without any further dispute. In the event that work disciplines are not covered and assigned by the jurisdictional conference for the subject project, it shall be the sole responsibility of the bidding contractor or the owner to make selection of the personnel to provide the work discipline without any further dispute.
5. The unions and contractors agree to abide by all Federal, State and Local safety regulations as they apply to the construction process.

ARTICLE I RECOGNITION

It is agreed between the Unions and the Illowa Construction Labor and Management Council or any other signatory contractor that this Memorandum of Understanding is applicable to any construction project within the geographical jurisdiction of the Illowa Construction Labor and Management Council, when said project is assigned and signed for by the owner as an **IMPACT™** Project.

1. The contractor recognizes the unions herein as duly constituted for the purpose of bargaining collectively and administering this memorandum for the members affiliated with the various international unions
2. All contractors and/or Contractors acting as Construction Managers shall be signatory and bound by the applicable local collective bargaining agreement(s) with the appropriate Tri-City Building and Construction Trades Council Local union affiliated with the AFL-CIO. Any conflict between the terms of this Agreement and any local collective bargaining agreements, this Agreement shall govern.
3. All Signatory parties will agree not only to the expressed terms and provisions of the IMPACT Agreement, but also to all other policies, guidelines, and regulations regarding internal implementation of the IMPACT Agreement, as may be provided for by the Illowa Board.

ARTICLE II UNION SECURITY

Any employee, who, at the time of employment, is a member in good standing of any AFL-CIO Building Trades Union shall be considered in compliance with the Union Security Article in this contract so long as the employee maintains good standing in the union.

ARTICLE III NON-DISCRIMINATION

The unions and the contractor agree to abide by all executive orders and subsequent amendments thereto, regarding the Civil Rights Act of 1964, pertaining to non-discrimination in employment, in every respect.

ARTICLE IV
SCOPE OF WORK

1. This memorandum covers all work assigned by the Contractor and/or Construction Manager to the contractor and performed by the employees of the contractors covered by this memorandum.
2. The unions and the contractor understand that the owner may choose to perform or directly subcontract or purchase any part or parts of work necessary on the project with due consideration given to achieving the highest standards and harmonious working conditions herein. All subcontracting of work covered by this memorandum shall be limited to contractors signatory to this memorandum. Nothing herein shall be construed so as to limit competition among and between subcontractors, and the parties hereto all agree to promote substantial competition to minimize costs to the Moline taxpayers.
3. This Memorandum of Understanding shall apply only to those projects set forth herein:

OWNER: _____

PROJECT: _____

LOCATION: _____

BID DATE: _____

ARTICLE V
UNION REPRESENTATIVE

Local union business representatives shall be granted reasonable access to projects operated within the plant locations, subject to contractor and owner regulations.

ARTICLE VI
WAGES

Wage rates and payment of same shall be as set forth in the current labor agreement of the affiliated local union performing the work. Wages shall be paid weekly by check or other legal tender. In addition, the prevailing rate of wages as set forth in 820 LICs 130/1 et seq., as amended, or the collective bargaining agreement, which ever is higher.

Prior to payment being made to the signatory contractor who has not posed a wage and fringe benefit bond, a lien waiver must be received from the corresponding craft.

ARTICLE VII
BENEFITS AND OTHER MONETARY FUNDS

All contributions provided for in the current labor agreement shall be paid as provided in said agreement and reference attached Article "A". It will be up to the general contractor to account for changes, if any, to the benefits.

The contractor agrees to be bound by and will sign all legally constituted trusts which have been established between the respective local unions and the recognized bargaining agencies of the contractors in the geographical area.

ARTICLE VIII
COMPENSATION INSURANCE

For all employees covered by the Memorandum of Understanding, the employer shall provide Worker's Compensation Insurance, Social Security, State Unemployment Insurance and other protective insurance as may be required by law, and furnish satisfactory proof of same to the union providing the employees.

ARTICLE IX
HOLIDAYS

For the purpose of uniformity, the following holidays shall be observed and, if worked, shall be paid at the rate of double time: New Years Day, Memorial Day (as provided by federal law), July 4th, Labor Day, Thanksgiving Day, Friday after Thanksgiving Day and Christmas Day.

ARTICLE X
SUPERVISION

The designation, appointment and determination of the number of foreman/women and/or general foreman/women is the sole responsibility of the contractor.

ARTICLE XI
TRAVEL AND SUBSISTENCE

No subsistence, travel allowance, mileage or pay for travel time will be paid to any employee covered by the terms of this Memorandum of Understanding.

ARTICLE XII
WORK HOURS PER DAY

Eight (8) hours per day shall constitute a day's work and forty (40) hours per week, Monday through Friday, inclusive, shall constitute a week's work. The regular starting time shall be eight (8) o'clock a.m. and the regular quitting time shall be four-thirty (4:30) o'clock p.m.; lunch time shall be twelve (12) o'clock noon to twelve-thirty (12:30) o'clock p.m.

When shifts are required, the first shift shall work eight (8) hours at the regular straight-time rate. The second shift shall work seven and one-half (7 1/2) hours and receive eight (8) hours pay at the regular straight time hourly rate. The third shift shall work seven (7) hours and receive eight (8) hours pay at the regular straight-time hourly rate. A thirty (30) minute lunch period shall be mutually agreed upon by the job superintendent and the union representative and shall not be considered as time worked.

All time worked before and after the established work day of eight (8) hours, Monday through Friday, shall be paid at the rate of time-and-one-half. All work commencing with the beginning of the established work day on Saturday shall be paid at the rate of time-and-one-half. All work commencing with the beginning of the established work day on Sundays and/or holidays shall be paid at the rate of double time.

By mutual consent of the contractor and the union, the starting and quitting times of any shift, including day work, may be changed for all or any portion of a particular job. For the purpose of this article, the standard work day of eight (8) hours for the job of portion thereof to which any such change of starting time applies shall begin with such agreed starting time.

Employees shall be at their posts prepared to start work at the regular starting time.

Local labor agreement provisions regarding minimum number of days to establish shifts or shift starts are waived for work under this memorandum.

ARTICLE XIII
SAFETY

The employees covered by the terms of the memorandum shall at all times while in the employ of the company be bound by the safety rules and regulations as established by the owner, company, applicable local or area collective bargaining agreement, or applicable safety laws.

**ARTICLE XIV
APPRENTICES**

Apprentice ratios shall be as provided in the local labor agreement. The unions agree that there may be times when the apprentice ratios may need to be adjusted to meet the needs of the contractor, and agree that when such a need does arise, the unions and the contractor will negotiate such ratios on an as needed basis.

**ARTICLE XV
HIRING AND TRANSFER OF EMPLOYEES**

The contractor agrees to hire employees within the local union's geographic jurisdiction where work is being performed or is to be performed in accordance with the hiring procedure existing in the territory where the work is being performed. In addition, the contractor shall have the right to move foremen/women between jobs and/or local union jurisdictions. If a local union is unable to fill the request of the contractor for employees within a forty-eight (48) hour period after such request for employees (Saturdays, Sundays, and holidays excepted), the contractor may employ employees from any source.

The contractor shall determine the competency of all employees. The contractor shall determine the number of employees required on the project and shall select any employee or employees working under the terms of the memorandum to be laid off.

**ARTICLE XVI
GENERAL SAVINGS CLAUSE**

Any provisions in this memorandum which are in contravention of any federal, state, local or county regulations or laws affecting all or part of the limits covered by the memorandum shall be suspended in operation within the limits to which such laws or regulations are in effect. Such suspension shall not affect the operation of any such provisions covered by this memorandum, to which the law or regulation is not applicable. Nor shall it affect the operations of the remainder of the provisions of the memorandum within the limits to which such law or regulations is applicable.

**ARTICLE XVII
CREW SIZE**

The crew size shall be any number of employees and supervision required to safely perform the particular work operation and shall be increased or decreased at the discretion of the employer.

ARTICLE XVIII
LOCKOUT OR WORK STOPPAGE

During the term of this Memorandum of Understanding, there shall be no lockout by the company and no work stoppages by the unions. Any contractor signatory to this Memorandum of Understanding, shall work through any economic dispute and shall, upon completion of the negotiations, comply with any changes in the new agreement.

Furthermore, any changes shall be retroactive to the implementation date of the new contract or as agreed to by the two bargaining parties.

ARTICLE XIX
MANAGEMENT CLAUSE

In the exercise of its functions of management, the contractor shall have the right to plan, direct and control the operation of all his/her work; hire employees and supervision; direct the working forces, assign employees and supervision to their jobs; discharge, suspend or discipline for proper cause; transfer, promote or demote employees and supervision; lay off employees and supervision because of lack of work or for other legitimate reasons, require employees and supervision to observe the contractor's rules and regulations not inconsistent with this memorandum; regulate the use of all equipment and other property of the contractor, decide the amount of equipment to be used, the number of employees needed, and shall be free to contact work anywhere and shall decide the methods of work and the source from which material and equipment is obtained; provided, however, that the contractor will not use these rights for the purpose of discrimination against any employee.

ARTICLE XX
ADMINISTRATIVE PROCEDURES

Extensions of the Memorandum of Understanding shall be on a location-to-location basis and shall be sought for each location. Owners and Contractors awarding work to a sub-contractor must be sure that the sub-contractor has and will comply with this Memorandum of Understanding and be in possession of it with permission to utilize it at the start of the project.

In the event that a particular project has any unique or specialty work operations not normally performed by contractors or sub-contractors in the Illowa Construction Labor and Management Council's geographic area, which consists of Rock Island, Henry, Mercer, Knox, Warren and Henderson in Illinois; Scott Clinton and Muscatine in Iowa, then the requirement of a responsible sub-contractor to make application for this Memorandum of Understanding and be in possession of same may be waived by mutual consent of all parties involved in the particular work operation.

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ARTICLE XXI
ENFORCEMENT

Owners and Contractors grant and authorize the Illowa Construction Labor and Management Council to take the necessary measures to enforce the terms of the Agreement.

ARTICLE XXII
DURATION OF AGREEMENT

This Memorandum of Understanding becomes effective on _____ and shall continue in effect until the particular project has been completed. Changes may be made at any time by mutual written consent.

**ILLOWA CONSTRUCTION LABOR
AND MANAGEMENT COUNCIL**

Co-Chairman -- Labor

Co-Chairman -- Management

DATE: _____

OWNER

Name/Title

CONTRACTOR

Name/Title

ADDENDUM

- A.** “The ILLOWA CONSTRUCTION LABOR AND MANAGEMENT COUNCIL hereby agrees to release, indemnify and save harmless the (City, County, Etc) from and against any and all claims and obligations regarding challenges to project labor agreement. Notice of any challenges must be given, in writing, to Illowa with the right to intervene in any lawsuit regarding such challenges to the IMPACT Agreement. ILLOWA reserves the right to choose its own legal counsel to defend such lawsuits. All legal fees and costs must be pre-submitted, where possible, to ILLOWA for approval, “Challenges” to the project labor agreement include, without limitation, any challenge to legality, authority, funding or any other challenge.”

- B.** “Should the execution or use of this IMPACT/Project Labor Agreement result in the loss of any project funding for which the (City, School, etc.) would otherwise be eligible, then this Agreement shall be null and void and of no further force and effect and the (City, School, etc.) shall be released from its responsibilities hereunder; provided, however, that if the loss of funding can be avoided by correcting or changing the requirements of this project labor agreement and the (City, School, etc.) still receive the funding, then Article XVI shall apply.”

ILLOWA CONSTRUCTION LABOR AND MANAGEMENT COUNCIL

OWNER

Co-Chairman—Labor

Name/Title

Co-Chairman – Management

CONTRACTOR

DATE: _____

Name/Title