**ILLOWA CONSTRUCTION**
**LABOR AND MANAGEMENT COUNCIL**

# IMPACT ™

MEMORANDUM OF UNDERSTANDING
**SAMPLE AGREEMENT**

## MEMORANDUM OF UNDERSTANDING

For construction of facilities located within the nine (9) county areas 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 employers that there is a sincere effort to efficiently address the construction needs of a project, **the signatories to this document will provide the following:**

1. Increased productivity through the employment of craftsmen who have either completed an accredited apprenticeship program or are currently registered in such a program and are under the direct supervision of a certified trained craftsman.
2. Work stoppages, job disruptions or strikes will not occur for any reason on any project site covered by this **IMPACT** Agreement. Any economic disputes will be handled in accordance with the provisions of Article XIV.
3. All parties shall follow all recognized ethical standards and procedures in soliciting bids and performing all work.
4. A pre-construction meeting as outlined in Article V, shall be scheduled for each **IMPACT** project.
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 employer 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 owner 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. When public funding is provided for a project, the owner 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.

## ARTICLE II

NON-DISCRIMINATION

The unions and the employer 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 III

SCOPE OF WORK

1. This memorandum covers all work assigned by the owner 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.

**This Memorandum of Understanding shall apply only to those projects set forth herein:**

**OWNER:** _____

**PROJECT:** _____

**LOCATION:** _____

**BID DATE:** _____

## ARTICLE IV

PRE-CONSTRUCTION MEETING

In order to assure that all parties have a clear understanding of the construction project, IMPACT Agreement, and to promote labor and management cooperation, a pre-construction meeting shall be held with all signatory parties and the general contractor or construction manager prior to the start of the project. The general contractor or construction manager will discuss the scope of work, schedule, and specifications of the construction project.

**MANDATORY** pre-construction meeting outline:

A. The Tri-City Building and Construction Trades Council and the Illowa Construction Labor & Management Council shall schedule a pre-construction meeting with the general contractor or construction manager. A notice stating the date, time and location of this conference will be sent to all crafts having jurisdiction on the project.

B. Representatives of the general contractor or construction manager and Tri-City Building Trades Council will meet to discuss all aspects of construction, including the scope of work, schedules, jurisdiction, and all subcontractors participating in the construction project. All work assignments will adhere to prevailing trade agreements and local practices in the best interest of the project owner.

## ARTICLE V

UNION REPRESENTATIVE

Local union business representatives shall be granted reasonable access to projects, subject to contractor and owner regulations.

## ARTICLE VI

WAGES & BENEFITS

Wage rates and payment of same shall be as set forth in the current labor agreement of the affiliated local union performing the work.

## ARTICLE VII

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 Year's Day, Memorial Day (as provided by federal law), July 4th, Labor Day, Thanksgiving Day, Friday after Thanksgiving Day and Christmas Day. When New Years Day, July 4$^{th}$, or Christmas Day fall on a Saturday or Sunday the holiday will be observed on Friday or Monday as recognized by the federal government.

## ARTICLE VIII

SUPERVISION

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

## ARTICLE IX

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 seven (7) o'clock a.m. and the regular quitting time shall be Three-thirty (3:30) o'clock p.m.; lunch time shall be twelve (12) o'clock noon to twelve-thirty (12:30) o'clock p.m.

By mutual consent of the company 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 or portion thereof to which any such change of starting time applies shall begin with such agreed starting time.

When so required, multiple shifts of eight (8) hours may be worked. Any shift premiums will be paid based on each respective crafts collective bargaining agreement. 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. Local labor agreement provisions regarding minimum number of days to establish shifts or shift starts are waived for work under this memorandum.

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.

## ARTICLE X

SAFETY

The employees covered by the terms of this 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 XI

APPRENTICES

Apprentice ratios shall be as provided in each respective craft's 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 owner, and agree that when such a need does arise, the unions and the contractor will negotiate such ratios on an as needed basis.

## ARTICLE XII

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.

## ARTICLE XIII

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 employer 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.

## ARTICLE XIV

MANAGEMENT CLAUSE

In the exercise of its functions of management, the contractor shall have the right to:

1. Plan, direct and control the operation of all his/her work.
2. Hire employees and supervision.
3. Direct the workforce; assign employees and supervision to their jobs.
4. Discharge, suspend or discipline employees and supervisors for just cause.
5. Transfer, promote or demote employees and supervision.
6. Lay off employees and supervision because of lack of work or for other legitimate reasons.
7. Require employees and supervision to observe the contractor's rules and regulations not inconsistent with this memorandum.
8. Regulate the use of all equipment and other property of the contractor; decide the amount of equipment to be used, and the number of employees needed.
9. Shall be free to contract work anywhere and shall decide the methods of work and the source from which material and equipment is obtained.

The contractor will not use these rights for the purpose of discrimination against any employee.

## ARTICLE XV

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 the bidding contractors, after contacting suggested specialty contractors, are unable to receive at least two competitive bids, the bidding contractors, after notifying the respective trade representative, will be allowed to use the service of any bidder that is willing to sign a project specific agreement with the respective craft.
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 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.

## ARTICLE XVI

ENFORCEMENT

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

## ARTICLE XVII

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.

## ARTICLE XVIII

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 this 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 regulation is applicable.

## ADDENDUM TO ARTICLE XV OF THE IMPACT MEMORANDUM OF UNDERSTANDING

This Addendum is made part of and incorporated into the IMPACT Memorandum of Understanding.

### PROJECT HOURS CONTRIBUTION

This provision shall apply to any contractor or subcontractor performing work on the project that is **not currently signatory to the IMPACT Agreement and/or is not otherwise making a cents-per-hour-worked contribution to the Illowa Construction Labor & Management Council.**

Upon completion of the project, each contractor or subcontractor subject to this provision shall submit to the Illowa Construction Labor & Management Council the total number of hours worked on the project by all persons performing work for that contractor or subcontractor.

Each contractor or subcontractor subject to this provision shall make a contribution of **Four Cents ($0.04) for each hour worked by each person** on the project. The contribution shall be calculated based upon the total project hours reported by the contractor or subcontractor and shall be paid to the Illowa Construction Labor & Management Council upon submission of the final project hours.

The contractor or subcontractor shall provide documentation of the total hours worked to verify the contribution due under this Addendum.

This contribution **shall not apply to contractors or subcontractors that are already signatory to an IMPACT Agreement or that are otherwise making a cents-per-hour-worked contribution to the Illowa Construction Labor & Management Council.**

Except as specifically modified by this Addendum, all other terms and conditions of the IMPACT Memorandum of Understanding shall remain in full force and effect.

This Addendum is effective upon execution by the parties and shall remain in effect for the duration of the project.

**ILLOWA CONSTRUCTION LABOR AND MANAGEMENT COUNCIL**

**OWNER**

_____
**Co-Chairman -- Labor**

_____
**Name/Title**

_____
**Co-Chairman -- Management**

**GENERAL CONTRACTOR**

_____
**Name/Title**

**DATE:**_____