

TRIBAL EMPLOYMENT RIGHTS OFFICE

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*Director: Delmar Jones Administrative Assistant: Sadonna Cloud
Compliance Officer: Brian Lussier Secretary: Vydell Jones*

To: All Divisions and All Entities of the Leech Lake Band of Ojibwe
Re: TERO Contracting Fees and Ordinance Requirements
From: Delmer Jones, TERO Director
Date: January 16, 2015

In my capacity as Director of the TERO Program at LLBO, I am writing to remind and advise you that under Section 2.02 of TERO, a “Covered Employer” means “any employer on a construction project that has consensual relations with the Band who employs at least one employee on a job-site on the Leech Lake Reservation whose contract or grant is for \$ 5000 or more. Covered employer shall not include the Band’s entities, business, or gaming establishments.” Under Section 2.08 of the TERO, “Employer” means “any person or entity who engages in construction through compensated employees on the Leech Lake Reservation. The term does not include the Leech Lake Tribal Government or any wholly owned government business or corporation, or any political subdivision of the Tribal government, **but shall include any independent contractors and subcontractors hired by these government units government owned entities.**” This means that private contractors and subcontractors you hire for construction projects are required to pay the TERO contracting fee, complete and sign a Compliance Plan at the TERO office before beginning the work, and follow the hiring requirements of the Ordinance.

The Davis-Bacon and related Acts apply to contractors and subcontractors performing on federally funded or assisted contracts in excess of \$ 2000 for the construction, alteration, or repair (including painting and decorating) of public buildings or public works. Davis-Bacon Act and related act contractors and subcontractors must pay their laborers and mechanics employed under the contract no less than the locally prevailing wages and fringe benefits for corresponding projects on similar projects in the area. The Davis- Bacon Act prevailing wage provisions apply to the “Related Acts,” under which the federal agency assist construction projects through grants, loans, loan guarantees, and insurance.

The Leech Lake Band of Ojibwe Tribal Employment Rights Ordinance is posted on the LLBO website (www.llojibwe.org) under Tribal Courts, Court Codes on the pull-down menu, as Title 17 of Band ordinances. Pursuant to Chapter 4, Employment Rights Fee (A), for each contract of \$ 5000.00 or more, a fee of 3% of the total contract shall be assessed. The Indian Preference employment provisions of the TERO apply to all federally-funded projects.

Contractors and subcontractors must meet with the TERO office prior to the start of work and complete a Compliance Plan (Section 10.02 of TERO.) The TERO office contact number is (218) 335-8374. Questions regarding the Davis-Bacon Act and its applicability may also be directed to Theresa Walls, District Director, U.S. Department of Labor, Wage & Hour Division, Minneapolis at (612) 370-3341 or Loretta Szwedik, Labor Relations Specialist, MN Field Office of Labor Relations, (612) 370-3000 ext. 2284 or www.dol.gov. The TERO Ordinance is also on the www.llojibwe.org website under Administration, Tribal Courts, Court Codes, pull-down menu.

Sincerely,

Delmer Jones, Director