

PROJECT LABOR AGREEMENT

***THE LOS ANGELES COUNTY METROPOLITAN
TRANSPORTATION AUTHORITY***



***THE LOS ANGELES/ORANGE COUNTIES BUILDING AND
CONSTRUCTION TRADES COUNCIL AFFILIATED WITH THE
BUILDING & CONSTRUCTION TRADES DEPARTMENT (AFL/CIO)
AND THE SIGNATORY CRAFT COUNCILS AND LOCAL UNIONS***



PROJECT LABOR AGREEMENT
LACMTA and LAOCBCTC

TABLE OF CONTENTS

| | |
|---|----|
| PURPOSE..... | 1 |
| I. DEFINITIONS | 2 |
| II. SCOPE OF AGREEMENT | 4 |
| III. EFFECT OF AGREEMENT | 6 |
| IV. WORK STOPPAGES AND LOCKOUTS | 7 |
| V. NO DISCRIMINATION | 11 |
| VI. UNION SECURITY..... | 11 |
| VII. REFERRAL..... | 12 |
| VIII. WAGES & BENEFITS | 18 |
| IX. COMPLIANCE | 19 |
| X. DISPUTE RESOLUTION PROCEDURE..... | 19 |
| XI. JOINT ADMINISTRATIVE COMMITTEE..... | 20 |
| XII. JURISDICTIONAL DISPUTES | 21 |
| XIII. EMPLOYEE GRIEVANCE PROCEDURE..... | 21 |
| XIV. MANAGEMENT RIGHTS..... | 21 |
| XV. SAFETY, PROTECTION OF PERSON AND PROPERTY | 22 |
| XVI. SAVINGS CLAUSE | 23 |
| XVII. PRE-JOB CONFERENCE | 23 |
| XVIII. STEWARD..... | 24 |
| XIX. TERM..... | 24 |
| XX. RESPONSIBILITY FOR COSTS | 24 |
| XXI. MISCELLANEOUS PROVISIONS | 25 |

Attachment “A” – Letter of Assent

Attachment “B” – Proposed Project List for Project Labor Agreements

Attachment “C” – Memorandum of Understanding Testing Policy for Drug Abuse

PURPOSE

The purpose of this Project Labor Agreement (Agreement) is to facilitate careers in the construction industry and to promote employment opportunities during the construction of the Capital Improvement Projects, including, but not limited to, Measure R Transit Projects and Highway Projects, awarded by the Los Angeles County Metropolitan Transportation Authority (“LACMTA”), and to provide for the orderly settlement of labor disputes and grievances without strikes or lockouts, thereby promoting the public interest in assuring timely and economical completion of the covered projects.

WHEREAS, the LACMTA is responsible for the design and construction of the covered projects; and

WHEREAS, the successful completion of the covered projects is of utmost importance to the LACMTA and the general public of the County; and

WHEREAS, the work to be done will require maximum cooperation from the Parties; and

WHEREAS, increasing access to employment opportunities with prevailing wages is one way for the LACMTA to directly combat poverty and unemployment; and

WHEREAS, the LACMTA has adopted a Construction Careers Policy, which encourages construction employment and training opportunities in ways calculated to mitigate the harms caused by geographically concentrated poverty, unemployment and underemployment in economically disadvantaged and extremely economically disadvantaged areas and among disadvantaged workers throughout the United States; and

WHEREAS, this Agreement is not intended to have an adverse impact on the policy of the LACMTA to maximize business opportunities for minority, women and other small business enterprises in LACMTA contracts; and

WHEREAS, large numbers of workers of various skills will be required in the performance of the construction work, including those to be represented by the unions affiliated with the Los Angeles/Orange Counties Building and Construction Trades Council and any other craft labor organization which are signatory to this Agreement employed by contractors and subcontractors who are signatory to agreements with said labor organizations; and

WHEREAS, it is recognized that projects of this magnitude with multiple contractors and bargaining units on the job site at the same time over an extended period of time, the potential for work disruption is substantial without an overriding commitment to maintain continuity of work; and

WHEREAS, the interests of the general public, the LACMTA, the Unions, contractors, subcontractors, employers and workers would be best served if the construction work proceeded in an orderly manner free of disruption because of strikes, sympathy strikes, work stoppages, picketing, lockout, slowdowns or other interferences with work; and

WHEREAS, the Contractors/Employers and the Unions desire to mutually establish and stabilize wages, hours and working conditions for the workers employed on this Project by the Contractors/Employers, and further, to encourage close cooperation among the Contractors/Employers

and the Unions to the end that a satisfactory, continuous and harmonious relationship will exist among the parties to this Agreement; and

WHEREAS, this Agreement is not intended to replace, interfere with, abrogate, diminish, or modify existing local or national collective bargaining agreements in effect during the duration of this Agreement, insofar as a legally binding agreement exists between the Contractors/Employers and the affected Unions, except to the extent that the provisions of this Agreement are inconsistent with said collective bargaining agreements, in which event, the provisions of this Agreement shall prevail; and further, it is understood that Contractors/Employers are bound and shall remain bound, for the duration of this Agreement by the terms of this Agreement and applicable local and national collective bargaining agreements for the craft work performed, established between the signatory Unions and Contractors/Employers, in effect and covering the area of this Project; and

WHEREAS, this Agreement reflects a commitment by all parties to the diversity in the workforce hiring that reflect levels of minority, women, and other worker utilization at levels which are representative of the relevant workforce of these groups in the Greater Los Angeles County Area as determined by the U.S. Census Bureau; and

WHEREAS, the Parties signatory to this Agreement pledge their full good faith and trust to work towards a mutually satisfactory completion of the Project;

NOW, THEREFORE, IT IS MUTUALLY AGREED BY AND BETWEEN THE PARTIES, AS FOLLOWS:

ARTICLE I
DEFINITIONS

1.1 “Agreement” means this Project Labor Agreement.

1.2 “Apprentice” as used in this Agreement shall mean those apprentices registered and participating in Joint Labor/Management Apprenticeship Programs approved by the State of California, Department of Industrial Relations, Division of Apprenticeship Standards (“DAS”), or in the case of Projects with federal funding, approved by the US Department of Labor (“DOL”) and DAS.

1.3 “Community Area Resident” means a Local Resident whose primary place of residence is within an Economically Disadvantaged Area or an Extremely Economically Disadvantaged Area and is within a 5-mile radius of the covered project in question.

1.4 “Construction Careers Policy” means the policy and accompanying program approved by the LACMTA, which is incorporated by this reference into this Agreement.

1.5 “Construction Contract” means a contract to perform construction work on a covered project.

1.6 “Contractor/Subcontractor/Employer” (C/S/E) means any individual firm, partnership or corporation, or combination thereof, including joint ventures, which is an independent business enterprise and which has entered into contract with the LACMTA or any of its contractors or subcontractors or owner operators of any tier, with respect to the construction of any part of the

Project(s) under contract terms and conditions approved by the LACMTA which shall incorporate this Agreement. A C/S/E may bid for and be awarded construction of any part of the Project without regard as to whether the C/S/E is otherwise a party to any collective bargaining agreement.

1.7 “Core Worker” as used in this Agreement shall mean an employee whose name appeared on the C/S/E active payroll for sixty (60) of the one hundred (100) days immediately before the award of the Project Work to the C/S/E and meets all standards required by applicable local, state or federal law or regulation.

1.8 “Disadvantaged Worker” means an individual who, prior to commencing work on the project, resides in an Economically Disadvantaged Area or Extremely Economically Disadvantaged Area as defined in 1.9 and 1.10 below, and faces at least two of the following barriers to employment: (1) being homeless; (2) being a custodial single parent; (3) receiving public assistance; (4) lacking a GED or high school diploma; (5) having a criminal record or other involvement with the criminal justice system (as more specifically described in Section 3.8 of the Construction Careers Policy); (6) suffering from chronic unemployment (as more specifically described in Section 3.28 of the Construction Careers Policy); (7) emancipated from the foster care system; (8) being a veteran of the Iraq/Afghanistan war; or (9) being an apprentice with less than 15% of the apprenticeship hours required to graduate to journey level in a program as described in Section 1.2 above.

1.9 “Economically Disadvantaged Area” means a zip code that includes a census tract or portion thereof in which the median annual household income is less than \$40,000 per year, as measured and reported by the U.S. Census Bureau in the 2010 U.S. Census and as updated by the parties upon the U.S. Census Bureau issuing updated Median Annual Household Income data by census tract in the American Community Survey.

1.10 “Extremely Economically Disadvantaged Area” means a zip code that includes a census tract or portion thereof in which the median annual household income is less than \$32,000 per year, as measured and reported by the U.S. Census Bureau in the 2010 U.S. Census and as updated by the parties upon the U.S. Census Bureau issuing updated Median Annual Household Income data by census tract in the American Community Survey.

1.11 “Employment Hiring Plan” means the C/S/Es detailed hiring plan as described in LACMTAs Construction Careers Policy.

1.12 “Federally-Funded Project” means a Covered Project that is funded in whole or in part with funds received from the US Department of Transportation.

1.13 “Jobs Coordinator” means an independent third-party individual ,entity or employee with whom the Prime Contractor or LACMTA enters into a contract or employs to facilitate implementation of the Targeted Hiring Requirements of this Agreement and the Policy. The Jobs Coordinator must be able to demonstrate or document to the LACMTA the requisite qualifications and/or experience to fulfill the duties and responsibilities as outlined in the Construction Careers Policy.

1.14 “Joint Administrative Committee” (JAC) means the committee established by Article XI of this Agreement to review the implementation of this Agreement.

1.15 “LACMTA” means the Los Angeles County Metropolitan Transportation Authority.

1.16 “Letter of Assent” means the document which formally binds each C/S/E to adherence to all the forms, requirements and conditions of this Agreement that each C/S/E (of any tier) must sign and submit to the LACMTA’s designated office prior to beginning any work covered by this Agreement, and a copy of which will be provided by the designated LACMTA office to the Council.

1.17 “Local Resident” means an individual whose primary place of residence is within an Economically Disadvantaged Area or an Extremely Economically Disadvantaged Area in Los Angeles County.

1.18 “Local Targeted Worker” means a Local Resident, Community Area Resident or a Disadvantaged Worker whose primary place of residence is within Los Angeles County.

1.19 “National Targeted Worker” means (a) an individual whose primary place of residence is within an Economically Disadvantaged Area or an Extremely Economically Disadvantaged Area in the United States; or (b) a Disadvantaged Worker.

1.20 “Project” or “Covered Project” means the capital improvement construction projects, including, but not limited to, Measure R Transit and Highway Projects awarded by the LACMTA, that are covered by this Agreement. Included Projects are listed in Attachment “A” hereto. Additional capital improvement construction projects with a value of \$2,500,000 or more will be added to the list of covered projects as they become known.

1.21 “Project Work” means construction work performed in the construction of a Covered Project.

1.22 “Subscription Agreement” means the contract between a C/S/E and a Union's Labor/Management Trust Fund(s) that allows the C/S/E to make the appropriate fringe benefit contributions in accordance with the terms of the contract.

1.23 “Union” or “Unions” or “Signatory Unions” means the Los Angeles/Orange Counties Building and Construction Trades Council (“Council”) affiliated with the Building & Construction Trades Department (AFL/CIO), Craft International Unions and any other labor organization signatory to this Agreement, acting in their own behalf and on behalf of their respective affiliates and member organizations whose names are subscribed hereto and who have through their officers executed this Agreement.

ARTICLE II

SCOPE OF AGREEMENT

2.1 Parties: Unless otherwise provided or limited herein, this Agreement shall apply to the LACMTA's C/S/E entering into a Construction Contract for the Project, C/S/Es performing work or agreeing to perform work as subcontractors or otherwise in regards to the Construction Contract and the Los Angeles/Orange Counties Building and Construction Trades Council affiliated with the Building & Construction Trades Department (AFL/CIO), Craft Council and Local Unions and any other labor organization signatory to this Agreement, acting in their own behalf and on behalf of their respective affiliates and member organizations whose names are subscribed hereto and who have through their officers executed this Agreement (“Signatory Unions”).

2.2 Project Description: This Agreement shall apply to the Construction Contract as defined in Article 1 Section 1.5 above unless specifically excluded or limited in Article II, Section 2.4 below. This Agreement shall in no way limit the LACMTA's right to terminate, modify or rescind the Construction Contract and/or any related subcontract or agreement and the LACMTA has the sole discretion and right to combine, consolidate, cancel, terminate or take other action regarding the Construction Contract or portions of the Construction Contract. Should the LACMTA remove or terminate any contract or agreement for construction that does not fall within the scope of this Agreement and thereafter authorize that work be commenced on any contract for such construction, the contract for construction may, at the sole election of the LACMTA, be performed under the terms of this Agreement.

2.3 Project Labor Disputes: The provisions of this Agreement, including the Schedule A Agreements, (which are the local collective bargaining agreements of the signatory Unions having jurisdiction over the work on the Project, as such may be changed from time-to-time and which are incorporated herein by reference) shall apply to the work covered by this Agreement. Where a subject is covered by a provision in a Schedule A Agreement and not covered by this Agreement, the provision of the Schedule A Agreement shall prevail. All disputes relating to the interpretation or application of this Agreement shall be subject to resolution by the dispute resolution procedures set forth herein.

2.4 Exclusions:

2.4.1 This Agreement shall only apply to the Construction Contract as defined in Article I, Section 1.5 above. Should the LACMTA remove or terminate any contract for construction that does not fall within the scope of this Agreement and thereafter authorize that work be commenced on the Project for such construction, the contract for construction may, at the sole election of the LACMTA, be performed under the terms of this Agreement.

2.4.2 This Agreement shall not apply to or govern the award of contracts by the LACMTA which are outside the approved scope of the Project and Construction Contract defined in Article 1, Section 1.5.

2.4.3 This Agreement shall not apply to or impact in any way service contracts or operation, inspection or maintenance contracts entered into by the LACMTA including, but not limited to said contract relating to the Project, services provided at any LACMTA facility, building and/or the operation or maintenance of any LACMTA owned and operated facilities.

2.4.4 This Agreement shall not apply to a Contractor's/Employers non-manual employees including, but not limited to, superintendents, supervisors, staff engineers, quality control and quality assurance personnel, time keepers, mail carriers, clerk, office workers, messengers, guards, safety personnel, emergency medical and first aid technicians, and other engineering, administrative, supervisory, and management employees (except those covered by existing building and construction trades collective bargaining agreements).

2.4.5 The Agreement shall not apply to material suppliers of raw materials, manufactured products, offsite hauling or delivery by any means of material, supplies, or

equipment required to any point of delivery, except an offsite prefabrication facility dedicated solely to project work.

2.4.6 This Agreement shall not apply to officers and employees of the LACMTA, nor to work performed by, or on behalf of other governmental entities and public utilities.

2.4.7 This Agreement shall not apply to the work of persons, firms and other entities that perform consulting, planning, scheduling, design, environmental, geological, management, or other supervisory services on any LACMTA project including, but not limited to, consultants, engineers, architects, geologists, construction managers, and other professionals hired by the LACMTA or any other governmental entity.

2.4.8 This Agreement shall not apply to the common division of work recognized through local practice for systems integration and testing, as-built documentation, including, but not limited to, those items excluded by the National Electrical Code (NFPA70) identified projects as "Not Covered" under Article 90.

2.4.9 Notwithstanding the foregoing, it is understood and agreed that Building/Construction Inspector and Field Soils and Material Testers (inspectors) are a covered craft under this Agreement. This inclusion applies to the scope of work defined in the State of California Wage Determination for that Craft. Every Inspector performing under these classifications pursuant to a professional services agreement or a construction contract shall be bound to all applicable requirements of this Agreement. Covered work as defined by this Agreement shall be performed pursuant to the terms and conditions of this Agreement regardless of the manner in which the work was awarded, but shall not cover quality assurance work performed by or on behalf of LACMTA. Notwithstanding the provisions of this sub-section, the LACMTA may engage consultants for limited periods of time in the event of an urgent need for specialized inspection services. The LACMTA must provide prior notice to the union that despite good faith efforts, it is unable to obtain qualified inspector(s) under the provisions of this Agreement. Such engagement shall be only to meet immediate and limited needs until such qualified inspectors working under the Agreement are available.

ARTICLE III **EFFECT OF AGREEMENT**

3.1 By executing the Agreement, the Unions and the LACMTA agree to be bound by each and every provision of this Agreement. This Agreement is not intended to supersede collective bargaining agreements between any of the Contractors/Employers performing construction work on the Project and Union Signatory thereto except to the extent the provisions of this Agreement are inconsistent with such collective bargaining agreement, in which event the provisions of this Agreement shall apply. However, such does not apply to work performed under the NTL Articles of Agreement, the National Cooling Tower Agreement, the National Stack Agreement, the National Transit Division Agreement (NTD), or the National Agreement of the International Unions of Elevator Constructors and all instrument calibration work and loop checking shall be performed under the terms of the UA/IBEW Joint National Agreement for Instrument and Control Systems Technicians, however, provisions of this Agreement dealing with Work Stoppages and Lock-Outs, Work Assignments and Jurisdictional Disputes, and Settlement of Grievances and Disputes shall apply to such work. It is specifically agreed

that no later agreement shall be deemed to have precedence over this Agreement unless signed by all parties signatory hereto who are then currently employed or represented at the Project.

3.2 It is understood that this Agreement constitutes a self-contained, stand-alone agreement and that, by virtue of having become bound to this Agreement, the C/S/E will not be obligated to sign any local, area or national collective bargaining agreement as a condition of performing work within the scope of this Agreement.

3.3 It is agreed that all C/S/Es of whatever tier, who have accepted the award of a Construction Contract or who have been awarded contracts for work covered by this Agreement, shall be required to accept and be bound to the terms and conditions of this Project Labor Agreement, and shall evidence their acceptance by the execution of the Letter of Assent as set forth in Exhibit A hereto, prior to the commencement of work. At the time that any Contractor enters into a subcontract with any subcontractor of any tier providing for the performance on the construction contract, the Contractor shall provide a copy of this Agreement to said subcontractor and shall require the subcontractor, as a part of accepting the award of a construction subcontract, to agree in writing in the form of a Letter of Assent to be bound by each and every provision of this Agreement prior to the commencement of work on the Project. No contractor or subcontractor shall commence Project Work without having first provided a copy of the Letter of Assent as executed by it to the Project Labor Coordinator 48 hours before the commencement of Project Work, or within 48 hours after the award of Project Work to that C/S/E, whichever occurs later. Further, Contractors not signatory to the established Joint Labor/Management Trust Fund Agreements, as described in the Schedule A Agreement(s) for the craft workers in their employ, shall sign a "subscription agreement" with the appropriate Joint Labor/Management Trust Funds covering the work performed under this agreement before work is commenced on the Project.

3.5 This Agreement shall only be binding on the signatory C/S/Es hereto in regards to the Construction Contract and shall not apply to the parents, affiliates, subsidiaries, or other ventures of any C/S/Es or any other contract for construction or project to which this Agreement does not apply.

3.6 This Agreement shall be included as a general condition of the Construction Contract for the Project.

ARTICLE IV **WORK STOPPAGES AND LOCKOUTS**

4.1 During the term of this Agreement there shall be no strikes, picketing, work stoppages, slowdowns or other disruptive activity for any reason by the Union, its applicable Local Union or by any employee, and there shall be no lockout by the Contractor. Failure of any Union, Local Union or employee to cross any picket line established at the Project site is a violation of this Article. Any damages resulting from any violation of this Agreement will be paid by the violating party.

4.2 The Union and its applicable Local Union shall not sanction, aid or abet, encourage or continue any work stoppage, strike, picketing or other disruptive activity at the Contractor's project site and shall undertake all reasonable means to prevent or to terminate any such activity. No employee shall engage in activities which violate this Article. Any employee who participates in or encourages any activities which interfere with the normal operation of the Project shall be subject to disciplinary action, including discharge, and if justifiably discharged for the above reasons, shall not be eligible for rehire on

the Project for a period of not less than ninety (90) days.

4.3 The Unions agree that they shall not sanction, aid or abet, encourage or continue any work stoppage, strike, picketing or other disruptive activity at the Project site. If any Union is notified of any offsite work stoppage, strike, picketing or other disruptive activity by the Union that will economically and/or materially affect the completion of the Project, the Union will promptly make good efforts to cease such Project work disruption. Any such costs that economically and/or materially harm the LACMTA shall be borne by the affected Union and made payable to the LACMTA.

4.4 Neither the Union nor its applicable Local Union shall be liable for independent acts of employees for whom it has no responsibility. The International Union General President or Presidents will immediately instruct, order and use the best efforts of his office to cause the Local Union or Unions to cease any violations of this Article. An International Union complying with this obligation shall not be liable for unauthorized acts of its Local Union, The principal officer or officers of a Local Union will immediately instruct, order and use the best efforts of his office to cause the employees the Local Union represents to cease any violations of this Article. A Local Union complying with this obligation within two business days shall not be liable for unauthorized acts of employees it represents. The failure of the C/S/E to exercise its right in any instance shall not be deemed a waiver of its right in any other instance.

4.5 Expiration of Local Agreements. If local, regional, and other applicable labor agreements expire during the term of this Agreement, it is specifically agreed that there shall be no strike, sympathy strike, picketing, lockout, slowdown, withholding of work, refusal to work, walk-off, sick-out, sit-down, stand-in, wobble, boycott or other work stoppage, disruption, advising of the public that a labor dispute exists, or other impairment of any kind as a result of the expiration of any local, regional or other applicable labor agreement having application at any LACMTA project and/or failure of the parties to that agreement to reach a new contract. Terms and conditions of employment established and set for purposes of prevailing wage requirements under such labor agreements or as required by law at the time of bid or thereafter shall remain established and set. Otherwise to the extent that such a local, regional, or other applicable labor agreement does expire and the parties to that agreement have failed to reach agreement on a new contract, work will continue on the Project on one of the following two basis, both of which will be offered by the Unions involved to the Contractors/Employers affected:

4.5.1 Each of the Unions with a contract expiring must offer to continue working on the Project under interim agreements that retain all the terms of the expiring contract, except that the Unions involved in such expiring contracts may each propose wage rates and employer contribution rates to employee benefit funds under the prior contract different from what those wage rates and employer contributions rates were under the expiring contracts provided, however, that the proposal does not violate state and/or federal prevailing wage laws required to be paid on public works projects. The terms of the Union's interim agreement offered to Contractors/Employers will be no less favorable than the terms offered by the Union to any other employer or group of employers covering the same type of construction work in Los Angeles County.

4.5.2 Each of the Unions with a contract expiring must offer to continue working on the Project under all the terms of the expiring contract, including the wage rates and employer contribution rates to the employee benefit funds, provided that said wage rates comply with state and/or federal prevailing wage laws, if the Contractors affected by that contract agree to the following retroactivity provisions: if a new local, regional or other

applicable labor agreement for the industry having application at the Project is ratified and signed during the term of this Agreement and if such new labor agreement provides for retroactive wage increases, then each affected Contractor shall pay to its employees who performed work covered by the Agreement at the Project during the hiatus between the effective dates of such labor agreements, an amount equal to any such retroactive wage increase established by such new labor agreement, retroactive to whatever date is provided by the new local, regional or other applicable agreement for such increase to go into effect, for each employee's hours worked on the Project during the retroactive period. An agreed labor agreement must not violate any requirements of state and/or federal prevailing wage laws. All parties agree that such affected C/S/E shall be solely responsible for any retroactive payment to its employees and that neither the LACMTA nor any other Contractor has any obligation, responsibility or liability whatsoever for any such retroactive payments or collection of any such retroactive payments, from any such Contractor.

4.5.3 Some Contractors may elect to continue to work on the Project under the terms of the interim agreement option offered under 4.5.1 above and other Contractors may elect to continue to work on the Project under the retroactivity option offered under 4.5.2 above. To decide between the two options, Contractors will be given one (1) week after the particular labor agreement has expired or one week after the Union has personally delivered to the Contractor in writing its specific offer of terms of the interim agreement pursuant to 4.5.1 above, whichever is the later date. If the Contractor fails to timely select one of the two options, the Contractor shall be deemed to have selected the option of 4.5.2.

4.6 Expedited Arbitration will be utilized for all work stoppages and lockouts. In lieu of or in addition to any other action at law or equity, any party may institute the following procedure when a breach or violation of this Article IV is alleged to have occurred:

4.6.1 The party invoking this procedure shall notify the permanent arbitrator next in sequence from the following list:

1. Joseph Gentile
2. Michael Rappaport
3. Walter Daugherty
4. Sara Adler
5. Mai Ling Bickner

The Parties agree these shall be the five permanent Arbitrators under this procedure. In the event that none of the five permanent Arbitrators are available for a hearing within 24 hours, the party invoking the procedure shall have the option of delaying until one of the five permanent Arbitrators is available or of asking the permanent Arbitrator that would normally hear the matter to designate an arbitrator to sit as a substitute Arbitrator for this dispute. If any of the permanent Arbitrators ask to be relieved from their status as a permanent Arbitrator, the Parties shall mutually select a new permanent Arbitrator from the following list of arbitrators:

1. John Kagel

2. Walter Dougherty
3. William Rule

Selection shall be made by each party alternately striking from the foregoing list until one name remains who shall be the replacement permanent Arbitrator. Expenses incurred in arbitration shall be borne equally by the Union and the C/S/E involved and the decision of the Arbitrator shall be final and binding on both Parties, provided, however, that the Arbitrator shall not have the authority to alter or amend or add to or delete from the provisions of this Agreement in any way. Notice to the Arbitrator shall be by the most expeditious means available, including by telephone and by facsimile or telegram to the party alleged to be in violation and to the Council and involved local Union if a Union is alleged to be in violation.

4.6.2 Upon receipt of said notice, the Arbitrator shall convene a hearing within twenty-four (24) hours if it is contended that the violation still exists.

4.6.3 The Arbitrator shall notify the Parties by telephone and by facsimile or telegram of the place and time for the hearing. Notice shall be given to the individual Unions alleged to be involved and to the Council. Said hearing shall be completed in one session, which, with appropriate recesses at the Arbitrator's discretion, shall not exceed twenty-four (24) hours unless otherwise agreed upon by all Parties. A failure of any party to attend said hearings shall not delay the hearing of evidence or the issuance of any decision by the Arbitrator.

4.6.4 The sole issue at the hearing shall be whether or not a violation of Section 4.1 or 4.2 of this Article IV has in fact occurred. The Arbitrator shall have no authority to consider any matter of justification, explanation or mitigation of such violation or to award damages, which issue is reserved for court proceedings, if any. The decision shall be issued in writing within three (3) hours after the close of the hearing, and may be issued without a written opinion. If any party desires a written opinion, one shall be issued within fifteen (15) days, but its issuance shall not delay compliance with or enforcement of the decision. The Arbitrator may order cessation of the violation of this Article and other appropriate relief and such decision shall be served on all Parties by hand or registered mail upon issuance.

(5) Such decision may be enforced by any Court of competent jurisdiction upon the filing of this Agreement and all other relevant documents referred to above in the following manner. Written notice of the filing of such enforcement proceedings shall be given to the other party. In the proceeding to obtain a temporary order enforcing the Arbitrator's decision as issued under Section 4.6.4 of this Article, all Parties waive the right to a hearing and agree that such proceedings may be ex parte. Such agreement does not waive any party's right to participate in a hearing for a final order of enforcement. The Court's order or orders enforcing the Arbitrator's decision shall be served on all Parties by hand or delivered by registered mail.

4.6.6 Any rights created by statute or law governing arbitration proceedings inconsistent with the above procedure or which interfere with compliance therewith are hereby waived by the Parties to whom they accrue.

4.6.7 The fees and expenses incurred in arbitration shall be divided equally by the Parties to the arbitration, including Union(s) and the C/S/E(s) involved.

4.7 The procedures contained in Section 4.6 shall be applicable to alleged violations of Article IV to the extent any conduct described in Section 4.1 or 4.2 occurs on the Project. Disputes alleging violation of any other provision of this Agreement, including any underlying disputes alleged to be in justification, explanation, or mitigation of any violation of Section 4.1 or Article IV shall be resolved under the applicable grievance adjudication procedures for these other Articles.

4.8 Notwithstanding any provision of this Agreement to the contrary, it shall not be a violation of this Agreement for any Union to withhold the services of its members (but not the right to picket) from a particular C/S/E who:

4.8.1 fails to timely pay its weekly payroll; or

4.8.2 fails to make timely payments to the Union's Joint Labor/Management Trust Funds in accordance with the provisions of the applicable Schedule A Agreements. Prior to withholding its members services for the Contractor's failure to make timely payments to the Union's Joint Labor/Management Trust Funds, the Union shall give at least ten (10) days (unless a lesser period of time is provided in the Union's Schedule A Agreement, but in no event less than forty-eight (48) hours) written notice of such failure to pay by registered or certified mail, return receipt requested, and by facsimile transmission to the involved Contractor and to the LACMTA. The Union will meet within the ten (10) day period to attempt to resolve the dispute.

4.8.3 Upon the payment of the delinquent Contractor of all monies due and then owing for wages and/or fringe benefit contributions, the Union shall direct its members to return to work and the Contractor shall return all such members back to work.

ARTICLE V **NO DISCRIMINATION**

5.1 Consistent with Executive Order 11246 and applicable federal and state law and regulation, the C/S/Es and Unions agree not to engage in any form of discrimination on the ground of, or because of, race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, marital status, medical condition, political affiliation, or membership in a labor organization in hiring and dispatching workers for the project.

5.2 Any employee covered by this Agreement which believes he/she has been discriminated against, in violation of section 5.1 above, shall be referred to the appropriate state and/or federal agency for the resolution of such dispute.

ARTICLE VI **UNION SECURITY**

6.1 The C/S/Es recognize the Unions as the sole and exclusive bargaining representatives of all craft employees working within the scope of this Agreement.

6.2 No employee covered by this Agreement shall be required to join any Union as a condition of being employed, or remaining employed, for the completion of the Project work. The C/S/E shall, however, require all employees working on the Construction Contract, to the extent which this Agreement applies, for a cumulative total of eight (8) or more working days, to comply with the applicable Union's security provisions for the period during which they are performing on-site Project work to the extent, as permitted by law, of rendering payment of the applicable monthly dues and any working dues only, as uniformly required of all craft employees while working on the Project and represented by the applicable signatory unions. However, any employee who is a member of a Union at the time the referring Union refers the employee, shall maintain that membership in good standing while employed on the Construction Contract.

ARTICLE VII **REFERRAL**

7.1 The C/S/Es recognize that the Unions shall be the primary source of all craft labor employed on the Construction Contract for the Project. The Unions will exert their best efforts to recruit and identify individuals, particularly Local or National Targeted Workers, as well as those referred by the Jobs Coordinator, for entrance or reentrance into the labor/management apprenticeship programs, and to assist individuals in qualifying and becoming eligible for such programs. C/S/Es utilizing core employees shall follow the procedures outlined below:

7.1.1 The C/S/E worker shall be considered a Core Worker for the purposes of this Article if the employee's name appeared on the C/S/E's active payroll for sixty (60) of the one hundred (100) days immediately before the award of the Project Work to the C/S/E and meets the required definition of 1.7 above,

7.1.2 Each C/S/E shall identify Core Workers in their Employment Hiring Plan and shall provide payroll records evidencing the worker's qualification as a Core Worker upon request by LACMTA or any other party to this Agreement. The number of Core Workers on the Project for C/S/Es covered by this Agreement shall be governed by the following procedure: one Core Worker shall be selected and one worker from the hiring hall of the affected trade or craft and this process shall repeat until such C/S/E's requirements are met or until such C/S/E has hired five (5) such Core Workers for that craft, whichever occurs first. Thereafter, all additional employees in the affected trade or craft shall be hired exclusively from the applicable hiring hall list. In the event of a reduction-in-force or layoff, such will take place in a manner to assure that the number of remaining Core Workers in the affected craft does not exceed, at any time, the number of others working in that craft who were employed pursuant to other procedures available to the C/S/E under this Agreement. This provision applies only to employees not currently working under a current master labor agreement and is not intended to limit transfer provisions of current master labor agreements of any trade. As part of this process, and in order to facilitate the contract administration procedures, as well as appropriate benefit fund coverage, all contractors shall require their "Core Work Force" and any other persons employed, other than through the referral process, to register with the appropriate hiring hall, if any, of the signatory union prior to said employee's first day of employment at the project site.

7.2 C/S/Es shall be bound by and utilize the registration facilities and referral systems established or authorized by this Agreement and the signatory Unions when such procedures are not in violation of state or federal law or in conflict with provisions set forth in this Agreement.

7.3 In the event that referral facilities maintained by the unions are unable to fill the requisition of a C/S/E for Local or National Targeted Workers within forty-eight (48) hours (excluding Saturdays, Sundays and holidays), the C/S/E shall be free to obtain Local or National Targeted Workers from any source. If the Union's registration and referral system does not fulfill the requirements for specific classifications of covered classifications requested by any C/S/E within forty-eight (48) hours (excluding Saturdays, Sundays and holidays), that C/S/E may use employment sources other than the union registration and referral services, and may employ any applicants meeting such standards from any other available source. The contractor shall inform the Union of any applicants hired from other sources within 48 hours of such applicant being hired, and such applicants shall immediately register with the appropriate hiring hall, if any.

7.3.1 The C/S/Es must document all efforts made to comply with the targeted hiring process to locate and hire Local Targeted Workers and National Targeted Workers.

7.3.2 The C/S/E shall inform the Unions, Job Coordinator and LACMTA of the name, address, worker craft classification and social security number of any worker hired from other sources upon their employment on the Project(s).

7.3.3 No Local or National Targeted Worker, having been pre-screened and /or pre-qualified by the Jobs Coordinator, and employed by the C/S/E to work on the Project, shall be required to participate in any Joint Labor/Management "boot camp" or pre-apprentice program that will unnecessarily delay the Targeted Local or National Worker's start of work or cause said worker's termination due to having to participate in such "boot camps" or pre-apprentice programs.

7.4 Unions will be required to recruit sufficient numbers of skilled craft persons to fulfill the requirements of the Contractors/Employers.

7.5 Covered Projects Other Than Federally-Funded Projects

7.5.1 On Covered Projects other than Federally-Funded Projects, the Unions will make every effort to recruit Local Targeted Workers and to refer and utilize Local Targeted Workers on the Project. The C/S/Es shall submit written documentation to the LACMTA on a quarterly basis, or as required by LACMTA, which sets forth the steps taken by the C/S/Es to recruit, refer and utilize qualified Local Targeted Workers recruited by the Unions and referred to or utilized on the Project. C/S/Es shall comply with LACMTA instructions to request Local Targeted Workers from particular Economically Disadvantaged Areas. In recognition of LACMTA policy to utilize Local Targeted Workers, the Unions and C/S/Es agree that as long as they possess the requisite skills and qualifications, Local Targeted Workers, with priority given to Community Area Residents, shall be first referred for Project work, including journeypersons and apprentices.

7.5.2 On Covered Projects other than Federally-Funded Projects, the C/S/Es and

Unions are responsible for ensuring that the following Targeted Hiring Requirements are met.

(a) A minimum of 40% of all hours of Project Work shall be performed by Local Targeted Workers, with priority given to Community Area Residents. For any hour of Project Work for which the C/S/E seeks to meet this requirement, the C/S/E and Unions must first refer Community Area Residents. After Unions and C/S/Es have exhausted the available pool of Community Area Residents, they may refer any Local Residents from Extremely Economically Disadvantaged Areas in Los Angeles County; when the C/S/Es have exhausted the available pool, they must refer Local Residents from Economically Disadvantaged Areas in Los Angeles County.

(b) A minimum of 10% of all hours of Project Work shall be performed by Disadvantaged Workers whose primary place of residence is within Los Angeles County.

(c) At least 20% of total work hours on each project will be performed by apprentices, but the hours performed by apprentices in each individual craft shall not exceed the ratio to journeyman established by the applicable craft union's DAS approved apprenticeship standards. The parties agree that Local Targeted Workers will perform 50% of all apprenticeship hours worked on the Project.

7.5.3 In determining compliance with the targeted hiring requirements of Section 7.5.2 above, hours of Project Work performed by residents of states other than California will be excluded from the calculation.

7.5.4 Apprentice Hiring Requirements for Covered Projects other than Federally-Funded Projects.

(a) All C/S/Es performing Project Work will make every effort to employ the maximum number of Apprentices allowed by State Law.

(b) The LACMTA will seek to make available through this Agreement or other means, significant apprenticeship opportunities for Local Targeted Workers, consistent with Section 7.5(1) above.

(c) Any apprentice must come from an apprenticeship program as defined in 1.2 above.

(d) Unions shall track retention of Apprentices hired under the Policy through completion of the Project Work. The signatory unions shall collect the tracking information and shall submit quarterly retention reports to the LACMTA in the agreed-upon format.

(e) If, in response to the C/S/E's request, the applicable Union is not able to refer an apprentice from a specific Economically Disadvantaged Area or

Extremely Economically Disadvantaged Area in Los Angeles County, the Union will indenture a new apprentice from that Area and the C/S/E shall act as employer-sponsor for such apprentice, consistent with Section 7.5(1) and cover 25% of sponsorship fees for any such Apprentice hired. The amount covered by the C/S/E may be paid to the new Apprentice over the first three (3) paychecks.

(f) The C/S/E shall provide to the LACMTA, information regarding any reasons given by apprenticeship programs for not accepting Contractor-referred Local Targeted Workers into apprenticeship programs.

(g) All apprentices shall work under the direct supervision of a journeyman from the trade in which the apprentice is indentured. A journeyman shall be defined as set forth in the California Code of Regulations, Title 8 [apprenticeship] section 205, which defines a journeyman as a person who has either completed an accredited apprenticeship in his or her craft, or has completed the equivalent of an apprenticeship in length and content of work experience and all other requirements in the craft which has workers classified as journeyman in the apprenticeable occupation. Each C/S/E shall provide adequate proof evidencing the worker's qualification as a journeyman.

7.6 Covered Federally-Funded Projects

7.6.1 On Federally-Funded Projects, the Unions will make every effort to recruit National Targeted Workers and to refer and utilize National Targeted Workers on the Project. The C/S/Es shall submit written documentation to LACMTA on a quarterly basis, or as required by LACMTA, which sets forth the steps taken by the C/S/Es to recruit, refer and utilize qualified National Targeted Workers recruited by the Unions and referred to or utilized on the Project. In recognition of LACMTA's policy to utilize National Targeted Workers, the Unions and Contractors/Employers agree that as long as they possess the requisite skills and qualifications National Targeted Workers shall be first referred for Project work, including journeypersons and apprentices.

7.6.2 On Federally-Funded Projects, the C/S//Es and Unions are responsible for ensuring that the following Targeted Hiring Requirements are met.

(a) A minimum of 40% of all hours of Project Work shall be performed by National Targeted Workers, with priority given to residents of Extremely Economically Disadvantaged Areas in the United States. For any hour of Project Work for which the C/S/E seeks to meet this requirement, the C/S/E and Unions must first refer residents of Extremely Economically Disadvantaged Areas in the United States. After Unions and C/S/Es have exhausted the available pool of residents of Extremely Economically Disadvantaged Areas, they may refer any National Targeted Worker.

(b) A minimum of 10% of all hours of Project Work shall be performed by Disadvantaged Workers who are residents of the United States.

(c) At least 20% of total work hours on each project will be performed by apprentices, but the hours performed by apprentices in each individual craft shall not exceed the ratio to journeyman established by the applicable craft union's DAS approved apprenticeship standards. The parties agree that National Targeted Workers will perform 50% of all apprenticeship hours worked on the Project.

7.6.3 Apprentice Hiring Requirements on Federally Funded Projects

(a) All Contractors/Employers performing Project Work will make every effort to employ the maximum number of Apprentices allowed by State Law.

(b) The LACMTA will seek to make available through this Agreement or other means, significant apprenticeship opportunities for National Targeted Workers, consistent with Section 7.6(1) above.

(c) Any apprentice must come from an apprenticeship program as defined in 1.2 above.

(d) Unions shall track retention of Apprentices hired under the Policy through completion of the Project Work. The signatory unions shall collect the tracking information and shall submit quarterly retention reports to the LACMTA in the agreed upon format.

(e) If the applicable Union is not able to refer an apprentice from a specific Extremely Economically Disadvantaged Area or Economically Disadvantaged Area in the United States, the Union will indenture a new apprentice from that Area and the C/S/E shall act as employer-sponsor for such apprentice, consistent with Section 7.5(1) and cover 25% of sponsorship fees for any such Apprentice hired. The amount covered by the C/S/E may be paid to the new Apprentice over the first three (3) paychecks.

(f) The C/S/E shall provide to the LACMTA, information regarding any reasons given by apprenticeship programs for not accepting Contractor-referred National Targeted Workers into apprenticeship programs.

(g) All apprentices shall work under the direct supervision of a journeyman from the trade in which the apprentice is indentured. A journeyman shall be defined as set forth in the California Code of Regulations, Title 8 [apprenticeship] section 205, which defines a journeyman as a person who has either completed an accredited apprenticeship in his or her craft, or has completed the equivalent of an apprenticeship in length and content of work experience and all other requirements in the craft which has workers classified as journeyman in the apprenticeable occupation. Each C/S/E shall provide adequate proof evidencing the worker's qualification as a journeyman.

7.7 The Disadvantaged Workers will be referred to the Unions from the Jobs Coordinator

qualified to perform construction jobs coordination and related services. The Jobs Coordinator shall pre-screen and/or pre-qualify any applicant prior to referral to the Unions. Drug screening will be a prerequisite to employment. As referenced in 1.8 above, Disadvantaged Workers must meet at least two of the following criteria:

- a. Being homeless;
- b. Being a custodial single parent;
- c. Receiving public assistance;
- d. Lacking a GED or high school diploma;
- e. Having a criminal record or other involvement with the criminal justice system (as more specifically described in Section 3.8 of the Construction Careers Policy);
- f. Suffering from chronic unemployment (as more specifically described in the Section 3.28 of the Construction Careers Policy);
- g. Emancipated from the foster care system;
- h. Veteran of the Iraq/Afghanistan war;
- i. An apprentice with less than 15% of the required graduating apprenticeship hours in a program as described in Article 1.2.

For the applicant to qualify under this program, the Jobs Coordinator shall verify the presence of any two criteria listed above.

7.7 The C/S/E shall be the sole judge of the qualifications of any employee including those referred to the C/S/E by any source.

7.8 There shall be no limitation or restriction upon the choice of materials or upon the full use and installation of equipment, machinery, package units, factory precast, prefabrication or preassembled materials, tools or other labor saving device.

7.9 Helmets to Hardhats:

7.9.1 The C/S/Es and the Unions recognize a desire to facilitate the entry into the building and construction trades of veterans who are interested in careers in the building and construction trades industry. The C/S/Es and Unions agree to utilize the services of the Center for Military Recruitment, Assessment and Veterans Employment (hereinafter "Center") and the Center's "Helmets to Hardhats" Program to serve as a resource for preliminary orientation, assessment of the construction aptitude, referral to apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as identified by the parties.

7.9.2 The Unions and Employers agree to coordinate with the Center to reach out to veterans interested in entering into a construction career.

7.10 C/S/Es agree to only use the Craft Request Form (Exhibit B) and the procedures written therein to request any and all workers from Unions with a concurrent transmittal of such request to the Jobs Coordinator, including workers qualified as Local Targeted Workers, National Targeted Workers, and/or general dispatch.

7.11 When Local Targeted Workers or National Targeted Workers are requested by a C/S/E, the Unions will refer such workers regardless of their place in the Union hiring halls' list and normal referral procedures.

7.12 In the event that a C/S/E, having not achieved its targeted hiring participation levels, requests a Local Targeted Worker or National Targeted Worker from the Union hiring facility, and is referred a worker who is not a Local Targeted Worker or National Targeted Worker, the C/S/E is under no obligation to hire the referred worker for the Project work and shall notify the Union hiring facility and the Jobs Coordinator.

7.13 The C/S/Es, Unions and Jobs Coordinator agree to maintain copies of all Craft Request Forms used on the Project submitted or received including transmission verification reports that are date/time imprinted, until the project on which such workers is completed. All Craft Request Forms and transmission verification reports shall be available for inspection and copies provided, upon request by LACMTA.

ARTICLE VIII

WAGES & BENEFITS

8.1 All employees covered by this Agreement shall be classified in accordance with work performed and paid by the C/S/E the hourly wage rates for those classifications in compliance with the applicable prevailing wage rate determination established pursuant to applicable law. If a prevailing rate increases under law, the C/S/E shall pay that rate as of its effective date under the law. Notwithstanding Section 2.3, this Agreement does not relieve C/S/Es from any independent contractual or other obligation they may have to pay wages in excess of the prevailing wage rate as required.

8.2 C/S/E shall pay contributions to the established employee benefit funds in the amounts designated by the Unions and make all employee-authorized deductions in the amounts designated by the Unions; provided, however, that the C/S/E and Union agree that only such bona fide employee benefits as accrue to the direct benefit of the employees (such as pension and annuity, health and welfare, vacation, apprenticeship, training funds, etc.) shall be included in this requirement and required to be paid by the C/S/E on the Project; and provided further, however, that such contributions shall not exceed the contribution amounts set forth in the applicable prevailing wage determination. Notwithstanding Section 2.3, C/S/Es directly signatory to one or more of the Schedule A Agreements are required to make all contributions set forth in those Schedule A Agreements without reference to the forgoing. The LACMTA shall not be liable for determining the level of contributions, deductions or payments for benefits and the LACMTA shall not be liable for or required to make contributions, deductions or payments for benefits in excess of or different from those set forth in the prevailing wage determinations.

8.3 Each C/S/E adopts and agrees to be bound by the written terms of the applicable, legally established, trust agreement(s), to the extent said trust agreements are consistent with this Agreement, specifying the detailed basis on which payments are to be made into, and benefits paid out of such trust funds for the C/S/E's employees. Each C/S/E authorizes the parties to such trust funds to appoint trustees and successor trustees to administer the trust funds and hereby ratifies and accepts the trustees so appointed as if made by the Contractor/ Employer. C/S/Es further agree to sign the applicable trust agreement "subscription" agreement(s) if required by the Craft Union on behalf of the Craft employees in order to make the employee contributions to the pension, annuity, health and welfare, vacation, apprenticeship, training trusts, etc.

ARTICLE IX **COMPLIANCE**

9.1 It shall be the responsibility of the C/S/Es and the Unions to investigate and monitor compliance with the provisions of this Agreement. The LACMTA may designate a representative to monitor and investigate issues related to this Agreement including, but not limited to, the prevailing wage requirements and the Construction Careers Policy.

ARTICLE X **DISPUTE RESOLUTION PROCEDURE**

10.1 This Agreement is intended to provide close cooperation between management and labor. Each of the Unions will assign a representative to this Project for the purpose of completing the construction of the Project economically, efficiently, continuously, and without interruptions, delays, or work stoppages.

10.2 The C/S/Es, Unions, and the employees, collectively and individually, realize the importance to all Parties to maintain continuous and uninterrupted performance of the work of the Project, and agree to resolve disputes in accordance with the grievance-arbitration provisions set forth in this Article.

10.3 Any question or dispute by or between a C/S/E and/or a Union and arising out of and during the term of this Agreement, other than disputes arising under Article IV (Work Stoppages and Lockouts, Article XII (Jurisdictional Disputes) and Article XIII (Employee Grievance Procedure) shall be considered a grievance and subject to resolution under the following procedures:

Step 1: Within five (5) business days after notice of the dispute, the Business Representative of the involved Local Union or District Council, or his/her designee, and the representative of the involved C/S/E shall meet and attempt to resolve the dispute.

Step 2: In the event that the representatives are unable to resolve the dispute at the Step 1 meeting, the grieving party shall, within five (5) business days after the Step 1 meeting, notify the responding party and the Joint Administrative Committee ("JAC") of a request to discuss the grievance. The Business Manager of the Union (or his/her designee) shall meet with the respective jobsite representative of the C/S/E and the JAC within ten (10) business days (or such longer time as all of the parties may mutually agree) after receipt of the request to discuss the grievance. If the grievance is not resolved at the JAC

meeting, the grievance may be submitted to final and binding arbitration as described in Step 3.

Step 3: In the event a dispute cannot be satisfactorily resolved within the time limits established above in Step 2, either party may submit the dispute to arbitration by written notice to the other party of their intent to submit the dispute to arbitration within ten (10) business days (or such longer time as mutually agreed) of the date on which the parties met with the JAC. An arbitrator shall be selected by the parties to the grievance from the following list of permanent arbitrators: (1) Joseph Gentile, (2) Michael Rappaport, (3) Walter Daugherty, (4) Sara Adler, and (5) Mei Ling Bickner. The grieving party shall strike one of the arbitrators from the list, and the responding party shall strike the next arbitrator from the list, until one arbitrator is left, who shall hear the case. The arbitrator's decision shall be final and binding upon the parties. The arbitrator shall not have the authority to alter, amend, add to, or delete from the provisions of this Agreement in any way. The failure of any party to attend said hearing shall not delay the hearing of evidence or the issuance of any decision by the arbitrator. Should any party seek confirmation of the award made by the arbitrator, the prevailing party shall be entitled to receive its reasonable attorney fees and costs.

10.4 The LACMTA shall be notified of all actions at Steps 2 and 3 and shall, upon its request, be permitted to participate in all proceedings at these steps. The LACMTA, in its sole and absolute discretion, may elect to utilize the procedures the set forth herein for addressing issues of concern to LACMTA arising under this Agreement.

10.5 The time limits specified in any step of the Dispute Resolution Procedure set forth in Section 10.3 may be extended by mutual agreement of the parties initiated by the written request of one party to the other, at the appropriate step of the dispute procedure. However, failure to process a dispute, or failure to respond in writing within the time limits provided above, without a request for an extension of time, shall be deemed a waiver of such dispute without prejudice, or without precedent to the processing and/or resolution of like or similar disputes.

10.6 In order to encourage the resolution of disputes at Steps 1 and 2 of the dispute procedure, the parties agree that any settlements made during such steps, shall not be precedent setting.

10.7 The fees and expenses incurred by the arbitrator, as well as those jointly utilized by the parties (i.e. conference room, court reporter, etc.) in arbitration, shall be divided equally by the Parties to the arbitration, including Union(s) and C/S/E(s) involved.

ARTICLE XI

JOINT ADMINISTRATIVE COMMITTEE

11.1 The Parties to this Agreement shall establish a six (6) person Joint Administrative Committee (JAC). This JAC shall be comprised of one (1) representative of the LACMTA Construction Manager; one (1) representative of the LACMTA Administrative Services; one (1) representative of the prime contractor, and three (3) representatives of the signatory Unions to be appointed by the Council established to monitor compliance with the terms and conditions of this Agreement. Each representative shall designate an alternate who shall serve in his or her absence for any purpose contemplated by this Agreement.

11.2 The JAC shall meet as required to review the implementation of this Agreement and the progress of the Project and resolve problems or disputes by majority vote with such resolutions to be binding on all signatories of the Agreement as provided herein. A unanimous decision of the JAC shall be final and binding upon all Parties. However, the JAC shall have no authority to make determinations upon or to resolve grievances arising under this Agreement.

11.3 A quorum will consist of at least two (2) LACMTA and two (2) signatory union representatives. For voting purposes, only an equal number of LACMTA and signatory union representatives present may constitute a voting quorum.

ARTICLE XII **JURISDICTIONAL DISPUTES**

12.1 The assignment of work will be solely the responsibility of the C/S/E performing the work involved and such work assignments will be in accordance with the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (the Plan) or any successor Plan.

12.2 All Jurisdictional Disputes on this Project, between or among Building and Construction Trades Unions and C/S/Es shall be settled and adjusted according to the present Plan established by the Building and Construction Trades Department. Decisions rendered shall be final, binding, and conclusive on the C/S/Es and Unions. A decision shall not award back pay or any other damages for a misassignment of work, nor may any party bring an independent action for back pay or any other damages based upon a decision of an Arbitrator, except that a party may seek back pay or damages for a period of non-compliance with an Arbitrator's decision from any party that fails to comply with such decision within seven (7) business days of the issuance of the Arbitrator's decision.

12.3 All Jurisdictional Disputes shall be resolved without the occurrence of any strike, work stoppage, or slow-down of any nature and the C/S/E's assignment shall be adhered to until the dispute is resolved. Individuals violating this section shall be subject to immediate discharge.

ARTICLE XIII **EMPLOYEE GRIEVANCE PROCEDURE**

13.1 Should a grievance arise regarding the imposition of discipline of an employee, or the dismissal of an employee, working on Project work, all such grievance(s) shall be processed, exclusively, under the grievance procedure contained in the applicable Schedule A Agreement for the craft Union representing such employee(s) and not under the provisions of the Grievance Arbitration provisions of Article X. C/S/Es shall not discipline or dismiss its employees except for good cause.

ARTICLE XVI **MANAGEMENT RIGHTS**

14.1 The C/S/Es retain full and exclusive authority for the management of their operations. This includes, but is not limited to, the right to direct their working force and to establish coordinated working hours and starting times, which shall not be in conflict with the Schedule A Agreements.

14.2 There shall be no limit on production by workers or restrictions on the full use of tools or equipment. Craftsmen using tools shall perform any of the work of the trades and shall work under the direction of the craft foremen. There shall be no restrictions on efficient use of manpower other than as may be required by safety regulations. The C/S/Es may utilize the most efficient methods or techniques of construction, tools or other labor-saving devices to accomplish the work. Restrictive practices not a part of the terms and conditions of this Agreement will not be recognized.

14.3 The C/S/E shall be the sole judge of the number and classifications of employees required to perform work subject to this Agreement. The C/S/E shall have the absolute right to hire, promote, suspend, discharge or lay off employees at their discretion and to reject any applicant for employment, subject to the provisions of the respective craft collective bargaining agreement between the particular C/S/E and Union and pursuant to this Agreement.

14.4 Nothing in this Agreement shall be construed to limit the right of any of the C/S/Es to select the lowest bidder he deems qualified for the award of contracts or subcontracts or material, supplies, or equipment purchase orders on the Project. Contractors shall have the absolute right to award contracts or subcontracts for Project Work to any qualified contractor notwithstanding the existence or non-existence of any agreements between such contractor and any Union parties hereto, provided only that such contractor is willing, ready and able to execute and comply with this Project Labor Agreement should such contractor be awarded work covered by this Agreement. The right of ultimate selection remains solely with the C/S/E in accordance with the Construction Contract or Inspection Services Contract.

14.5 It is recognized that certain materials, equipment and systems of a highly technical or technological and specialized nature will have to be installed at the Project. The nature of the materials or the nature of the equipment and systems, together with requirements of manufacturer's warranty, dictate that it be prefabricated, pre-piped, prewired and/or installed under the supervision and direction of the LACMTA's C/S/E's and/or manufacturer's personnel. The Unions agree that such materials, equipment and systems may be installed under the supervision and direction of the LACMTA representative, the C/S/E's or the manufacturer's personnel. The Unions agree that such materials, equipment and systems shall be installed without the occurrence of any conduct described in Sections 4.1 and 4.2.

ARTICLE XV
SAFETY, PROTECTION OF PERSON AND PROPERTY

15.1 It shall be the responsibility of each C/S/E to ensure safe working conditions and employee compliance with any safety rules contained herein or established by the LACMTA, the state and the C/S/E. It is understood that the employees have an individual obligation to use diligent care to perform their work in a safe manner and to protect themselves and the property of the C/S/E and the LACMTA.

15.2 Employees shall be bound by the safety, security and visitor rules established by the C/S/E and the LACMTA. These rules will be published and posted in conspicuous places by the C/S/E throughout the work site. An employee's failure to satisfy his obligations under this Section will subject him to discipline, including discharge.

15.3 The Parties acknowledge that the LACMTA and C/S/E have a policy, which prohibits the use, sale, transfer, purchase and/or possession of a controlled substance, alcohol and/or firearms while on the LACMTA's premises. Additionally, the C/S/E has a "drug free" work place policy, which prohibits those working on the Project from having a level of alcohol in their system, which could indicate impairment, and/or any level of controlled substances (i.e., illegal drugs) in their system.

15.4 To that end, the Parties agree that the Labor/Management Memorandum of Understanding (MOU) on Drug Abuse Prevention and Detection negotiated with the various General Contractor Associations and the Basic Trades' Unions (Titled Memorandum of Understanding Testing Policy for Drug Abuse; International Union of Operating Engineers Local Union No. 12; Revised June 2009 as shown in Exhibit C) shall be the policy and procedure utilized under this agreement.

ARTICLE XVI **SAVINGS CLAUSE**

16.1 The Parties agree that in the event any article, provision, clause, sentence or work of the Agreement is determined to be illegal or void as being in contravention of any applicable law, by a court of competent jurisdiction, the remainder of the Agreement shall remain in full force and effect. The Parties further agree that if any article, provision, clause, sentence or word of the Agreement is determined to be illegal or void, by a court of competent jurisdiction, the parties shall substitute, by mutual agreement, in its place and stead, an article, provision, sentence or work which will meet the objections to its validity and which will be in accordance with the intent and purpose of the article, provision, clause, sentence or word in question.

16.2 The Parties also agree that in the event that a decision of a court of competent jurisdiction materially alters the terms of the Agreement such that the intent of the Parties is defeated, then this entire Agreement shall be null and void.

16.3 If a court of competent jurisdiction determines that all or part of the Agreement is invalid and/or enjoins the LACMTA from complying with all or part of its provisions, no C/S/E or Union would be bound by the provisions of Article IV. The Unions and their members shall remain bound to Article IV with respect to all C/S/Es who remain bound to this Agreement, and no action taken by the Unions or their members shall disrupt the work of such C/S/E.

16.4 The provisions of this Agreement shall not be applicable where prohibited by Presidential Executive Order, Federal or State law, or where the application would be inconsistent with terms and conditions of a grant or a contract with the agency of the United States, State of California, or the instruction of an authorized representative of these agencies with respect to any grant or contract.

ARTICLE XVII **PRE-JOB CONFERENCE**

17.1 Each C/S/E will conduct a pre-job conference with the appropriate affected Union(s) and the Council prior to commencing work. The C/S/E shall notify the Council ten (10) days in advance of all such conferences. Subcontractors of all tiers will be advised in advance of all such conferences and shall participate. All work assignments should be disclosed by the C/S/E at a pre-job conference held in

accordance with industry practice. Should a Union dispute a work assignment which has been disclosed and discussed at the pre-job meeting with the Union Representative present, it shall proceed to file a claim with the Plan pursuant to Article XII of this Agreement. Should there be any formal jurisdictional dispute raised, the Prime Contractor shall be promptly notified. If the C/S/E intends to change the work assignment after the pre-job conference or to make an assignment of work not previously known, the C/S/E must notify the appropriate affected craft union(s) prior to the commencement of work. If any Union has a dispute over such changed or newly discovered assignment, such Union shall proceed to file a claim with the Plan pursuant to Article XII of this Agreement.

ARTICLE XVIII **STEWARD**

18.1 Each Union shall have the right to designate one working craft employee as steward for each C/S/E employing such craft on the Project. Such designated steward shall be a qualified workman assigned to a crew and shall perform the work of the craft. The steward shall not perform supervisory duties. Under no circumstances shall there be nonworking stewards. Stewards shall be permitted a reasonable amount of time during working hours to perform applicable Union duties related to the work being performed by the craft employees of his C/S/E and not to the work being performed by other Contractors/Employers or their employees.

18.2 Authorized representatives of the Union(s) shall have access to the Project, provided that such representatives fully comply with posted visitor, security, and safety rules and the environmental compliance requirements of the Project, provided that they do not unnecessarily interfere with the employees or cause them to neglect their work.

ARTICLE XIX **TERM**

19.1 The Agreement shall continue in full force and effect for a period of five (5) years from the date of execution by all parties hereto. The Agreement may subsequently be extended by written amendment if agreed to by the parties.

19.2 The Agreement shall continue in full force and effect for each covered Project until a certificate of substantial completion has been issued to the contractor by the LACMTA. Either party desiring to renew, extend or to negotiate changes to this Agreement upon expiration, shall make such intention known to the other party by written notice thereof not less than six (6) months prior to the expiration of this Agreement.

19.3 Any covered Project awarded during the term of this Agreement shall continue to be covered hereunder, until completion of the Project, notwithstanding the expiration date of this Agreement.

ARTICLE XX **RESPONSIBILITY FOR COSTS**

20.1 The LACMTA and the Unions shall each be responsible for their own legal costs including all attorneys' fees and associated disbursements) that might accrue with regard to any legal challenge over the adoption by the LACMTA of this Agreement, and related to claims directly

challenging the legality of this Agreement, or a particular section of language that has been adopted herein.

ARTICLE XXI
MISCELLANEOUS PROVISIONS

21.1 This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county.

21.2 Any notice, demand, request, document, consent, approval, or communication required by or to be given to LACMTA shall be sent to the LACMTA office or individual designated by the LACMTA.

21.3 The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

21.4 The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other agreement to which said party is bound.

21.5 Any modification to this Agreement must be in writing and executed by all Parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year written below.

THE UNION OFFICIALS signing this Agreement warrant and represent that they are authorized to collectively bargain on behalf of the organizations whom they represent and the members of such organizations.

THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

By: _____ Date: _____
Arthur T. Leahy
Chief Executive Officer

LOS ANGELES/ORANGE COUNTY BUILDING AND CONSTRUCTION TRADES COUNCIL

By: _____ Date: _____
Robbie Hunter
Executive Secretary
Los Angeles/Orange County Building
And Construction Trades Council

Union Signatory Page

| | |
|---|-------|
| Asbestos Heat & Frost Insulators (Local 5) | _____ |
| Boilermakers (Local 92) | _____ |
| Bricklayers & Allied Craftworkers (Local 4) | _____ |
| Cement Masons (Local 500) | _____ |
| Cement Masons (Local 600) | _____ |
| Electricians (Local 11) | _____ |
| Elevator Constructors (Local 18) | _____ |
| Gunitite Workers (Local 345) | _____ |
| Iron Workers (Reinforced – Local 416) | _____ |
| Iron Workers (Structural – Local 433) | _____ |
| Laborers (Local 300) | _____ |
| Laborers (Local 507) | _____ |
| Laborers (Local 802) | _____ |
| Operating Engineers (Local 12) | _____ |
| | _____ |
| | _____ |
| Painters & Allied Trades DC 36 | _____ |
| Pipe Trades (Local 250) | _____ |
| Pipe Trades (Local 345) | _____ |
| Pipe Trades (Plumbers Local 78) | _____ |
| Pipe Trades (Plumbers/Fitters Local 398) | _____ |
| Pipe Trades (Plumbers/Steamfitters Local 494) | _____ |
| Pipe Trades (Plumbers/Fitters Local 761) | _____ |
| Pipe Trades (Sprinkler Fitters Local 709) | _____ |
| Plasterers (Local 200) | _____ |
| Plaster Tenders (Local 1414) | _____ |
| Roofers & Waterproofers (Local 36) | _____ |
| Sheet Metal Workers (Local 105) | _____ |
| Teamsters (Local 986) | _____ |
| Tile, Marble & Terrazo Layers (Local 18) | _____ |

ATTACHMENT A – LETTER OF ASSENT

COMPANY LETTERHEAD

METRO OFFICIAL / OFFICE

PROJECT NAME: _____

Dear _____:

This is to certify that the undersigned Contractor/Subcontractor/Employer (C/S/E) has read and understood the Project Labor Agreement (PLA) entered into between the Los Angeles County Metropolitan Transit Authority (LACMTA) and signatory Building and Construction Trades Councils and Unions dated _____ and the LACMTA Construction Careers Policy (Policy). The undersigned C/S/E hereby agrees to comply with all of the terms and conditions of the aforementioned duly signed PLA and Policy.

The undersigned C/S/E acknowledges that compliance with the provisions of Article VII relating to Targeted Disadvantaged Workers, Workforce Referral and Development and Apprenticeship Participation are of particular importance.

It is understood that the signing of the Letter of Assent shall be as binding on the undersigned C/S/E as though the C/S/E had signed the PLA and shall require all its subcontractors, of whatever tier, to become similarly bound for all work within the scope of this PLA and the Policy.

This further certifies (per Articles 1.9, III & the Policy) that the undersigned C/S/E understands that the submission of this Letter of Assent and employment hiring plan will be required prior to the commencement of any work in relation to this contract. Non-submittal of this letter and all required hiring plan documentation may preclude the C/S/E from being approved to work on this project.

This Letter of Assent shall become effective and binding upon the undersigned C/S/E as of below date of execution, and shall remain in full force and effect until the completion of the above stated project.

Sincerely,
(Name of Construction Company)

By: _____
(Name and Title of Authorized Executive)

Date: _____

ATTACHMENT B – PROJECT LIST FOR PROJECT LABOR AGREEMENTS

| Line | CP# | Project Title | Authorized / Proposed Life-of-Project (000's) | Estimated Construction Start | Estimated Completion Year |
|-------------|------------|---|--|-------------------------------------|----------------------------------|
| 1 | 865512 | Crenshaw/LAX Transit Corridor | 1,749,000 | 2012 | 2018 |
| 2 | 465521 | East San Fernando Valley North/South Rapidways | 170,000 | 2012 | 2018 |
| 3 | 202210 | Underground Storage Tank Replacement | 7,500 | 2012 | 2015 |
| 4 | 204118 | Rail Gates Monitoring Center | 5,080 | 2013 | 2014 |
| 5 | 204117 | Vertical Systems Modernization Program - Elevator Installations | 8,000 | 2013 | 2015 |
| 6 | 205092 | Systemwide Corrosion Protection System Replacement | 13,000 | 2013 | 2015 |
| 7 | 204122 | Metro Orange Line to Metro Red Line North Hollywood Station West Entrance | 17,000 | 2013 | 2015 |
| 8 | 202306 | Bus Facility Deferred Maintenance, Improvements and Enhancements | 21,231 | 2013 | 2016 |
| 9 | 204121 | Rail Station Refurbishments | 21,500 | 2013 | 2017 |
| 10 | 202307 | Division 2 Maintenance Building Renovation and Facility Upgrade Project | 42,575 | 2013 | 2017 |
| 11 | 202317 | Patsaouras Plaza Station Improvements | 215,771 | 2013 | 2014 |
| 12 | 860228 | Regional Connector Transit Corridor Project | 1,366,000 | 2013 | 2019 |
| 13 | 865518 | Westside Subway Extension Transit Corridor Project (Phase I to La Cienega) | 2,331,000 | 2013 | 2019 |
| 14 | 861301 | Division 22 Light Rail Vehicle Paint & Body Shop (Expo II) | 11,000 | 2014 | 2015 |
| 15 | 202C | Escalator Replacement/Modernization at Metro Red Line Pershing Square Station | 12,500 | 2014 | 2016 |
| 16 | TBD | Wilshire Boulevard Bus Rapid Transitway | 124,000 | 2018 | 2022 |
| 17 | TBD | New Bus Division | 150,000 | 2018 | 2022 |
| | | Total | 6,265,157 | | |

MEMORANDUM
OF
UNDERSTANDING



TESTING POLICY FOR
DRUG ABUSE

Revised June 2009

International Union of
Operating Engineers
Local Union No. 12

-INTRODUCTION-

At the June 1991 General Membership Meeting, the members in attendance acknowledged the need of some form of drug testing that would keep the jobsite safe while at the same time protect each member's individual rights under the constitution.

When signatory contractors were not being allowed to bid on projects because they had no official drug testing policy, it became obvious that we were going to have to develop a test to remedy that problem. We feel that within the confines of this addendum the best and fairest for all has been accomplished.

This Memorandum of Understanding is actually an addendum to Local 12's Master Labor Agreement. All the provisions in this shall be adhered to and enforced by Local 12. No member shall be subjected to any provision outside of this memorandum. If any employer asks a member to test for substance abuse and asks for any procedures outside of what is outlined here or in the Side Letter of Understanding on page 11 - that employer is in violation of the Master Labor Agreement and you are not required to comply.

Substance abuse has become a national problem. While jobsite safety has always been a priority in Local 12, it is not the intent of this policy to subject any member to a test that all members on a project are not subjected to.

You, as a member working under these conditions have rights as well as obligations. If you have any questions please contact this office or your business representative.

Sincerely,

Wm. C. Waggoner, Business Manager &
General Vice President

This Memorandum of Understanding shall be considered as an addendum to the Master Labor Agreement currently in effect between the parties. It shall be effective as of the date it is signed and shall thereafter run concurrently with the Master Labor Agreement.

The parties recognize the problems which drug abuse has created in the construction industry and the need to develop drug abuse prevention programs. Accordingly, the parties agree that in order to enhance the safety of the workplace and to maintain a drug free work environment, individual Employers may require applicants or employees to undergo drug testing. The parties agree that if a testing program is implemented by an individual Employer, the following items have been agreed upon by the Labor and Management and will apply.

1. It is understood that the use, possession, transfer or sale of illegal drugs, narcotics, or other unlawful substances is absolutely prohibited while employees are on the Employer's job premises or while working on any jobsite in connection with work performed under the Master Labor Agreement.
2. No Employer may implement a drug testing program which does not conform in all respects to the provisions of this Agreement.
3. No Employer may implement drug testing at any jobsite unless written notice is

given to the Union setting forth the location of the jobsite, a description of the project under construction, and the name and telephone number of the Project Supervisor. Said notice shall be addressed to the International Union of Operating Engineers, 150 East Corson Street, Pasadena, California 91103. Said notice shall be delivered in person or by registered mail before the implementation of drug testing. Failure to give such notice shall make any drug testing engaged in by the Employer a violation of the Master Labor Agreement, and the Employer may not implement any form of drug testing at such jobsite for the following six months.

4. An Employer who elects to implement drug testing pursuant to this Agreement shall require all employees on the project to be tested. With respect to individuals who become employed on the project subsequent to the proper implementation of a valid drug testing program, such test shall be administered upon the commencement of employment on the project, whether by referral from a Union Dispatch Office, transfer from another project, or another method. Individuals who were employed on the project prior to the proper implementation of a valid drug testing program may only be subjected to testing for the reasons set forth in paragraph 5(f)(1) through 5(f)(3) of this Agreement. Refusal to undergo such testing shall be considered sufficient grounds to deny employment on the project.

SAMHSA levels be changed during the course of this agreement or new testing procedures are approved, then these new regulations will be deemed as part of this existing agreement. Confirmed positive samples will be retained by the testing laboratory in secured long-term frozen storage for a minimum of one year. Handling and transportation of each sample must be documented through strict chain of custody procedures.

d. In the event of a confirmed positive test result the applicant or employee may request, within forty-eight (48) hours, a sample of his/her specimen from the testing laboratory for purposes of a second test to be performed at a second laboratory, designated by the Union and approved by SAMHSA. The retest must be performed within ten (10) days of the request. Chain of custody for this sample shall be maintained by the Employer between the original testing laboratory and the Union's designated laboratory. Retesting shall be performed at the applicant's or employee's expense. In the event of conflicting test results the Employer may require a third test.

e. If, as a result of the above testing procedure, it is determined that an applicant or employee has tested positive, this shall be considered sufficient grounds to deny the applicant or employee his/her employment on the project.

f. No individual who tests negative for drugs pursuant to the above procedure and becomes employed on the project shall

5. The following procedure shall apply to all drug testing:

a. The Employer may request urine samples only. The applicant or employee shall not be observed when the urine specimen is given. An applicant or employee, at his or her sole option, shall, upon request, receive a blood test in lieu of a urine test. No employee of the Employer shall draw blood from a bargaining unit employee, touch or handle urine specimens, or in any way become involved in the chain of custody of urine or blood specimens. A Union Business Representative, subject to the approval of the individual applicant or employee, shall be permitted to accompany the applicant or employee to the collection facility to observe the collection, bottling, and sealing of the specimen.

b. The testing shall be done by a laboratory approved by the Substance Abuse & Mental Health Services Administration (SAMHSA), which is chosen by the Employer and the Union.

c. An initial test shall be performed using the Enzyme Multiplies Immunoassay Technique (EMIT). In the event a question or positive result arises from the initial test, a confirmation test must be utilized before action can be taken against the applicant or employee. The confirmation test will be by Gas Chromatography/Mass Spectrometry (GC/MS). Cutoff levels for both the initial test and confirmation test will be those established by the SAMHSA. Should these

again be subjected to drug testing with the following exceptions:

1. Employees who are involved in industrial accidents resulting in damage to plant, property or equipment or injury to him/herself or others may be tested pursuant to the procedures stated hereinabove.

2. The Employer may test employees following thirty (30) days advance written notice to the employee(s) to be tested and to the Union. Notice to the Union shall be as set forth in Paragraph 3 above and such testing shall be pursuant to the procedures stated hereinabove.

3. The Employer may test an employee where the Employer has reasonable cause to believe that the employee is impaired from performing his/her job. Reasonable cause shall be defined as being aberrant or unusual behavior, the type of which is a recognized and accepted symptom of impairment (i.e., slurred speech, unusual lack of muscular coordination, etc.). Such behavior must be actually observed by at least two persons, one of whom shall be a supervisor who has been trained to recognize the symptoms of drug abuse or impairment and the other of whom shall be the job steward. If the job steward is unavailable or there is no job steward on the project the other person shall be a member of the Operating Engineers bargaining unit. Testing shall be pursuant to the procedures stated hereinabove. Employees who are tested pursuant to the exceptions set forth in this paragraph and who test positive will be

SIDE LETTER OF UNDERSTANDING

In regard to the Memorandum of Understanding on Drug Abuse Prevention and Detection agreed to by the parties, it is agreed that if, as a condition of contract award or due to Federal, State or Governmental Agency requirements, an individual Employer is required to abide by or implement more stringent requirements than set forth in the Memorandum of Understanding, the individual Employer will notify the Union in writing of those requirements. The Union reserves the right, upon receiving notification, to require the individual Employer to meet to negotiate any changes.

Agreed to this 10th day of June, 1991.

ASSOCIATED GENERAL CONTRACTORS OF CALIFORNIA, INC.

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL UNION NO. 12

Wm. C. Waggoner
Business Manager

Mickey J. Adams
President

Ronald J. Sikorski
Vice President

| DRUG | SCREENING METHOD | SCREENING LEVEL** | CONFIRMATION METHOD | CONFIRMATION LEVEL |
|---------------------|------------------|-------------------|---------------------|--------------------|
| Amphetamines | EMIT | 1000 ng/ml* | GC/MS | 500 ng/ml* |
| Barbiturates | EMIT | 300 ng/ml | GC/MS | 200 ng/ml |
| Benzodiazepines | EMIT | 300 ng/ml | GC/MS | 300 ng/ml |
| Cocaine | EMIT | 300 ng/ml* | GC/MS | 150 ng/ml* |
| Methadone | EMIT | 300 ng/ml | GC/MS | 100 ng/ml |
| Methaqualone | EMIT | 300 ng/ml | GC/MS | 300 ng/ml |
| Opiates | EMIT | 2000 ng/ml* | GC/MS | 2000 ng/ml* |
| PCP (Phencyclidine) | EMIT | 25 ng/ml* | GC/MS | 25 ng/ml* |
| THC (Marijuana) | EMIT | 50 ng/ml* | GC/MS | 15 ng/ml* |
| Propoxyphene | EMIT | 300 ng/ml | GC/MS | 100 ng/ml |

* SAMHSA specified threshold

** A sample reported positive contains the indicated drug at or above the cutoff level for that drug.

A negative sample either contains no drug or contains a drug below the cutoff level.

EMIT - Enzyme Immunoassay

GC/MS - Gas Chromatography/Mass Spectrometry

SIDE LETTER OF AGREEMENT TESTING POLICY FOR DRUG ABUSE

It is hereby agreed between the parties hereto that an Employer who has otherwise properly implemented drug testing, as set forth in the Testing Policy for Drug Abuse, shall have the right to offer an applicant or employee a "quick" drug screening test. This "quick" screen test shall consist either of the "ICUP" urine screen or similar test or an oral screen test. The applicant or employee shall have the absolute right to select either of the two "quick" screen tests, or to reject both and request a full drug test.

An applicant or employee who selects one of the "quick" screen tests, and who passes the test, shall be put to work immediately. An applicant or employee who fails the "quick" screen test, or who rejects the "quick" screen tests, shall be tested pursuant to the procedures set forth in the Testing Policy for Drug Abuse. The sample used for the "quick" screen test shall be discarded immediately upon conclusion of the test. An applicant or employee shall not be deprived of any rights granted to them by the Testing Policy for Drug Abuse as a result of any occurrence related to the "quick" screen test.

Agreed to this 5th day of November, 2004.

ASSOCIATED GENERAL CONTRACTORS OF CALIFORNIA, INC.

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL UNION NO. 12

Wm. C. Waggoner
Business Manager

Mickey J. Adams
President

Ronald J. Sikorski
Vice President

removed from the Employer's payroll.

a. Applicants or employees who do not test positive shall be paid for all time lost while undergoing drug testing. Payment shall be at the applicable wage and benefit rates set forth in the Master Labor Agreement. Applicants who have been dispatched from the Union and who are not put to work pending the results of a test will be paid waiting time until such time as they are put to work. It is understood that an applicant must pass the test as a condition of employment. Applicants who are put to work pending the results of a test will be considered probationary employees.

6. The Employers will be allowed to conduct periodic jobsite drug testing on construction projects under the following conditions:

a. The entire jobsite must be tested, including any employee or subcontractor's employee who worked on that project three (3) working days before or after the date of the test;

b. Jobsite testing cannot commence sooner than thirty (30) days after start of the work on the project;

c. Prior to start of periodic testing, a Business Representative will be allowed to conduct an educational period on company time to explain periodic jobsite testing program to affected employees;

work for which the employee is qualified exists he/she shall be reinstated.

11. The Employer agrees that results of urine and blood tests performed hereunder will be considered medical records held confidential to the extent permitted or required by law. Such records shall not be released to any persons or entities other than designated Employer representatives and the Union. Such release to the Union shall only be allowed upon the signing of a written release and the information contained therein shall not be used to discourage the employment of the individual applicant or employee on any subsequent occasion.

12. The Employer shall indemnify and hold the Union harmless against any and all claims, demands, suits, or liabilities that may arise out of the application of this Agreement and/or any program permitted hereunder.

13. Employees who seek voluntary assistance for substance abuse may not be disciplined for seeking such assistance. Requests from employees for such assistance shall remain confidential and shall not be revealed to other employees or management personnel without the employee's consent. Employees enrolled in substance abuse programs will be subject to all Employer rules, regulations and job performance standards with the understanding that an employee enrolled in such a program is receiving treatment for an illness.

d. Testing shall be conducted by a SAMHSA certified laboratory, pursuant to the provisions set forth in Paragraph 5 hereinabove.

e. Only two periodic tests may be performed in a twelve month period.

7. It is understood that the unsafe use of prescribed medication, or where the use of prescribed medication impairs the employee's ability to perform work, is a basis for the Employer to remove the employee from the jobsite.

8. Any grievance or dispute which may arise out of the application of this Agreement shall be subject to the grievance and arbitration procedures set forth in the applicable Master Labor Agreement.

9. The establishment or operation of this Agreement shall not curtail any right of any employee found in any law, rule or regulation. Should any part of this Agreement be found unlawful by a court of competent jurisdiction of a public agency having jurisdiction over the parties, the remaining portions of the Agreement shall be unaffected and the parties shall enter negotiations to replace the affected provision.

10. Present employees, if tested positive, shall have the prerogative for rehabilitation program at the employee's expense. When such program has been successfully completed the Employer shall not discriminate in any way against the employee. If

14. The parties agree to develop and implement a drug abuse prevention and testing program for all apprentices entering the industry.

15. This Memorandum of Understanding shall constitute the only Agreement in effect between the parties concerning drug abuse, prevention and testing. Any modifications thereto must be accomplished pursuant to collective bargaining negotiations between the parties.

Construction Trade Unions Contact Numbers

Asbestos Heat & Frost Insulators (Local 5)

670 E. Foothill Blvd.
Azusa, CA 91702
Tel: (626) 815-9794
Fax: (626) 815-0165

Boilermakers (Local 92)

2260 S. Riverside Avenue
Bloomington, CA 92316
Tel: (909) 877-9382
Fax: (909) 877-8318

Bricklayers & Allied Craftworkers (Loc. 4)

12921 Ramona Blvd., Suite F
Irwindale, CA 91706
Tel: (626) 573-0032
Fax: (626) 573-5607

Cement Masons #500

1605 N. Susan St.
Santa Ana, CA 92703
Tel: (714) 554-0730

Cement Masons #600

5811 Florence Avenue
Bell Gardens, CA 90201-4610
Tel: (323) 771-0991

Electricians (Local 11)

297 N. Marengo Avenue
Pasadena, CA 91101
Tel: (626) 243-9700
Fax: (626) 793-9743

Elevator Constructors (Local 18)

100 S. Mentor Avenue
Pasadena, CA 91106
Tel: (626) 449-1869
Fax: (626) 577-1055

Gunite Workers (Local 345)

P.O. Box 3345
Burbank, CA 91508
Tel: (818) 846-1303
Fax: (818) 846-1226

Iron Workers (Reinforced – Local 416)

13830 San Antonio Dr.
Norwalk, CA 90650
Tel: (562) 868-1251
Fax: (562) 868-1429

Iron Workers (Structural – Local 433)

17495 Hurley St. East
City of Industry, CA 91744
Tel: (626) 964-2500
Fax: (626) 964-1754

Laborers Local #300

515 S. Shatto Place
Los Angeles, CA 90020
Tel: (213) 385-3550

Laborers Local #507

3919 Paramount Blvd.
Lakewood, CA 90712
Tel: (562) 421-9346
Fax: (562) 421-5964

Laborers (San Pedro/Port of LA – Local 802)

540 N. Marine Avenue, P.O. Box 518
Wilmington, CA 90748
Tel: (310) 834-5233
Fax: (310) 549-3121

Operating Engineers (Local 12)

150 E. Corson
Pasadena, CA 91103
Tel: (626) 792-8900

Painters & Allied Trades DC 36

2333 N. Lake Avenue, Unit H
Altadena, CA 91001
Tel: (626) 584-9925
Fax: (626) 584-1949

Pipe Trades (Local 250)

*Steamfitters/Air Conditioning/
Refrigeration / Industrial Pipefitters*
18355 S. Figueroa St.
Gardena, CA 90248

Steamfitters: Tel: (310) 660-0035
Fax: (310) 329-2465
AC/Refrig. Tel: (310) 660-0045
FAX: (310) 329-2465

Pipe Trades (Local 345)

Landscape, Irrigation, Underground & Specialty Piping
1430 Huntington Dr.
Duarte, CA 91010
Tel: (626) 357-9345
Fax: (626) 359-0359

Pipe Trades (Plumbers Local 78)

1111 W. James M. Wood Blvd.
Los Angeles, CA 90015
Tel: (213) 688-9090
Fax: (213) 627-4624

Pipe Trades (Plumbers / Fitters – Local 398)

4959 Palo Verde St., Suite 200-C
Montclair, CA 91763
Tel: (909) 625-2493
Fax: (909) 626-4620

Pipe Trades (Plumbers / Steamfitters Local 494)

1042 East Wardlow Road
Long Beach, CA 90807
Tel: (562) 490-4717
Fax: (562) 490-4715

Pipe Trades (Plumbers / Fitters – Local 761)

1305 N. Niagra Street
Burbank, CA 91505
Tel: (818) 843-8670
Fax: (818) 843-5209

Pipe Trades (Sprinkler Fitters – Local 709)

12140 Rivera Road
Whittier, CA 90606
Tel: (562) 698-9909
Fax: (562) 698-7255

Plaster Tenders (Local 1414)

18 Rancho Camino Dr.
Pomona, CA
Tel: 909-622-8500

Plasterers (Local 200)

Plasterers
1610 W. Holt Ave.
Pomona, CA 91768
Tel: (909) 865-2240
Fax: (909) 865-9392

Roofers & Waterproofers (Local 36)

5380 Poplar Blvd.
Los Angeles, CA 90032
Tel: (323) 222-0251
Fax: (323) 222-3585

Sheet Metal Workers (Local 105)

2120 Auto Centre Dr., Suite 105
Glendora, CA 91740
Tel: (909) 305-2800
Fax: (909) 305-2822

Teamsters (Local 986)

1198 Durfee Avenue
So. El Monte, CA 91733
Tel: (626) 350-9860
Fax: (626) 448-0986

Tile, Marble & Terrazo Layers (Local 18)

9732 E. Garvey Ave., Suite 200
So. El Monte, CA 91733
Tel: (626) 329-0369
Fax: (626) 329-0374