

2017-2020

**MATERIAL SUPPLY DISTRIBUTION
AGREEMENT FOR NORTHERN
CALIFORNIA**

between

UNITED CONTRACTORS

and

**OPERATING ENGINEERS
LOCAL UNION NO. 3**

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MATERIAL SUPPLY DISTRIBUTION AGREEMENT
UNITED CONTRACTORS [UCON]
OPERATING ENGINEERS LOCAL UNION NO. 3

THIS AGREEMENT, made and entered into this 1st day of July, 2017, and between UNITED CONTRACTORS, (“Association”), acting for and on behalf of its Members, which Members are listed in Schedule A attached hereto, (“jointly and severally called the Employer”), and the OPERATING ENGINEERS LOCAL UNION NO. 3 of the International Union of Operating Engineers, AFL-CIO, called the (“Union”).

WITNESSETH

WHEREAS, the parties hereto desire to enter into a collective bargaining agreement establishing wages, hours and others terms and conditions of employment to the end that the employment relationship will be harmonious.

NOW THEREFORE, in consideration of the foregoing purpose and of the mutual covenants herein provided, the Employer and the Union, signatory hereto by their respective duly authorized representatives, do hereby agree as follows:

01.00.00 RECOGNITION

01.01.00 The Union is recognized as the sole collective bargaining representative of all of the Employers’ Employees performing work within the Union's recognized jurisdiction, and the term “Employee” as used herein shall refer to all persons so represented.

02.00.00 COVERAGE

02.01.00 This Agreement shall cover all work performed by Employees in the classifications set forth in Section 10.00.00 and who are engaged in the distribution of materials and supplies, (i.e., ready mix concrete), utilizing concrete trailer pumps, concrete pumper trucks and/or high rise trailer pumps at job locations within the geographical jurisdiction of the Union in Northern California.

02.02.00 The wage rates, working conditions, and hours of employment and other conditions of employment herein provided have been negotiated by the Union with the Employer. The Union will give the Employer a copy of all agreements it enters into with any employer which covers on-site work covered by this Agreement which has terms and conditions which are different from this Agreement. An Individual Employer engaging in on-site work of the same type as that covered by such agreement may, upon written notice to the Union, become a party to such agreement.

03.00.00 UNION SECURITY

03.01.00 Membership in the Union in good standing shall be a condition of continued employment not later than the thirty-first (31st) day of employment, or the execution date of this Agreement, whichever shall be the later. For the purpose of this Section “membership in good standing” shall be defined to mean the tender of the periodic dues and initiation fees uniformly required as a condition of acquiring or retaining membership in the Union. The Employer shall

discharge any Employee who fails to obtain and maintain membership in the Union as defined and required herein within seven days of receipt of written notice from the Union of the Employee's failure to do so.

NOTE: Upon employment, an Employee shall be obligated to pay the Union's service fee applicable to new registrants during said first (1st) month of employment.

03.02.00 General Savings Clause. It is not the intent of either party hereto to violate any laws, rulings, or regulations of any Governmental authority or agency. The parties hereto agree that in the event that any provisions of this Agreement are finally held or determined to be illegal or void as being in contravention of any such laws, rulings, or regulations, nevertheless the remainder of the Agreement shall remain in full force and effect, unless the parts so found to be void are wholly inseparable from the remaining portion of this Agreement. The parties agree that if and when any provisions of this Agreement are finally held or determined to be illegal or void, they will then promptly enter, within thirty (30) days of written notice by either party, into lawful negotiations concerning the substance thereof.

04.00.00 HIRING AND EMPLOYMENT

04.01.00 When an Employer performs any work covered by this Agreement, including the operation of equipment used in the performance of such work covered by this Agreement, Employees and applicants for employment hired to perform such work shall report to the Job Placement Center in the geographical area where the Employer is located and obtain a dispatch before commencing work; all other hiring questions shall be resolved in accordance with the Job Placement Regulations of the Union which are incorporated herein as if fully set forth herein.

04.02.00 An Employee in order to be eligible for continued employment must be able to qualify for and obtain the licenses necessary to operate the Employer's vehicles whether it be a Class A or Class B license or both.

05.00.00 HOURS

05.01.00 Eight (8) hours of work, commencing prior to 5:00 p.m. (exclusive of meal period) shall constitute the regular workday, Monday through Friday inclusive. All work performed outside of the regular workday shall be paid for as provided in Section 09.00.00 of this Agreement.

05.02.00 Except in emergency, no Employee shall work more than one (1) shift at straight time in any consecutive twenty-four (24) hours. No arrangement of shifts shall be permitted that prevents any Employee from securing eight (8) consecutive hours of rest in any consecutive twenty-four (24) hours. If Employee returns to work before he or she has secured eight (8) consecutive hours of rest, Employee will be paid at one and one-half (1 1/2) times the applicable straight-time rate of pay, up to twelve (12) hours and double the applicable straight-time rate thereafter.

05.03.00 Special Single Shift. When the Employer produces evidence in writing to the Union of a bona fide job requirement for a public agency or a public utility which certifies that some or all of the work can only be done other than during the normal shift hours, and notifies the Union by certified mail or fax transmittal at least twenty-four (24) hours prior to the start of such special shift (except in the case of emergency), the Employer may initiate such special shift of eight (8) consecutive hours (not in conjunction with any other shift) (exclusive of meal period), Monday through Friday. Employee's straight-time rate shall be the applicable wage rate set forth in 10.01.00 for Special Single Shift Work.

06.00.00 REPORT PAY

06.01.00 If an Employee is requested to stand by at other than a work location and does so and is given no work or when an Employee reports for work on his shift and there is no work provided by the Employer he shall be paid two (2) hours show-up time at the straight-time or overtime rate applicable to his classification on that date except where the job is canceled due to inclement weather. If the Employee is requested to stand by and does so and is given no work he shall be paid for four (4) hours' pay at the rate applying to the job. If work is started, the Employee shall receive at least four (4) hours' pay. If work is to be suspended for any reason, the Employee shall be notified at least two (2) hours before being required to report for work on his shift. The Employee shall keep the Employer advised at all times of his correct address and telephone number.

07.00.00 MEAL PERIOD

07.01.00 First (1st) Meal Period. There shall be a regularly scheduled meal period. The meal period shall be one-half (1/2) hour and shall be scheduled to begin not more than one-half (1/2) hour before and completed not later than one (1) hour after the mid-point of the regularly scheduled hours of work for each Employee's shift. The meal period for Mechanics, Service and Lubricating Engineers, may be scheduled to permit work at the applicable straight-time rate during the regularly scheduled meal period.

07.02.00 If the Individual Employer requires the Employee to perform any work included in Section 02.00.00 of this Agreement through his/her scheduled meal period, the Employee shall be paid an additional half hour (1/2) at the applicable overtime rate for each meal period and shall be afforded an opportunity to eat on the Individual Employer's time.

07.03.00 Second (2nd) Meal Period. No Employee shall be required to work continuously for more than ten (10) hours per workday without the Individual Employer providing the Employee with an uninterrupted second (2nd) thirty (30) minute meal period.

07.03.01 However, if an Employee works over ten (10) hours, the Individual Employer and Employee may mutually agree to waive the Employee's entitled second (2nd) meal period so long as the first meal period was taken and the Employee works not more than a total of twelve (12) hours.

07.03.02 Should any provision of Section 512 be amended during the term of this Agreement, the parties agree to meet to address those changes in accordance with Section 03.02.00 (General Savings Clause) of this Agreement.

07.04.00 Rest Periods. As provided by the State of California Industrial Welfare Commission Order No. 16-2001 covering Construction operations, Employees are authorized and shall be permitted to take a total of ten (10) minutes during each four (4) hour segment of their assigned work shift for a rest period.

07.04.01 There shall be no formal organized rest periods during working hours and as far as practicable the break will be taken as near to the middle of each four (4) hour work segment as possible. Rest periods shall be scheduled in a manner so as not to interfere with workflow or continuous operations and Employees shall coordinate the timing of each ten (10) minute rest break with their supervisors and fellow employees to assure the continuity of work. Employees shall be required to remain in their respective work area, or to take their rest period in a specific area designated by the Individual Employer.

07.04.02 It is understood that the Employee will take his appropriate rest period unless the Individual Employer specifically directs the Employee not to take this rest break due to operational requirements. Employees are required to notify their supervisor whenever they are unable to take their state-mandated rest periods.

07.04.03 If an Individual Employer fails to authorize and permit an Employee to take daily rest periods as provided herein, the Employee shall be paid a penalty wage payment equal to one (1) hour at his/her applicable hourly wage rate excluding fringe benefits for missed rest periods that day regardless of the number of missed rest periods.

07.05.01 Section 07.00.00 and/or Section 07.04.00 are subject solely and exclusively to the Grievance Procedure provided for in Section 15.00.00 and must be brought to the attention of the Employer, in writing, by the Union or Employee within fifteen (15) days of the alleged violation. Decisions resolving disputes arising out of the Grievance Procedures shall be final and binding upon both parties.

08.00.00 MINIMUM HOURS — RECKONING OF STRAIGHT TIME

08.01.00 The straight-time hours of employment shall be reckoned by the half shift, and thereafter by actual time worked but not less than increments of one-half (1/2) hour, Monday through Friday.

09.00.00 OVERTIME

09.01.00 The following rates shall apply on Saturdays, Sundays and holidays and on all work before a shift begins and after it ends:

09.01.01 One and one-half (1-1/2) times the applicable straight-time rate shall be paid for all work over eight (8) hours. Double (2) the applicable straight-time rate shall be paid for all work performed after twelve (12) hours Monday through Friday. Double (2) the applicable straight-time rate shall be paid for all work performed on Sundays and holidays.

09.01.02 *Saturday Work.* One and one-half (1-1/2) times the applicable straight-time rate up to and including eight (8) hours shall be paid for all work; double time after eight (8) hours.

09.02.00 Where there is overtime to be worked, the Employee regularly operating the equipment, or the Employee regularly assigned to the work, shall be allowed to work the overtime. This Section shall not apply to hours worked in excess of twelve (12) hours.

09.03.00 Whenever an Employee is called out to work on a Saturday, Sunday, or a holiday, he shall be paid at least four (4) hours at the applicable overtime rate. All time worked beyond the first four (4) consecutive hours on Saturday, Sunday, and holidays shall be reckoned by the shift at the applicable overtime rate.

09.04.00 If an Employee has completed his regular shift and returned to his residence, and is called back to perform his overtime work, the Employee shall be paid at least two (2) hours at the applicable overtime rate. If an Employee has not worked his scheduled shift and is called out to perform overtime work, the Employee shall be paid at least four (4) hours at the applicable overtime rate.

09.05.00 All other overtime worked Monday through Friday shall be reckoned by the hour and the half-hour.

09.06.00 There shall be no pyramiding of overtime.

09.07.00 When driving and Employee is on overtime the return to home port rate of pay shall be one and one-half (1 ½) times the applicable straight-time rate of pay Monday through Friday.

10.00.00 WAGE SCALES AND CONDITIONS

10.01.00 Rates Per Hour —Effective Dates

	Effective Dates			
	7/1/16	7/1/17	6/25/18	6/24/19
		\$2.35*	\$2.35*	\$2.35*
GROUP A				
Heavy Duty Mechanic	\$39.07	\$41.22	*	*
Boom Pump Operator (Vertical reach 171 feet [52 meters] and over)				
GROUP 1A				
Boom Pump Operator 58 meters and over (Wages to be increased \$1.50 higher than Group A)	\$40.57	\$42.72	*	*
GROUP B				
Boom Pump Operator (Vertical reach 138 feet [42 meters] and over, up to 170 feet)	\$37.78	\$39.93	*	*
GROUP C				
Telebelt Operator	\$37.28	\$39.43	*	*
High Rise Trailer Pump Operator				
Loader/Skidsteer (Bobcat Type)				
Boom Pump Operator (Vertical reach up to/but less than 138 feet [42 meters])				
GROUP D				
Trailer/Line Pump Operator [†]	\$32.11	\$34.26	*	*
Yard Person ^{††}				
Loader/Skidsteer (Bobcat Type) ^{†††}				

Special Single Shift Wage Rates

	7/1/16	7/1/17	6/25/18	6/24/19
		\$2.35	\$2.35	\$2.35
GROUP A				
Heavy Duty Mechanic	\$42.58	\$44.73		
Boom Pump Operator (Vertical reach 171 feet [52 meters] and over)				
GROUP 1A				
Boom Pump Operator 58 meters and over	\$44.08	\$46.23		
GROUP B				
Boom Pump Operator (Vertical reach 138 feet [42 meters] and over, up to 170 feet)	\$41.12	\$43.27		

GROUP C

Telebelt Operator	\$40.56	\$42.71
High Rise Trailer Pump Operator		
Loader/Skidsteer (Bobcat Type)		
Boom Pump Operator (Vertical reach up to/but less than 138 feet [42 meters])		

GROUP D

Trailer/Line Pump Operator [†]	\$34.72	\$36.87
Yard Person ^{††}		
Loader/Skidsteer (Bobcat Type) ^{†††}		

*The Union may allocate the increases to wages and/or fringe benefits.

** Total package of California Master Construction Agreement wages and fringes.

†† When Employees are called to work to perform Yard Person duties and or then sent out on concrete pump they will be paid for actual time worked by Group/Classification. Yardperson rate shall not be applicable to any pump maintenance or HDR related work. Yardperson duties include, cleaning and organizing concrete pumping hoses and clamps, changing boom pipe, washing vehicles, fueling vehicles, loading and unloading system and general yard clean up.

††† All current Group C Loader/Skidsteer (Bobcat type) Employees will be Red-Circled at Group C wage rates. All new Employees will be in Group D.

10.01.01 Any Assistant assigned by the Employer will be an Operating Engineer.

10.01.02 The Agreement contemplates that as and when equipment and other means and methods of operating equipment not presently in use in the area covered by this Agreement is or are about to be introduced on a jobsite, the Employer and the Union shall upon written request by either party meet within three (3) working days to negotiate an appropriate rate, classification and working rule for the equipment's operation and for the other means or methods of operating equipment not presently in use.

10.02.00 *Monday through Saturday.* To the extent permitted by law, Saturday work may be performed at straight-time rates (provided the Laborers and Cement Masons on the job are being paid at straight-time rates) in the event of time lost during the workweek due to one or more of the following conditions: inclement weather, major mechanical breakdown or shortage of materials beyond the Employer's control, provided the total straight-time hours worked by the Employee in any one (1) week including Saturday make-up work, shall not exceed forty (40) hours. Saturday make-up work shall not exceed eight (8) hours. Saturday make-up work shall be performed on a voluntary basis only, and no Employee shall be discharged or otherwise disciplined for his refusal to perform such work.

10.03.00 *Company Training.* When off-site training is a mandatory requirement of the Employer, the Employee's shall be paid Group D wages. Wages shall be paid at the applicable overtime rate for all training hours performed after an Employee reaches 40 hours in the work week, and shall include no Fringe Benefits. Training pay will be limited to 20 hours of training in any calendar year. The Employer shall not schedule training on Sundays or Holidays.

11.00.00 HOLIDAYS

11.01.00 The holidays referred to in this Agreement are as follows: New Year's Day (January 1), President's Day (3rd Monday in February), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (1st Monday in September), Thanksgiving Day (4th Thursday in November), the day after Thanksgiving Day (4th Friday in November), and Christmas Day (December 25th.) Holidays falling on Sunday shall be observed on the following Monday.

12.00.00 FRINGE BENEFITS

12.01.00 *Pension.* Each Employer covered by this Agreement shall pay into the Pension Trust Fund for Operating Engineers for all hours worked according to the following schedule:

Preferred Schedule of the Rehabilitation Plan: \$.63 per hour/each year*

\$10.78 per hour – Effective 7/01/16

\$10.78 per hour – Effective 7/01/17

**per hour – Effective 6/25/18

**per hour – Effective 6/24/19

*The parties agree that sufficient contributions will be made available from these increases to the Pension Fund to support any Rehabilitation/Funding Improvement schedule adopted by the Pension Board of Trustees pursuant to the Pension Protection Act of 2006 and the Union will select an option (Schedule) in the Pension's Rehabilitation Plan or Funding Improvement Plan, whichever is applicable. Additional monies required for such Rehabilitation Plan/Funding Improvement Schedule shall be allocated from existing negotiated increases, wages and/or fringe benefits.

** 2017, 2018 and 2019 Pending annual review by the Plan's Actuaries & Trustees

12.01.01 *Pension Funding Protection.* (a) When the Pension Plan first becomes one hundred and twenty percent (120%) or more funded (as determined by the Plan's actuary using such actuarial assumptions and methods for valuation of both Plan assets and liabilities which in the aggregate represent the actuary's best estimate of the Plan's funded status,) the parties agree that non-benefit contribution amounts allocated under the Pension Plan's Funding Improvement Plan or Rehabilitation Plan (i.e. monies in excess of the seven dollars (\$7.00) per hour Journeyman rate and the four dollars and sixty two cents (\$4.62) per hour Trainee rate and referred to herein as "excess monies") shall be reallocated to the Annuity Fund as of a date determined by the Board of Trustees if permitted under Federal Law in effect at that time.

(b) In the event that the Pension Plan subsequently becomes less than one hundred twenty percent (120%) funded, the parties agree that the amount of excess monies previously allocated to the Annuity Fund will be reallocated back to the Pension Plan going forward in such amounts and as of a date as determined necessary by the actuary and approved by the Pension Plan's Board of Trustees, until such time as the Pension Plan again becomes one hundred twenty percent (120%) or more funded, in which case the provisions of subparagraph (a) shall be applied again.

12.02.00 Health & Welfare.

Each Employer covered by this Agreement shall pay into the Operating Engineers' Health & Welfare Trust Fund for Northern California, for each hour worked not to exceed one hundred seventy-three (173) hours per month according to

the following schedule: (The Cap will never negate an Employer's obligation to pay ACTIVE OR PENSIONED contributions for work performed which is subject to Prevailing Wage Requirements)

PREVAILING WAGE WORK

\$11.24 per hour — Effective 7/01/16 (*)

\$11.34 per hour – Effective 7/01/17 (*)

(*) – Effective 6/25/18

(*) – Effective 6/24/19

PRIVATE WORK

\$10.73 per hour – Effective 7/01/16 (*)

\$10.83 per hour – Effective 7/01/17 (*)

(*) – Effective 6/25/18

(*) – Effective 6/24/19

(*) For the years 2017, 2018 and 2019, if the amount provided is more than sufficient to fund the Health & Welfare, the balance may be allocated by the Members. In the event the amounts are found to be insufficient any additional monies may be re-allocated from existing wages and/or fringes.

12.03.00 Pensioned Health & Welfare. Each Employer covered by this Agreement shall pay into the Pensioned Operating Engineers' Health & Welfare Trust Fund for each hour worked not to exceed one hundred seventy-three (173) hours per month according to the following schedule: (The Cap will never negate an Employer's obligation to pay ACTIVE OR PENSIONED contributions for work performed which is subject to Prevailing Wage Requirements)

\$2.39 per hour — Effective 7/01/16

\$2.44 per hour – Effective 7/01/17 *

12.04.00 Annuity Fund. To fund the Operating Engineers Annuity Plan, each Individual Employer covered by this Agreement shall pay into the Annuity Trust Fund for Operating Engineers, according to the following schedule:

\$.40 per hour — Effective 6/16/01*

12.04.01 The Annuity Plan is and has been a defined contribution pension plan.

12.05.00 Vacation, Holiday and Sick Pay. Each Employer covered by this Agreement shall pay for all hours worked into the Vacation, Holiday and Sick Pay for Operating Engineers according to the following schedule:

\$4.62 per hour — Effective 7/01/16

\$4.67 per hour – Effective 7/01/17 *

Section 12.05.01 Effective July 1, 2016, the Union grants Individual Employers a waiver under the Healthy Workplaces, Healthy Families Act of 2014 (AB 1522). In return for said waiver, Individual Employers shall remit to Operating Engineers Local Union No. 3 Vacation, Holiday and Sick Pay Trust Fund a one-time additional

contribution of fifty cents [\$0.50] per hour worked identified as the contribution for Sick Pay. No additional fringe benefits are due for any sick, vacation, or holiday pay. Employees may use these monies for paid sick leave purposes.

12.05.02 The bargaining parties also expressly agree, to the fullest extent permitted by law, to waive any paid sick leave provisions of the following local paid sick leave ordinances: San Francisco (Administrative Code Section 12W), Oakland (Municipal Code Section 592 et. seq.), Emeryville (Municipal Code Title 5, Chapter 37). In addition, to the fullest extent permitted by law, this waiver shall apply to any other Federal, State, City, County or other local ordinance requiring mandatory Paid Sick Leave that may be adopted during the term of this agreement.

12.05.03 In addition, if any Federal, State, City, County or other local ordinance requiring mandatory compensated time off other than Paid Sick Leave is enacted during the term of this Agreement; then the Union and the Employer agree to meet and confer within thirty (30) business days.

12.05.04 The parties agree that the payments provided in this Section are in lieu of the Employee's actually taking a vacation, holiday or sick leave. Such payments shall not be considered part of the hourly wage rates for the purpose of computing overtime, either under the Fair Labor Standards Act, the Walsh-Healy Act or any other law, and no vacation or sick leave payment shall be made on the basis of a premium rate of time and one-half or double time.

12.05.05 *Deduction of Taxes.* All taxes due from each Employee including taxes due by reason of payments for Vacation, Holiday and Sick Pay shall be deducted by each Employer from each Employee's regular wages and such total tax deductions together with the amount payable for Vacation, Holiday and Sick Pay shall be separately noted on the Employee's paycheck.

12.05.06 *Vacation Trust Administrative Fee.* The Employer shall pay into the Vacation, Holiday and Sick Pay Trust Fund for each Individual Employee according to the following schedule:

\$.05 cents per hour – Effective 7/01/16

This administrative fee shall not be taxable to the Individual Employee.

*The Union may allocate to wages and/or fringe benefits.

12.06.00 *Industry Promotion.* Each Employer covered by this Agreement shall pay for each hour worked into the Association's Industry Promotion Fund according to the following schedule:

\$.15 per hour — Effective 7/01/14

12.07.00 *Job Placement Center and Market Area Committee Administration Market Preservation Fund.* The Employer shall pay into the Job Placement Center and Market Area Committee Administration Market Preservation Fund according to the following schedule:

\$.06 per hour—Effective 6/16/06

12.08.00 *Supplemental Dues.* Effective for all work performed on and after July 1, 2017, it is agreed that upon written authorization, provided by the Union, as required by law, the amount designated by the Union shall be deducted from the Vacation, Holiday and Sick Pay of each Employee and remitted directly to the Union. The amount of the Supplemental Dues transmittal shall be specified on a statement sent to the Employees. Such remittance shall be made to the Union monthly. Supplemental Dues are specifically part of the uniform monthly dues of each Employee, as specified in the provisions of Section 03.00.00, Union Security, of this Agreement. The Employees

shall be obligated to make such payment directly to the Union on a monthly basis if the dues authorization provided for herein is not executed, under such terms and conditions as from time to time may be prescribed by the Union.

12.08.01 The Union shall exonerate, reimburse and hold harmless the Employer, each Individual Employer, and their respective officers, directors, agents, and employees, individually and collectively, against any and all liabilities and reasonable expenses arising out of the payment, receipt or a distribution of the amounts designated by the Union.

12.09.00 Public Works. When the Employer performs public work or other work subject to a prevailing wage law or regulation, it shall pay the fringe benefit rates provided for in the applicable agreement(s) for those funds which are part of a prevailing wage determination. It shall make such payment for all such hours worked or paid.

12.10.00 Voluntary Employee Contribution. The employees may voluntarily authorize in writing that a portion of said payments to be paid to the Political Action Committees established by Operating Engineers Local 3 and/or by the International Union of Operating Engineers.

13.00.00 DELINQUENCIES

13.01.00 Delinquencies. Insofar as payments by Individual Employers into the Trust Funds are concerned, time is of the essence. The parties recognize and acknowledge that the regular and prompt payment of amounts due to the Trust Funds by Individual Employers is essential to the efficient and fair administration of the Trust Funds and the maintenance of plan benefits, and that the Boards of Trustees of the Trust Funds have established a reasonable, diligent, and systematic collection process. If Individual Employers do not make timely payments, the Trust Funds lose the investment return they should have received, and incur additional administrative expense in the form of letters, telephone calls, and other collection expenses. In addition, the Trust Funds incur additional management expense by reason of time necessary to oversee the collection process by the Board of Trustees, Executive Director, and others. The Trust Funds are also delayed or prevented from processing claims by employees for benefits under the plan. The Trust Funds' collection expenses, and inability to pay benefits constitute damages arising from an Individual Employer's default in making payments, and these damages cannot be allowed to deplete the contributions promptly paid by other Individual Employers.

13.01.01 Liquidated Damages. It would be extremely difficult and impractical to fix the actual expense and damage to the Funds for each Individual Employer's default. Therefore, the amount of liquidated damages to the Trust Funds resulting from any Individual Employer's default, over and above attorneys' fees, audit fees and interest for delinquent contributions, shall be 10% of the unpaid contributions as of the delinquent date. However, if a lawsuit to collect delinquent contributions has been filed, the amount of liquidated damages on the unpaid contributions shall be increased to an amount equal to the greater of 20% of the unpaid contributions, or interest on the amount of the unpaid contributions from the delinquent date until the dates they are paid in full, at the rate referred to in Section 13.01.02 below.

13.01.02 Interest. Unpaid contributions shall accrue late interest charges from the delinquent date until paid, at the rate of 10% per year simple interest beginning on the delinquent date. The Boards of Trustees of the Trust Funds may from time to time establish such other rates as they deem appropriate, in accordance with the Trust Agreements.

13.01.03 Installments. In addition, if a delinquent Individual Employer agrees to pay its delinquency in installments and fails to make such payments in the amount and at the time and place agreed, it is agreed that the amount of damage to each Trust Fund resulting from any such failure shall be by way of liquidated damages and not as a penalty to each such Trust Fund, the sum of the unpaid installment due and unpaid to each such Trust Fund, for

each such failure to pay in full within the time provided, which amount shall become due and payable to each such Trust Fund in Alameda, California, or at the place and time otherwise directed by the Trust Funds. The unpaid installment shall bear interest at the rate of ten percent (10%) per annum until paid.

13.01.04 Special Rules for Repeated Delinquencies. The Trust Funds may, in the event of repeated delinquencies by the same Individual Employer, make special rules applicable to the due date of said Individual Employer's contributions and may require the Individual Employer to post a bond or other security against further delinquencies; or to increase an existing bond or security for that purpose.

13.01.05 Settlements. Liquidated damages and late interest charges on unpaid contributions may be waived or compromised under appropriate circumstances pursuant to the delinquency collection procedures established for the Trust Funds.

13.01.06 Collection Expenses. If any Individual Employer defaults in the making of such payments and if either the Union, the Trust Funds or the Plan, or any of them, consults or causes to be consulted legal counsel with respect thereto, or files or causes to be filed any suit or claim with respect thereto, there shall be added to the obligation of the Employer who is in default all reasonable expenses incurred by the Union and the Trust Funds in the collection of same, including but not limited to, reasonable attorneys' fees, auditors' and accountants' fees, court costs and all other reasonable expenses incurred in connection with such suit or claim including any appellate proceedings therein.

13.01.07 Special Rules. When a contributing Individual Employer has been assessed liquidated damages and interest for a period of two (2) late months during any twelve (12) consecutive month period, upon the occurrence of the second (2nd) assessment, and subject to subsection (e) below, the Individual Employer will promptly be notified (with copies to the Local Union and the Employer) that if said Individual Employer becomes delinquent again and is assessed liquidated damages and interest during any of the succeeding twelve (12)-month period, he will be subject to the following rules:

- a) The Individual Employer shall be audited in order to determine compliance with the provisions of Section 12.00.00 and/or the Trust Fund Documents.
- b) The Individual Employer shall be required to provide the Trust Funds with a cash deposit or bond equal to the sum of the three (3) highest months' contributions made in the immediate preceding twelve (12)-month period, or such lesser sum as the Delinquency Committee deems appropriate.
- c) The Individual Employer's due and delinquent date shall be the 15th day of the month.
- d) Once these special rules have been applied to an Individual Employer, they shall remain in effect for at least twelve (12) months. At the end of this period, the Individual Employer may petition the Board to terminate these special rules and release the cash deposit or bond; this may be allowed only if the Individual Employer has been current in his reports and contributions for each and every month during the preceding twelve (12) - month period and the Board is otherwise satisfied that there will be no further delinquencies.
- e) The foregoing rules shall not actually be applied to any Individual Employer until the Delinquency Committee has been advised at a meeting that they have become applicable (or will become applicable if another delinquency occurs). The Delinquency Committee may then, upon its own motion or upon the Individual Employer's request, waive any of the above rules, in whole or in part, for reasonable cause. If the Delinquency Committee has been so advised and has not waived these rules or any of them, the rules will be applied by the Trust Funds.

13.01.08 California Law. The parties recognize and agree:

(a) that the references to fringe benefits in Sections 7071.5 and 7071.11 of the California Business and Professions Code include payments for fringe benefits and vacation and holiday pay as described in this Agreement and Trust Agreements creating each Trust;

(b) that said payments are for the benefit of the Employees of each Individual Employer covered by this Agreement, and that the failure of an Individual Employer to make said payments, in the manner and at the time prescribed, causes damage to all Employees, including the Employees of the Individual Employer in default, in the amount of the unpaid fringe benefits and vacation and holiday pay as well as the liquidated damages established herein, interest, and any attorneys' and accountants' fees which the Union, the Trusts, or the Plan, or any of them, may incur with respect to said default;

(c) that the Union, the Trusts or the Plan, or any of them, may bring a claim or legal action against the Individual Employer's license bond on behalf of an Employee or Employees covered by this Agreement.

13.02.00 Security for Payments. Each Individual Employer delinquent one (1) or more months in making the payments set forth in Section 12.00.00 shall be notified of such delinquency in writing by the Fund Manager of the Trust Funds. Copies of such notices shall be sent to the Employer and to the Union.

13.02.01 Notice. Each such delinquent Individual Employer shall within five (5) days of the receipt of such written notice pay the delinquent amount in full or make other suitable arrangements acceptable to the Delinquency Committee of the Trust Funds for payment. Such amounts owing are to be determined by the Fund Manager of the various Funds. The Fund Manager shall notify the Employer of any such arrangements which may be made by the Delinquency Committee with the Individual Employer.

13.02.02 Failure to Pay. If an Individual Employer fails to pay the delinquencies as determined by the Fund Manager in the time provided in 13.02.01, or fails to make other suitable arrangements for payment acceptable to the Trust Funds, it shall not be a violation of this Agreement so long as such delinquency continues, for the Union to withdraw the Employees who are subject hereto from the performance of any work for such Individual Employer and such withdrawal for such period shall not be a strike or work stoppage within the terms of this Agreement. In the event that any Employees of any Individual Employer shall be withdrawn pursuant to any similar clause in any agreement between the Individual Employer and any other labor organization, then the Union may respect such withdrawal, and for the period thereof, may refuse to perform any work for such Individual Employer, and such refusal for such period shall not be a violation of this Agreement.

13.02.03 Withdrawn Employees. Any Employees so withdrawn or refusing to perform any work as herein provided shall not lose their status as Employees but no such Employee shall be entitled to claim or receive any wages or other compensation for any period during which he has been so withdrawn or refused to perform any work.

14.00.00 DISCHARGE

14.01.00 No Employee covered hereby may be discharged for refusing to cross a lawful primary picket line established by the International Union affiliated with the Building and Construction Trades Department of the AFL-CIO or a Local Union thereof or the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America or a Local Union thereof; provided, however, if the picketing or picket line is disapproved by the Unions affiliated with the Heavy and Highway Committee including the District Council of Ironworkers, International

Association of Bridge, Structural and Ornamental Iron Workers and Piledrivers, Bridge Wharf and Dock Builders, the Union shall not recognize it. The Heavy and Highway Committee shall approve or disapprove the picket or picketing within twenty-four (24) hours of notification by the Employer, during which period of time, the Employees covered by this Agreement shall continue to work. This provision shall not apply to a jurisdictional picket line. However, an Employee of an Employer who refuses to report to the job or work for the Employer when directed to do so by the Union in the event of any unauthorized violation of the terms of this Agreement may be discharged by his Employer. Such discharged Employee may register in any Job Placement Center, but he shall be ineligible for dispatch until the sixtieth (60th) day after the date of his discharge.

14.02.00 No Employee shall be discharged or discriminated against for activity in or representation of the Union. The Union shall be the judge of the qualifications of its members.

14.03.00 The Employer shall be the judge of the qualifications of all of its Employees, and may on such grounds discharge any of them.

14.04.00 No Employee shall be discharged without just cause. In the event of discharge without just cause, the Employee may be reinstated with or without payment for lost time. Disputes concerning the existence of "just cause" shall be determined under the grievance procedure provided for in Section 15.00.00 hereof. Employees who quit or are discharged for "just cause," shall be paid for actual time worked.

15.00.00 SETTLEMENT OF DISPUTES

15.01.00 No dispute, complaint, or grievance concerning the interpretation, application, or compliance with any provision or provisions of Section 12.00.00 is or are arbitrable under the provisions of this Section of this Agreement.

15.02.00 All other disputes, complaints and grievances are the subject of arbitration as follows: A Board of Adjustment shall be convened for the settlement of disputes. It shall be composed of two (2) representatives selected by the Union and two (2) representatives selected by Association. The Board shall have power to adjust any difference that may arise regarding the meaning or enforcement of this Agreement. Within five (5) working days of any dispute is referred to it by either party, the Board shall meet to consider such dispute. If the Board, within twenty-four (24) hours after such meeting cannot agree on any matter referred to it, the members thereof within three (3) days shall choose a fifth (5th) member, who shall have no business or financial connection with either party. If the parties are unable to agree upon a fifth (5th) member within the three (3) day period, the parties shall request the Federal Mediation and Conciliation Service or the State Mediation and Conciliation Service to submit a list of five (5) arbitrators from which the fifth (5th) member shall be chosen by each party's striking two (2) names from the list, each party striking alternately, the first (1st) party to strike to be determined by lot. The arbitrator whose name remains shall be the arbitrator. The matter shall then proceed to arbitration before the arbitrator with all due expedition. The arbitrator's decision shall be within the scope of and shall not vary the terms of the Agreement and shall be final and binding on both parties. Pending such decision, work shall be continued in accordance with the provisions of this Agreement. The arbitrator's expense shall be borne equally by both parties.

15.03.00 No proceedings hereunder based on any dispute, complaint or grievance herein provided for shall be recognized unless called to the Employer's and the Union's attention within thirty (30) days after the alleged violation was committed.

15.04.00 There shall be no strikes, lockouts, or any cessation of work by either party on account of any labor dispute that is subject to arbitration under this Section. The Employer hereby declares its opposition to lockouts and the Union hereby declares its opposition to strikes, sympathetic or otherwise, and stoppage of work.

16.00.00 EQUAL OPPORTUNITY EMPLOYMENT

16.01.00 No Employee or applicant for employment covered by this Agreement shall be discriminated against because of membership in a union or activities on behalf of the Union, and the Union agrees that Employees covered thereby shall be admitted to membership without discrimination. Neither the Employer nor the Union shall discriminate for or against any Employee or applicant for employment covered by this Agreement on account of sex, race, creed, color, age, religion, or disability. Both parties agree to comply fully with all the provisions of Title VII of the Civil Rights Act of 1964 (as amended), Presidential Executive Order No. 11246 of 1965, as amended, the Vietnam Era Veterans Readjustment Assistance Act of 1972, as amended, the Rehabilitation Act of 1973, and the Americans with Disability Act of 1970.

17.00.00 PARTIES BOUND

17.01.00 This Agreement shall be binding upon the heirs, executors, administrators, successors, purchasers and assigns of the parties hereto.

18.00.00 TOOLS

18.01.00 The Employer shall provide a secure place where its Pump and Equipment Repairman may keep his tools. If all or any part of a Pump and Equipment Repairman's kit of working tools is lost or the Employer fails to provide such a secure place, or by fire, flood, or theft involving forcible entry while in the secure place designated by the Employer, the Employer shall reimburse such Pump and Equipment Repairman for any such loss. Tool replacement for Mechanics shall be at the actual cost of the tools (tool inventory required). In order to obtain the benefits of this paragraph, a Pump and Equipment Repairman must provide the Employer with an inventory of his tools at the time he commences work and additional inventory whenever the Pump and Equipment Repairman acquires additional tools.

18.01.01 Pump and Equipment Repairman shall furnish their own hand tools, but the Employer will furnish special tools as needed, such as: pin presses, spanner wrenches, air or electric wrenches, testing and measuring devices other than a hand rule, gear and bearing pullers, electric drills, reamers, taps and dies, oxy-acetylene hoses, gauges, torches and pipe wrenches or socket wrenches, and sockets requiring over three-quarter inch (3/4") drive, box-end wrenches over 1" and open-end wrenches over 1". Pump and Equipment Repairman and/or Trainees shall be entitled to a tool pick-up time before the end of each shift, which shall not be less than five (5) minutes or more than fifteen (15) minutes.

19.00.00 MARKET/GEOGRAPHIC AREA COMMITTEE (Private Work-Not to Exceed \$1,000,000)

19.01.00 The parties to this Agreement recognize the constantly changing nature of the industry with respect to certain private market and/or geographic areas and the necessity of Employers maintaining competitive positions in those markets or geographic areas to protect and assure the continued work opportunities of the affected Employees covered by this Agreement. Therefore and notwithstanding Section 21.01.00 the parties hereby establish a Market/Geographic Area Committee composed of three (3) Employer representatives' three (3) Union representatives and three (3) Employee representatives performing work in an affected geographic area. In any particular geographic area, a defined market area committee of three (3) Employees may be established by the Union. The Committee comprising three (3) Union representatives and three (3) Employer representatives in conjunction with the local

Employee market committee shall evaluate either market or geographic requests for changes or modifications believed necessary to meet market or geographic area competition and determine if adequate economic justification is present to support such a change or modification. The Employees serving on the Committees shall be selected by the Employees (members) in the market or geographic area where evaluation of the area on a rotating basis depending on the particular market or geographic area where evaluation of the area, changes and/or modifications may be necessary. In the event a market area extends beyond the boundaries of more than one of the Union's Districts, there shall be at least one (1) Employee from each District where the market area exists serving on the Committee with the Employer representatives and Union Representatives. The Committees shall review requests for changes in any of the terms and conditions of the Master Agreement which cover an area limited to particular private, market or geographic areas and believed necessary to preserve and protect work opportunities for affected Employees and Employers covered by the Agreement. The Committee, upon an affirmative unit vote, is authorized to approve such changes (including the monetary size of the project to which they may apply) as it determines to be in the best interest of the affected Employees and the parties to this Agreement and may modify the Agreement accordingly; provided, however, if in any particular market area, a determination is made by the Committee that a market area has been substantially lost or rapidly being lost to non-union employers, an agreement, not to exceed \$1,000,000.00 (unless the Committee agrees otherwise) shall be placed in effect covering that market which shall apply for the duration of the Agreement; it is further provided that on January 1 of each contract year, the Committee shall meet and review each market addendum, and if the individual Employers have recovered sixty percent (60%) or more of the market, the Committee shall determine if the applicable addendum shall continue to apply, be terminated or otherwise modified. Provided further; any job or project covered by an addendum shall remain covered until job/project completion. The Committee may also consider requests for multi-craft project agreements regardless of dollar amount initiated through the National Heavy and Highway Committee and/or the National Building and Construction Trades Department.

19.01.01 The Union will make every effort to respond to the Employers request for Market/Geographic Area Committee to review changes in any of the terms and conditions of the Agreement within twenty-four (24) hours.

20.00.00 SAFETY

20.01.00 *No Limitation of Production.* Subject to all State and Federal rules and regulations governing or applicable to the safety of Employees, place of employment and operation of equipment, no rules, customs, or practices shall be permitted that limit production or increase the time required to do any work.

20.02.00 *Cooperation.* The Union shall cooperate with the Employer in the carrying out of all such Employer's safety measures and practices for accident prevention not in conflict with the provisions of this Agreement, and in carrying out and adhering to all of the applicable State and Federal safety laws. Any Employee may be discharged for knowingly failing to perform work in conformance with the Employer's Safety Code or as required by the State or Federal Safety Orders or other applicable statutes. The safety standards and rules contained herein are minimum standards and are not intended to imply that the Union objects to the establishment and imposition by the Employer of additional or more stringent safety rules to protect the health and safety of the Employees. It shall be the Employer's exclusive responsibility to insure compliance with safety standards and rules. Nothing in this Agreement is intended to make the Union liable to anyone in the event that injury or accident occurs.

20.02.01 Employees shall perform their duties in each operation in such a manner as to promote efficient operation of each particular duty and of any job as a whole, not in conflict with the provisions of this Agreement.

20.02.02 *Addiction Recovery and Substance Abuse Policy.* The Union, the Association and Employers have established a joint program which shall enable all parties to deal with drug and/or alcohol abuse problems from both a

safety and productivity enhancement point of view as well as recognizing the individual rights and well-being of each Employee. The policy and program is set forth in Exhibit "A" attached hereto and made a part hereof. The implementation of this policy is not mandatory by any Individual Employer, but once implemented; the program shall remain in effect unless otherwise agreed to by the Union and the Individual Employer.

20.03.00 *Unsafe Conditions.* It is further agreed by both parties that too great an emphasis cannot be placed upon the need for safe working conditions. The Employers will provide and the Union agrees that Employees shall use the provided health and safety equipment. Employees shall return the equipment to the Employer upon termination of its use on the project. No Employee shall be required to work on, with, or about an unsafe piece of equipment or under an unsafe condition.

20.03.01 No set of health or safety regulations, however, can comprehensibly cover all possible unsafe practices of working; therefore, the Union and the Employer undertake to promote in every way possible the realization of the Employee's and Employer's responsibility with regard to preventing accidents to Employees. No Employee shall be discharged for refusing to work on or about equipment is unsafe. Any Employee discharged for refusal to work under the above conditions shall be made whole by the Employer for lost wages and benefits.

20.04.00 *Union Notification.* When there is a serious injury to an Employee the Employer shall be notified by the Union Representative or the Job Placement Center servicing the project. The Union Representative servicing the project shall furnish the Employer with his home telephone number.

20.05.00 *Notices.* The Employer must post the name and address of its doctor and of the Workers' Compensation Insurance carrier on the jobsite.

21.00.00 EFFECTIVE AND TERMINATION DATES

21.01.00 This Agreement shall be effective July 1, 2017, and shall remain in effect through and including June 30, 2020 and shall be renewed from year to year thereafter unless either party to this Agreement shall give written notice to the other party of a desire to change at least sixty (60) days prior to the date of expiration.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals by their respective officers duly authorized to do so this 26 day of June, 2017.

EMPLOYER:
UNITED CONTRACTORS
[UCON]

/s/ Victor Sella

Signature

Victor Sella

6/7/17

Print Name

Date

Director of Labor Relations

Print Title

/s/ Kevin J. Albanese

Signature

Kevin J. Albanese

6/13/17

Print Name

Date

Pres/CEO

Joseph J. Albanese, Inc.

Print Title

UNION:
OPERATING ENGINEERS LOCAL UNION
NO. 3 of the International Union of
Operating Engineers, AFL-CIO

/s/Dan Reding

President

/s/ James Sullivan

Recording-Corresponding Secretary

/s/ Russell E. Burns

Business Manager

/s/ Steve Ingersoll

Vice President

/s/ Justin Diston

Financial Secretary

**EXHIBIT “A”
SUBSTANCE ABUSE TESTING
ADDENDUM TO
UNITED CONTRACTORS [UCON]**

The UNITED CONTRACTORS, (“Employer”) and OPERATING ENGINEERS LOCAL UNION NO. 3 of the International Union of Operating Engineers, AFL-CIO (“Union”) enter into this Addendum to the 2014-2017 Material Supply Distribution Agreement (“Agreement”) on this 1st day of July 2017.

The parties have entered into this Addendum so that the Individual Employers covered by the Agreement can comply with the Federal Motor Carrier Safety Regulations of the United States Department of Transportation (“DOT Regulations”). Exhibit “A” to the Agreement sets forth the Addiction Recovery and Substance Abuse Policy bargained by the Employer and the Union and is the Addiction Recovery and Substance Abuse Policy of those Individual Employers who have adopted it. Exhibit “A” allows an Individual Employer to test an Employee’s blood, breath, or urine for the presence of alcohol and/or drugs when it has reasonable grounds to believe an Employee is under the influence or impaired by alcohol and/or drugs and/or if an Employee is directly or indirectly involved in an accident involving property damage or bodily injury which requires medical care and reasonable cause exists. Exhibit “A” does not allow an Individual Employer to conduct a drug/alcohol test in any other circumstances. The DOT Regulations require the Individual Employers to perform drug and alcohol testing in circumstances not allowed by Exhibit “A” and may require them to conduct such tests in additional circumstances not allowed by Exhibit “A.” Therefore, the Employer and the Union agree as follows:

1. All Individual Employers will implement Exhibit “A;”
2. The Individual Employers shall conduct pre-employment, biennial and reasonable cause testing as required by DOT Regulations and post-accident testing to the extent allowed by Exhibit A;
3. If the DOT Regulations require the Individual Employers to conduct random testing and/or post-accident testing under circumstances not provided for in Exhibit “A,” the Individual Employers may do so, so long as such test is conducted in accordance with the DOT Regulations;
4. The Union and the Employer shall select a medical doctor who shall serve as the Medical Review Officer (“MRO”) as that term is defined by the DOT Regulations;
5. The MRO shall be a member of the American Society of Addiction Medicine and shall perform all of the functions required by the DOT Regulations;
6. All testing will be conducted in accordance with the National Institute of Drug Abuse’s guidelines including those governing chain of custody, laboratory standards, confirmatory tests and cut-off levels;
7. Random testing, pre-employment and/or post-accident testing under circumstances not allowed by Exhibit “A” shall be conducted only to the extent mandated by the DOT Regulations;
8. In the event the DOT regulations are changed so as not to require random testing, pre-employment and/or post-accident testing under circumstances not allowed by Exhibit “A,” or such regulations are determined by a court of competent jurisdiction to be unconstitutional, unlawful and/or unenforceable, the Individual Employers shall cease such testing;
9. In the event the DOT Regulations are changed, the Union and the Employer shall meet and negotiate any changes in the Addendum which may be necessary as a result of such changes;

10. An Individual Employer may discipline an Employee for violation of its Substance Abuse Policy. Any such discipline shall be in accordance with Section 14.04.00 of the Agreement. An Individual Employer who disciplines an Employee for violating its Substance Abuse Policy shall hold such discipline in abeyance if the Employee agrees to undergo and complete a rehabilitation program, if the violation is a first offense. The Individual Employer shall rescind the discipline if the Employee successfully completes a rehabilitation program. An Individual Employer shall not be required to hold discipline in abeyance pending rehabilitation for an Employee who previously violated the policy even if that Employee had successfully completed a rehabilitation program after the previous offense. However, an Individual Employer may hold discipline in abeyance for such an Employee if the Employee agrees to undergo further rehabilitation. If the Individual Employer agrees to do so, it shall rescind the discipline if the Employee successfully completes the rehabilitation program.
11. Each Individual Employer shall conduct drug awareness training as required by the DOT Regulations;
12. The Individual Employer shall bear all expenses related to compliance with the DOT Regulations and/or Exhibit "A" except as provided in Paragraphs 13 and 14.
13. Rehabilitation and recovery programs will be available to Employees under the Operating Engineers' Health and Welfare Trust Fund for Northern California.
14. Counseling and referral services and other related services will be made available to Employees and the Individual Employers by the Addiction Recovery Program, Inc.

MEMORANDUM OF AGREEMENT (TRAINEE PROGRAM—PUMPERS AGREEMENT)

THIS AGREEMENT, made and entered into this 1st day of July, 2017 by and between UNITED CONTRACTORS [‘UCON’], (“Employer”) and OPERATING ENGINEERS LOCAL UNION NO. 3 of the International Union of Operating Engineers, AFL-CIO (“Union”).

TRAINEE PROGRAM. The Employer shall establish a training program for new applicants with no experience in the concrete pumper industry as follows:

- (1) There shall be a ninety (90) day probationary period during which time the Trainee shall receive the following wage rates and fringe benefits only and not be subject to Section 15.00.00 Settlement of Disputes of the parties’ 2017-2020 Independent Material Supply Distribution Agreement (“Agreement”).

- a. *Wage Rate* — 40% of the High Rise Trailer Pump Operator

- b. *Fringe Benefits*

Health & Welfare — \$10.83 per hour, effective 7/01/17

Pensioned Health & Welfare — \$2.44 cents per hour, effective 7/01/17

All increases in the rate for either or both funds provided for in the Agreement shall apply to Trainees.

- c. Upon completion of the ninety (90) day probationary period all fringe benefits set forth in Section 12.00.00 of the Agreement, except Pension, shall apply. Pension shall be paid at the rate of:

Preferred Schedule of the Rehabilitation Plan: \$.63 per hour/each year*

\$8.40 per hour – Effective 7/01/17

*The parties agree that sufficient contributions will be made available from these increases to the Pension Fund to support any Rehabilitation/Funding Improvement schedule adopted by the Pension Board of Trustees pursuant to the Pension Protection Act of 2006 and the Union will select an option (Schedule) in the Pension’s Rehabilitation Plan or Funding Improvement Plan, whichever is applicable. Additional monies required for such Rehabilitation Plan/Funding Improvement Schedule shall be allocated from existing negotiated increases, wages and/or fringe benefits.

** 2017, 2018 and 2019 Pending annual review by the Plan’s Actuaries & Trustees

- d. Trainees shall not exceed the ratio required under State law for Apprentices (i.e., one [1] Trainee for each five [5] Journeymen) and for Employers with less than five (5) Journeymen, one (1) Trainee shall be permitted.
 - e. Trainees are in addition to the existing work force, and no Journeyman currently on the payroll shall be laid off or otherwise replaced in order to employ a Trainee.
 - f. If work is available, a Journeyman on the Employer’s payroll shall have the first (1st) choice of performing the work and in no event shall a Trainee be assigned said work in lieu of the Journeyman, provided the Journeyman is available.
- (2) *Job Placement Center & Dues.* The Trainee shall, before reporting for work, obtain a dispatch from the nearest Job Placement Center and shall pay the required dues during the ninety (90) day period. Initiation fee shall be

due and payable upon the completion of the ninety (90) day probationary period. Upon completion of the probationary period the Trainee shall be paid at the following percentage of the High Rise Trailer Pump Operator wage rate.

After completion of the probationary period.....	50%
Over 1000 hours up to & including 1500 hours.....	60%
Over 1500 hours up to 2000 hours.....	70%
Over 2000 hours up to 2500 hours.....	80%
Over 2500 hours up to 3000 hours.....	90%
Over 3000 hours.....	100%

A Trainee will become a journeyman after he/she completes 3000 hours, and shall be re-dispatched as a journeyman.

10.02.01 *Monday through Saturday.* To the extent permitted by law, Saturday work may be performed at straight-time rates (provided the Laborers and Cement Masons on the job are being paid at straight-time rates) if time is lost during the workweek due to one or more of the following conditions: inclement weather, major mechanical breakdown or shortage of materials beyond the Employer's control, provided the total straight-time hours worked by the Employee in any one (1) week including Saturday make-up work, shall not exceed forty (40) hours. Saturday make-up work shall not exceed eight (8) hours. Saturday make-up work shall be performed on a voluntary basis only, and no Employee shall be discharged or otherwise disciplined for his refusal to perform such work.

This Memorandum of Agreement shall not apply to jobs subject to a prevailing wage law, rate or regulation. Trainees working on such jobs shall be paid in accordance with the Agreement.

IN WITNESS WHEREOF, the parties hereto set their hands and seals by their respective officers duly authorized to do so this 26 day of June, 2017.

FOR THE EMPLOYER:

UNITED CONTRACTORS [UCON]:

/s/ Victor Sella

Signature

Victor Sella

6/7/17

Print Name

Date

Director of Labor Relations

Print Title

/s/ Kevin J. Albanese

6/13/17

Signature

FOR THE UNION:

**OPERATING ENGINEERS LOCAL UNION NO. 3
of the International Union of Operating Engineers,
AFL-CIO**

/s/ Dan Reding

President

/s/ Russell E. Burns

Business Manager

/s/ Steve Ingersoll

Vice President

/s/ Justin Diston

Financial Secretary

SIDE LETTER
MATERIAL SUPPLY DISTRIBUTION BETWEEN UNITED CONTRACTORS
AND OPERATING ENGINEERS LOCAL UNION NO. 3

THIS AGREEMENT, made and entered into this 1st day of July, 2017, by and between UNITED CONTRACTORS [‘UCON’], (“Employer”) and OPERATING ENGINEERS LOCAL UNION NO. 3 of the International Union of Operating Engineers, AFL-CIO (“Union”).

The Employer and the Union have met and negotiated a modification to the current collective bargaining Agreement (“Agreement”) with the following change:

Intent and reconciliation of Health and Welfare (ACTIVE) (Section 12.02.00) and PENSIONED HEALTH & WELFARE (Section 12.03.00), PENSIONED 173 hour cap AND Public Works (Section 12.09.00).

- A) The Cap will never negate an Employer's obligation to pay ACTIVE or PENSIONED contributions for work performed which is subject to Prevailing Wage Requirements.
- B) The Employer shall first pay all ACTIVE and PENSIONED contributions at the appropriate rate for work performed subject to Prevailing Wage. Then, any hours worked in excess of one hundred seventy-three (173) hours shall be subject to the CAP.

The interplay between the CAP on contributions to ACTIVE and PENSIONED and the requirements of the Public Works Section in the Agreement are best described with illustrative examples:

1. If a PUMPER performs two hundred (200) hours of public work or other work subject to a prevailing wage law (PUBLIC WORK), the Employer shall pay into the ACTIVE and the PENSIONED two hundred (200) hours' worth of contributions at the PREVAILING WAGE WORK RATE. In this case, the cap does not apply.
2. If a PUMPER performs two hundred (200) hours of PUBLIC WORK and thirty (30) hours of Private Work, the Employer shall pay into the ACTIVE and PENSIONED two hundred (200) hours' worth of contributions at the PREVAILING WAGE WORK RATE. However, the cap will apply to all thirty (30) hours of Private Work.
3. If a PUMPER performs one hundred and sixty-five (165) hours of PUBLIC WORK and thirty-five (35) hours of other work, the Employer shall pay into the ACTIVE one hundred and sixty-five (165) hours at the PREVAILING WAGE WORK RATE and eight (8) hours at the PRIVATE WORK RATE and one hundred and seventy-three (173) hours' into the PENSIONED. In this case, the cap will apply to the twenty-seven (27) excess Private Work hours.
4. If a PUMPER performs two hundred (200) hours of Private Work, the Employer shall pay into the ACTIVE one hundred and seventy-three (173) hours at the PRIVATE WORK RATE and one hundred seventy-three (173) hours into the PENSIONED. In this case, the cap will apply to the twenty-seven (27) excess Private Work hours.
5. If a PUMPER performs twenty (20) hours of PUBLIC WORK and one hundred and eighty (180) hours of other work, the Employer shall pay into the ACTIVE, twenty (20) hours at the PREVAILING WAGE WORK RATE and one hundred and fifty-three (153) hours at the PRIVATE WORK RATE and one hundred and seventy-three (173) hours into the PENSIONED. In this case, the cap will apply to the twenty-seven (27) excess Private Work hours.

2017-2020
OPERATING ENGINEERS
MATERIAL SUPPLY DISTRIBUTION AGREEMENT

Example	Public Works Hours	Private Works Hours	Health & Welfare Prevail Rate	Health & Welfare Private Rate	Pensioned Health & Welfare	Hours to which CAP applies
1	200	0	200	0	200	0
2	200	30	200	0	200	30
3	165	35	165	8	173	27
4	0	200	0	173	173	27
5	20	180	20	153	173	27

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals by their respective officers duly authorized to do so this 26 day of June, 2017.

FOR THE EMPLOYER:

UNITED CONTRACTORS [UCON]:

/s/ Victor Sella

Signature

Victor Sella 6/7/17

Print Name Date

Director of Labor Relations

Print Title

/s/ Kevin J. Albanese 6/13/17

Signature

Kevin J. Albanese

Print Name

Pres/CEO
Joseph J. Albanese, Inc.

Print Title

FOR THE UNION:

**OPERATING ENGINEERS LOCAL UNION NO. 3
of the International Union of Operating Engineers,
AFL-CIO**

/s/ Dan Reding

President

/s/ James Sullivan

Record. Corresponding Secretary

/s/ Russell E. Burns

Business Manager

/s/ Steve Ingersoll

Vice President

/s/ Justin Diston

Financial Secretary