

PROJECT LABOR AGREEMENT

between

**SEATTLE/KING COUNTY BUILDING AND
CONSTRUCTION TRADES COUNCIL, AFL-CIO**

and

NATT MCDOUGAL COMPANY

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**NATT MCDOUGAL COMPANY
PROJECT LABOR AGREEMENT**

This Seattle Public Utilities Landsburg Fish Passage Project Labor Agreement (the "Project Agreement") or ("Agreement") is effective as of May 23, 2002, by and between NATT MCDOUGAL COMPANY (hereinafter "NMC"), and THE SEATTLE/KING COUNTY BUILDING AND CONSTRUCTION TRADES COUNCIL ("Unions").

NMC will implement this Agreement by including appropriate provisions in the bid documents, contract specifications and other contract documents for Qualifying Work, as hereinafter defined. As a result, the successful subcontractors performing Qualifying Work will become party to this Agreement. Therefore, this Agreement uses the term "Contractor" and specifies the rights and obligations of each such contractor as if already party to this agreement. The term "Contractor" (or "Contractors") includes all construction contractors and subcontractors of whatever tier engaged in Qualifying Work on the construction site within the scope of this Agreement. Where specific reference to NMC alone is intended, the terms "NMC" or "Project Contractor" are used.

The Unions agree that this Agreement will be made available to, and willfully apply to, any successful bidder for Project work who becomes signatory hereto, without regard to whether that successful bidder performs work at other sites on either a union or a non-union basis, and without regard to whether employees of such bidder are or are not members of any union. This Agreement shall not apply to any contractor for work that is performed on any other project or at any location other than the project site as defined in this Agreement. The Unions hereby pledge to work cooperatively with all businesses awarded work governed by this Agreement, despite any other dispute they may have with a business over, for example, trust or benefit payments that arose on non-Qualifying Work.

**ARTICLE 1
RECITAL/PURPOSES**

On an annual basis, approximately 70 percent of the water supplied to customers by SPU is Cedar River water delivered via Lake Youngs Reservoir and nearby Control Works. The Cedar Treatment Facility will be constructed at these locations with primary objectives of providing additional disinfection and taste and odor control capability, and will be capable of treating up to 180 million gallons of water per day. The Project consists of a new Intake and Raw Water Pump Station constructed within Lake Youngs Reservoir discharging to a pair of 72-inch pipelines which will transport the flow to new ozone generation and injection facilities. Ozonated Water will flow through two existing pipelines to the UV facility. These pipelines will serve a dual purpose providing contact time for disinfection and oxidation reaction to occur. The UV facility, if in operation today, would be the largest UV water treatment facility in the world. The UV facility will house the 13 UV reactors and power supply control panels along with chemical process systems. Treated water will then flow into two 10-million gallon clearwells, which will provide for equalization storage. The Project will also consist of new flow control facilities on the two existing bypass pipelines downstream of the new clearwells and demolition and tie-in work at each of these bypass pipelines and replacement of an

existing distribution system pump station (Lake Youngs Pump Station). A new 500 square foot operations building will be built on site and house a control room, small laboratory, meeting rooms, and offices.

1.1 The purpose of this Project Agreement is to insure that all the construction work at the Project shall proceed continuously and without interruption, efficiently, economically and with due consideration for the protection of labor standards, wages and working conditions. The parties hereto agree and do establish and put into practice effective and binding methods for the settlement of all misunderstandings, disputes or grievances that may arise between NMC or NMC's subcontractors at any tier level, and the Unions, or their members, to the end that the Owner, NMC and Unions are assured of complete continuity of operation without slowdown or interruption of any kind that labor management peace is maintained. The provisions of this Agreement shall apply to all on-site, direct-hire subcontractors of NMC at every tier level, in accordance with Article III - Scope of Agreement.

1.2 This Agreement shall apply to all on-site construction work on the new Seattle Public Utilities LANDSBURG FISH PASSAGE, located near Hobart, Washington.

1.3 This Agreement shall be subordinate to any and all stipulated requirements in the relevant statutes enabling funding for financing of the Project.

ARTICLE II UNION RECOGNITION

2.1 The Contractor(s) recognize(s) the Unions signatory to this agreement as the sole and exclusive bargaining representatives of all craft employees within their respective jurisdictions working on the Project within the scope of this Agreement.

ARTICLE III SCOPE OF AGREEMENT

This Agreement shall apply and is limited to all on-site construction work except as further clarified and defined in this Article (the "Qualifying Work") that is bid and awarded to contractors of whatever tier after the effective date of this Agreement, with regard to the construction managed by NMC as determined by the contract between NMC and the Owner for the construction of the Landsburg Fish Passage herein after referred to as the "Project".

3.1 This Agreement shall apply to on-site construction craft employees represented by any Union signatory hereto, and shall not apply to other field personnel or non-manual labor employees, including but not limited to, executives, engineers, draftsmen, superintendents, supervisors, assistant supervisors, inspectors, quality control and quality assurance personnel, timekeepers, mail carriers, messengers, office workers, office cleaning service, guards, and other non-construction trade labor which may be identified during the course of the Project, including but not limited to:

- (a) Equipment and machinery owned or controlled and operated by SPU or the Operations and Maintenance Contractor (OMC).

- (b) All off-site manufacture of materials, equipment, or machinery (“Letter of Understanding Re: Prefabrication” with the five crafts are acknowledged).
- (c) All employees of the design teams or any consultants of SPU for specialty testing, architectural/engineering design and other professional services.
- (d) Any work performed on or near or leading to or onto the site of work covered by this Agreement and undertaken by state, county, city or other governmental bodies, such as the Department of Ecology; or by public utilities or their contractors; and/or by the Owner or its contractors (for work which is not part of the scope of this Agreement).
- (e) Work by employees of a manufacturer or vendor necessary for start-up and testing to maintain such manufacturer’s or vendor’s written warranty or guarantee or the on-site supervision of such work including technicians that will be adjusting and calibrating equipment and control devices during equipment check-out, testing and start-up.
- (f) Laboratory for specialty testing or inspections not ordinarily done by the signatory Local Unions.
- (g) Non-construction support services contracted by the Owner or NMC in connection with this Project.
- (h) All work by employees of SPU.
- (i) Construction works ancillary to the Project, but contracted by others. When NMC is informed of such construction work, it will notify the Building Trades Council as soon as possible thereafter, but not later than twenty-four (24) hours prior to the commencement of such work.
- (j) All deliveries to the project site to point of unloading, including redi-mix concrete.
- (k) Removal of scrap, surplus, spoilage and waste materials generated from construction debris from the project site (excludes demolition, site prep and excavation).
- (l) All work performed by employees of the Operations and Maintenance Contractor (OMC) including electrical and/or mechanical checking, calibration, or testing work in connection with the testing and start-up of the plant.

3.2 Scope of Work: Landsburg is the site of the Seattle Public Utilities diversion dam and drinking water intake and treatment facilities in the Cedar River Watershed. The objective of this project is to construct fish passage facilities and related improvements to allow access of migrating salmon and steelhead to the Cedar River above Landsburg.

The work includes, but is not limited to the following:

A. Fish Passage Facilities

1. Fish Screen

- (a) Vee Screen and dish by-pass pipe
- (b) Control building
- (c) Relocation of chlorine and hydrofluosilic acid diffusers on a 96-inch aqueduct (includes additional acid and chlorine lines extending to new location, access manhole)
- (d) New flow meter installation (with access) on a 96-inch aqueduct to replace existing sparging meter)
- (e) Relocation of existing pump in screen house feeding high water tank (supplies chlorine injectors) in screen house to fish screen afterbay
- (f) Decommissioning of existing screens and pumps in screen house
- (g) New septic system/drain field to replace existing drain field in the way of screen construction
- (h) Power system upgrades (including new standby generator)

2. Fish Ladder @ Dam with Sorting and Holding Facility

- (a) Entrance pool, ladder, sorting and holding facilities
- (b) Ladder exit channel
- (c) Relocation of a 30-inch forebay drain line
- (d) Bank protection downstream of ladder entrance pool (north tank)

3. Downstream passage gate

- (a) New crest gate, gate operator, maintenance platform, plunge pool and dam alterations including cofferdamming and dewatering system for construction
- (b) Radial gate rehab (cleaning and painting of 4 remaining radial gates, lead paint removal/environmental containment work involved)

4. Aqueduct crossing Fish Passage

- (a) Rock drop fish passage structures

- (b) Grouting of upper most rock structure against aqueduct including cofferdamming and dewatering system for construction

B. Other Upgrades

1. Dam stabilization
 - (a) Reinforcement of ogee section/spillway pier connections
 - (b) Drain holes and grouted dowels in spillway apron
2. Other Miscellaneous Dam Upgrades
 - (a) Upgrades to chain on radial gate operators (8 chains)
3. Forebay Improvements
 - (a) New log boom across intake forebay entrance
 - (b) Concrete guide wall/dewatering sill across intake forebay entrance
 - (c) Riprap on stream bank at upstream end of intake forebay
 - (d) Raising of roadway along perimeter of forebay for flood control
4. Garage/Shop Building
 - (a) Demolition of existing garage and shop near treatment building
 - (b) Construction of new garage and shop
5. Park Improvements
 - (a) Park entrance reconfiguration (re-grading, gravel, new vendor access gate, removal of existing vendor access gate, and relocation of other gate)
 - (b) Pedestrian pathway (pavers) and handrail to north aqueduct abutment
 - (c) Wood corrals/roofs for park sanicans
 - (d) Nine road improvements (grading, gravel, construct two turnouts and new road stub accessing Landsburg behind treatment building)

6. Riparian Restoration

- (a) Tree and vegetarian plantings at north streambank upstream of intake forebay
- (b) Tree and vegetation plantings along north streambank between county bridge and aqueduct crossing
- (c) Placement of logs/rootwads at edge of stream for fish habitat enhancement

The work is located south of Issaquah on the Hobart Road, approximately 3.75 miles south of Highway 18, at the Cedar River.

C. Work by Owner

- 1. The OWNER will provide limited inspection and testing laboratory services
- 2. The OWNER will continue normal water supply operations at the Reservoir, Intake Tower and Regulating Basin during construction, and will be responsible for operating existing facilities as required during the course of the work.
- 3. Only the OWNER's personnel shall operate existing project facilities such as gates, valves, hydraulic systems, generators, etc. as may be required during the course of the work. The OWNER's personnel shall be responsible for carrying out any operation that requires changes to normal flow rates, modification of normal equipment positions, or shutdown or bypass of project facilities.

3.3. (a) The Owner, Project Contractor, Construction Manager, and/or Contractors, as appropriate, have the absolute right to select any qualified bidder and award contracts or subcontracts on this Project without reference to the existence or non-existence of any collective bargaining agreements between the prospective Contractor and any Union party, provided only that such Contractor is willing, ready and able to comply with this Project Labor Agreement and to execute a Letter of Assent (in the form attached hereto as Appendix A), should such contractor be awarded work covered by this Agreement.

(b) It is agreed that all subcontractors of a Contractor, of whatever tier, who have been awarded contracts of work by this Agreement that is bid and awarded after the effective date of this Agreement shall be required to accept and to be bound by the terms and conditions of this Project Labor Agreement, and shall evidence their acceptance by the execution of a Letter of Assent, prior to the commencement of work. A copy of the Letter of Assent executed by the Contractor shall be immediately transmitted to the Seattle/King County Building and Trades Council and NMC prior to the dispatch of employees to the job site.

3.4 The provisions of this Project Labor Agreement (including Schedule A's, which are the local Collective Bargaining Agreements, as modified by this Agreement between

bona fide contractor groups or representative and the signatory Unions having covered work that corresponds to Qualifying Work on the Project) shall apply to the work covered by this Agreement, notwithstanding the provisions of any other local, area and/or National Agreements which may conflict with or differ from the terms of this Agreement. Notwithstanding the foregoing, the Elevator Constructors' National Agreement shall be applied to work falling within the jurisdiction of the Elevator Constructors, except that Articles XIII, XVIII and XX of this Agreement shall prevail and be applied to such work. NMC and each Local Union shall agree upon the local collective bargaining agreement to be designated as the applicable Schedule A for work covered by this Agreement. Where a subject covered by the provisions of this Agreement is also covered by Schedule A, the provisions of this Agreement shall prevail. Where a subject is covered by the provisions of Schedule A and is not covered by this Agreement, the provisions of the Schedule A shall prevail.

(b) Any dispute as to the applicable source between this Agreement and Schedule A for determining the wages, hours and working conditions of employees on the Project shall be resolved by the permanent arbitrator under the procedures established in Article XX. It is understood that this Agreement, together with the referenced Schedule A's, constitutes a self-contained, stand-alone agreement and that, by virtue of having become bound to his Project Labor Agreement, the Contractor will not be obligated to sign any other local, area or national agreement as a condition of performing work within the scope of this Agreement.

3.5 This Agreement shall only be binding upon the signatory parties hereto and shall not apply to the parents, affiliates, subsidiaries, or other ventures of any such party.

3.6 This Agreement shall be limited to the on-site construction work within the scope of this Agreement, as set forth in 3.1 of this Article, for which bids have been advertised after the effective date of this Agreement, including, specifically, site preparation and related demolition and deconstruction work. Nothing contained herein shall be construed to prohibit, restrict, or interfere with the performance of any other operation, work or function awarded to any contractor before the effective date of this Agreement or which may be performed or contracted by the Owner for its own account on the property or in and around the construction site.

3.7 It is understood that the liability of the Contractor and the liability of the separate Unions under this Agreement shall be several and not joint. The Unions agree that this Agreement does not have the effect of creating any joint employment status between or among the Owner, NMC and/or any Contractor.

3.8 None of the provisions of this Agreement shall apply to SPU and the Operations and Maintenance Contractor (OMC) and nothing contained herein shall be construed to prohibit or restrict SPU, OMC or their employees from performing work not covered by this Agreement on the Project site. As areas and systems of the Project are inspected and construction tested and accepted by SPU and OMC, the Agreement shall have no further force or effect on such items or areas, except when the Contractors are directed to engage in repairs, modifications, check-out and/or warranty functions required by their contract(s).

3.9 It is understood that the Owner, at its sole option, may terminate, delay and/or suspend any and all portions of the covered work at any time.

ARTICLE IV UNION REPRESENTATION

4.1 Authorized representatives of the Unions shall have reasonable access to the Project, provided they do not interfere with the work of employees, and further provided that such representatives fully comply with the visitor, safety and security rules, and the environmental compliance requirements established for the Project. It is understood that because of the scope of the Project, the type of work being undertaken on the Project site and the continuous operation of the SPU facilities during construction, visitors may be limited to certain times, or areas, or to being accompanied at all times while on the Project site; in such circumstances, however, project workers shall be allowed to confer privately with their authorized Union representatives. The Contractor recognizes the right of access set forth in this Section and such access will not be unreasonably withheld from an authorized representative of the Union.

4.2 The Business Representative for each of the Local Unions signatory hereto shall have the right to designate a Steward for each contractor signatory with that craft type, one (1) working journeyman as Steward for all related craft personnel, who shall be recognized as the Union's representative for a signatory hereto. Such designated Stewards shall be qualified workers assigned to a crew and shall perform the work of their craft. Under no circumstances shall there be a non-working Steward on the Project.

4.3 The working Steward will be paid at the applicable wage rate for the job classification in which he/she is employed.

4.4 The Union may appoint a Steward for each shift.

4.5 A Steward for each craft of the signatory Unions employed on the Project shall be permitted on the Project site at all times when work is being performed. They shall not be subjected to discrimination or discharge on account of proper union activities and that the "*Termination notice*" language provisions of the respective Craft Area Agreement shall apply. The Unions agree that such activities shall not unreasonably interfere with the Steward's work for NMC or its subcontractors.

4.6 It is recognized by NMC and NMC's subcontractors that the employee selected as a Steward shall remain on the job as long, as there is work within his craft which he/she is qualified, willing and able to perform. NMC and the applicable subcontractor shall be notified in writing of the selection of each Steward. The applicable subcontractor shall give NMC and applicable Union prior written notice before discharging a Steward for cause. For purposes of this section "cause" shall mean incompetence, unexcused absenteeism, disobedience of orders, unsatisfactory performance of duties, or violation of Project rules.

4.7 The Contractor agrees to notify the appropriate Union and NMC forty-eight (48) hours prior to the layoff of a steward, except in the case of disciplinary discharge for just cause. If a steward is protected against such layoff by the provisions of any Schedule A, such provisions shall be recognized to the extent that the steward possesses the necessary qualifications to perform the work remaining. In any case in which a steward is discharged or disciplined for just cause, the appropriate Union and NMC shall be notified immediately by the Contractor.

4.8 The Steward may not cause or encourage work stoppage, and if found guilty of instigating such action, will be subject to action by NMC, and/or NMC's subcontractors, up to and including discharge or removal from the project.

4.9 The Steward's duties shall not include hiring and termination, nor shall he/she cause any interference with work progress.

4.10 The Steward shall be given the option of working all reasonable overtime within his/her craft and shift providing he/she is qualified to perform the task assigned. However, the Steward shall not have the right to determine when overtime shall be worked or who shall work overtime.

4.11 Personnel of SPU and OMC will be working in close proximity to the construction activities. The Union agrees that the Union representatives, stewards and individual workers will not interfere with SPU and OMC personnel, or with personnel employed by any other employer not a party to this Agreement.

ARTICLE V MANAGEMENT RIGHTS

5.1 NMC and its Contractors retain full and exclusive authority for the management of its operations. NMC and NMC's Contractors shall direct their working forces at their sole prerogative, including, but not limited to hiring, promotion, transfer, lay-off or discharge for just cause of its employees, the selection of foremen and general foremen; the assignment and schedule of work; the promulgation of reasonable work rules; and, the requirement of overtime work, the determination of when it will be worked and the number and identity of employees engaged in such work. No rules, customs, or practices shall be permitted or observed which limit or restrict production, or limit or restrict the working efforts of employees. NMC and its Contractors may, in its sole discretion, utilize the most efficient method or techniques or construction, tools, or other laborsaving devices. NMC and its Contractors shall schedule work in accordance with applicable local collective bargaining agreements except as otherwise expressly stated in this Agreement.

5.2 The foregoing enumeration of management rights shall not be deemed to exclude other functions not specifically set forth. NMC, and its Contractors therefore, retain all legal rights not specifically covered by this Agreement.

5.3 Except as otherwise expressly stated in this Agreement, there shall be no limitation or restriction upon the Owner, NMC's, or its Contractors choice of materials or design, nor, regardless of source or location upon the full use and installation of equipment, machinery, package units, pre-casts, pre-fabricated, pre-finished, or pre-assembled materials, tools, or other labor-saving devices. The Owner, NMC, or its Contractors may without restriction install or otherwise use materials, supplies or equipment regardless of their source. The on-site installation or application of such items shall be generally performed by the craft having jurisdiction over such work. Provided, however, it is recognized that other personnel having special talents or qualifications may participate in the installation, check-off or testing of specialized or unusual equipment.

5.4 The use of new technology, equipment, machinery, tools and/or the Contractor from time-to-time during the Project may initiate labor saving devices and methods of performing work. The Union agrees that it will not in any way restrict the implementation of such new devices or work methods. If there is any disagreement between the Contractor and the Union concerning the manner or implementation of such device or method of work, the implementation shall proceed as directed by the Contractor, and the Union shall have the right to grieve and/or arbitrate the dispute as set forth in Article XX of this Agreement.

ARTICLE VI SUBCONTRACTING

6.1 As provided in ARTICLE IX-HIRING PROCEDURES and ARTICLE XI-APPRENTICESHIP PROGRAM, the terms and conditions of this Agreement shall apply to all of NMC's contracts or their subcontractors for work to be performed at the jobsite.

6.2 It is clearly understood that the provisions of this article shall not apply to the Owner or its consultants, and OMC.

ARTICLE VII PRE-JOB CONFERENCES

NMC and its Contractors at all tier levels shall be required to hold a pre-job jurisdictional mark-up meeting prior to the commencement of construction activities on the Project. NMC agrees that all subcontractors will be required to arrange such a pre-job conference through NMC's designated Labor Relations Representative. NMC further agrees that NMC's Labor Relations Representative will attend and act as co-chairman with the Executive Secretary of the SEATTLE/KING COUNTY BUILDING AND CONSTRUCTION TRADES COUNCIL, or his designee, at all pre-job conferences relative to this Project.

In addition to the information developed relative to jurisdiction of work at the pre-job conference, NMC and his subcontractors will present all information available to NMC regarding starting date for the work, location of the Project, duration of job, estimated peak employment and any other conditions deemed peculiar to the particular contract or subcontract.

ARTICLE VIII PROJECT ADMINISTRATIVE COMMITTEE

8.1 The parties to this Agreement hereby recognize the necessity of cooperation and the elimination of disputes, misunderstandings or unfair practices on the part of any party, and to secure this end, it is hereby agreed that a Project Administrative Committee shall be established to be comprised of NMC's representatives and/or representatives of subcontractors at every tier level, as may be required, the Unions party to the Agreement and a representative of the SEATTLE/KING COUNTY BUILDING AND CONSTRUCTION TRADES COUNCIL who shall meet at the jobsite or other agreed location according to a mutually agreeable monthly schedule. The NMC representative will give a report on the safety and progress of ongoing contractors and any outstanding issues pertaining to this project, and will entertain questions and discuss labor relations matters of mutual interest affecting the work and administration of the Agreement. The

Unions shall at such meetings present facts concerning any violations of any part of the Agreement by NMC or its subcontractors. Additionally, the Unions agree to notify NMC's designated Labor Relations Representative upon discovery of a potential violation of this Agreement. They shall also bring up any practice by NMC or its Contractors, which in their opinion might lead to a misunderstanding or dispute between the parties. NMC, or its Contractors shall bring up any complaints regarding failure of any employee or employees, or of the Unions to carry out any and all provisions of the Agreement.

8.2 Any agreement or resolutions reached pursuant to the preceding paragraph shall not supersede, alter, modify, amend, add to or subtract from this Agreement unless specifically expressed elsewhere in this Agreement. Prior to being effective any amendments or revisions to this Agreement shall be in writing and signed by all parties hereto.

8.3 All parties signatory to this Agreement acknowledge the importance of attendance and active support of the Project Administrative Committee and agree to participate in the meetings, as their responsibility on the Project requires.

8.4 The chairmanship of the Administrative Committee shall alternate between NMC's designated representative and the Executive Secretary of the Seattle/King County Construction Trades Council.

8.5 The Administrative Committee shall meet as required but not, less than once each month to review the operation of the Agreement.

8.6 This Committee shall be convened within 48 hours on an emergency basis at the request of any party to the Agreement.

8.7 A Project Labor Agreement Joint Administrative Committee will be formed consisting of equal numbers of Union representatives selected by the Unions and the Contractor representatives selected by NMC. The Committee shall be jointly chaired by a representative of NMC and a representative of the Unions appointed by the Building and Construction Trades Department. The purpose of the committee will be to resolve disputes and misunderstandings.

8.8 The Committee shall meet at the call of the Joint Chairs of the monthly Labor/Management meeting to discuss any labor/management problems that may arise or any other matters consistent with this Agreement. NMC shall be responsible for the scheduling of the meetings, the preparation of the agenda topics of the meeting with input from the Unions and Contractors. Notice of the date, time and place of the meeting shall be given to the Committee members at least three (3) days prior to the meeting. In an emergency, a meeting of the Committee may be held within forty-eight (48) hours at the written request of any member Union or Contractor.

8.9 At such meetings any member may present facts concerning any alleged violations of any part of the Agreement by a Contractor or its subcontractors or by any Union. The Unions and the Contractors each agree to notify the other party upon discovery of any potential violation of this Agreement or any practices that might lead to a misunderstanding or dispute between the parties. Any agreement or resolution reached pursuant to this paragraph shall not supersede, alter, modify, amend, add to or subtract from this Agreement.

8.10 All parties signatory to this Agreement acknowledge the importance of attendance and active support of the Joint Administrative Committee and agree to participate in the meetings, as their responsibility requires.

ARTICLE IX HIRING PROCEDURES

9.1 It is agreed that affirmative action shall be taken to afford equal employment opportunity to all qualified persons without regard to race, creed, color, sex or national origin. This shall be applicable to all matters relating to hiring, training, promotion, transfer or termination of employees. Furthermore, the parties agree to cooperate to the fullest extent to achieve the intent and purpose of the applicable regulations of Title VII, Civil Rights Act of 1964, and Executive Order No. 11246, or such laws or Executive Orders as may supersede them. This Agreement is subordinate to the Equal Employment/Affirmative Action Resolutions and Apprenticeship Program requirements for the Project. To the extent NMC and its Contractors, despite reasonable efforts, are unable to meet the objectives and requirements set forth in this Article IX through use of craft employees represented by any Union, NMC and its Contractors shall be allowed to recruit from any other source and such recruits will have seven (7) days to join the applicable Local Union. All employees shall be required to comply with the Local Unions' security provision of the applicable SCHEDULE "A" for the period during which they are performing on-site work. The applicable Local Union is required by law to accept these new members.

9.2 It is agreed and understood that specific terms and conditions governing, hiring and assignment of current union trade workers in supplement to small subcontractors (ex: owner-operators) existing core workforce proposed for the project may be negotiated jointly by NMC, that small subcontractor, and applicable trade union representatives.

9.3 The Contractor(s) shall have the right to determine the competency of all employees; the number of employees required and shall have the sole responsibility for selecting employees to be laid off, consistent with Article V, Section 3.

9.4 For Local Unions now having a job referral system as contained in Schedule A's, the Contractor(s) agrees to comply with such system and it shall be used exclusively by such contractor, except as it may be modified by this Article. Such job referral system will be operated in a non-discriminatory manner and in full compliance with federal, state, City of Seattle, and local laws and regulations which require equal employment opportunities and non-discrimination, and referral shall not be affected by obligations of union membership or the lack thereof. Where SPU security clearance requirements apply to work to be performed, the Contractor shall inform the Union's hiring hall dispatcher of those requirements when requesting workers. The Contractor may reject any referral for any lawful non-discriminatory reason.

9.5 In the event that Local Unions are unable to satisfactorily fill any request for competent employees within forty-eight (48) hours after such request is made by the Contractor(s) (Saturdays, Sundays, and holidays excepted), the Contractor(s) may employ applicants from any other available source. The Contractor(s) shall inform the Union of the name and social security number of any applicants hired from other sources and shall

refer the applicant to the Local Union for dispatch to the Project prior to the commencement of work.

9.6 Except as provided in Article IV, 4.7, individual seniority will not be recognized or applied to employees working on the Project. This provision will not interfere with or supersede the use by individual Contractors of "call lists" maintained by such Contractor pursuant to addenda to the local collective bargaining agreement between such Contractor and a Union signatory to this Agreement.

9.7 The selection of craft foremen and/or general foremen shall be entirely the responsibility of the Contractor. Craft foremen shall be designated working foremen at the request of the Contractor. Craft workers covered by this Agreement will, in the normal day-to-day operations, take their direction and supervision from their foreman.

ARTICLE X HOURS OF WORK, OVERTIME, SHIFTS, HOLIDAYS

10.1 **Work Day and Hours of Work.** The normal workweek for the Project will start on Monday and conclude on Friday. Eight (8) consecutive hours between the hours of 6:00 AM and 6:00 PM, plus one-half (1/2) hour unpaid for lunch, approximately mid-way through the shift, shall constitute the standard workday. The Contractor may vary the start time to take advantage of daylight hours, weather conditions or shifts, to permit an even and manageable flow of workers to the jobsite and to avoid disruption to SPU operations. Forty (40) hours per week shall constitute a regular week's work. Nothing herein shall be construed as guaranteeing any employee eight (8) hours per day or forty (40) hours per week. The Union(s) shall be informed of the work starting time set by the Contractor at the pre-job conference, which may be changed thereafter upon three (3) working days' notice to the Union(s), the workers and NMC.

The Contractor may elect to work a four ten-hour day schedule ("4/10"), Monday through Thursday. Ten (10) hours, between 6:00 AM and 6:00 PM shall constitute a workday on a 4/10 schedule. Any 4/10 schedule must be worked for a minimum of two (2) weeks.

10.2 **Starting Times.** Employees shall be at their place of work at the starting time and shall remain at their place of work (as designated by the Contractor) performing their assigned functions until quitting time, unless stipulated otherwise in a respective Craft Area Agreement. The place of work shall be defined as the gang or toolbox, or equipment at the employee's assigned work location or the place where the foreman gives instructions. The parties reaffirm their policy of a fair day's work for a fair day's wage. There shall be no pay for time not worked unless the employee is otherwise engaged at the direction of the Contractor. Bussing may be provided to shuttle workers to the various work areas during the progress of the project.

10.3 **Meal Period.** Applicable Meal Period provisions per the respective Craft Area Agreement shall apply.

10.4 **Shifts.** First shift shall be considered the standard work shift. Other shifts will be administered in accordance with applicable local collective bargaining agreements.

10.5 **Overtime.** Overtime shall be in accordance with applicable local Collective Bargaining Agreements. All work on Saturday, Sunday and holidays will be paid at the

rate provided in the applicable Schedule A. There will be no restriction on the Contractor's scheduling of overtime or the non-discriminatory designation of employees who will work the available overtime.

10.6 **Holidays.** Recognized holidays shall be as follows: (1) New Year's Day, (2) Memorial Day (last Monday in May), (3) Fourth of July, (4) Labor Day, (5) Thanksgiving Day and (6) Friday after Thanksgiving Day and (7) Christmas Day. Martin Luther King's Birthday will be a recognized holiday for those trades whereby it is recognized by their Craft Area Agreement. Recognized holidays under this Agreement shall be celebrated on the date the holiday is celebrated by SPU. Work may be performed on Labor Day when circumstances warrant, i.e., the preservation of life and/or serious property damage.

(a) In the event a Holiday falls on Sunday, the following day, Monday, shall be observed as such Holiday.

(b) In the event a Holiday falls on Saturday, the proceeding Friday shall be observed. Monday holidays shall be honored in keeping with Federal law.

(c) There shall be no paid holidays unless explicitly under a local Collective Bargaining Agreement. If employees are required to work on a Holiday, they shall receive the appropriate overtime rate.

10.7 IT WILL NOT BE A VIOLATION OF THIS AGREEMENT WHEN NMC CONSIDERS IT NECESSARY TO SHUT DOWN THE PROJECT IN WHOLE OR IN PART TO AVIOD THE POSSIBLE LOSS OF HUMAN LIFE BECAUSE OF AN EMERGENCY SITUATION THAT COULD ENDANGER THE LIFE AND SAFETY OF AN EMPLOYEE. IN SUCH CASES, EMPLOYEES WILL BE COMPENSATED ONLY FOR THE ACTUAL TIME WORKED. IN THE CASE OF A SITUATION DESCRIBED ABOVE WHEREBY NMC OR NMC's CONTRACTORS REQUEST EMPLOYEES TO STAND BY, THE EMPLOYEES WILL BE COMPENSATED FOR THE "STAND BY TIME. IN THE EVENT OF ANY CONFLICT, THE APPROPRIATE LOCAL COLLECTIVE BARGINING AGREEMENT SHALL APPLY.

10.8 **Project Security.** In the event Owner or NMC deems it necessary, the parties agree to develop a mutually acceptable system for employees checking in and out on the Project. The Project Administrative Committee, if necessitated, will develop this system.

10.9 **Reporting Time.**

(a) **Reporting Pay.** Employees reporting for work and for whom no work is provided, except when given notification not to report to work, shall receive two (2) hours pay at the regular straight-time hourly rate. Employees who work beyond four (4) hours shall be paid for actual hours worked. Whenever reporting pay is provided for employees, they will be required to remain at the Project site available for work for such time as they receive pay, unless released earlier by the principal supervisor of the Contractor(s) or their designated representative. Each employee shall furnish the Contractor with his current address and telephone number, and shall promptly report any changes in each to the Contractor.

When an employee is sent to the jobsite from the union referral facility in response to a request from the Contractor for an employee for one (1) day and starts work at the designated starting time for his shift, the employee will be paid a minimum of eight (8) hours for that day.

(b) Make-up Day. Should the Contractor be unable to work forty (40) hours in any workweek due to weather or other conditions over which the Contractor has no control, the Contractor may, to the extent permitted by the applicable prevailing wage law, schedule a make-up day (Saturday for a 5/8 schedule; Friday for 4/10 schedule). All hours worked on a make-up day to complete the forty (40) hours for the standard workweek shall be paid at the straight time rate of pay. Any hours in excess of the standard workweek worked on Saturday shall be paid at time and one-half the straight time rate of pay. For make-up day work, the full crew must be scheduled. The make-up day may not be utilized on an individual employee basis or to make up holidays. Make-up days are voluntary and, should a crewmember decline the make-up day work, the Contractor may select a member of another crew as a replacement or allow the crew to work without the regular crewmember. All make-up day work will be scheduled for a full workday.

(c) Call Out Pay. Any employee called out to work outside of his/her shift shall receive a minimum of four hours pay at the appropriate rate, including any applicable premium. This does not apply to time worked as an extension (before or after) of the employee's normal shift.

(d) Discharge/Departure. When an employee leaves the job or work location of his/her own volition or is discharged for cause or is not working as a result of the Contractor's invocation of Article XVI, paragraph 16.11, the employee shall be paid only for the actual time worked.

(e) Premium Rate Day. In all cases, if the employee is reporting on a date on which a premium rate is paid, reporting pay shall be calculated at that time.

ARTICLE XI APPRENTICESHIP PROGRAM

11.1 The NMC and its subcontractors shall implement a Project Apprenticeship Program to meet the requirements established by the Project Apprenticeship Program. The signatory unions shall supply labor for each craft to provide training and job opportunities as a means to increase the skill of the Puget Sound region work force. By utilizing the apprenticeship-training program, the workers can enter the pool of skilled labor, fully qualified for living wage jobs.

11.2 In implementing the Project Apprenticeship Program, NMC and its Contractors shall commit to meet the project apprenticeship participation requirements of 15% of the total contract labor hours, excluding offsite vendor and suppliers.

11.3 The Unions shall provide upon request by each employer or subcontractor, sufficient quantities of qualified apprentices to complete the task assigned. Such apprentices shall work under the supervision of a journeyman.

11.4 Apprenticeship Program. Consistent with any restrictions contained in applicable state or federal law and regulations, including those governing equal employment opportunity, prevailing wage and apprenticeship requirement and limitations, the parties will jointly develop and implement an apprenticeship program that will increase the skill and entry of new employees into the Puget Sound Region workforce, specifically women, and minorities in the workforce. Said apprenticeship program shall include the following components:

- (1) A Project-wide requirement of fifteen percent (15%) of the project work hours to be comprised of apprentices.
- (2) Methods that will be used by the Joint Administrative Committee to identify opportunities for the utilization of apprentices on individual contract packages.
- (3) Means and methods for reporting, collecting and analyzing data related to the utilization of apprentices on the Project.
- (4) Means and methods for monitoring and enforcing the apprenticeship efforts of the parties.
- (5) Means and methods for including women and minorities in the workforce in the apprentice program with aspirational goals as follows:
 - (a) Minority apprentices – twenty-one percent (21%) of all apprentice hours in all trades.
 - (b) Women apprentices – twenty percent (20%) of all apprentice hours worked.
- (6) Means and methods for removing barriers to the inclusion of women, people of color and disadvantaged and under-represented individuals in the workforce in the apprenticeship and pre-apprenticeship programs.

Removing Barriers. The Seattle/King County Building and Trade Unions and its affiliate member Unions (“Council”) and other state-approved apprenticeship programs serving this County will assist low-income residents to gain entrance to, and successfully complete, Washington State Apprentice and Training Council (“WSATC”) apprenticeship programs. The Council and other state-approved apprenticeship programs will inform the coordinators and sponsors of the apprenticeship and training programs and Union Representatives of the goals and activities covered by this Agreement, and will provide advocacy and assistance to encourage, support and involve the apprenticeship program coordinators in meeting these goals.

Examples of the advocacy and assistance that will be provided include, but are not limited to:

- (1) Establish and facilitate discussions between various WSATC and other apprenticeship coordinators to identify policy or program enhancements to increase the participation of minorities and women in the workforce.
- (2) Immediate reporting from each WSATC program indentures for the period 1994-1998 by class year the total number of indentured apprentices, numbers of males and female and racial breakdown.
- (3) Projected or actual apprenticeship class size by program and trade for the period 1999-2004.
- (4) Report their internal diversity goals and timelines for the participation of minorities and women in the workforce.

- (5) A collaborative effort between the WSATC programs and various community-based organizations to recruit in communities people of color, women and disadvantaged and under-represented individuals in the workforce.

The parties shall exercise good faith and affirmative efforts to remove barriers that prevent minorities and women in the apprenticeship programs. Barriers that need to be removed include, but are not limited to:

- (1) The requirement for a driver's license when a driver's license is not a bona fide requirement of the work.
- (2) Questions about criminal history when the work does not involve security requirements.
- (3) Requirement for apprenticeship application fees.

11.5 During the initial construction-planning period, each Contractor shall prepare and submit an Apprentice Utilization Plan using the form in attached Appendix B for participation of WSATC-registered apprentices. The Contractor shall estimate the total contract labor hours to be worked on the construction contract awarded to it and shall establish the anticipated apprenticeship participation by craft and hours to be submitted to NMC, at the pre-construction meeting. During the contract construction phase, each Contractor and its subcontractors shall provide a Monthly EEO/Apprentice Utilization Report using the form in attached Appendix C. This report shall be submitted electronically to the Apprentice Coordinator with SPU and NMC on the numbers of apprentices used by craft and trade at each tier and level of work.

ARTICLE XII PAYDAY

- 12.1 In accordance with applicable local Collective Bargaining Agreements.
- 12.2 Lay-off is pay off.
- 12.3 Penalties for late payment of wages and benefits or non-payment of wages and benefits will be in accordance with applicable local collective bargaining agreements.

ARTICLE XIII JURISDICTIONAL DISPUTES

13.1 It is the desire of the parties hereto to provide, establish and put into practice effective methods for the settlement of jurisdictional misunderstandings or jurisdictional disputes which may arise under this Agreement on the site without strike, lockout, work stoppage or slowdown, to the end that all parties shall be assured of continuity of operation and continuity of employment in order that harmonious relations will be maintained. The Contractors at whatever tier which are performing construction work at the Project site shall comply fully with this Article.

13.2 Work shall be assigned by the Contractor in accordance with the Procedural Rules of the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (hereinafter the "Plan"), and shall be based upon the appropriate agreements of record, decisions of record and previously provided local written agreements between or among the Unions and established trade practice prevailing in the locality. Locality is defined as

the Seattle/King County Building Trades geographical jurisdiction. Such assignments shall be disclosed by the Contractor at a pre-job conference held in accordance with industry practice, which pre-job conference will include a representative of the Project Contractor.

13.3 Before making work assignments, the Contractor shall determine first whether a previous decision or agreement of record covering the work exists. If there is no decision or agreement of record, then the Contractor shall determine whether an appropriate or applicable agreement between the crafts exists. If no such agreement exists, the Contractor shall then consider the established trade practice prevailing in the locality and assign the work accordingly.

13.4 The Contractor and each of its subcontractors will complete a "Proposed Trade Assignment" document and announce proposed work assignments at a pre-job jurisdictional conference with the Seattle/King County Building Trades held in accordance with industry practice not later than fourteen (14) calendar days before commencing any work under this contract. The pre-job conference will be chaired by a representative of NMC. Competing Unions may present evidence in support of their jurisdictional claims to the Contractor. Any Union in disagreement with the proposed assignment shall notify the Contractor of its position in writing, with a copy to NMC, within seven (7) calendar days thereafter. Within seven (7) calendar days after the period allowed for the Union notices of disagreement with the Contractor's proposed assignments, but prior to the commencement of any work, the Contractor shall make final written work assignments to the Seattle/King County Building and Construction Trades Council with a copy to NMC. Any subcontractor brought on after the initial pre-job conference must adhere to the aforementioned procedure prior to commencing work.

13.5 In those cases where the assignment was not covered in the pre-job mark-up and where the involved Unions notify the Contractor of a jurisdictional dispute over the unassigned work, then and in that event, the competing Unions will be given no less than two (2) work days time to prepare and present jurisdictional claims for the work in question. When the Contractor becomes aware of any item that is not specifically covered by agreement between the affected trades, the Contractor will immediately notify the Seattle/King County Building and Construction Trades Council and NMC of this specific item of work and allow competing Unions at least two (2) workdays to resolve the dispute. These time limits may be extended by mutual agreement, but in no event will work be held up due to ongoing jurisdictional claims.

13.6 The Contractor has the obligation to present to the Unions all of the pertinent data, drawings, specifications or descriptions that are available at the time of the jurisdictional mark-up. If the signatory Unions are unable to reach an agreement as a result of the pre-job mark-up, then after the time limits have expired, the Contractor shall make a clear assignment of the disputed work.

13.7 Any jurisdictional dispute over Contractor's assignment of work shall be settled in accordance with one of the following procedures:

(a) Where the work in dispute involves traditional building and construction work, the parties agree that the dispute will be settled in accordance with the procedural rules and regulations of the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry, effective June 1, 1984, or any successor plan (the "Plan").

(b) Where the work in dispute is not traditional building and construction work, or is claimed by any of the parties to the dispute not to be traditional building and construction work, and a difference exists among the parties as to the appropriate procedure with jurisdiction to resolve the dispute, the dispute will be settled in accordance with the following procedure. If the dispute is not resolved among the parties within seven (7) working days, the dispute shall be referred, within five (5) working days thereafter, by any one of the Unions or the involved Contractor to the International Unions with which the disputing Unions are affiliated. The International Unions and the involved Contractor shall meet promptly to resolve the dispute. Any resolution shall be reduced to writing and signed by representatives of the involved Contractor and the International Unions.

(c) In the event that the respective International Unions of the disputing Local Unions and the involved Contractor are unable to resolve the dispute within fifteen (15) calendar days from the date of referral, the dispute shall be referred by any of the interested parties to the permanent arbitrator, who the parties agree shall be the arbitrator under this Article, to hear and decide issues arising from the work assignment that is the basis of the dispute. The parties agree that the arbitrator shall, within twenty (20) calendar days of such referral, conduct a hearing and render a determination of the dispute.

(d) In such hearing, the arbitrator shall first determine whether the work in dispute is traditional building and construction work. If he determines that the work is traditional building and construction work, the dispute shall be referred to the Plan for resolution. If he determines that the work is not traditional building and construction work, he shall proceed to determine the dispute on the merits.

(e) Any award or resolution made pursuant to this procedure shall be final and binding on the disputing Unions and the involved Contractor under this Agreement only, and may be enforced in any court of competent jurisdiction in accordance with the Plan. Such award or resolution shall not establish a precedent on any construction work not covered by this Agreement. In all disputes under this Article, NMC shall be considered a party in interest, with a full right of participation.

13.8 In making any determination hereunder, there shall be no authority to assign work to a double or composite crew, that is, to more employees than the minimum required to perform the work involved; nor to assign the work to employees who are not qualified to perform the work involved. The aforesaid determination shall decide only to whom the disputed work belongs.

13.9 There will be no strikes, work stoppages, slowdowns, or other disruptive activity arising out of any jurisdictional dispute. Pending the resolution of the dispute, the work shall proceed as assigned by the Contractor. The award or resolution shall be confirmed in writing to the involved parties and NMC. There shall be no strike, work stoppage or interruption in protest of any such award or any resolution.

ARTICLE XIV WORK RULES

14.1 Employment begins and ends at the jobsite.

14.2 Employees shall be at their place of work at the designated starting time and shall remain at their place of work until the designated quitting time. Place of work shall mean gang boxes, change shacks or other designated tool areas or at assigned equipment. Employees shall remain on the Project and at their place of work through the workday except during breaks and lunch, at which time employees may access vending areas or snack trucks.

14.3 There shall be no limit on production by neither workers nor restrictions on the full use of tools or equipment. Craftspeople using tools shall perform any of the work of the trade and shall work under supervision of craft foreperson. There shall be no restrictions on efficient-use of worker power other than as may be required by safety regulations: provided, however, legitimate staffing practices that are a part of national and/or local agreements shall be followed.

14.4 Security procedures for control of tools, equipment and materials are solely the responsibility of NMC and/or its Contractors. Employees having any company property or property of another employee in their possession without authorization are subject to immediate discharge. NMC will be responsible for the establishment of reasonable job security measures for the protection of personal, company, and Owner property.

14.5 Slowdowns, standby crews and featherbedding practices will not be tolerated.

14.6 Specialized equipment may be installed, adjusted, tested and serviced by the Owner's employees, agents, or representatives prior to the occupancy of the Project.

14.7 NMC shall establish such reasonable Project rules, as NMC deems appropriate and not inconsistent with this Agreement. These rules will be explained at the pre-job conference and posted at the Project site by the Contractor and may be amended thereafter as necessary. Failure to observe these rules and regulations by any employee may be grounds for discipline, including discharge.

14.8 There shall be no restrictions on the emergency use of any tools by any qualified employee; or on the use of any tools or equipment for the performance of work within the jurisdiction, provided the employee can safely use the tools and/or the equipment involved.

14.9 Recognizing the nature of the work being conducted on the site, employee access by a private automobile may be limited to certain roads and/or parking areas.

14.10 Specialized equipment may be installed, adjusted, tested, and serviced by the Owner's employees, agents or representatives prior to the occupancy of the Project.

14.11 The Owner or Contractor shall have the right to test, operate, maintain, remove, and replace all equipment, apparatus or machinery installed, or to be used in connection with such installation, on the work site with employees, agents, or representatives of the Owner or Contractor, who shall work under the direct supervision of the Owner or Contractor, as applicable, if such supervision is determined desirable.

14.12 Any employee who willfully damages the work of any other employee, or any material, equipment, apparatus, or machinery shall be subject to immediate termination.

14.13 In the interest of the future of the construction industry in the Seattle area, of which labor is a vital part, and to maintain the most efficient and competitive posture possible, the Unions pledge to work with management on this Project to produce the most efficient utilization of labor and equipment in accordance with this Agreement.

ARTICLE XV MISCELLANEOUS PROVISIONS

15.1 All inspections of incoming shipments of equipment, apparatus, machinery and construction materials of every kind shall be performed at the sole discretion of the Owner, or NMC by persons of their choice.

15.2 The Owner, or NMC shall have the right to have equipment, apparatus, machinery and construction materials of every kind delivered to the jobsite by persons of their choice except as otherwise set out herein.

15.3 The Owner shall have the right to test, operate, maintain, remove and replace all equipment, apparatus or machinery installed, or to be used in connection with such installation on the work site with employees, agents or representatives of the Owner who shall be under the direct supervision of the Owner as applicable if such supervision is deemed desirable.

15.4 All foremen and superintendents shall have the authority and responsibility to terminate any construction employee working under their supervision that fails to satisfactorily, competently and diligently perform his/her assigned duties.

15.5 Subject to the grievance of the applicable local collective bargaining agreement the applicable contractor who is the employer shall have the right to terminate any construction employee who in its opinion fails to satisfactorily, competently, professionally and diligently perform his/her assigned work, and to refuse to rehire such individual. Each termination slip shall show reason for discharge.

15.6 All employees shall be subject to substance screening and testing procedures set forth within the Project's developed safety and insurance programs and substance screening program defined in Article XXIV. Any employee who reports for work under the influence of alcoholic beverages or uses non-prescribed drugs on the jobsite or who reports to the jobsite with alcoholic beverages or non-prescribed drugs shall be subject to immediate termination and/or removal from the project.

15.7 Any employee who willfully damages the work of any other employee, or any material, equipment, apparatus, or machinery shall be subject to immediate termination.

15.8 In the interest of the future of the construction industry in the Seattle area, of which labor is a vital part, and to maintain the most efficient and competitive posture possible, the Unions pledge to work with management on this Project to produce the most efficient utilization of labor and equipment in accordance with this Agreement.

ARTICLE XVI
SAFETY, HEALTH AND SANITATION
JOINT LABOR/MANAGEMENT SAFETY COMMITTEE

16.1 The parties to this Agreement will participate in the Voluntary Protection Program (VPP). The Voluntary Protection Program is designed to recognize and promote effective safety and health management. In the VPP, management, labor, and government establish a cooperative relationship at a workplace to address worker safety and health issues and expand worker protection. VPP participation requirement centers on comprehensive management systems with active employee involvement to prevent or control the safety and health hazards at the worksite. Safety and health standards will be as stringent as necessary for effective employee protection. All site employees will be required to support and participate in the Voluntary Protection Program.

16.2 The parties to this Agreement will form a Joint Labor/Management Safety Committee consisting of equal numbers of contractor and Union representatives, to be agreed upon by the parties, which shall be jointly chaired by the site representative of NMC (or designee) and an official of the Seattle/King County Building and Construction Trades Council (or designee) appointed by the Unions. The Committee will meet at the call of the Joint Chairs of the monthly Labor/Management Meetings to receive reports on safety programs instituted by NMC, and the individual contractors on the Project site and to discuss and advise such parties of the Agreement with regard to recommended safety programs and procedures to maintain the highest level of occupational safety on the Project site.

16.3 The NMC team will develop Project Safety Committee consisting of contractors employee representatives to address issues pertinent to activities onsite, plan and discuss future project work and review the current health and safety plan and procedures. This Committee will meet a minimum of one time per month, with more frequent meetings called in the event of a serious incident or other project event.

16.4 Formal safety and health training is required of all contractors for their employees. The training is to provide the knowledge and tools to identify potential hazards and to avoid and/or mitigate those hazards applicable to their work. Methods to verify the effectiveness of the training and to ensure that the employees obtain competency is required.

16.5 It shall be the responsibility of each Contractor to ensure safe working conditions and employee compliance with any safety rules contained herein or established by the Owner, NMC, or the Contractor. It is understood that the employees are assigned responsibility for safe and healthy operations. Individuals have full authority to “stop work” and initiate immediate corrective action and control. Employees have an obligation to use diligent care to perform their work in a safe manner and to protect themselves, others and the property of the Contractor and Owner. In addition, each worker has the right and responsibility to report unsafe conditions/practices.

16.6 Employees shall be bound by the safety, security and visitor rules and environmental compliance requirements established by the Contractor, NMC or the Owner. These rules will be published and posted in conspicuous places throughout the work site. Employees will also be informed of the compliance requirements during the

Employee Orientations. An employee's failure to satisfy his obligations under this section will subject him to discipline, including discharge.

16.7 The use, sale, transfer, purchase and/or possession of a controlled substance, and/or alcohol while on the Owner's premises at any time during the workday is prohibited. Contractors will implement a drug policy meeting NMC's minimum standards for a Drug-Free Workplace Program separately attached under Appendix D. NMC may conduct reasonable searches, as permitted under the law, including random searches, of all workers on site and may require and receive the results of a 7-panel drug screen test of any worker on site. Any worker found to possess or be under the influence of an article prohibited by the Standards, or refusing to be tested or consent to a reasonable search may, in NMC's sole discretion, be immediately removed from the project site and denied future access. However, nothing in this paragraph shall require NMC to undertake testing or searches.

16.8 These Procedures outline the safeguards set forth for the testing of employees for prohibited or controlled substances, adulterants and alcohol. It is agreed, with respect to such testing procedures, that: (i) no person referred from the Union hiring hall shall be allowed on-site as an employee until such person has completed and passed any test(s) required under the program; (ii) a person who is put to work immediately after having passed the tests shall be paid starting at the time he reported for the test(s); and (iii) where a contractor requests a person to report for purposes of pre-employment substance abuse and alcohol test, and does not intend to place him/her in an active work position on that day, the person shall receive four (4) hours of pay at the regular straight-time hourly rate if the test is negative. (Subject to revision to reflect agreement on scope and procedure for drug testing)

16.9 The authorized use or possession of firearms, weapons, explosives or incendiary materials on or near the Project premises, including SPU or Project Contractor-owned or leased parking lots is prohibited. Any employee who violates this provision will be subject to discipline including discharge and/or removal from the Project.

16.10 The parties acknowledge that the environmental and safety restrictions governing conduct at the Project site prohibit smoking at any time in any facility. Violation of this restriction by any person will constitute grounds for removal from the site and may result in termination.

16.11 The inspection of incoming shipments of equipment, machinery and construction materials of every kind shall be performed at the discretion of the Contractor by individuals of its choice. All employees shall comply with the security procedures established by the Owner, NMC and/or Contractor.

16.12 A contractor may suspend all or a portion of the job to protect the life and safety of an employee. In such cases, employees will be compensated only for the actual time worked; provided, however, that where the Contractor requests employees to remain at the site and be available for work, the employees will be compensated for the standby time at their appropriate hourly rate of pay.

16.13 The Contractor shall provide a convenient and sanitary supply of drinking water, cooled in the summer months, and sanitary drinking cups. The Contractor shall also provide adequate sanitary toilet facilities. The Contractor or its subcontractors shall

provide a safe place for storage of tools and facilities that are ventilated, lighted and heated for changing clothes.

16.14 NMC and its Contractors and their respective employees shall comply with all applicable provisions of State and Federal laws and regulations including the Occupational Safety and Health Act of 1970 as amended, relating to job safety and safe working practices.

16.15 Violators of the SEATTLE PUBLIC UTILITIES LANDSBURG FISH PASSAGE SAFETY PROGRAM will be subject to termination for cause with the same conditions for rehire as established in Article IX.

16.16 All required safety equipment shall be provided by NMC or its Contractors.

ARTICLE XVII PROTECTION OF PERSONAL PROPERTY

17.1 The protection of personal property shall be in accordance with the applicable local agreement of the employing contractor/subcontractor.

ARTICLE XVIII NO STRIKE – NO LOCKOUT

18.1 During the term of this Agreement there shall be no strikes, picketing, work stoppages, slow downs 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 NMC or its Contractors. Failure of any Union, Local Union or employee to cross any picket line established at the Project site is a violation of this Article.

18.2 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 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.

18.3 Neither the Union nor its applicable Local Union shall be liable for acts of employees for which it has no responsibility. The International Union, General Presidents or Presidents will immediately instruct, order and use the best efforts of his/her 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/her office to cause the employees the Local Union represents to cease any violations of the Article. A Local Union complying with this obligation shall not be liable for unauthorized acts of employees it represents. The failure of the Contractor to exercise its right in any instances shall not be deemed a waiver of its right in any other instance.

18.4 In the event of any work stoppage, strike, picketing or other disruptive activity in violation of the Article, NMC may suspend all or any portion of the Project work affected by such activity at NMC's discretion and without penalty.

18.5 There shall be no strikes, picketing, work stoppages, slowdowns or other disruptive activity affecting the Project site during the term of this Agreement. Any Union or Local Union which initiates or participates in a work stoppage in violation of this Article or which recognizes or supports the work stoppage of another Union or local union which is in violation of this Article, agrees as a remedy for said violation, to pay liquidated damages in accordance with Section 18.6.

18.6 In lieu of, or in addition to, any other action at law or equity, any party may institute the following procedure when a breach of this Article is alleged, after the Union(s) and/or Local Union(s) has been notified of the fact, except in those circumstances where an alleged breach of Article IX as identified in subparagraph 18.6(d) is charged. In those circumstance a Board consisting of one representative from each of the following parties: (a) NMC, (b) Owner and (c) Officer, or the Executive Secretary of the Seattle Building & Construction Trades Council will convene prior to notification of the permanent Arbitrator. Those three (3) representatives will convene immediately and otherwise are to ascertain if those allegations of an Article IX breach as identified within this Article XVIII will warrant utilization of the Arbitrator. By a majority vote, those parties will determine if the procedures of subparagraph 18.6(a) and the subsequent process shall be invoked.

(a) .The party invoking this procedure shall notify who the parties agree shall be the permanent Arbitrator under this procedure. In the event that the permanent Arbitrator is unavailable at any time, he shall appoint his alternate. Notice to the Arbitrator shall be by the most expeditious means available with notice by facsimile, telegram or any other effective written means, to the party alleged to be in violation and the involved International Union President and/or Local Union.

(b) Upon receipt of said notice, the Arbitrator named above shall set and hold a hearing within twenty-four (24) hours if it is contended that the violation still exists.

(c) The Arbitrator shall notify the parties by facsimile, telegram or any other effective written means, of the place and time he has chosen for this hearing. Said hearing shall be completed in one session. A failure of any party or parties to attend said hearing shall not delay the hearing of evidence or issuance of an Award by the Arbitrator.

(d) The sole issue at the hearing shall be whether or not a violation of this Article IX has in fact occurred. The Award shall be issued in writing within three (3) hours after the close of the hearing, and may be issued without an Opinion. If any party desires an Opinion, one shall be issued within fifteen (15) days, but its issuance shall not delay compliance with, or enforcement of the Award. The Arbitrator may order cessation of the violation of this Article, and such Award shall be served on all parties by hand or registered mail upon issuance.

(e) Such Award may be enforced by any court of competent jurisdiction upon the filing of this Agreement and all other relevant documents referred to herein above in the following manner. Facsimile or expedited mail or personal service of filing of such enforcement proceedings shall be given to the other party. In the proceeding to obtain a

temporary order the Arbitrator's Award as issued under Section 18.6 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 Award shall be served on all parties by hand or by delivery to their last known address or by registered mail.

(f) 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 parties to whom they accrue.

(g) The fees and expenses of the Arbitrator shall be borne by the party or parties found in violation, or in the event no violation is found such fees and expenses shall be borne by the moving party.

(h) If the Arbitrator determines that a work stoppage has occurred in accordance with Section 18.6.d. above, the Union(s) and its applicable Local Union shall, within eight (8) hours of receipt of the Award, direct all of the employees they represent on the Project to immediately return to work. If the trade involved does not return to work by the beginning of the next regularly scheduled shift following receipt of the Arbitrator's Award and the Union(s) and/or its applicable Local Union have not complied with Section 18.3 of this Article then the Union and/or the Local Union shall pay the sum of five thousand dollars (\$5,000.00) as liquidated damages to the affected owner, and shall pay an additional five thousand dollars (\$5,000.00) per shift for each shift thereafter on which the trade has not returned to work. The Arbitrator shall retain jurisdiction to determine compliance with this section and Section IX of this Agreement.

18.7 The procedures contained in Sections 18.6 through 18.6.h. shall be applicable to alleged violations of this Article and Article IX. Disputes alleging a violation of any other provision of this Agreement, including any underlying disputes alleged to be in justification, explanation or mitigation of any violation of this Article, shall be resolved under the grievance adjudication procedures of Article XX.

ARTICLE XIX UNION SECURITY

19.1 Per applicable local collective bargaining agreements.

ARTICLE XX DISPUTES AND GRIEVANCES

20.1 (a) This Agreement is intended to provide close cooperation between management and labor. NMC and the Building Trades Council shall each assign a representative to this Project for the purpose of assisting the Department, the International Union and the Local Unions, together with the Contractor, to complete the construction of the Project economically, efficiently, continuously and without interruption, delays or work stoppages.

(b) NMC, Contractors, Unions, and employees collectively and individually, realize the importance to all parties of assuring continuous and uninterrupted

performance of the work on the Project, and agree to resolve disputes in accordance with the arbitration provisions set forth in this Article.

(c) NMC shall administer the processing of the grievance, including the scheduling and arrangement of facilities for meetings at Step 2 and beyond, the selection of the arbitrator to hear the case and any other administrative matters necessary to facilitate the timely disposition of the case.

20.2 Any question arising out of and during the term of this Agreement involving its interpretation and application (other than trade jurisdictional disputes or alleged violations of Article 18.1 or Article 13.4) shall be considered a grievance and subject to resolution under the following procedures.

Step 1:

(a) When any employee subject to the provisions of this Agreement feels he/she is aggrieved by a violation of this Agreement, he/she shall, if he intends to grieve his/her complaint, give notice of his/her grievance through his/her Local Union Business Representative, Council or job steward to the work site representative of the involved Contractor. Such notice, to be timely and in writing, shall be given within five (5) working days after the occurrence of the alleged violation, stating the provision(s) alleged to have been violated. The Business Representative of the Local Union or the job steward and the work site representative of the involved Contractor shall meet and endeavor to adjust the matter within three (3) working days after timely notice has been given. If they fail to resolve the matter within the prescribed period, the grieving party may, within two (2) working days thereafter, pursue Step 2 of the grievance procedure provided the grievance is reduced to writing, setting forth the relevant information concerning the alleged grievance, including a short description thereof, the date on which the grievance occurred, and the provision(s) of the Agreement alleged to have been violated. Grievances and disputes settled at Step 1 shall be non-precedential, except as to the parties directly involved, unless endorsed in writing by NMC within five (5) working days after resolution has been reached.

(b) Should the Local Union(s) or NMC or any other Contractor have a dispute with the other party and, if after conferring within ten (10) working days after the disputing party knew or should have known of the facts or occurrence giving rise to the dispute, a settlement is not reached within three (3) working days, the dispute shall be reduced to writing and proceed to Step 2 as outlined herein for the adjustment of an employee complaint.

Step 2:

The Business Manager of the involved Local Union or his designee, together with the International Union representative or his designee of that Union, the site representative of the involved Contractor, and the labor relations representative of NMC shall meet within seven (7) working days of the referral of the dispute to this second step to arrive at a satisfactory settlement thereof. If the parties fail to reach an agreement, the dispute may be appealed in writing in accordance with the provisions of Step 3 within seven (7) working days after the initial meeting at Step 2.

Step 3:

(a) If the grievance shall have been submitted but not resolved under Step 2, either party may request in writing within seven (7) working days after the initial Step 2 meeting, that the grievance be submitted to the permanent arbitrator to this Agreement. If the permanent arbitrator has not been agreed upon by the parties, arbitrator selection shall be made pursuant to the rules of the American Arbitration Association, which shall also govern the conduct of the arbitration hearing. The decision of the arbitrator shall be final and binding on all parties and the fee and expenses of such arbitration shall be borne equally by the involved Contractor and the involved Union(s).

Failure of the grieving party to adhere to the time limits for filing a grievance established herein shall render the grievance null and void. Failure by either party to adhere to the time limits herein shall constitute a negative response and advance the grievance to the next step in a grievance procedure. Failure by either party to appear for a Step 2 or a Joint Administrative Committee meeting shall constitute default by that party and such default shall be duly noted for purposes of arbitration. The time limits established herein may be extended by written consent of the parties involved at the particular step where the extension is agreed. The arbitrator shall have the authority to make decisions only on issues presented and shall not have the authority to change, amend, add to or detract from any of the provisions of this Agreement.

20.3 No adjustment or decision may provide retroactivity exceeding sixty (60) calendar days prior to the date of the filing of a written grievance.

20.4 NMC shall be notified by both the involved Union and Contractor of all actions at Steps 2 and 3 and shall, upon its request, be permitted to participate fully in all proceedings at these steps.

ARTICLE XXI SAVING AND SEPARABILITY

21.1 If any Article or provisions of this Agreement shall be declared invalid, inoperative or unenforceable by any competent authority of the executive, legislative, judicial or administrative branch of the Federal or any State government (including such authorities as established within Project enabling legislation referred to under Article I within this Agreement), NMC and the Union shall suspend the operation of such Article or provision during the period of its invalidity and shall substitute, by mutual consent, in its place and seal an article or provision which will meet the objections to its validity and which will be in accord with the intent and purpose of the article or provisions in question.

21.2 If any Article or provision of this Agreement shall be held invalid, inoperative or unenforceable by operation of law or by any of the above mentioned tribunals of competent jurisdiction, the remainder of this agreement or the application of such article or provision to persons or circumstances other than those as to which it has been held invalid, inoperative or unenforceable shall not be affected thereby.

21.3 Should a court of competent jurisdiction issue any order which results, temporarily or permanently, in the delay of the bidding, awarding, and/or construction work on the Project, NMC may withdraw, at its absolute discretion, the inclusion of this

Agreement as part of any bid specification affected by such court order for contract packages to be advertised. In the event of such court order, the Parties agree to enter into negotiations in an effort to conform the Agreement to the terms of the court order and otherwise to keep the Agreement in full force and effect on the Project, to the maximum extent legally possible for work in progress and for inclusion in bid specifications for future work.

21.4 The occurrence of events covered by Paragraphs 21.1 - 21.3 above shall not be construed to waive the prohibitions of Article XVIII hereof.

ARTICLE XXII TERMS OF AGREEMENT

22.1 This Project Labor Agreement shall become effective on May 23, 2002 and shall continue only until the Project is completed or abandoned by the ("City"), or by NMC for the Project.

22.2 Turnover. Construction of any phase, portion, section or segment of the Project shall be deemed complete when such phase, portion, section or segments has been turned over to the Owner by the Contractor and the Owner has accepted such phase, portion, section or segment. As areas and systems of the Project are inspected and construction tested and/or approved by the Project Contractor and accepted by the Owner or third parties with the approval of the Owner, the Agreement shall have no further force or effect on such items or areas, except when the Contractor is directed by the Project Contractor or Owner to engage in repairs or modifications required by its contract(s) with the Owner or the Project Contractor.

22.3 Termination. Final termination of all obligations, rights and liabilities and disagreements shall occur upon receipt by the Union of a written notice from NMC saying that no work remains within the scope of the Agreement for NMC.

22.4 Schedule A's incorporated as part of this Project Agreement shall continue in full force and effect until the Contractor and/or Union parties to the Collective Bargaining Agreements which are the basis for such Schedule A's notify NMC in writing of mutually agreed upon changes in such Agreements and their effective date(s).

22.5 The parties agree to recognize and implement such changes on their effective dates, provided, however, that any provisions negotiated in said Collective Bargaining Agreements will not apply to work covered by this Agreement if such provisions are less favorable to the Contractor for work covered by this Agreement than those uniformly required of contractors for construction work normally covered by those Agreements; nor shall any provision be recognized or applied if it may be construed to apply exclusively or predominantly to work covered by this Agreement. As part of this understanding, the Contractor agrees and consents to pay the increased contributions to the relevant jointly administered trust funds pursuant to the provisions of any collective bargaining agreements negotiated by the Unions during the work performed on the Project. Any disagreement between the parties over the incorporation into Schedule A of any such provision agreed upon in the negotiation of the local Collective Bargaining Agreements which serves as the basis for the Schedule A shall be referred to the permanent arbitrator for resolution under the procedures established in Article XX.

22.6 The Union agrees that there will be no strikes, work stoppages, sympathy strikes, picketing, slowdowns, or any other disruptive activity affecting the Project by any Union involved in the negotiation of such local Collective Bargaining Agreements and the resulting Schedule A's, nor shall there be any lockout on this Project affecting the Union during the course of such negotiations

ARTICLE XXIII WAGE SCALES AND FRINGE BENEFITS

23.1 In consideration of the desire of NMC, the Owner and the Union for all construction work to proceed efficiently and economically, that the Project attract and retain an adequate supply of skilled workers, and with due consideration for protection of labor standards, wages and working conditions, all parties agree that:

23.2 The wage rates to be paid all laborers, workers and mechanics who perform any part of this Contract shall be in accordance with the applicable local craft labor agreement as identified in SCHEDULE "A" herein, and as required by Chapter 39.12 of the Revised Code of Washington, as amended, not less than the prevailing wage rates as specified in Article 23.3 herein. This requirement applies to laborers, workers and mechanics, employed by NMC or its Contractors, or by any other person who performs a portion of the work contemplated by this Agreement and which is covered by the terms hereof.

23.3 The current King County, Washington State prevailing wage rates (PWR) for the inception of this project are **dated August 31, 2001**. Such KING COUNTY, WASHINGTON PWR which have been provided to the parties hereto by the industrial statistician of the Washington State Department of Labor and Industries will be available for review at the L&I website at: <http://www.lni.wa.gov/prevailingwage/> and are incorporated into this Agreement as if set forth herein.

23.4 In case any dispute arises as to what are the prevailing rates of wages for work of a similar nature and such dispute cannot be adjusted by the parties in interest, including labor and management representatives the matter shall be referred for arbitration to the DIRECTOR OF THE DEPARTMENT OF LABOR AND INDUSTRIES of the State of Washington, and the Director's decision therein shall be final and conclusive and binding on all parties involved in the dispute, as provided for by Section 39.12.060 of the Revised Code of Washington as amended.

23.5 Those provisions for fringe benefit bonds in the respective applicable local collective bargaining agreement shall be applicable to this PLA.

23.6 All employees covered by this Agreement may be paid by check and shall be paid in accordance with the Schedule A Agreements.

23.7 All Contractors shall make fringe benefit fund contributions in the amounts designated in the appropriate prevailing wage determination to each of the applicable labor-management jointly trusted employee benefits funds established and contained in the local Collective Bargaining Agreements that serve as the basis for Schedule A ("Schedule A Funds"). The parties agree that only such bona fide employee benefit funds 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 be paid by the Contractor on this Project. Bona fide jointly-trusted

benefit plans or authorized employee deduction programs established or negotiated under the applicable Schedule A or by the parties to this Agreement during the life of this Agreement may be added, subject to the limitations upon such negotiated changes contained in Article XXII, Section 22.4 of this Agreement. Such contributions shall be made in compliance with the applicable prevailing wage determination and shall be due and payable on the due date contained in the applicable Schedule A.

23.8 All Contractors adopt and agree to be bound by the written terms of the legally established trust agreements specifying the detailed basis on which payments are to be made into, and benefits paid out of, such Schedule A Funds. Such Contractors authorize the parties to such Funds to appoint Trustees and successor Trustees to administer the Funds and hereby ratify and accept the Trustees so appointed as if made by the Contractors.

23.9 Contractors of whatever tier shall make regular and timely contributions required by Paragraph 23.7 of this Article in amounts required by this Agreement and on the time schedule as set forth in the appropriate Schedule A.

23.10 Travel expenses, travel time, and parking reimbursements shall not be applicable to work under this Agreement except as expressly provided and to the extent provided for in any applicable prevailing wage determination or local Collective Bargaining Agreements.

**ARTICLE XXIV
DRUG FREE WORKPLACE**

24.1 In order to ensure a safe, efficient and drug-free workplace and to comply with site requirements, the parties to this Agreement agree that Contractors will implement a drug policy meeting NMC's minimum standards for a Drug-free Work Place Program separately attached under Appendix D.

The following documents are attached hereto and are a part of this Agreement:

Appendix A	Letter of Assent
Appendix B	Apprentice Utilization Plan
Appendix C	Monthly EEO/Apprentice Utilization Report
Appendix D	Drug-Free Workplace Program
Schedule A	Collective Bargaining Agreements
Attachment A	Letter of Understanding Re Prefabrication

In witness whereof, the parties hereto have caused this Agreement to be executed and effective as of the day and year first above written.

For the Project Contractor:
Natt McDougall Company

For the Unions:
**Seattle/King County Building &
Construction Trades Council, AFL-CIO**

By: _____
Name
Title

By: _____
Name
Title

**EXHIBIT A
LETTER OF ASSENT
FOR THE
LANDSBURG FISH PASSAGE PROJECT**

The undersigned, as a Contractor(s) on the Landsburg Fish Passage Project, for and in consideration of the award of a Contract to perform work on said Project, and in further consideration of the mutual promises made in the Project Labor Agreement, a copy of which was received and is acknowledged hereby:

- (1) On behalf of itself and all its employees, accepts and agrees to be bound by the terms and conditions of the Project Labor Agreement, together with any and all amendments and supplements now existing or which are later made thereto, and understands that any act of non-compliance with all such terms and conditions, including but not limited to, evidence of compliance with the pre-employment controlled substance testing, will subject the non-complying Contractor or employee(s) to being prohibited from the Project Site until full compliance is obtained.
- (2) Certifies that it has no commitments or agreements which would preclude its full compliance with the terms and conditions of said Project Labor Agreement.
- (3) Agrees to secure from any Contractor(s) (as defined in said Project Labor Agreement) which is or becomes a Subcontractor(s) (of any tier), a duly executed Letter of Assent in form identical to this document prior to commencement of any work.

Date: _____

NATT MCDOUGALL COMPAN7

Signature of Authorized Representative

Print Name and Title

Phone Number

Street

SPU Contract Number

City/State

Zip Code

opeiu 8/afl-cio

ATTACHMENT A - LANDSBURG FISH PASSAGE PROJECT LABOR AGREEMENT
LETTER OF UNDERSTANDING RE PREFABRICATION - Article 5.3

Mr. Steve Pendergrass, Business Manager
Iron Workers, Local 86
4550 South 124th Place, #102
Tukwila, WA 98168

Re: Landsburg Fish Passage Project Labor Agreement
Article V. Management's Rights: Prefabrication

Dear Mr. Pendergrass:

This letter will confirm the discussions we had during the negotiation of the captioned Project Labor Agreement and the clarifications we made concerning the application of Article V, Section 5.3 of the Agreement. Consistent with the provisions of that article, the on-site fabrication and installation of interior systems between manufactured components which are traditionally the work of Iron Worker members will continue to be recognized as such.

As you know, from the discussions in negotiations, if done off-site, this work will be performed in shops or at off-site assembly yards employing workers whose terms and conditions of employment equal or exceed those established per Article 23.2 of the Project Labor Agreement for employees represented by the Iron Workers unless such work is performed otherwise pursuant to the provisions of this letter.

Iron Workers Local 86 recognizes that the timely completion of this project is vital to the Landsburg Fish Passage and the community it is intended to serve. Therefore, if the nature of the work, under project schedule, or contracting circumstances make it necessary to obtain fabrication under conditions different than those described above, Iron Workers Local 86 agrees to cooperate in accommodating the reasonable needs of the project. If, as a result of such circumstances, the fabrication is performed outside the region, the fabrication will be performed in shops or assembly yards whose terms and conditions of employment equal or exceed those established in that area under the prevailing wage laws for the appropriate Iron Worker classification in the locality where the work is performed. The Project Contractor and the Union agree to discuss any other circumstances affecting off-site fabrication contracting purchases where an accommodation is sought any reasons making it necessary to depart from the conditions set forth above. Iron Workers Local 86 will not unreasonably withhold its consent to such accommodations and Iron Workers Local 86 agrees to install on-site any components fabricated pursuant to the terms of this letter without limitation. The parties will make every effort to keep an open channel of communication to insure that both parties are fully informed of the facts affecting the substance of this letter.

If you agree that this letter accurately sets forth the substance of our understanding and provides the basis for resolving any questions concerning the interpretation and application of Article V, Section 5.3 of the Project Labor Agreement, please indicate your acceptance in the space provided below.

Sincerely,

On behalf of Natt McDougall Company

AGREED AND ACCEPTED

On behalf of Iron Workers Local 86
this day of _____, 2002

By: _____
Don DeMulling, President

opeiu 8/afl-cio

ATTACHMENT A - LANDSBURG FISH PASSAGE PROJECT LABOR AGREEMENT
LETTER OF UNDERSTANDING RE PREFABRICATION - Article 5.3

Mr. James Moss, Business Manager
United Association, Local 32
595 Monster Road S. W.
Renton, WA 98055

Re: Landsburg Fish Passage Project Labor Agreement
Article V. Management's Rights: Prefabrication

Dear Mr. Moss:

This letter will confirm the discussions we had during the negotiation of the captioned Project Labor Agreement and the clarifications we made concerning the application of Article V, Section 5.3 of the Agreement. Consistent with the provisions of that article, the on-site fabrication and installation of interior systems between manufactured components which are traditionally the work of United Association members will continue to be recognized as such.

As you know, from the discussions in negotiations, if done off-site, this work will be performed in shops or at off-site assembly yards employing workers whose terms and conditions of employment equal or exceed those established per Article 23.2 of the Project Labor Agreement for employees represented by the United Association unless such work is performed otherwise pursuant to the provisions of this letter.

The United Association recognizes that the timely completion of this project is vital to the Landsburg Fish Passage and the community it is intended to serve. Therefore, if the nature of the work, under project schedule, or contracting circumstances make it necessary to obtain fabrication under conditions different than those described above, the United Association agrees to cooperate in accommodating the reasonable needs of the project. If, as a result of such circumstances, the fabrication is performed outside the region, the fabrication will be performed in shops or assembly yards whose terms and conditions of employment equal or exceed those established in that area under the prevailing wage laws for the appropriate United Association classification in the locality where the work is performed. The Project Contractor and the Union agree to discuss any other circumstances affecting off-site fabrication contracting purchases where an accommodation is sought any reasons making it necessary to depart from the conditions set forth above. The United Association will not unreasonably withhold its consent to such accommodations and the United Association agrees to install on-site any components fabricated pursuant to the terms of this letter without limitation. The parties will make every effort to keep an open channel of communication to insure that both parties are fully informed of the facts affecting the substance of this letter.

If you agree that this letter accurately sets forth the substance of our understanding and provides the basis for resolving any questions concerning the interpretation and application of Article V, Section 5.3 of the Project Labor Agreement, please indicate your acceptance in the space provided below.

Sincerely,

On behalf of Natt McDougall Company

AGREED AND ACCEPTED

On behalf of United Association, Local 32
this day of , 2002

By: _____
James Moss, Business Manager

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