

K#9376

SAND AND GRAVEL AGREEMENT

BY AND BETWEEN

VULCAN MATERIALS COMPANY, WEST REGION

ARIZONA

AND

OPERATING ENGINEERS LOCAL 428

EFFECTIVE

DECEMBER 9, 2012 THROUGH DECEMBER 10, 2016



VULCAN MATERIALS COMPANY, WEST REGION  
AND  
INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 428

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## LABOR AGREEMENT

This Agreement, made and entered into on this, the 8th day of December 2012, by and between Vulcan Materials Company, West Region, hereinafter referred to as the "Employer" and the International Union of Operating Engineers, Local 428, hereinafter referred to as the "Union".

### ARTICLE I- Intent and Purpose

100. The purpose of the Agreement is to establish the terms of agreement between the signatory parties hereto covering rates of pay, hours of work, and conditions of employment to be observed between the parties hereto.

### ARTICLE II- Scope of Coverage

201. The terms and conditions of this Agreement shall apply only to those employees of Vulcan Materials, West Region as classified in Article XIX, in Maricopa County including:

Deer Valley Plant  
2205 West Adobe  
Deer Valley, AZ 85207

Mesa Plant  
1900 North Longmore  
Scottsdale, AZ 85201

Sun City Plant  
Agua Fria River & Grand Avenue  
Sun City, AZ 85372

Litchfield Plant  
11923 West Indian School Road  
Phoenix, AZ 85039

West Phoenix Plant  
4850 S. 47<sup>th</sup> Avenue  
Laveen, Arizona 85339

Val Vista Plant  
3410 East Virginia Street  
Mesa, AZ 85213

Avondale Plant  
5301 South Dysart Road  
Avondale, AZ 85323

Peoria Plant  
11495 West Hatfield  
Sun City, AZ 85310

This Article has only to do with the unit to be recognized and confers no further rights on the Union nor obligations on the Employer.

### ARTICLE III - Management Rights

301. The union recognizes and agrees that, except as specifically limited by the express provisions of this Agreement, the Employer maintains sole and exclusive right to manage its business in such a manner as the Employer shall determine to be in its best interest. The Employer's right to manage its business includes, but is not limited to:

- the right to hire, promote, demote, transfer, assign, and direct employees;
- make and enforce Company rules and regulations;
- install, implement, change, and/or continue reasonable production standards; and
- increase and decrease the work force.

The exercise or non-exercise of the rights retained by the Employer shall not be deemed to waive any such rights or the discretion to exercise any such rights.

Notwithstanding the limitations expressed in this Article, further negotiations may occur during term of this Agreement with the consent of both parties in writing and if such negotiations do occur and result in an agreement it shall be reduced to writing and shall be binding upon the parties hereto for any term agreed to by the parties.

302. Sub Contracting – The Employer shall not contract with outside contractors for the furnishing of labor, except for new construction, installation of new equipment, and maintenance work of such a nature as to preclude the use of present employees for reasons such as emergencies, insufficient skills or experience, and/or insufficient tools or equipment.

303. Working Rules and Policies Any changes to work rules and policies will not be implemented without ten (10) calendar days notice being given to the Union and written notice will be posted at each plant at least seven (7) calendar days prior to implementation.

### ARTICLE IV – Market Condition Amendment

401. The Union agrees that should it enter into any agreement with an individual Employer or group of employers in Maricopa County to provide a wage package or working conditions more favorable to the Employer than are included in this Agreement, such more favorable wages and working conditions shall automatically be included in this Agreement.

### ARTICLE V – Successors. Heirs and Assigns

501. Time is of the essence of this Agreement, and all of its terms, conditions and covenants shall be and are alike binding upon the successors, heirs and assigns of the respective Parties.

### ARTICLE VI – Termination and Automatic Renewal

601. This Agreement shall remain in effect from 12:01 a.m. December 9, 2012 through December 10, 2016. Either party desiring to terminate the Agreement or to change its term shall notify the other in writing not more than one hundred twenty (120) days, nor less than sixty (60) days, prior to December 10, 2016. If such notice is not given, this agreement shall be renewed for the period from December 10, 2016 through December 9, 2017 and from year to year thereafter until terminated at the end of a yearly period by such notice in writing by either party

given to the other not more than one hundred twenty (120) days, nor less than sixty (60) days before end of such yearly period.

## ARTICLE VII – Union Recognition and Employment of Workers

701. Recognition The Employer agrees to recognize the craft jurisdiction of the Union. The Employer hereby recognized the Union as the sole and exclusive Collective Bargaining Representative of all employees of the Employer over whom the Union has jurisdiction, as such jurisdiction is defined by the Building and Construction Trades Department of the AFL-CIO as of the date of this Agreement, excluding Executive, Superintendents, Assistant Superintendents, Civil Engineers, and their Helpers, Master Mechanics, all Supervisory employees such as timekeepers, Messengers, Guards, and Office Workers.

702. Employment of Workers – In order to provide the Employer with a means of securing an efficient and competent working force, and in order to secure a fair distribution of work among the workers represented by the Union, the Employer and the Union agree as follows:

702.1 The Employer shall requisition all workers who are to be employed in the bargaining unit of the Union from the Local Hall of the Union nearest the Commercial Plant in which the worker (or workers) is to be employed.

702.2 The Employer shall give the Union forty-eight (48) hours of notice (excluding Saturdays, Sundays and holidays) of its need for workers, and within such forty-eight (48) hour period after having been notified to do so, the Employer shall have the right to hire persons not referred by the Union. However, in such event, the Employer will notify the Union immediately when such workers are hired, and shall make arrangements for proper referral.

702.3 In notifying the Union of its need for workers, the Employer shall specify to the Union: the numbers of workers required, the location of the plant, the specific classification of work to be performed, and such other information as may be necessary to enable the Union to make proper referral of applicants.

702.4 It is understood and agreed that all dispatching of workers and the operation of any Hiring Halls by the Union shall be subject to, and shall be governed by the following conditions:

702.4.1 Selection of applicants for referral to jobs shall be on a non-discriminatory basis and shall not be based on, nor in any way affected by, Union membership, by-laws, rules, regulations, constitutional provisions, or any other aspect or obligation of Union membership, policies, or requirements, or race, color, creed, national origin, sex, age, or disability.

702.4.2 The Employer retains the right to reject any job applicant referred by the Union and will not be obligated for wages until the applicant has been approved by the Employer.

702.4.3 The employment of Applicants who have been referred to Plant of the Employer shall be on a non-discriminatory basis, and shall not be in any way affected by Union membership, by-

laws, rules, regulations, constitutional provisions, or any other aspects or obligations of Union membership, policies, or requirements, race, creed, color, national origin, or political affiliations.

703. Dispatching Procedures – The following procedures shall be forthwith placed in effect at all Union Dispatching Offices, pursuant to the provisions of this Agreement.

703.1 If Union Agents are asked to supply workers, they shall promptly relay such request to the appropriate Union Dispatch Office for servicing the request.

703.2 The Union will fax or email notification of applicants sent to the Company for job openings, and a written Referral will be given to each worker dispatched to a plant. This is not a Union “clearance,” but rather, written evidence in the worker’s possession that he has been dispatched in accordance with the Agreement.

703.3 Each Union Dispatching Office shall maintain appropriate Registration Lists or Cards, kept current from day to day and Referrals will be made in the following order of preference:

GROUP A. (Workers Who Are Properly Qualified as Follows):

703.3.1 Whose names are properly and currently registered with the Union Dispatching Office (currently shall mean registration or renewal thereof at least once every thirty (30) days).

703.3.2 Who have completed at least 1000 hours of work, within the State of Arizona, for the Employer signatory to this Agreement, in classification of work specified in Article XIX of this Agreement, within the two (2) year period next preceding the date of the applicant’s registration.

703.3.3 Who have resided in the State of Arizona for at least a one-year period within the two-year period next preceding the date of the applicant’s registration.

703.3.4 The Employer may requisition workers specifically by name from Group A provided said worker is qualified as set out above, and available for such employment. It is mutually agreed, however, that the Employer requisitioning such workers specifically by name from Group A does so only because of his knowledge of said individual worker’s skill, qualifications, and ability to perform the work involved, by reasons of (a) said employee having worked for the Employer before, or (b) the employer having been advised of the worker’s skill qualifications, and ability by another employer for whom he has worked, or by the Superintendent, Master Mechanic, or Leadman, currently employed by said Employer, under whose supervision said employee has preformed the work involved.

GROUP B. (When Group A is Exhausted, Workers Who Are Qualified as Follows):

703.4.1 Whose names are properly and currently registered (currently shall mean registration or renewal thereof at least once every thirty (30) days).

703.4.2 Group B shall be reserved exclusively for those workers with four (4) year's experience in the related industry covered by this Agreement with two (2) months residence in Arizona and who desire to be on the out-of-work list.

703.4.3 Anyone registered on the B list may be called by name if they have been employed by the same employer within the past two (2) years, and shall be counted the same as a C list request.

703.4.4 Workers will remain as B list status until A list status requirements are met.

703.5.1 The Union reserves the right to refer workers from the C list, if not called by name, on the basis of most experienced for the position to be filled.

703.5.2 When the Employer has two (2) workers currently employed in any specific plant who have been dispatched from Group A (or B or C if not called by name), he or she may then requisition by name one (1) additional worker from Group B or C. Said Employer may thereafter requisition by name from Group B or C, one (1) additional worker for each additional six (6) workers (or fractional part thereof) who are currently employed by him, and who have been dispatched from Group A (or B or C if not called by name) provided, however, that the total number of workers requisitioned from Group B or C by name shall at no time exceed six (6) for any one (1) established shift in any specific plant; and provided further, that this ratio as shown in 703.6 below, up to a maximum number of (6) workers from Group B or C shall be maintained throughout, regardless of whether the employer is increasing or decreasing his workforce.

703.6.1 EXAMPLE

No. of Group A workers (or B or C if not called by name) in a specific plant	No. of Group B or C workers who may be called by name in a specific plant
From 1 to 2 Employer may req. by name	1 for a maximum of 1
From 3 to 8 Employer may req. by name	1 for a maximum of 2
From 9 to 14 Employer may req. by name	1 for a maximum of 3
From 15 to 20 Employer may req. by name	1 for a maximum of 4
From 21 to 26 Employer may req. by name	1 for a maximum of 5
From 27 to 32 Employer may req. by name	1 for a maximum of 6

703.6.2 Within seventy-two (72) hours after requesting a worker from Group B or C by name, the Employer shall cause to be delivered to the appropriate Union Office a letter (or form letter agreed to between the parties) signed by the authorized Company representative, setting forth the specific reasons for such request as specified in 703.4 hereof. Gross violation of this provision (as determined under Article XI of this Agreement) shall result in the Employer being denied, for a six (6) month period, the right to call an individual worker specifically by name from B or C list.

703.6.3 Notwithstanding the above-stated order of preference in referrals, and notwithstanding any other provisions in the Agreement, a dispatching office may give first priority preference to

any classes protected by the Civil Rights Act, who are properly registered, where reasonably necessary to comply with "affirmative action plans" which are conditions of federally or state assisted construction or which are established from time to time by the Union and the Employer in concert with each other as part of a community action or industry plan.

703.7 All officers and Business Representatives of the Union, who have had experience in any one or more of the Occupational Classifications or work contained in Article XIX of this Agreement, and all Foreman and Superintendents employed by the Employer in the Plants covered by this Agreement who have previously had work experience in the State of Arizona in one or more of the Occupational Classifications contained in Article XIX of this Agreement shall be deemed to be employed at the trade, he or she does so at the same level of pay as if he or she had continually worked for the Employer, provided he or she is re-employed in the same classification. If the employee is rehired into another classification, the maximum rate of pay shall be at the journeyman rate for the job hired, provided he or she is qualified as a journeyman for that position.

703.8 The period of years in Group A and Group B above will be extended for any period of incapacity due to sickness or injury, or for military service, and to workers employed by the Employer on work outside the State of Arizona, provided workers so affected become properly registered with the Union Dispatching Office within thirty (30) days after recovery from such said disability, discharge or return to Arizona from such work outside the state.

703.9 It is further agreed that the Employer, or his agent, shall not contact individual workers, nor shall the individual workers contact the Employer or his agent, for the purpose of discussing potential employment under terms less favorable than those set forth in this Agreement. In the event of a violation of this paragraph, resolution shall be remedied in accordance with the following procedure:

703.9.1 The Union and the Employer agree that the Union and the Employer shall mutually select an Impartial Referee in each of the four districts of Phoenix, Tucson, Flagstaff, and Yuma within ten (10) days from the date this Agreement is executed who shall hear charges of violation of this Article VII of this Agreement within ten (10) days from the date the grievance is filed in writing with him or her unless the parties to the dispute mutually agree to extend the time limit. The Impartial Referee shall be empowered to impose penalties in addition to the minimum penalties hereinafter provided (except Section 706.3 of this Article) and the decision of the Impartial Referee shall be final and binding. In the event the parties are unable to mutually agree upon an Impartial Referee within ten (10) days, the Impartial Referee shall be chosen in the following manner:

703.9.2 The Commissioner of Conciliation of the Federal Mediation and Conciliation Service of the United States, who is assigned to the State of Arizona, shall immediately be requested by the Employer to submit the names of five (5) local persons qualified to act as Impartial Referees. When said list has been presented, the representatives of the Union and the representatives of the Employer shall each have the choice of rejecting the names of two (2) of these five (5) persons, the remaining (or fifth) one shall be selected



as the impartial Referee within twenty-four (24) hours after submissions of said list, said Impartial Referee shall serve in their respective Districts unless disqualified as set forth herein.

703.9.3 Either the Union or the Employer may disqualify any Impartial Referee by giving notice in writing to the Impartial Referee and the other party of this Agreement of its desire to disqualify said Impartial Referee shall become disqualified as to future grievances upon receipt of such notice of disqualification. In the event an Impartial Referee is disqualified, he or she shall be replaced in the manner as set forth above.

703.9.4 Any expense incurred by an Impartial Referee, which is necessary for the performance of his duties, shall be borne by and divided equally between the Union and the Employer.

703.9.5 Should the Employer or his Agent, and/or an individual worker, be found guilty of attempting to arrange for working conditions less favorable to the workers or more favorable to the Employer than those set forth in this Agreement, the Employer shall be denied for a six (6) month period; the right to call an individual worker specifically by name, and/or the individual worker shall be denied the right of registration in Group A, B, or C for a period of six (6) months.

703.9.6 Should the Employer, or his Agent, and an individual worker be found guilty of individual negotiations which result in the actual employment of said individual worker, and to the extent that the standard of wage rates and working conditions set forth in this Agreement have been lowered or lessened in any degree, said Employer shall be required to contribute an amount of money equal to gross amount of wages due to aid individual worker (pursuant to this Agreement) during such period of employment, to a worthy charitable organization designated by the Impartial Referee, and shall be denied, for a six (6) month period, the right to call an individual worker specifically by name, and said individual worker shall be removed from said employment and be denied the right to registration in Group A, B, or C for a period of six (6) months.

704 Hiring Hall Inspection There shall be the right of inspection of the Dispatching Operations by authorized representatives of the Employer, such right to be subject to reasonable restriction, such as written notice to authorities in charge, reasonable hours, and no harassment.

705 Registration No worker shall be refused registration or dispatchment because of Union or Non-Union status, if he or she is otherwise entitled to dispatchment.

706 Qualification of Workers It is the responsibility of the Dispatcher to determine, in the first place, the proper group in which to place the registrant. This normally will be based upon information or papers which the worker supplies. If any doubt exists as to the registrant's proper placement, the Dispatcher may call prior employers, or make other prompt investigations to get the facts needed. Similarly, the Dispatcher will make an appropriate notation, where necessary, of the qualifications of the applicant, or his related experience, to assist in sending workers

meeting the Employer's stated requirements. Any dispute which may arise relative to which list a registrant should be placed upon, or as to competency shall be settled as follows:

706.1 The registrant shall file with the Dispatching Office a written request for review of the disputed matter, within ten (10) days after the dispute arises. He shall also, at the time, deposit with the Dispatching Office a cash bond in the sum of ten dollars (\$10.00) which sum shall be used solely toward paying his share in the Referee's fees.

706.2 The Dispatching Office will immediately refer the request to the Impartial Referee who shall review the dispute within ten (10) days after the written request has been filed. Time and place of an informal hearing will be fixed by the Referee and notice thereof will be given to the registrant by the union, as soon as practical.

706.3 The Referee will examine all material evidence submitted by the registrant and the Union, and will conclusively decide which group the registrant should be placed in and as to what qualifications the registrant has. The Union will register and classify the registrant accordingly. Nothing contained herein, however, may be interpreted to permit or grant power to the referee to alter, amend, modify or otherwise change any term or condition of the Collective Bargaining Agreement to the Dispatching Procedures.

706.4 The Referee's fees will be borne equally by the Union and the registrant, except that the registrant shall in no circumstance be required to pay a sum in excess of ten dollars (\$10.00) bond on file with the Dispatching Office and any excess shall be returned to the registrant as soon as possible.

707. Dispatching Rules Dispatching Rules shall be posted in the Union Hall in a place conspicuous to registrants.

708. If registrants inquire, they should be informed of their positions on the out-of-work list.

709. Available for Work "Available for Work" means the registrant must be present at the time and place uniformly required for dispatchment and be ready, able and willing to go to the job site and perform the work for which he or she is being dispatched. The practice of the Dispatching Office shall be uniform as to all registrants, with respect to physical presence in the office at a given hour, or telephone in, being available at a telephone, etc., and registrants shall be informed of this practice.

710. Notations Appropriate notations shall be made opposite the registrant's name when his or her name is reached for dispatchment, showing the job and classification to which he or she is dispatched, his lack of availability, or other reason that he or she has been passed over. If any inquiry is made by the registrant, he or she shall be given exactly the same information as to reasons, etc., as appears on the notation. In such cases, or any other cases which may lead to dispute, the dispatcher should immediately make notes on the facts upon which he or she, base his or her, decision to dispatch or not dispatch the person.

711. Disputes- Hiring in First Instance Disputes of grievances concerning the hiring in the first instance of any worker, or workers, shall be settled by the Union Business Representative and the Director of Labor Relations or his/her designee of the Employer within twenty-four (24) hours after the grievance arises, Saturdays, Sundays, or other non-working days excepted. During the said twenty-four (24) hour period, no work stoppage shall occur.

712. Hold Harmless In the event that any claim for back pay or any other liabilities is made against the Employer and /or Employer is faced with back pay or any other liabilities arising from the implementation, administration, or interpretation, whether by action or inaction, of this Article, the Union agrees to hold the Employer harmless for such liabilities and to pay all costs, including reasonable attorney's fees, that may be incurred by the Employer as a result of any such claim or claims.

#### ARTICLE VIII- Wage Rates for New Equipment

801. Classifications Not Established If any equipment is added which is not covered by wage scales outlined in Article XIX herein, the parties will meet immediately for the purpose of negotiating a proper scale for the new equipment. After a thirty (30) day period of time has elapsed with no agreement being reached, the Employer's proposal shall be implemented.

#### ARTICLE IX- SAFETY

901. The Employer will provide for the safety and health of the employees during the hours of their employment with the Employer in accordance with the safety and health laws of the State of Arizona and the Federal Government.

902. The Employer's Drug and Alcohol Policy, as modified or amended from time to time by the Employer, is incorporated herein by reference.

The Company agrees to pay employees for time for required drug testing as requested by the Company except for:

- 1) Employment physicals
- 2) Bi-annual D.O.T. physicals
- 3) Random drug screens required by State and/or Federal regulations.

903. Each employee is responsible to:

- 1) Observe and obey all safety laws, rules, and regulations adopted or imposed by any Governmental Agency or the Employer.
- 2) Bring unsafe equipment and/or working conditions to the attention of his or her supervisor.
- 3) Follow the instructions of their supervisors with respect to unsafe conditions and/or accident situations.
- 4) Immediately report all accidents or injuries to their supervisors.

904. The Company will provide for safety-toed boots in accordance with the Company policy, as amended from time to time, but in no instance will this benefit be reduced or eliminated. Newly hired employees are eligible for this benefit after completion of the probationary period (45 days).

#### ARTICLE X- No Strike. No Lockout

1001. Under no circumstance will the Union engage in, cause or permit its members to cause, nor will any member of the bargaining unit take place in any strike, unfair labor practices strike, work stoppage or sympathy strike of any nature on any job of the Employer or engage in the curtailment of work or restriction of production or interference of any kind with the operations of the Employer.

1002. In the event of a breach of Paragraph 1001, the Union shall immediately instruct the involved employees that their conduct is in violation of the Agreement, that they may be disciplined up to and including discharge and instruct all such persons to quit the offending conduct and take all reasonable means to end the breach.

1003. The Employer will not lock out its employees during the term of this Agreement.

1004. If the Company elects to pursue any remedies it may have as a result of a breach of Paragraph 1001 of this Article in any court of competent jurisdiction, the court and not the arbitrator shall determine whether or not paragraph 1001 of this Article has been breached.

1005. Lawful Primary Picket Line It shall not be a violation of this Agreement, or an unfair business practice, and it shall not be cause for discharge or discipline, if any employee or employees refuse to cross a lawful primary OPERATING ENGINEERS LOCAL 428 picket line.

#### ARTICLE XI- Procedure for Settling Disputes and Grievances

A grievance shall be defined to mean any dispute, controversy, or disagreement as to the application of the terms set forth in this agreement. The Employer cannot file a grievance.

Step 1 – Any employee having grievance shall by himself or herself or with the aid of a Union Representative, first take up a grievance with the Company, or its designated representative, who shall attempt to adjust it. The grievance shall be submitted as promptly as possible, and in no case in excess of fourteen (14) calendar days from the date of the occurrence of the incident which led to the grievance. The Company shall acknowledge receipt and render its decision within ten (10) calendar days after being presented with the grievance.

Step 2 – If the grievance remains unsettled, an authorized Union Representative shall be called in by the Union within five (5) calendar days after the decision of the Company. All time limits hereinafter may be extended by mutual agreement. Participants in this step shall be the Union Representative and a Company Representative who shall have five (5) calendar days in which to settle the grievance. At this step, the grievance shall be submitted in writing and contain details of the nature of the grievance and the Article of the Agreement allegedly violated.

Step 3 – If the grievance remains unsettled, the parties, by mutual agreement, may within ten (10) calendar days, engage in non-binding mediation. The mediator will be one of the Commissioners from the Arizona office of the Federal Mediation and Conciliation Service.

Step 4 – If no settlement is reached in Step 3, then within ten (10) calendar days of the mediation, the matter may be referred to arbitration. A request for arbitration shall be presented to the Company in writing and shall contain a complete outline of the nature of the complaint. Within ten (10) calendar days of receipt of a request for arbitration, unless the parties mutually agree in writing to extend such time, the parties shall:

- 1) Meet to mutually select an arbitrator.
- 2) If unable to select an arbitrator at the meeting, then the moving party shall, within five (5) calendar days, unless the parties mutually agree in writing to extend such time, request a panel of seven (7) arbitrators from the Federal Mediation and Conciliation Service, all of whom shall reside in Arizona.
- 3) Upon receipt of the panel of seven (7) arbitrators, each party shall strike three (3) names alternately with the remaining arbitrator authorized to hear the case.

No grievances shall be submitted to arbitration under Step 4, unless the time limits in Steps 1, 2, and 3 have been complied with. Any grievance submitted after the time limits have expired shall be forfeited and waived.

The arbitrator may not change, modify or alter any of the terms and provisions of the Agreement. The findings of the arbitrator shall be rendered within thirty (30) days of the date the hearing ends and shall be binding and enforceable on all parties. If no decision is rendered within this thirty-day time limit, the Employer's liability in the grievance shall be limited to any award rendered by the arbitrator not to exceed the above mentioned thirty-day (30-day) time limit.

The expenses of the arbitrator and the hearing room shall be borne equally by both parties. It is the intention of the parties that this Article shall provide a peaceful method of adjustment of grievances and there shall be no suspension of normal operations as a result of any grievances. All jurisdictional disputes shall be determined in the manner and by the procedure established by the International Dispute Settlement Plan between the Union Operating Engineers and the International Brotherhood of Teamsters.

In cases involving discrimination, employment tort, violations of public policy or statutes, the employee has the option of using the Arbitration Policy procedures herein, or the Company ADR policy after exhaustion of the grievance procedure herein.

## ARTICLE XII – Job Stewards and Business Agent Visitation

### 1201. Appointment – Non Discrimination – Recognition

The Steward shall be a working employee appointed by the Union. He or she shall not be discriminated against in any manner by the Employer or his representative.

### 1202. Access to the Job – Non – Interference

The Business Agent or Special Representative shall have access to the job during working hours for the purpose of performing his/her duties and he/she shall not stop or interfere with the work of any person without permission of the Employer or his representative. The Business Agent or Special Representative of the Union shall advise the Employer or his/her designated representative of his/her presence on the job, sign in at the office and undergo site specific training on an annual basis in accordance with MSHA regulations, before going onto the plant site. The Business Representative will not be allowed in an active mining site without an Employer escort and the proper MSHA Training. The Business Representative shall abide by all Employer, State and Federal regulations and rules.

#### ARTICLE XIII – Insurance and Taxes, Leave of Absence, and Check Stubs

##### 1301. Insurance and Taxes

The Employer shall carry insurance and pay appropriate taxes, as required by Federal, State, and Local laws and /or regulations.

##### 1302. Leave of Absence

An employee off work due to their own injury or illness shall be granted an unpaid medical leave of absence for up to a maximum of six (6) months in any year without loss of service. Employees must utilize all unused Family Medical Leave of Absence (FMLA) before becoming eligible for the additional three (3) months of unpaid leave. All FMLA leaves are subject to the guidelines as outlined by the Federal Government.

The year is defined as a rolling year from the date of the last leave. Before returning to his or her job, he/she shall receive clearance from his/her doctor and the Employer's designated doctor if he/she is out for personal injury or illness. If the employee is unable return to work after said six (6) months leave of absence, he shall be terminated. The Employer will pay into the Trust Fund those minimum amounts needed to maintain the employee's hour bank for health insurance while the employee is on a FMLA leave.

##### 1303. Check Stubs

The Employer shall furnish to each employee along with each paycheck/advice slip, a statement showing the employee's name or identification number, date of payroll period, straight time hours worked, overtime hours worked, straight time pay, overtime pay, gross pay, all deductions itemized, and net pay.

#### ARTICLE XIV - Medical History – Physical Examination

1401. Condition of Employment No employee will be required, as a condition of employment, to reveal his or her past medical history or submit to physical examination unless required by law or Company policy regarding new employees. Employees will not be required to submit a financial credit report regarding their personal financial status, unless required by law or contract specifications or if the job responsibilities so dictate. Background checks as required by the company policy will be allowed.

## ARTICLE XV – Holidays

1501 Recognized Holidays The following days are recognized holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, The Day after Thanksgiving Day, Christmas Eve, Christmas Day, and two floating holidays, one (1) to be designated by the employee and one (1) to be designated by the Employer after conferring with the Union. At times when the Company does not designate a floating holiday, two (2) floating holidays will be designated by the Employee. The floating holidays will be observed during the calendar year. If the holidays are not observed during the calendar year, they will be lost. The employee will notify his immediate supervisor at least fourteen (14) days prior to the date the employee wishes to take the floating holiday. The supervisor will schedule the holiday on that day or as close to that day as practical depending on production needs. The employee's choice as to when to observe his floating holidays will be accommodated, insofar as practical, on a first-come, first served basis.

### 1502 When Observed

When one of the above days falls on a Sunday, the following Monday shall be observed as the holiday. Beginning in 1971, appropriate holidays will be celebrated in accordance with the Federal Monday Holiday Act. When the day before Christmas falls on a Sunday the previous Friday or the following Tuesday shall be observed as the Christmas Eve holiday. The Company will post notification of the day to be recognized no later than November 1<sup>st</sup> of each year.

### 1503 Qualifications

Employees shall be paid eight (8) hours pay at their straight time rate for each of the above named holidays and no work shall be performed for such holiday pay provided:

1. The employees have worked a minimum of thirty (30) work shifts within the immediately preceding ninety (90) calendar days prior to the above named holiday, and
2. The employees have worked their regularly scheduled work day both preceding and following the above named holidays, unless excused by the Employer, or unless prevented from working because of an illness or accident properly vouched for. The thirty (30) work shifts mentioned above shall mean thirty (30) work shifts for this Employer.

### 1504. Amounts

In addition to holiday pay as provided above, employees who are required to work on a holiday shall receive time for all hours worked. Shift premium as provided in 1902.2 and 1902.3 shall be paid, if applicable. No work shall be required on Labor Day or Christmas Day except in case of extreme emergency where life or property is endangered.

### 1505. Failure to Work on a Holiday

Any employee who has agreed to work on a holiday, but who then fails to report to work, unless for reasonable cause acceptable to the Employer, shall not receive pay for the holiday as provided above.

## ARTICLE XVI – Vacation

The Company will provide vacation in accordance with the Vacation Policy outlined in Exhibit "A" of this agreement.

## ARTICLE XVII - Health & Welfare

1701 - Amounts - Effective on the indicated date, the Employer shall pay the indicated sum for each hour worked by employees covered hereunder to the Trustees of Operating Engineers Local Union No. 428 - Health & Welfare Fund;

\$4.85 per hour - December 9, 2012

\$4.95 per hour - December 8, 2013

\$5.05 per hour - December 7, 2014

\$5.05 per hour - December 6, 2015

1701.1 - If additional monetary increases are deemed necessary they will be taken from negotiated wages. It is agreed that the Union will give the Company 60 Days advance notice in writing, of proposed changes to the contribution rate.

### 1702. Employer's Obligations

The said payments by the Employer shall discharge their obligations hereunder. Any dispute arising in the administration of said fund shall not be deemed to be a dispute hereunder and shall not be the subject matter of the grievance procedures contained in Article XI hereof and shall not be deemed to be a dispute concerning wages, hours or working conditions.

### 1703. Declaration of Trust

The parties shall cause the said Trustees to execute any and all documents necessary and required to continue in full force and effect the Agreement and Declaration of Trust dated the 29th day of September, 1959, and as amended thereafter creating the said Operating Engineers Local No. 428 - Health and Welfare Trust Fund, for the duration and term of this Collective Bargaining Agreement.

## ARTICLE XVIII – Pensions and Life Insurance

1801. The Employer's Company sponsored Pension Plan (Bargaining Unit Retirement Plan) shall remain in effect. The present hourly contribution shall cease effective December 31, 1997.

1802. A. Effective January 1, 1998, the Company shall provide a defined benefit pension plan (CalMat Co. of Arizona Operating Engineers Pension Plan). The Company will establish a pension trust to serve as the funding vehicle for the pension plan. There shall be four (4) trustees under the pension trust, with two (2) trustees designated by the Operating Engineers and two (2) designated by the Company. Subject to the employee Retirement Income and Security Act of 1974, the trustees shall at all times have appointed an investment manager or investment managers which, in the aggregate, shall be directed to manage the investments of the pension trust so as to meet or exceed the funding assumptions of the plan.



- B. For years of service after January 1, 1998, the benefit is calculated at \$30.00 per month for each full year of pension credit.
- C. Employees will receive credit for the purpose of vesting in this plan for each year of service prior to January 1, 1998.
- D. For years of service after December 12, 1999 the benefit is calculated at \$36.00 per month for each full year of pension credit.
- E. For years of service after December 12, 2001 the benefit is calculated at \$40.00 per month for each full year pension credit.
- F. For years of service after December 12, 2004, the benefit is calculated at \$43.00 per month for each full year of pension credit.
- G. For years of service after December 11, 2005, the benefit is calculated at \$44.00 per month for each full year of pension credit.
- H. For years of service after December 11, 2007, the benefit is calculated at \$45.00 per month for each full year of pension credit.
- I. For years of service after December 13, 2009, the benefit is calculated at \$45.50 per month for each full year of pension credit.
- J. For years of service after December 12, 2010, the benefit is calculated at \$46.00 per month for each full year of pension credit.
- K. For years of service after December 11, 2011, the benefit is calculated at \$47.00 per month for each full year of pension credit.
- L. For years of service after December 9, 2012, the benefit is calculated at \$47.50 per month for each full year of pension credit.
- M. For years of service after December 8, 2013, the benefit is calculated at \$48.00 per month for each full year of pension credit.
- N. For years of service after December 7, 2014, the benefit is calculated at \$48.50 per month for each full year of pension credit.
- O. For years of service after December 6, 2015, the benefit is calculated at \$49.00 per month for each full year of pension credit.

1803. The Company agrees to maintain the current 401(K) Plan (Scudder Plan). The covered employees may direct up to 15% of their gross income to the Scudder Plan, in whole percentages. The Company will not match any portion of the Employee contribution into the

Plan. Effective June 1, 2000, the following four (4) investment options shall be added to the current investment options provided under the Plan: TOTAL RETURN FUND, TECHNOLOGY FUND, ASIAN GROWTH FUND and the NEW EUROPE FUND.

Effective 1/1/2010 the Scudder plan will be terminated and balances within each Employee's account will be rolled over into Vulcan Materials Company, Construction Materials Division Hourly Savings Plan (the Plan). Thereafter employees will be allowed to participate in the Plan at the contribution rate designated by the Plan. The Company will not match any portion of the Employee contribution into the plan.

#### 1804. Life Insurance

Effective January 1, 2006, the Company shall provide for \$25,000 term life insurance for active employees while they are employed by the Company, and an additional \$25,000 accidental death and dismemberment insurance policy for active employees while they are employed by the Company. The Company shall also provide for \$10,000 term life insurance for the spouse of an active employee, and \$5,000 term life insurance for each dependent child under the age of eighteen of an active employee. This includes a two (2) year extension of benefits for employees diagnosed with terminal illness at the time of leaving the Company.

## ARTICLE XIX - Schedule of Wages

### Schedule of Classifications, Wages

#### Maricopa County

#### Journeyman Classification

#### Hourly Rates

	12/9/12	12/8/13	12/7/14	12/6/15
Group 1	\$18.85	\$19.35	\$19.90	\$20.55
Mechanic Helper	(\$0.40)	(\$0.50)	(\$0.55)	(\$0.65)
Conveyor Attendant				
Tractor Operator				
Group II	\$21.78	\$22.28	\$22.83	\$23.48
General Plant Oiler	(\$0.40)	(\$0.50)	(\$0.55)	(\$0.65)
Field Equipment Serviceman				
Skip Loader Operators				
Motor Grader Operator				
Tractor Operator				
Plant Equipment Operator				
Crane Operator (under 8-ton)				
Group III	\$23.02	\$23.52	\$24.07	\$24.72
Concrete Batch Plant Operator	(\$0.40)	(\$0.50)	(\$0.55)	(\$0.65)
Asphalt Batch Plant Operator				
Crushing Plant Operator				
Group IV	\$23.74	\$24.24	\$24.79	\$25.44
Universal Operator	(\$0.40)	(\$0.50)	(\$0.55)	(\$0.65)
Crane Operator (over 8-ton)				
Backhoe Operator (over 10 yards)				
Dragline Operator				
Clam Operator				
Heavy Duty Mechanic				

#### New Hires

New Hires will start at \$2.00 per hour below existing journeyman rates and will receive \$0.50 per hour pay increases at three (3) month intervals until they reach journeyman scale. Current employees will remain at the current rate for their classification until the new rate exceeds at which time they will receive the higher rate.

#### Layoffs and Rehires

Any employee who is employed on effective date of Agreement who are laid off and are subsequently rehired one year from date of layoff will be rehired at the existing employee rate (including the scheduled increases, when applicable, pending any negotiations as provided for in Article VI, Terminations).

1901. Work week The work week will be 9:00 p.m. Sunday through Saturday.

When employees are needed to work on a Sunday at a specific plant location they shall be assigned on a voluntary basis based on their seniority and the skills required. If not enough employees volunteer, the Company shall have the right to schedule employees to work, in reverse seniority order based on skills required.

On the first Sunday the Company schedules employees to work they shall start at the bottom of the Sunday Work Seniority List and require employees with the required skills to work until they have enough employees to fulfill their staffing needs. A line will be drawn under the last employee utilized to show where the Company shall start to schedule employees to work on the next Sunday that there are not enough volunteers. On the next Sunday the Company needs employees to work and does not have enough volunteers, the Company shall start scheduling employees from that line and require employees with the required skills to work until they have enough employees to fulfill their staffing needs.

This process will continue until the list is exhausted and will then revert back to the bottom of the list to start over.

1902.1 Multi-Shift Hours When so elected by the Employer, the employees may be worked on a multi-shift basis.

1902.2 Employees working swing or second shift shall be paid a premium of \$0.60 (sixty cents) per hour above the rate for day shift work.

1902.3 Employees working a third or graveyard shift shall be paid a premium of \$0.40 (forty cents) per hour above the rate for a day shift work.

1902.4 The starting times for multiple shifts will be:

1st Shift: 3:00 a.m. and after

2nd Shift: 1:00 p.m. and after

3rd Shift: 9:00 p.m. and after

1902.5 Special Conditions

When contract specifications or project engineers' and/or architects' written instructions require that work be performed outside regular shift hours, employees required for the performance of such work may be scheduled to start their shift no earlier than one (1) hour before time specified in these specifications. Premium time will be paid based on graveyard rate of pay.

1903. Overtime

Hours paid in excess of ten (10) per day or forty (40) per week will be paid for at the rate of time and one-half (1 1/2T). Work performed on Sundays prior to 9:00p.m. and outside their regular work shift will be paid at the rate of two (2) times their regular rate of pay. However, work that must be performed on Sunday due to contractual requirements or specifications is exempt from two (2) times their rate of pay and will be treated as a normal workday.

#### 1903.1

When possible the manager or supervisor will make a good faith effort to give employees notice of weekend overtime by the end of the shift on Thursday. This may not always be possible due to unforeseen business and customer needs. Lack of notification shall not constitute a violation of this agreement.

#### 1904. Pay for Different Classes of Work

When employees are called off their regular assignments to perform other work for which a lower rate is paid, they shall receive their usual rate for all time worked that day. If the other work performed is classified at a higher rate, the employee shall be paid a minimum of one (1) hour of the higher rate; after that he shall be paid at the higher rate according to time worked.

#### 1905. Lunch Break

No employee shall be required to work more than five (5) hours consecutively without a half-hour meal period. This meal period shall not be paid.

#### 1906.1 Predesignated Starting and Quitting Point

Workers shall be at a pre-designated point, ready, willing, and able to do work, where workmen are required to report, at a regular starting and quitting time. Employees' pre-designated quitting point shall be at the plant or facility where his or her vehicle or transportation is located. When it is necessary for the Employer to provide transportation from the pre-designated starting and quitting point to that part of the operation where the work is to be performed, and return, the Employer agrees that said transportation will be safe and suitable.

1906.2 All time lapsed between the regular starting time at the pre-designated Starting point and quitting time at the pre-designated quitting point, exclusive of lunch shall be considered as time worked and shall be paid for at the applicable rates of pay.

1906.3 No employee covered by this Agreement shall be required to furnish transportation within the job site, or between job sites, or from yard to job site, for transportation of employees, tools, equipment, or for any other purpose, as a condition of employment.

1906.4 When an employee is temporarily assigned to a plant, he or she may be eligible for travel time. Travel time will be paid (as part of regular daily compensation) when travel from the employee's residence to an alternative work site is greater than thirty (30) minutes. If the normal commute is greater than thirty (30) minutes, the employee will not be eligible for travel pay until the time of the normal commute is exceeded. Once an employee qualifies for travel pay, the travel time will be paid both to and from the alternative work site based on the following formula: Alternative Travel Time – 30 minutes of Normal Commute (whichever is greater) = Travel Time Pay. If the difference is zero, or a negative number, the employee will not receive travel pay.

Example: Alternative Travel Time 50 minutes minus Normal Commute of 30 minutes = 20 minutes of Travel Time Pay.

1906.5 When an employee is required to use their personal automobile to travel to another location other than their assigned location, mileage reimbursement will be paid for any mileage over thirty (30) miles driven. Mileage reimbursement will be made at the IRS designated rate. However, if the employee's normal commute is greater than thirty (30) miles, reimbursement will be made only on miles driven above the normal commuting mileage.

Examples:

Normal commute is 10 miles. Reimbursement will be made after 30 miles.

Normal commute is 50 miles. Reimbursement will be made for mileage in excess of 50 miles.

1907.1 Payment of Wages

All employees shall be paid on the job prior to their regular quitting time on a designated bi-weekly pay-day, set by the Employer, unless prevented by events beyond the control of the Employer. No more than five (5) working days can be withheld. Any gross violation of this Working Rule shall be subject to the same penalties provided for the 1907.2 hereof. The Employer has the right to determine the method and manner of distribution of pay checks or pay advices. However, prior to making any changes, the Company will meet and negotiate with the Union.

1907.2 Any employee laid off or discharged and who is not paid wages due him within his or her regular work shift shall be entitled to thirty dollars (\$30.00) for each twenty-four (24) hour period or fraction part thereof elapsed time between the end of his last shift and the time he is paid in full; provided that the Employer shall not be obligated to pay off the employee except during regular office hours. Vacation pay due at time of termination will be paid no later than the next regular payday. When an employee quits the service of the Employer he shall be paid in the usual manner all wages due him or her no later than the regular pay day for the period during which the termination occurred. If requested by the employee, such wages shall be paid by mail.

1907.3 In no event shall penalties under section 1907.2 accrue against an Employer for Saturdays, Sundays, or holidays. When payday falls on a holiday, the workers will be paid on the last shift preceding the holiday with the exception of the employee's birthday.

1908.1 Show Up and Call Out Time

Any employee reporting for work at his or her assigned starting time and for whom no work is provided, through no fault of his or her own shall be paid for two (2) hours time at the stipulated rate, unless he or she had been notified at least two (2) hours prior to the start of his/her shift not to report.

1908.2 Regardless of paragraph 1908.1, a worker shall receive two (2) hours show up time in the event of a breakdown in operations prior to or within the first two (2) hours of his or her shift. The Employer shall make advance arrangements for exchange of information regarding work reporting in the event of inclement weather. In case of inclement weather, if the employee is advised to call in at least one (1) hour before the start of his next shift to determine if work is available and the employee fails to do so, it will result in the loss of show up time or pay for that day unless work is provided. However, nothing herein contained shall require an Employer to

pay show up time to workers who report for work and who are not able, ready, and willing to work in the capacity for which they were hired.

1908.3 In the event an employee is recalled for work outside his or her regular shift hours during any twenty-four (24) hour period, he or she shall be paid the applicable rate of pay, and shall be guaranteed a minimum of two (2) hours at such rate. In the event that an employee is called into work on a non-scheduled Saturday, Sunday or contractual Holiday, he or she shall be guaranteed a minimum of four (4) hours at the applicable rate.

1908.4 On Call Duty

Effective March 8, 2009, the Company can designate an electrician to be on call for weekend and after shift hours. On call electricians will be permitted to take a Company vehicle home and will be required to carry a Company cell phone so they can be notified when their services may be required. An electrician will not be required to be on call for more than seven consecutive days. On call electricians will receive a \$0.75 per hour premium for all hours worked when they are designated on call. For work during the week, electricians will receive a minimum of two (2) hours when called back to the plant. For work performed on holidays and weekends, electricians will receive a minimum of (4) hours when called back to the plant.

1909. No Limitation on Work

There shall be no limitation on the amount of work a worker shall perform during their workday nor shall there be any piece work requirements.

1910. No Restriction on Labor-Saving Device

There shall be no restrictions on the use of machinery, tools, or labor-saving devices, except for reasons of health and safety.

1911. Equipment Repairs

If a machine breaks down, the employee operating said machine may be required to assist the repair work and shall be paid at his or her regular assigned rate and the provisions of Article VIII - Section 801 shall not apply.

1912. Leadpersons The Employer shall if needed, appoint, members of the Operating Engineers bargaining units as working leadpersons. However, the Union shall be notified in writing of the name of each employee who is appointed. Such appointments may be permanent or temporary and may be terminated at the sole discretion of the Employer. Employees appointed as Leadpersons shall receive fifty cents (\$.50) per hour over the highest classification they are supervising, including shift differential, if applicable.

1913. Rest Period All employees will be paid the applicable rates for all hours worked during their regular shift, including overtime. Employees assigned to another shift must be allowed at least eight (8) consecutive hours for rest. When an employee is required to work without an intervening rest period of at least eight (8) consecutive hours, said employee shall be paid the applicable overtime rate until such time as he/she is relieved from all duties for a period of not less than (8) hours.

1914. Sanitary Facilities - Shade Accessible sanitary toilet facilities, sanitary drinking facilities and good drinking water, and adequate shade for equipment operators, and heavy duty mechanics and welders shall be furnished by the Employer during hot weather when deemed necessary by a majority of employees on the job.

1915. Furnishing Tools All craftsmen shall be furnished all hand tools over one and one-half inch (1 1/2") opening, lenses for welding hoods and goggles. These will be charged to the employees, who are to guarantee their return in like condition, wear and tear excepted. No person shall be denied employment for failure to provide or furnish any tools, machine, or devices specified above. The following labor saving power tools shall be furnished by the mechanics/welders: 1/2 inch air impact wrench and 3/8 inch air drill. The Employer will repair or replace employee provided labor savings power tools which wear out or fail due to normal use. Mechanic/welders shall furnish all hand tools less than one and one-half (1-1/2") opening as required to perform equipment maintenance as specified by the Employer. A new employee shall be responsible for furnishing his own cutting torch head, tip and welding gloves. The Employer shall continue its practice of replacing welding gloves and tips worn out in normal use and of rebuilding cutting heads as necessary.

1916. Helpers

Not more than one (1) helper shall be employed when four (4) or less mechanics and/or welders are employed. Not more than one (1) additional helper may be employed for each four (4) mechanics and/or welders in excess of four (4).

1917. On the Job Injuries

Employees injured on the job and unable to return to work as a result of such injury, shall receive wages for the full day on the day injured. If transportation is needed on said day to transport an injured worker to the doctor or hospital and/or to his home from the doctor or hospital, transportation shall be furnished by the Employer. In the event of a serious accident or death on the job, the Employer will immediately notify the employee's family and the Union.

1918. Warning Notices

All warning notices must be presented to the employee within fourteen (14) calendar days of the occurrence (excluding holidays and vacations) or such notices are null and void. The Company agrees not to utilize disciplinary warning notices in excess of one (1) year unless a specific performance pattern is developed through more than one (1) year's review.

1919. Tool Insurance The Company shall reimburse mechanics up to \$15,000 per occurrence for the loss if tools due to theft from the Company premises or Company vehicles, or due to fire on Company premises or Company vehicles. On claims based upon theft, there must be clear evidence to support the existence of theft on Company premises or Company vehicles. The mechanic shall pay the first two hundred fifty dollars (\$250.00) of such loss. To be eligible for this coverage the mechanic must:

- 1) Have provided a complete tool inventory to their supervisor at the time of hire, if hired on or after December 11, 2005;



- 2) Provide on or about January 15 of each year, a complete inventory of his/her personal tools. This list must be given directly to his/her supervisor;
- 3) Provide an updated list of items when new or additional tools are brought to work. If items are not on the list given to the supervisor, they will not be covered;
- 4) Properly secure his/her tools at the end of each shift, and otherwise exercise reasonable diligence in protecting his/her tools; and
- 5) Report any loss of tools to the supervisor immediately and complete a loss of tools claim form.

#### 1920. Union Dues Check Off

The Employer agrees to deduct from the pay of all employees covered by this Agreement the dues, initiation fees, and/or uniform assessments of the Local Union having jurisdiction over such employees and agrees to remit to the said Local Union all such deductions prior to the end of the month for which the deduction is made. Where laws require written authorization by the employee, the same is to be furnished in the form required. The Local Union shall certify to the Employer in writing each month a list of its members working for the Employer who have furnished to the Employer the required authorization, together with the itemized statement of dues, initiation fees (full or installment), or uniform assessments owed to be deducted for such month from the pay of such members, and the Employer shall deduct such amount within two (2) weeks following the receipt of the statement of certification of the member and remit to the Local Union in one lump sum. Check off shall be on a monthly or quarterly basis at the option of the Union.

When the Employer actually makes a deduction for dues, initiation fees, and assessments, in accordance with the statement received from an appropriate Local Union, he or she shall remit same no later than thirty (30) days from the date such deduction was made. All monies required to the checked off shall become the property of the entities for which it was intended at the time that such check off is required to be made. All monies to be checked off and paid over to other entities under this Agreement shall become the property of those entities for which it was intended at the time that such check off is required to be made.

The Employer will recognize authorization from deductions from wages, if in compliance with state law, to be transmitted to the Local Union or to such other organizations as the Union may request if mutually agreed to. No deduction shall be made which is prohibited by applicable law. The Union shall defend, indemnify, and save the Company harmless against any claim or liability arising out of the administration of the check off provisions of this Agreement.

#### ARTICLE XX - Jury Duty

Employees summoned for Jury Duty shall be excused from work assignments. They shall be paid eight (8) hours at their regular straight time hourly rate for each scheduled work day up to a maximum of ten (10) days within any calendar year upon presentation of the Court Clerks certification of attendance. The employees shall return to work promptly after being released for jury examination or service.

#### ARTICLE XXI- Bereavement

In the event of the death of an employee's immediate family member, a reasonable period of leave will be granted to the employee. Immediate family includes the employee's spouse, child, step child, sibling, parent, parents-in-law, grandparent or grandchild.

To offset the expenses associated with arranging for, or attending, a funeral, regular full-time employees will be paid eight (8) hours at their regular straight time hourly rate of pay for each scheduled work day taken off, up to a maximum of twenty four (24) hours, if there is a death of an immediate family member listed above.

#### ARTICLE XXII- Personal Leave

After completion of one (1) year of employment with the Company, and on each subsequent anniversary date of employment, each employee shall received three (3) days of unpaid personal leave each anniversary year. Effective 12/11/06, after completion of one (1) year of employment with the Company, and on each subsequent anniversary date of employment, each employee shall receive four (4) days of unpaid personal leave each anniversary year. Said unpaid personal days will not be cumulative, but will be renewed on each subsequent anniversary date. The employee will be required to give as much advance notice as possible when taking a personal day. However, if an employee fails to give at least one (1) weeks notice of his intent to take a personal day, then the Company reserves the right to deny the personal day request depending on business conditions and/or production needs. The employee's request to take a personal day will not be unreasonably denied. The use of a personal day in accordance with this paragraph shall not be used in any disciplinary procedures. If more than one employee requests an unpaid personal day for any given day, the time off will be granted on a first come, first served basis depending on business conditions and/or production needs.

#### ARTICLE XXIII-Employment Termination

A. There shall be no discrimination on the part of the Employer against any employee nor shall any employee be discharged by reason of any Union activity not interfering with the proper performance of his work. The Employer shall not discharge any employee because of race, religion, national origin, sex or age, handicap or veteran status, nor because the employee has demanded wages, overtime, or other benefits to which this Agreement entitles him. With these exceptions, the Employer may discharge any employee for any cause which he considers reasonable and will not be required to carry the burden of just cause.

B. The Employer shall furnish and complete termination slips for all employees when terminated showing reason therefore, giving one to the employee, returning one to the dispatching hall at the time of termination and retaining one for the Company records. In those instances where a termination notice is marked, "Not for Rehire," that employee shall not be referred by the dispatching hall to the same Employer. Employee may be recalled by name by the Employer.

#### ARTICLE XXIV – Entirety of Agreement

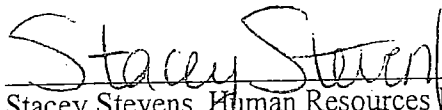
referred by the dispatching hall to the same Employer. Employee may be recalled by name by the Employer.

ARTICLE XXIV – Entirety of Agreement

This Agreement constitutes the entire Agreement between the employer and the Union regarding wages, hours, and other terms and conditions of employment, and each party to this Agreement hereby expressly waives any right to insist that the other party bargain collectively during the lie of this Agreement with respect to any issues of wages, hours or other terms or conditions of employment.

In witness whereof, the parties have caused this Agreement to be executed on the day and year first herein above written.

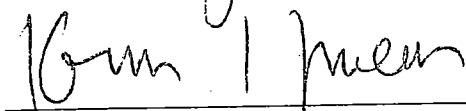
VULCAN MATERIALS COMPANY, WEST REGION



Stacey Stevens, Human Resources Manager

4/8/13

Date

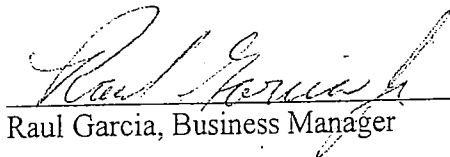


Kevin Krogmeier, Vice President, Human Resources, West Region

4/17/13

Date

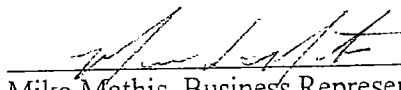
INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 428



Raul Garcia, Business Manager

4-26-13

Date



Mike Mathis, Business Representative

4-26-13

Date

## Side Letter

During the term of the collective bargaining agreement the parties agree to the following:

- 1) Employees who use their personal vehicle as provided under sections 1906.4 and 1906.5 of the CBA will be reimbursed at the I.R.S. mileage rate.
- 2) Temporary assignments will be up to 60 days at which time the Company will evaluate staffing needs. Neither 1906.4 or 1906.5 will apply to the roving repair crew.
- 3) Should the Company determine a need to use apprentices, the Company and Union will meet and negotiate adding apprenticeship program to the collective bargaining agreement.

Agreed to:

Stacey Stevens 12/4/12  
Company Date

Raul Garcia Jr 12-4-12  
Union Date



## Operating Engineer Local 428 Vacation Policy

Effective January 1, 2009, employees covered under the collective bargaining agreement with the Operating Engineers Local 428 will be adopting the following vacation policy. Vacation eligibility will continue to be based on years of service. Vacation accrual will be as follows:

### Vacation Accrual Schedule

Length of Service (Years)	Annual Accrual (weeks)	Annual Accrual (Hours)	Weekly Accrual (Hours)	Maximum Vacation Accrual (Weeks)	Maximum Vacation Accrual (Hours)
1-3	1 week	40	0.769	2 weeks	80
4-9	2 weeks	80	1.54	3 weeks	120
10-19	3 weeks	120	2.31	4 week	160
20+	4 weeks	160	3.08	6 weeks	240

### Accrual

Beginning January 1, 2009, employees will accrued vacation on a weekly basis based on the schedule above. After an employee reaches the maximum vacation accrual for their years of service they will no longer earn vacation hours until the vacation accrual balance drops below the maximum. It is important that each employee monitor their vacation to ensure they have not reached the maximum accrual level. Vacation balances will be made available upon request.

### Scheduling and Payment

Employees must provide their supervisor with written notice of their request for vacation no less than 14 days prior to the start of the vacation. Vacation requests will be approved on a first come, first served basis and will be allowed as the business permits. Vacation requests submitted due to emergency situations will be given proper consideration on a case by case basis.

**When a plant is shut down due to weather related situations, the employee may choose to use a vacation day, provided he/she has vacation time available, in lieu of unpaid time off.** Vacation will be paid as it is taken in no less than one (1) day increments. One day of vacation will equate to 8.0 hours of pay. Employees will not be allowed to carry negative balances.

### Employee Carryover

Beginning January 1, 2009, employees will no longer receive a lump sum payment on their anniversary date for their vacation. Vacation will be paid as it is taken. Employees who have already received payment during calendar year 2008 will be posted with the hours accrued from their anniversary date through December 31, 2008 on or about January 1, 2009.

New Hires

New hires will earn vacation hours on a weekly basis beginning on their date of hire. They will not be allowed to take vacation until after completing 6 months of service unless approved by the Vice President/General Manager of the Region and Division Vice President of Human Resources.

Termination

In the event an employee covered under this policy leaves the Company, they will be paid for all accrued but unused vacation hours on their final paycheck.

Maximum Vacation Accrual- This is the maximum amount of vacation time that an employee can accrue with the Company. Once employees reach the maximum vacation accrual he or she will not earn any more vacation time until the vacation hours are reduced below the maximum accrual. The maximum vacation accrual is based on employee's length of service with the Company (see the Vacation Accrual Schedule listed above).

Leave of Absence

Any absence from work that exceeds five (5) consecutive working days is considered a leave of absence. Employees on an approved leave of absence in excess of 5 working days, due to personal illness and/or an on the job injury, will not accrue vacation during the leave.