

Shop
AGREEMENT
Between

CH MURPHY/CLARK ULLMAN INCORPORATED
And
LOCAL LODGE #104 of the INTERNATIONAL BROTHERHOOD OF
BOILERMAKERS, IRON SHIP BUILDERS, BLACKSMITHS, FORGERS &
HELPERS, AFL-CIO

PREAMBLE

This agreement made and entered into this 1st day of October 2007 by and between C.H. Murphy/Clark Ullman, Inc. hereinafter called the "Employer", and Local Lodge #104 of the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, AFL-CIO, hereinafter called the "Union."

ARTICLE 1 - RECOGNITION

The Employer recognizes Local Lodge #104 of the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, AFL-CIO, as the sole collective bargaining agent for the hourly paid production and maintenance employees, whose work is described, classified, and set forth in this agreement, excluding all other employees.

ARTICLE 2 – SCOPE & MODIFICATION

2.1. This agreement contains all the conditions agreed upon and effective between the parties and supersedes all previous agreements, collectively or individually, between the parties. No agent or representative of either party has the authority to alter or modify it. No modification shall be made except by mutual consent of the parties in writing. The waiver of any breach or condition of the agreement by either party shall not constitute a precedent for any further waiver of such breach or condition.

2.2. Should any provision or part of this agreement be rendered invalid by reason of any existing or subsequently enacted legislation or by a decree of a court of competent jurisdiction, such invalidation shall not invalidate the remaining provisions, and they shall remain in full force and effect.

ARTICLE 3 – DURATION OF AGREEMENT

This Agreement shall become effective as of October 1, 2007 and shall remain in effect until September 30, 2010. Should either party desire to change, modify or terminate the Agreement on September 30, 2010, or any succeeding anniversary date, written notice must be given to the party at least sixty days prior to September 30, 2010, or any succeeding anniversary date. If such notice is not given, the Agreement shall automatically be renewed for an additional period of one year.

ARTICLE 4 – UNION REPRESENTATIVES

Authorized Business Representatives shall have access to jobs where members of the Union are at work, it being understood they shall first make their presence know to the management and that they shall not unnecessarily interfere with the employees or cause them to neglect their work.

ARTICLE 5 – SHOP STEWARDS

5.1. There shall be a Shop Steward designated (appointed by the Business Manager of the Local Lodge #104) to represent the Union when two or more members are employed by the Company.

5.2. The Employer recognizes that the person designated as the Shop Steward shall remain on the job as long as there is work available that he has the skill and ability to perform.

5.3. In no event shall the Employer discriminate against the Shop Steward in the matter of overtime, lay-offs, or rehires, or discharge him on account of the proper performance of his duties.

5.4. The Union shall advise the Employer in writing of the name of its designated Shop Steward.

ARTICLE 6 – UNION SECURITY

6.1. As a condition of the employment, all employees covered by this Agreement shall, thirty-one days after the date of execution of this Agreement, or, in case of new employees, thirty-one days after the date of hiring, become members of the Union and remain members in good standing in the Union. The Employer shall notify the Union, in writing, of new hires and rehires within five working days.

6.2. The Employer shall, within two working days after receipt of notice from the Union, discharge any employee who is not in good standing in the Union as required by the preceding paragraph.

6.3. When the employer calls the Union for men, the Union agrees to furnish experienced, competent workmen satisfactory to the Employer in the classification specified. The Employer may refuse to employ and may discharge for any just and sufficient cause.

ARTICLE 7 – WORK WEEK, HOURS OF WORK, AND SHIFTS

7.1. Forty hours shall constitute a work week, eight hours per day, five days per week, Monday to Friday inclusive. Work week, hours of work, and shifts may be modified by mutual agreement between the Company and Local #104.

7.2. The regularly scheduled starting time of the day shift shall be recognized as the beginning of the twenty-four hour work day period.

7.3. Shift work shall be permitted on the following basis, unless starting times of shifts are modified by mutual agreement of the Employer and Local #104:

- A. The regular starting time of the day shift shall be 7:00 a.m.
- B. The regular starting time of the swing shift shall be 3:30 p.m.
- C. The regular starting time of the graveyard shift shall be 11:30 a.m.

7.4. Day Shift: An eight and one-half-hour period, less thirty minutes for meals on the employee's time. Pay for a full shift period shall be eight times the regular hourly rate as set for the in Article 19.1 with no premium.

7.5. Swing Shift: An eight hour period less thirty minutes for meals on the Employer's time. Pay for a full swing shift shall be a sum equivalent to eight times the regular shift hourly rate as set forth in Article 19.1 plus fifty cents per hour.

7.6. Graveyard Shift: A seven and one-half-hour period less thirty minutes for meals on the Employers time. Pay for a full graveyard shift shall be a sum equivalent to eight times the regular day shift rate as set forth in Article 19.1 plus fifty cents per hours.

7.7. When irregular or broken shifts are worked, overtime rates shall apply before the regular starting time and after the regular quitting time of the shift on which the employee is regularly employed.

7.8. Employees transferred from one shift to another, unless relieved from work for at least seven and one-half hours before starting a new shift, shall be paid at the applicable overtime rate.

7.9. Employees transferred from one shift to another shall be allowed to work a full shift the first day.

7.10. No employee shall be transferred from his regular assigned shift more than once a week; however, he may be returned to his regular assigned shift.

7.11. An employee required to work during his regular lunch period shall receive the applicable overtime rate for such lunch period, and be allowed to eat on the Employer's time, provided he works a full shift.

7.12. Shift Rights:

When the need arises to increase the number of employees on a particular shift the rule of seniority shall apply as long as skills and ability are equal. When an insufficient number of employees volunteer, the employer may invoke inverse seniority. The first qualified employee working, with the least seniority, shall be the first employee required to work the shift that lacks a sufficient number of volunteers.

7.13. Overtime Rights:

Overtime rights shall be determined in the following priority order: 1) Task Rights; 2) Job Rights; 3) Seniority. In the case of Job Rights and Seniority skill and ability to perform the required work shall be considered.

ARTICLE 8 – REPORTING PAY

8.1. Employees who report for work at the time they are instructed by the Employer to report on any day, including Saturdays, Sundays, and holidays shall receive not less than two hours' pay at the applicable rate in accordance with Article 20. If the employee performs any work functions, he shall be paid for a minimum of four (4) hours at the applicable rate in accordance with Article 20.

Any employee called back to work after leaving the Employer's premises shall be given not less than two hours' work, or two hours' pay, based on overtime rates.

8.2. The above payments shall not be made if the employee quits, lays off, or is laid off by reason of bad weather, breakdown of machinery, or any other condition beyond the direct control of the Employer, in which event he shall be paid for actual time worked.

8.3. The company will endeavor to keep the plant open during any inclement weather and will put those employees to work who arrive during such weather. If it is impossible to open the work place during inclement weather, any employee who arrives at work place will be paid for two hours at the applicable rate in accordance to Article 20.

ARTICLE 9 – GRIEVANCE PROCEDURE

9.1. The parties shall submit all disputes arising out of the terms of this agreement to the grievance procedure. During the term of this Agreement, there shall be no cessation of work by neither employees nor lockout by the Employer.

9.2. When a grievance arises, any employee concerned shall continue to work as directed by the Employer and such grievance shall be considered only if it is submitted to the Employer within five working days after its occurrence, under the following procedure:

Step 1: Any grievance shall be taken up by the employee, with or without his steward; with his forman within five working days from the time the matter was complained of arose or occurred.

Step 2: If no settlement is reached within fifteen days from the time the grievance arose, it shall be immediately considered by a Union Business Representative and a higher Company official.

Step 3: If no settlement is reached within twenty days of the time the grievance arose, the grievance shall be submitted in writing to a grievance panel. The grievance panel shall consist of two members from Labor, to be selected by the Union, and two members from Management, to be selected by the Employer. The grievance panel shall meet within ten working days of receipt of such request. A decision by a majority of the grievance panel shall be final and binding on both parties.

Step 4: If no settlement is reached during Step 3, the grievance may be submitted by either party to an arbitrator for final resolution.

9.3. The Union and the Company shall select an arbitrator by a request by mail to the Director of the Federal Mediation and Conciliation Service requesting the Director to furnish a list of five arbitrators. Each party shall have the right to strike two names from the list. The name remaining on the list shall be the impartial arbitrator.

9.4. The cost of the arbitration will be borne by the losing party as stipulated by the arbitrator.

9.5. A grievance not processed within the time limits specified in Steps 1 through 4 shall lapse, except where the time limits are extended by mutual agreement.

9.6. No grievance shall be processed beyond Step 1 without the consent and participation of the Union.

9.7. Any complaint by the Employer concerning this agreement shall be discussed directly with the Union.

ARTICLE 10 – PAYDAY

Paydays shall be weekly, and before the end of the employee's shift.

ARTICLE 11 – CESSATION OF WORK

11.1 In the event a strike occurs which is unauthorized by the Union, the Employer agrees that there shall be no liability on the part of the Union, its officers, or its agents, provided the Union shall, as soon as possible after notification by the Employer that such action is unauthorized, post notice at the plant of the Employer that such action is unauthorized by the Union, and promptly take steps to return its members to work.

11.2. The Employer may discharge any employee for taking part in an unauthorized strike.

11.3. Notwithstanding any provision of this rule, it shall not be a violation of this Agreement for employees covered by this Agreement to refuse to cross a picket line established by any other Union representing employees in the plant of the Employer if such employees are engaged in a strike which is properly sanctioned.

ARTICLE 12 – MAXIMUM PRODUCTIVITY

It is the intent of the parties to achieve and sustain the maximum productivity per employee during the term of this Agreement. In return to the Employer for the wage rates and condition herein provided and consistent with the principle of a fair day's work for a fair day's pay, the Union pledges it's agreement with the objective of achieving the highest level of employee performance and efficiency consistent with safety, good health, and sustained effort.

ARTICLE 13 – COFFEE BREAKS

Two (2) ten (10) minute coffee breaks per established shift.

ARTICLE 14 – OTHER CONDITIONS

14.1. All toilets and washrooms shall be kept in a sanitary condition, properly heated and ventilated.

14.2. Suitable quarters with heat shall be provided for employees to change clothes and eat lunches.

14.3. Suitable lockers, washrooms, and drinking water shall be furnished by the Employer.

14.4. There shall be no doctor's physical examination or age limit except where required by law.

14.5. Employees shall be insured in conformance with the Oregon State Workers Compensation Law.

14.6. Employees suffering on-the-job injuries of such nature that they cannot complete their shift shall be paid in full for the shift in which the injury occurs.

ARTICLE 15 – SAFETY

15.1. Safety appliances shall be constructed in a safe and proper manner by competent mechanics, and the Employer shall operate his plant at no time with less than two persons on the premises working within sight and sound for safety purposes.

15.2. Proper lighting and ventilation shall be provided for all enclosed working spaces.

15.3. The Employer shall furnish suitable guards around welders for protection of Workmen's eyes.

15.4. In case of spray painting, the Employer shall provide proper protection against fumes caused by paint spray.

15.5. Prompt ambulance service shall be available.

15.6. An employee trained in first aid to injured workmen shall be assigned on all shifts.

15.7. It shall not be considered a violation of this Agreement where employees refuse to work when a hazard exists in a particular plant or department.

15.8. All equipment upon which work is to be performed shall be in a reasonably clean and sanitary condition.

ARTICLE 16 – WELDING

16.1. Employees requested to take a welding test on their own time shall be paid for the time consumed in taking the welding test if they pass it successfully.

16.2. The Employer shall notify the Union in writing of the test results within thirty days from the date of the test.

16.3. The letter will contain the following information:

- A. The agency and type of test.
- B. Date of test.
- C. The name of the inspector or individual who supervised the test.
- D. The letter will be signed by an authorized company representative.

ARTICLE 17 – SENIORITY

17.1. In the matter of layoff and rehire of employees only the following factors shall apply:

- A. Length of continuous seniority with the Employer, and
- B. Demonstrated skill and ability to perform the work.
- C. Where factor B is equal, factor A shall prevail.

17.2. Seniority shall be established after an employee has worked for a period of one-thousand hours within an eight-month period.

17.2.1 For example: If an employee starts in January, he or she has until the end of August to qualify for seniority. If at the end of August, he or she has not qualified for seniority, then the eight-month period is extended to the month of September, and the month of January is dropped.

17.3. Seniority shall be forfeited when an employee:

- A. Quits, is discharged, or is absent due to layoff for more than one year.
- B. Is absent from work for three working days without notifying the company of the reason for his or her absence. Leaves of absence may be granted by the Employer.
- C. The Employer shall provide the Union with a complete seniority list plus prompt (within forty-eight hours) notice of new hires, rehires, and all terminations. Seniority lists shall be provided to the Union upon request.

17.4. Seniority employees who are recalled by management from layoff status shall be required to report to work within twenty-four hours of certified notice. When the employee receives notice to return to work, he may decline reporting to work and maintain seniority status if the Employer cannot guarantee at least three full-shift working days of employment.

17.5. During a layoff or recall to work, when an employee is retained or recalled out-of seniority, the Employer will notify the Union of what particular skills and abilities were required to justify their retention or recall.

17.6. When all seniority employees are working, the Employer has the right to order employees from the Union on a ratio of three Level One classifications or above to two intermediate classifications or below.

ARTICLE 18 – HOLIDAYS & VACATIONS

18.1. The following days shall be observed as Holidays:

New Years Day, Day Before/After New Years Day, Presidents Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day After Thanksgiving Day, Christmas Day, Day Before/After Christmas Day.

18.2. If a holiday set forth above falls on a Saturday, the preceding Friday shall be observed as the Holiday.

18.3. If a holiday set forth above falls on a Sunday, the following Monday shall be observed as the Holiday.

18.4. Any employee required to work on a Holiday listed in Article 18.1 shall be paid at two times his hourly shift rate of pay.

18.5. The Employer shall allow an employee to take at least one week's vacation every six months or at least two weeks vacation every twelve months.

18.6. To request a vacation, a written vacation request should be submitted to your supervisor as early as possible. If you are requesting one or more days, but less than a week, please do so at least one week in advance. For time off of one week or more, a longer pre-notice request is necessary. In all cases, vacation schedules will be at the discretion of Company management considering operational and production needs.

18.7. The Employer agrees to pay its employees \$1.70 per compensable hour in lieu of vacation and holiday pay. One week paid vacation will be awarded after three years of continuous service (1500 hours in a calendar year constitutes one year of service), two weeks awarded after six years of continuous service. After an employee has qualified for one week of paid vacation, the 1500 hour requirement for one year of service will be reduced to 1000 hours. No carry-over of vacation time is allowed from year to year.

18.8. The employer will not buy back vacation time for employees who fail to use their vacation during the calendar year. However, if an employee has received approval for a scheduled vacation and then, because of operation and production needs, has been asked to give up all or part of the employee's vacation, the Employer will pay the employee vacation time during the same pay period in which the vacation was scheduled, in addition to the hours worked by the employee. For example: if you have a scheduled and approved vacation for the week of July 1st, and then you are asked to work three of the five days of your scheduled vacation, you will get paid five days of vacation plus three days of wages for the time worked during regularly scheduled vacation time.

ARTICLE 19 – WAGES & CLASSIFICATIONS

19.1. Wages – The minimum shift rates of hourly pay for said employees shall be set forth in this section. The following shall apply to all Seniority Employees.

	<u>10-1-2007</u>	<u>10-1-2008</u>	<u>10-1-2009</u>
Journeyman Welder/Mechanic	\$20.25	\$21.00	\$21.75
Level 1 Welder/Mechanic	\$19.65	\$20.15	\$20.65
Intermediate	\$16.35	\$16.85	\$17.35
Helper/Utility	\$14.00	\$14.50	\$15.00
Warehouse/Shipping/Receiving	\$14.00	\$14.50	\$15.00

Employees who have not obtained seniority prior to October 1, 2007 and employees hired after October 1, 2007 in any classification other than Journeyman Welder/Mechanic shall be paid as follows effective October 1, 2007. It is the intent of the Employer to adjust the wages of those in this category to the seniority rates listed above at such time as they gain seniority. If this adjustment is deemed premature then the Employer will inform the affected employee which skills or work habits need improvement so that he can achieve the higher rate of pay.

Level 1 Welder/Mechanic	\$19.00
Intermediate	\$15.50
Helper/Utility	\$13.50
Warehouse, Shipping, Receiving	\$13.50

19.2. Classifications - The following are minimum requirements for each pay level and are not intended to restrict and employee from performing other tasks.

- Journeyman: X-Ray quality welder, plate, and pipe/tube (CS/SS), burner, fitter, layout, read blue prints. Able to set up and operate shop equipment. ASME Code knowledge.
- Level 1: Basic Welder: X-Ray quality welder, with plate and pipe/tube Certifications, (CS/SS), who can grind, fit, and burn.
- Basic Mechanic: Burning, basic layout, fitting, grinding, re-tubing experience, and able to setup and operate shop equipment.
- Intermediate: Tack and spot welding, burning and fitting, operation of hand and/or foot powered equipment, operation of band saw, iron worker, and drill press.
- Helper/Utility: Crating, cleanup, loading and unloading of raw and finished materials, forklift operator, crane operator, truck driver, equipment maintenance, steam cleaning, tube stuffing and grinding.

ARTICLE 20 – OVERTIME

20.1. All work performed outside or in excess of the employee's shift hours or work week hours and on holidays shall constitute overtime work and shall be paid at the applicable overtime rate as set forth in this Article.

20.2. Time and one-half shall be paid for the following:

- A. The hours worked in excess of eight hours in a regular work day up to a maximum of twelve hours, forty hours in a work week, before and after regular eight hour shifts.
- B. The first twelve hours of work performed on a Saturday.

20.3. Double time shall be paid on the following:

- A. All work performed in excess of twelve hours in a work day.
- B. All work performed on the holidays listed in Article 18.
- C. All work performed on a Sunday.

20.4. Overtime will not be mandatory and the Employer shall not discriminate against any employee who chooses not to work overtime. The Employer agrees to give as much advance notice of overtime whenever possible.

ARTICLE 21 – PENSION

The Employer agrees that pension contributions will be paid to the Boilermakers Blacksmith National Pension Trust Fund on the basis of \$3.75 per hour effective October 1, 2007, \$4.00 per hour effective October 1, 2008 and \$4.25 per hour effective October 1, 2009, for all hours worked by all employees covered by this agreement.

ARTICLE 22 – HEALTH & WELFARE & SICK LEAVE

22.1. Effective October 1, 2007 the Employer shall pay \$5.18 per hour worked into the Northwest Metal Crafts Trust Fund to provide Health and Welfare benefits for its employees and their dependents. Effective October 1, 2008 the Employer will pay an additional \$.25 per hour worked toward any increase in the cost of maintaining Health & Welfare benefits and an additional \$.25 per hour worked again October 1, 2009. If any portion of the \$.25 per hour maintenance of benefits contribution is not needed the remaining amount shall be added to the wages on the anniversary dates of October 1, 2008 and October 1, 2009. If the premium cost of maintaining the Health & Welfare benefits exceeds the Employer increase of \$.25 per hour worked on October 1, 2008 or October 1, 2009 the difference in the cost of maintaining the benefits shall be paid by each employee by reducing the hourly wage rate by an amount equal to the difference in what the Employer is contributing and the actual hourly Health & Welfare premium cost.

22.2. The employee will be covered thirty days after the month in which he qualifies for health and welfare benefits.

22.3. After completing one year of service (1500 hours in a calendar year), an employee will accrue one day of sick pay for each 1000 hours worked. Sick days are accumulative and may be carried forward from year to year. Sick days are to be used exclusively for the purpose of time lost due to illness while in the employ of the Employer. There will be no cash buy-out of sick days at the time of separation.

ARTICLE 23 – TRAINING TRUST

In order for the Union to establish or maintain their existing training trust, the Employer agrees to pay into the Boilermakers Local Lodge #500 Shop and Marine Training Trust the sum of \$.08 per compensable hour no later than the fifteenth of the month following the month in which the hours were worked.

1. For the life of this agreement contributions to the training trust fund will be held in suspension unless the trustees deem it necessary to reinstate contributions to the trust fund. The \$.08 contribution will be added to the hourly wage however, should the trustees deem it necessary to reinstate the contribution to the trust fund \$.08 will be deducted from the hourly wage and contributed to the Boilermakers Local Lodge #500 Shop and Marine Training Trust.

The Employer and the Union will work mutually to develop employee training specific to an employee's needs for advancement.

Article 24 - Training:

Any time an employee is specifically required by management to participate in any development and training program shall be considered time worked for pay purposes, and all tuition, texts, training materials, and other expenses incident to such employee's participation shall be assumed by the Employer. The annual Safety Training shall be excluded from this provision.

Article 25 - Changes in Existing Conditions

25.1. Changes in existing working conditions shall be subject to negotiation between the Company and the Union. The employer shall post changes in existing working conditions prominently on all bulletin boards for a period of not less than fourteen (14) working days before the changes are to be effective and shall be announced during the weekly safety meeting.

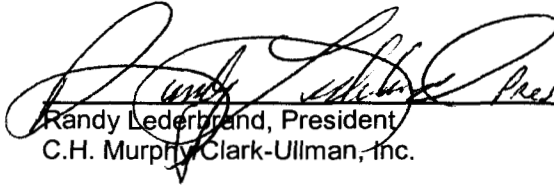
25.2. For the purpose of this Agreement, the term, "existing working conditions," means practices which have been 1. Consistent; 2. Clearly acted upon; and 3. Readily ascertainable over a reasonable period of time as mutually accepted by the parties.


Article 26 - DISCIPLINARY ACTION

26.1. Employees are subject to the Company's existing Disciplinary Policy. Disciplinary action must be taken within five (5) working days from the time that the incident occurred. All disciplinary actions are subject to the grievance procedure and employees have the right to have Union representation present. When the Employer issues a reprimand, written warning, suspension or termination notice to an employee, which will be placed in his personnel file, the Union will be given notification and a copy of such actions.

26.2. An employee or his or her representative, with the written consent of the employee, may inspect that employee's personnel file. Upon written request, an employee or his or her authorized representative will be given a copy of any materials in the employee's personnel file.

SIGNED THIS 22nd DAY OF October, 2007, AT PORTLAND, OREGON.


Randy Lederbrand, President
C.H. Murphy Clark-Ullman, Inc.


Gary Powers, Business Manager
Boilermakers Local 104