

INTERNATIONAL UNION OF OPERATING ENGINEERS

LOCAL UNION NO. 520

ARTICLES OF AGREEMENT

HEAVY AND HIGHWAY CONSTRUCTION

August 1, 2012 - July 31, 2015

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PREAMBLE

This agreement made this _____ day of _____, _____ by and between the signatory Employer and International Union of Operating Engineers, Local 520 (Union):

ARTICLE 1 - RECOGNITION

The Employer recognizes the Union as the sole and exclusive collective bargaining agent with respect to wages, hours and all other conditions of employment for the unit comprised of Operating Engineer Equipment Operators, Operating Engineers Apprentices, Assistant Operating Engineer, Operating Engineer Foremen, Operating Engineer Working Foreman, Master Mechanics, Assistant Master Mechanics, Operating Engineer Mechanics, Operating Engineer Mechanic Trainees, Operating Engineer Engine Men, Operating Engineer Greasers and Operating Engineer Oilers and Firemen employed by the Employer within the territorial jurisdiction of the Union.

ARTICLE 2 - UNION SECURITY

The Union is recognized as the exclusive bargaining agent for all employees whose classifications are listed and set forth in this Agreement (which said employees are hereinafter sometimes referred to as "employees" or "employees covered by this Agreement").

It is understood and agreed by and between the parties hereto that as a condition of continued employment, all persons who are hereafter employed by the Contractors in the unit which is the subject of this Agreement shall become members of the Union not later than the eighth (8th) day following the beginning of their employment or the execution date of this Agreement, whichever is the later; that the continued employment by the Contractors in said unit of persons who are already members in good standing of the Union shall be conditioned upon those persons continuing their payment of the periodic dues of the Union; and that the continued employment of persons who were in the employ of the Contractors prior to the date of this Agreement and who are not now members of the Union, shall be conditioned upon those persons becoming members of the Union not later than the eighth (8th) day following the execution date of this Agreement. The failure of any person to become a member of the Union at such required times shall obligate the Employers, upon written notice from the Union to such effect and to further effect that Union membership was available to such person on the same terms and conditions generally available to other persons, forthwith to discharge such person. Furthermore, the failure of any person to maintain his union membership in good standing as required herein, upon written notice to the Employers by the Union to such effect, shall obligate the Employers to discharge such person, provided that fulfillment of the above requirement may be made by payment of the legally required fee in lieu of membership.

ARTICLE 3 - SUBSTANCE FREE ENVIRONMENT

Labor and management agree that it is in the best interest of all to promote an alcohol and drug-free working environment and pledge both to work within their own areas of influence and to cooperate to that end.

ARTICLE 4 - CHECKOFF OF WORKING DUES

The Employer, upon receipt of a signed written authorization by an employee shall deduct working dues in the amount certified by the Union, from the hourly wage of the employee and the Employer shall remit to the Union the total amounts deducted monthly by not later than the tenth (10th) day of the following month to the location designated by the Union, together with a report stating thereon the name of each employee for whom remittance is made, the Social Security number of the employee, the number of hours worked in the reporting month, and the amount of supplemental membership dues deducted and remitted. Failure of the Employer to make timely reports and monetary monthly remittances shall constitute a breach of this Agreement in consequence of which the Union may impose strike sanctions and take appropriate economic and legal recourse, other provisions of this Agreement notwithstanding. In the event the Union institutes suit against the Employer for violation of this provision, the Employer shall be liable for all auditing fees, costs of suit and attorneys' fees incurred by the Union in the prosecution of the suit.

The check off of working dues shall be paid at 3% of gross wages, not including benefits.

ARTICLE 5 - REFERRAL OF APPLICANTS

Section 1. In order that the Employer shall have a competent working force and to promote efficiency and safety of operation, the Employer and the Union agree that the Union shall maintain a list of persons available for referral.

Section 2. The Union shall be the sole and exclusive source of referral of applicants for employment. The Employer shall request the Union to refer applicants as required and shall not solicit applicants directly and shall not in any manner circumvent the Union in the recruitment of applicants for employment.

Section 3. The Employer in requesting referral of applicants shall specify to the Union (a) the number of applicants to be employed, (b) the work to be performed, (c) the location of the project, (d) the nature of the construction project and (e) such additional information as is deemed pertinent by the Employer in order to enable the Union to make proper referral of applicants.

Section 4. The Union will not discriminate, either in the maintenance of the list or in its referrals for employment, against any person because of his membership or non-membership in the Union. Selection of applicants for referral shall not be based on or in any way affected by, Union membership, by-laws, rules, regulations, Constitutional provisions or any other aspect or application of Union membership, policies or requirements.

Section 5. All such referrals for employment shall be in accordance with the following procedures:

- (a) An applicant must have maintained his permanent residence in the geographical area of Bond, Calhoun, Clinton, Fayette, Greene, Jefferson, Jersey, Macoupin, Madison, Marion, Monroe, Montgomery, Perry, Randolph, St. Clair or Washington Counties for a period of two (2) years, or who having had a permanent home in said area has temporarily left with the intention of returning to said area as his permanent home.

ARTICLE 5 – REFERRAL OF APPLICANTS – Continued

(b) The Union shall establish and maintain a register of applicants eligible for employment, upon which registered applicants shall be listed according to their date of registration and designated by their referral Group.

(c) Applicants for referral shall fill out a work qualifications form supplied by the Union prior to their being placed upon the referral register. Each applicant for referral on the said referral list shall be required to register for referral on the first Monday of each quarter in the calendar year in order to maintain his position on the referral list. The referral office shall be open for registration for five (5) hours during normal business days.

(d) The Union shall refer to the Employer applicants, competent to fulfill the requirements of the position sought to be filled, in their first-in, first-out order of registration in referral Groups on the referral list. The referral Groups shall be according to a lawful process established by the Union, incorporating a system of registration based on relevant experience and apprenticeship. Referral rules, including an explanation of referral Groups, shall be posted and available for inspection at the Union hall. Competency for a position shall be determined based on experience and requisite skills germane to the position to be filled, as specified by the Employer. If requested by the Employer and no qualified and competent applicants are registered for referral, the Union may furnish applicants from any source available.

Section 6. The Employers shall have the right to accept or to reject, to employ or not to employ, for just cause, any applicant referred by the Union, subject to the right of such applicant to invoke the grievance procedure contained in these Agreements. An applicant rejected by the Employers shall be returned to his place on the referral list and shall be referred to other employment in accordance with his position on said list, subject to competency and experience. If any applicant for referral is rejected for employment because of their inability to perform on a specific type of equipment, said applicant shall not be referred on that type of equipment until satisfactorily completing a degree of skill test as requested by Union. Any applicant on the referral list may be requested by the Union to pass a degree of skill test on any equipment which the Union deems necessary so as to supply the contractor with a qualified operator.

Section 7. The Employers shall be the sole judge of and have the right to determine the number of employees required on any job; there shall be no restrictions as to the use of machinery, tools or appliances.

Section 8. If for any reason the referral office is unable to furnish qualified and competent applicants within twenty-four (24) hours at the time the request is made to the referral office (providing the said twenty-four (24) hours does not include Saturdays and Sundays or Holidays), the Employers may secure applicants from other sources. If applicants are so employed from other sources, the Employers shall furnish to the referral office the names and addresses of such new employees within twenty-four (24) hours.

Section 9. A supervisor in the employ of the Employer who holds union membership shall not be bound or in any way affected in the performance of his duties for the Employer, including

ARTICLE 5 – REFERRAL OF APPLICANTS – Continued

hiring, by any obligation of union membership, by-laws, rules and regulations or the Constitution of the Local or International Union.

Section 10. Neither the Employer nor the Union shall engage in employment practices which discriminate against applicants because of membership or non-membership in the Union, race, color, creed, age, sex, religion, national origin, disability, veterans' status, or any other characteristic protected by law.

Section 11. The Union agrees that it will indemnify and save the Employers harmless from any and all claims and damages that the Employers might suffer as a result of the Union's operation of the said referral office.

ARTICLE 6 - RECALL OF EMPLOYEES

Section 1. An Employee in the classifications covered by this Agreement who has not worked for a period not exceeding forty-five (45) calendar days, and has not registered on the 520 out-of-work list, may be recalled. Where the time off is in excess of forty-five (45) days in duration, the employee shall be deemed by the parties to have been permanently laid off and terminated, and in filling vacancies resulting from terminations, the Contractors shall seek referral of employees in classifications covered by this Agreement in accordance with the referral clause thereof. An Employee on recall status must work and receive no less than eight (8) hours pay during a forty-five (45) day period and fringe benefits must be paid. When vacancies exist or when additional employees in classifications covered by this Agreement are required, the Contractors shall seek referral of engineers in accordance with the referral clause of this Agreement.

Section 2. A machine shall be idle at least one (1) working day in order to be classified as a "dead machine", unless the employee is discharged for just cause. The reason for the discharge shall be verified with the Union in writing at a later date within five (5) working days of the discharge.

A "dead machine" is an unmanned piece of equipment. An idle machine shall not be a "dead machine" if the assigned operator is temporarily laid off due to weather or break down or other cause of a short duration where work with the machine on the project is intended to resume. This provision does not affect an employer's right as provided in this and other articles of this agreement to lay off an employee.

ARTICLE 7 - PRE-JOB CONFERENCE

Every Employer who is or becomes a party to this Agreement shall notify the Business Representative of the Union prior to the performance of any work properly coming under the jurisdiction of the Operating Engineers on any project within the territorial jurisdiction of the Union. The Employer shall state the nature and the classifications of Operating Engineers estimated to be required on the said project. A pre-job conference shall be held at a date, time and place mutually agreeable to the Employer and the Union. Any questions concerning the application of this Agreement shall be resolved by the Employer and the Union at such pre-job conference.

ARTICLE 7 - PRE-JOB CONFERENCE - Continued

The Employer shall make arrangements for the referral of engineers to the project in accordance with the contractual referral provision. A violation of this provision may be treated by the Union as a gross breach of contract, for which the Union may take appropriate legal and economic sanctions, regardless of other provisions of this Agreement.

ARTICLE 8 - SUB-CONTRACTORS

Section 1. The term “subcontractor” shall mean an independent entrepreneur, engaged in the construction industry, who undertakes, pursuant to any contract with another contractor, a defined portion of a construction project at a construction site for a stated price, and whose sole responsibility thereunder is the satisfactory completion of the contractually defined portion of the project.

Section 2. The Employer recognizes the territorial jurisdiction, occupational jurisdiction, and machines and classes of work of the Union as stated in this Agreement. To that end, the Employer agrees that any work covered by this Agreement may be contracted to others or subcontracted only to a person, firm or company signatory to this Agreement. The Employer further agrees it shall be responsible for fulfilling all obligations under this Agreement, including but not limited to contributions to fringe benefit funds, in the event the person, firm or company to which work has been subcontracted fails to meet its obligations under this Agreement.

Section 3. The provisions of this Article relate solely to the Employer contracting to others or sub-contracting onsite work.

Section 4. The Employer shall notify the Union of the names and addresses of its subcontractors and provide work description and project identification prior to the commencement of any work by its subcontractors on any project.

Section 5. Alleged violations of this Article shall be resolved under the grievance and arbitration provisions of this Agreement.

ARTICLE 9 - OWNER OPERATORS AND LEASED EMPLOYEES

Section 1. As an exception to Article 5 of this Agreement, the Employer requiring the use of heavy construction equipment on a construction project may employ directly an operator having ownership of such equipment (owner-operator) or a leased construction equipment operator (leased employee), provided that the owner operator and leased employee shall be assigned only to the leased equipment for the performance of construction work on the project of the Employer under the Employer's supervision, direction, and control in an Employer-employee relationship.

Section 2. Owner operators and leased employees shall be included in the bargaining unit covered by this Agreement and by the terms and provisions thereof.

Section 3. Owner operators and leased employees shall be counted as employees of the Employer for the requisite employment of Master mechanics and Foremen.

ARTICLE 9 – OWNER OPERATORS AND LEASED EMPLOYEES – Continued

Section 4. The Employer shall pay owner operators and leased employees the wage rate provided in this Agreement for the classification of work performed by them and shall make fringe benefit contributions for all of their payroll hours to Pension, Health & Welfare, Vacation, Annuity and Apprenticeship Funds in accordance with the terms of this Agreement.

Section 5. The Employer shall maintain separate records of wage payments and leased equipment payments and shall make wage payments to owner operators and leased employees by separate checks from payments for leased equipment.

Section 6. The term Employer shall mean the Employer signatory to this Agreement.

ARTICLE 10 - JOINT VENTURE

The Employer shall require as a condition for entering into a joint venture that, with respect to on-site construction work, covered by the agreement of Operating Engineers Local 520, that the joint venture shall be bound by Local 520's agreement on the project or projects for which the joint venture was formed. The joint venture shall require that all sub-contractors engaged by the joint venture shall be parties to Operating Engineers Local 520's agreement for all on-site construction work covered by Local 520's agreement on the project or projects for which the joint venture was formed. The Employer shall be responsible for compliance with this provision. Violation of this provision shall be subject to the grievance and arbitration clause of this Collective Bargaining Agreement.

ARTICLE 11 - TYPE OF CONSTRUCTION AND COUNTIES COVERED

This Agreement shall be for all highway construction work, airports, building, heavy, pipeline, private, residential, commercial construction work, public works, and all other construction work (unless covered by other agreements with Local 520).

Local 520's jurisdiction covers all construction work within the counties of St. Clair, Madison (Madison County includes territory on both sides of the Mississippi River), Macoupin, Bond, Clinton, Monroe, Washington, Calhoun, Jersey, Montgomery, Greene, Randolph, Fayette, Marion, Jefferson and Perry Counties, with head quarters in Mitchell, Illinois, and shall not be construed to bind either party doing work in other localities. (Randolph County includes Kaskaskia Island, Horse Island and Crane Island).

ARTICLE 12 - MACHINES AND CLASSES OF WORK

Section 1. All persons engaged in supervising, controlling, erecting, dismantling cleaning and repairing, operating or assisting in operating, erecting, dismantling, cleaning or the repairing of, all hoisting and portable machines, all fork lifts including telescoping brick lulls and lull-type machines, all refrigerating machines or units and engines used on open and heavy construction

work; all hoisting and portable machines and engines used in or upon wrecking, digging, boring, soil testing,

ARTICLE 12 - MACHINES AND CLASSES OF WORK – Continued

building and erecting foundations, buildings, tunnels and subways, dams, reservoirs, disposal plants, bridges, railroads, streets (paving and repair), road building construction (including grading, and repair), sewers, water, gas and oil lines, allotment development construction, harbor and river dredging, the construction and repair of all docks, wharves, piers, shipyards, and seawalls; all horizontal and directional boring machines, locaters, and attachments; all sand, gravel and stone pits; quarries and material yards (permanent and temporary), sand, rock and gravel screening machines; generators of all sizes and portable light plants; motor generators (when used for welding and cutting or for converting or transforming electric currents, irrespective of their motive power); all machines used to sweep, clean and remove debris and snow; all self-propelled walk-behind motor driven equipment; all remote-controlled equipment; all global positioning systems-guided equipment and their appurtenances; all laser-guided equipment and their appurtenances; all mine hoists, telfers, grab buckets, pumps, siphons, pulsometers, generators, concrete mixers (irrespective of capacity), concrete pumps of all sizes and capacities, stone crushers, air compressors, all water-test and blast-hole drilling machines, all sand-blasting and other machines and boilers used in the cleaning and washing of buildings; all boilers (irrespective of size) used for furnishing temporary heat on buildings under construction, or for the heating of materials, or heating water, or furnishing steam for the operation of all machines, engines and other appurtenances herein specified; all locomotive, tractor and truck type cranes; all derricks, boom hoists (of all descriptions and capacities), and automatic hoists; house and all elevator (permanent and temporary) used for hoisting building material or lowering debris or carrying workmen from floor to floor in buildings under construction and repair; all street rollers, steam and other motive power shovels; all Le Tourneau and other types of scoops, pull shovels, mucking machines, draglines and cableways; all clam-shell and orange peel buckets when used in connection with any machine or with derrick or boom hoist for excavating, handling, storing, loading or unloading materials, all land and floating pile drivers, floating derrick barges and boats, floating and self-propelled dredges and rock drilling plants; all dinkey and standard locomotives, derrick cars, tractors and all tractor-propelled machinery; vacuum trucks and “potholing” machines, air or water, mudtanks and mixers; all power and elevator graders, scarifiers, bulldozers, articulating end-dumps and ejector dumps, Barber Green loaders, all trenching and ditching machines, all mechanical hoe-type machines, backfillers and conveyors; all cranes, derricks, machines, engines and boilers used in asphalt and concrete mixing plants and all other engines and machines (irrespective of motive power) used on building and construction work, or in the loading, unloading or storage of commodities at or in terminals; all electronically controlled construction equipment, all nuclear powered equipment including all drilling for nuclear operations and methods, all equipment used in oil drilling; the work of all drill helpers: all emulsion distributing machines and all remote control machinery used in operating equipment; all operation and servicing of helicopters, used in construction concrete saws of all types and sizes with their attachments, gobhoppers, excavators all sizes, the repair, greasing and fueling of all diesel hammers, the operation, set up and cleaning of bidwells, concrete placement booms, the alterations, repair of all barges, water blasters of all sizes and their clutches, mobile lifts hydraulic jacks where is used for hoisting, diesel or gas powered flashing signs used for traffic control, micro pavers, log skidders, iceolators used on and off of pipelines, condor cranes, drill rigs of all sizes, bow boats, survey boats, ross carriers, bob cats and all of their attachments, skid steer loaders and all their attachments, creter crane, direct drive electric motors, the bolting and unbolting the adjusting and shiming (dewatering job, whirley crane, conveyor belts) etc., batch plants (all sizes), roto mills, conveyors systems of any size and any configuration, hydra seeders and strawblowers all

sizes, operate, repair, service of all vibratory hammers, all power pacs and their controls regardless of location, curtains or brush burning

ARTICLE 12 – MACHINES AND CLASSES OF WORK – Continued

machines, stump cutter machines, grout machines regardless of size. Nail launchers when mounted on a machine or self propelled, con-cover machines. Goldhoffer and similar S.P.M.T. (self-propelled modular transporters) heavy transport units.

The erection, operation and maintenance of all asphalt plants and concrete plants shall be performed solely and exclusively by employees covered by this Agreement.

The assembly, disassembly, erection, operation, maintenance, cleaning and repair of all cranes, derricks, and other hoisting equipment shall be performed solely and exclusively by employees covered by this Agreement.

The loading, unloading, assembly, disassembly, maintenance, repair, cleaning, operation and control of all power hammers and augers shall be performed by operating engineers, mechanics, oilers and apprentices covered by this Agreement.

The basis of this jurisdiction is founded on Resolution No. 124 of the 1907 Convention of the American Federation of Labor.

The loading and unloading, the assembling and disassembling, the fueling, the watering, the maintenance, repair, cleaning and operation of all the above listed equipment shall be assigned by the Contractor to and shall be performed solely and exclusively by the operators, mechanics, apprentices and oilers covered by this Agreement.

Section 2. Where the Contractor on any job utilizes air supplied by a power stationary plant, which is used exclusively for construction purposes, the same shall be operated by an employee covered by this Agreement.

The Employer shall assign Operators to all buck hoists, power operated crabs and scissor lifts when used for the primary purpose of hoisting materials.

When required by the Contractor, operating engineers or operator apprentices shall check all grades and direct the spotting of all loads with equipment covered by this Agreement.

The contractor may, at its option but shall not be required to, assign the hauling of equipment to employees subject to this agreement, even if such assignment is inconsistent with the terms and conditions of the Employer's current practice or contract with any other union.

WASHING BOILERS - Employees covered by this Agreement must wash the boilers of which they are in charge, and must receive not less than four (4) hours at the rate applying to that day for doing so. It is agreed and understood between the parties hereto, that Master Mechanics and Assistant Master Mechanics are not allowed to wash boilers.

PUTTING ON TRIMMING - When Employees covered by this Agreement are employed to take charge of an engine or boiler that has been placed on the job without the necessary trimmings

or fittings, it is understood and agreed by the parties hereto that such trimmings or fittings must be put on by said employees.

ARTICLE 12 - MACHINES AND CLASSES OF WORK - Continued

HAZARDOUS MATERIALS - Employees in classifications covered by this Agreement shall be assigned to all equipment, machines and classes of work, including maintenance, assembly, disassembly and repair set forth and referred to in Article 12 - Machines and Classes of Work and Article 33 - Work Preservation on all hazardous waste and material jobs and sites, and such work shall not be assigned to or permitted to be performed by other employees, persons or supervisors. Premium rates of pay required for the performance of Hazardous Waste or Asbestos Removal work are set forth hereinbelow at Article 31, Section 13.

Operators referred for hazardous waste work as requested by the Employer will have completed the forty (40) hours hazardous waste training program in accordance with OSHA requirements.

The Employer shall comply with OSHA Directive 29 CFR 1910.120 and shall furnish protective gear for employees and comply with all safety requirements. (All costs involved after hire for employees further qualification including lost time shall be paid by the Employer.)

Section 3. Nothing in this Agreement shall be construed to limit any work jurisdiction, operation of machines or classes of work performed by employees covered by this Agreement. By mutual agreement of the Union and the Employer, all employees covered by this Agreement including operators, mechanics, oilers and apprentices shall perform all duties related to and incidental to those described hereinabove in sections 1 and 2. Further, upon mutual agreement of the Union and Employer, short-term work not specifically addressed in this Agreement may be assigned to employees covered by this Agreement.

Section 4. Nothing in this Agreement shall be construed to limit any work jurisdiction where the work assignment by the Employer is made in accord with an agreement on work assignments between the Union and the local union of another labor organization.

ARTICLE 13 – WORK ASSIGNMENT DISPUTES

Section 1. By entering into this Agreement, the Employer acknowledges it is its preference that all work to be performed in the categories described in Article 12 be performed by employees included in the bargaining unit covered by this Agreement.

Section 2. Should any work assignment dispute arise raising the question of whether, in violation of this Agreement, work has been assigned to employees represented by another craft or other labor organization, rather than to employees represented by the Union, such dispute shall be resolved under the grievance and arbitration procedure, as described herein below in Article 47.

Section 3. In the event the Union believes that the Employer or any of its on-site subcontractors has engaged in a mis-assignment of work in violation of this Agreement, the Union may submit such dispute to the grievance/arbitration procedure, and in the absence of settlement, the

Union may refer the dispute to arbitration and request a panel of arbitrators from the Federal Mediation and Conciliation Service. In the event the dispute proceeds to arbitration, the arbitrator's award shall be final and binding.

ARTICLE 13 – WORK ASSIGNMENT DISPUTES - Continued

Section 4. If the Contractor refuses to adjust work assignments necessary to comply with this decision, then the Contractor will be liable for back wages, fringe benefit contributions and check off of union dues commencing on the date of the arbitrator's decision and continuing through the date of compliance with the decision.

Section 5. In rendering a decision on any work assignment dispute, the Arbitrator shall apply only the following factors and only in the order listed. The first listed factor which the Arbitrator finds to be applicable shall govern the case and the Arbitrator shall not use any other factors in reaching a decision.

- (a) Any local agreement between/among the crafts involved.
- (b) Local area practice on the assignment of the work at issue in the area where the work is to be performed.
- (c) Any previous agreement of record, including a disclaimer, between the parent bodies of the crafts involved.
- (d) The relative skills, efficiency and abilities of the crafts involved, which shall include consideration of apprenticeship instruction in the exact work at issue, number of persons within each craft who have the demonstrated ability to perform the work at issue, the existence of a referral system allowing the Employer to request employees who have the skills required to perform the work at issue, and the extent to which each craft has performed the work at issue on other occasions.

Section 6. The Union shall not institute any action at law or equity in any state or federal court or before an administrative agency over a work assignment dispute, so long as the Employer follows the procedure set out in this Article and acts in accordance with applicable decisions, agreements, settlements or awards on the assignment of the work at issue.

ARTICLE 14 - WAGE RATES

The basic hourly rates for employees covered by this Agreement shall be governed by the attached Schedule "A", which by reference is made a part hereof.

Rates of pay and manning for new machines and equipment, for machines and equipment of changed capacity and for equipment modified by attachments or otherwise, shall be subject to negotiation. In the event of inability of the parties to reach agreement upon the wage and machine classification rate of pay and manning, the Union shall have the right to take economic action regardless of any other provisions of this Agreement.

ARTICLE 15 - HOURS OF WORK

Section 1. Eight (8) hours shall constitute a day's work between the hours of 7:00 A.M. and 4:30 P.M. Forty (40) hours shall constitute a week's work from Monday through Friday, inclusive. The regular starting time shall be determined by the Employer at the pre-job conference and may be changed, for periods of one (1) week or more duration, provided the Employer and the Union mutually agree to the change.

Section 2. By mutual agreement, arrangements may be made by the Contractor and the Business Manager of this Local Union, when specifications issued by governmental agencies or owners require work to be performed outside the regular workday, starting time will begin when employee starts to work. Copy of specs shall be furnished to the Union by the Employer.

The following provisions shall apply to the Non-Standard Start Time Provision (Section 2):

(a) Eight (8) hours worked shall constitute a shift and shall be paid as eight (8) hours straight time and one (1) hour overtime. When employee starts to work, the first seven (7) hours of work will be for eight (8) hours pay. All hours worked over seven (7) hours will be at the overtime rate. This provision does not apply to Saturday, Sunday or Holidays, all work on these days shall be at the contractual overtime rate.

(b) If an employee reports to the job and was not properly notified that there is no work for the day, they shall receive two (2) hours reporting time, one (1) hour straight time and one (1) hour overtime.

(c) If an employee starts his machine, services his rig or otherwise starts to work, he shall receive four (4) hours straight time and one (1) hour at the overtime rate.

(d) If multiple shifts are employed utilizing the provisions of this Article, these special provisions shall apply to all shifts.

(e) This provision does not apply to Saturday, Sunday or Holiday shifts. All work on these days shall be at the contractual overtime rate (*).

(*) Clarification—Given that non-standard starting times will be employed when utilizing this Article, including night work, it is understood that a typical night shift will begin on the preceding evening, an example being an 8:00 p.m.-4:30 a.m. night shift. An example of a typical night shift would be 8:00 p.m. Sunday evening through 4:30 a.m. Monday morning. This shift would be paid as eight (8) hours straight time and one (1) hour overtime and would represent this employees' "Monday" pay period. The final shift of the week would run from 8:00 p.m. Thursday night through 4:30 a.m. Friday morning and would represent the employees' "Friday" pay period. In this example, the work performed on Sunday evening is not considered as Sunday work for purposes of overtime pay, since this time frame represents the "Monday" shift.

ARTICLE 16 - SHIFT WORK

Section 1. When three (3) shifts of employees are employed per day, each employee shall be guaranteed pay, for not less than three (3) days per week of eight (8) hour shifts.

Section 2. Mutual agreement may be made by the Contractor and the Business Manager of this Local Union to work two (2) shifts per day of eight (8) hours per shift and each employee shall be guaranteed pay, for not less than three (3) days per week of eight (8) hour shifts.

Section 3. The following provisions shall apply to all shift work:

- (a) The work week for shift work shall begin on Monday and end on Friday.
- (b) The starting time for the first shift shall be 8:00 a.m. There shall be no intermission between shifts.
- (c) If shift work is performed on Saturday and Sunday, the shifts shall be worked as on other days in the week, provided that work on Saturdays shall be paid at time and one half and work on Sundays and Holidays shall be paid at the double time rate.
- (d) Second shift employees shall receive an additional fifty cents (.50) per hour, and third shift employees shall receive an additional eighty cents (.80) per hour, which shall be subject to overtime pay.
- (e) An employee who has completed a shift and is requested to perform work on a subsequent shift on the same day shall be paid at the appropriate over time rate for the additional shift.
- (f) Employees on each shift shall be allowed one-half (1/2) hour for lunch for which there shall be no deduction from their pay.
- (g) An employee shall not be required to change from one machine to another when on shift work, except in the case of a break down.
- (h) Shift work shall be continuous from the starting day and the three (3) day guarantee shall apply until shift is concluded or broken. Shift work pay shall be paid in full to all shift work employees when shift work is concluded or broken, or on the nearest regular weekly payday, whichever occurs first.
- (i) Shift work will be broken when the work is no longer continuous at which time the contractor shall meet the three (3) day requirement. The Contractor shall have the option of paying the overtime rate for the shifts worked in lieu of the three (3) day guarantee. All employees covered by this Agreement are to receive pay for the same amount of hours.

(j) When conditions require, the Employer and the Union, by mutual agreement may revise the shift work provisions to meet the requirements of a particular project.

ARTICLE 17 - OVERTIME

All work on Sundays and Holidays shall be paid for at double time rate.

All other overtime work, including shift work, performed under this Agreement, time and one half shall be paid. If another craft actually working overtime on the same portion of the project and is paid double time, then the employees covered by this Agreement shall also receive the double time rate.

PREFERENCE FOR OVERTIME - When it is necessary to operate after the regular quitting time, employees covered by this Agreement who are employed during the regular working hours, shall work the overtime unless said employees choose not to do so.

ARTICLE 18 - HOLIDAYS

Days recognized as Holidays under this Agreement are: New Year's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day and Christmas Day or any other day celebrated and recognized by the Federal Government in lieu thereof and such other days decreed by the Federal Government to be Holidays and agreed to by the parties. It is agreed that no work shall be performed on Labor Day except to protect life or property.

ARTICLE 19 - CHANGING

Section 1. One (1) complete change of equipment will be allowed (i.e. A-B-A) on a shift. If in so doing, the rate applicable to one machine is higher than that of another, the higher rate shall apply to and be paid for the full shift. When changing from one machine to another, the original machine must not be left in productive operation. An employee shall not be permitted to change to a machine that another employee covered by this Agreement has been employed to operate.

One (1) complete change of equipment will be allowed when small equipment is being operated. (i.e. A-B-A) Small equipment is that which is listed in Group III of Schedule A of this Agreement.

Section 2. The loading and unloading of jobsite materials and equipment shall be performed by employees covered by this agreement.

Section 3. In the operation of unassigned machinery for the purpose of loading and unloading jobsite materials and equipment, or performing short term operations such as cleanup or material movement, the A-B-A limitation shall not apply. Further, when work is performed requiring the loading and unloading of jobsite materials typically requiring the use of forklifts or bobcats, an operator apprentice may be employed to perform these functions. Any employee who reports for such work and in addition performs other work as the Employer provides shall be paid for actual time worked but in no event for fewer than four (4) hours.

In interpreting and applying this Article, it is understood and agreed that the language therein is not in any way to be interpreted as a limitation on the amount of work any employee is required to do, but only, in certain circumstances, as a limitation on the number of machines such employee can

ARTICLE 19 – CHANGING – Continued

be required to operate or service. Further, in interpreting and applying this Article, it is understood and agreed that Article 23 does not apply.

Section 4. **TAKING AN EMPLOYEE’S PLACE** - No Employee covered by this Agreement shall be discharged or disciplined except for justifiable and proper cause.

**ARTICLE 20 - MASTER MECHANIC AND OPERATOR FOREMAN
AND WORKING FOREMAN/MECHANIC**

Section 1. Maintenance and repair work in the field shall be performed by employees covered by this Agreement. If operators of equipment are not competent or do not have the necessary tools to do running repairs (not to include special tools), and it is necessary to employ a Master Mechanic, the wage of said Master Mechanic shall be two dollars (\$2.00) per hour above the Group I journeyman rate. If it is necessary to employ a mechanic on a project, he shall be a Master Mechanic. Master Mechanics or Operator Foreman when employed, shall have direction of all Assistant Master Mechanics, Engineers, Assistant Operator, Oilers and Apprentices, also of all machinery in regard to operation, repair and maintenance thereof. If more than one mechanic is employed on a project, only one shall be classified as a Master Mechanic and shall be paid the above wage scale. The selection of the Master Mechanic or Operator Foreman shall be mutually agreed upon between the Union and the Employer. (See Schedule "A" for rate.)

If in the event the Contractor operates more than one work shift, the provisions of the preceding paragraphs of this Article shall be applicable to each of such work shifts.

One (1) Operator Foreman is required for each shift on a project of an Employer having fifteen (15) or more Operators (at such time a Working Foreman/Master Mechanic shall not be required). An Operator Foreman shall be paid three dollars (\$3.00) per hour above the Group I journeyman rate. A Master Mechanic or Oiler shall not be counted in determining the requirement for an Operator Foreman. A Lubricating Engineer will not count in determining the requirement for a Operator Foreman unless he is permanently assigned to the project.

The duties of the Operator-Foreman/Master Mechanic shall be (1) to replace any absenteeism, (2) to replace any Operating Engineer who has started to work and may have to leave through no fault of the Employer, (3) to assist any Operating Engineer who may need help or advice, (4) to assign Operating Engineers to the equipment, if the Employer so desires, (5) to operate any equipment on the job provided the employer has made an effort to hire an Operator. No Operator Foreman or Supervisor shall be allowed to operate, repair or maintain any mechanical equipment when such operation takes the job of an Employee covered by this Agreement except as provided in this Article under "duties of Operator Foreman/Master Mechanic".

A Master Mechanic or Foreman when employed may be requested to service any small equipment subject to mutual agreement of Union and Contractor at pre-job conference.

**ARTICLE 20 - MASTER MECHANIC AND OPERATOR FOREMAN
AND WORKING FOREMAN/MECHANIC – Continued**

Section 2. The Employer shall select a Working Foreman/Mechanic on any project and for any shift that has six (6) or more Operating Engineers on that shift, and promptly notify the Union of that selection. The Working Foreman/Mechanic shall be paid two dollars (\$2.00) per hour above the Group I journeyman rate. The Working Foreman's duties shall be the same as those of the Operating Foreman except that the Working Foreman may also be assigned a machine to operate. The Mechanic's duties shall be the same as those of the Working Foreman except that the Mechanic shall not be assigned a machine to operate. There shall be no more than one (1) Working Foreman per project per shift.

Section 3. The terms of this article are not meant to restrict the management's right to supervise and instruct the members of this bargaining group.

ARTICLE 21 - REPORTING

Employees covered by this Agreement must report for work every working day except when they have been notified within a reasonable time not to do so. If an employee starts his machine, services his rig, or otherwise starts to work, he shall be considered started to work and shall be paid four (4) hours at the rate applying to that day. If employees begin work before the regular starting time, they shall receive pay for four (4) hours, plus any overtime involved.

When employees covered by this Agreement report on the job and there is no work they must receive two (2) hours reporting time at the rate applying to the first two hours that they would have worked on the day they report for work. An employee may be required to remain on the job one (1) hour to receive the two (2) hours reporting time.

If employees covered by this Agreement are told there is no work, they must leave the job no later than one (1) hour after the starting time, and if they are called upon to come back to work before the regular quitting time they must be paid a full shift of eight (8) hours plus any overtime involved.

ARTICLE 22 - REMAINING ON THE JOB

Section 1. Employees covered by this Agreement must remain on the job when they are not notified there is no work, and they must be paid for not less than four (4) hours time at the rate applying to that day, or if said employees are required to start work before the regular starting time, the pay shall be for four (4) hours plus any overtime involved. If employees covered by this Agreement are permitted to stay on the job four (4) hours after the regular starting time without being notified there is no work, they must be paid not less than eight (8) hours time at the rate applying to that day, or if they are required to start work before the regular starting time, the pay shall be for eight (8) hours plus any overtime involved.

Section 2. In the event of inclement weather on a workday and work stops that day, employees shall receive a minimum of two (2) hours reporting time at the rate applying to that day. If employees start work, they shall be paid not less than four (4) hours. If employees work over four

ARTICLE 22 - REMAINING ON THE JOB - Continued

(4) hours, they shall be paid for hours worked. It is understood that if at any time during the term of this Agreement another trade(s) working alongside the operator(s) on a project has a 2, 4, 6, 8-hour weather clause, that clause will then apply to the operator(s) on the project as well, in lieu of the "If employees work over four (4) hours, they shall be paid for hours worked" clause.

ARTICLE 23 - WORKING IN THE MORNING

When employees covered by this Agreement work on a job in the morning and are not notified prior to the completion of four (4) hours after the regular starting time that their services are not required in the afternoon, they shall be paid a full shift of eight (8) hours at the rate applying to that day, or if they are required to start work before the regular starting time, the pay shall be for eight (8) hours, plus any overtime involved.

Employees covered by this Agreement must raise steam on boilers. If employees covered by this Agreement are required to raise steam before the regular starting time they shall be started to work a minimum of one (1) hour before the regular starting time.

ARTICLE 24 - WORKING IN THE AFTERNOON

When Employees covered by this Agreement report to work on a job four (4) hours after the regular starting time they shall be paid not less than four (4) hours time at the rate applying to that day.

ARTICLE 25 - LUNCH PERIOD AND SUPPER PERIOD

Employees' designated lunch period will be between the hours of 12:00 - 12:30 P.M. When it becomes necessary, the employee may be requested to eat his lunch between the hours of 11:00 a.m. to 1:00 p.m. If employees work during the designated lunch period they will receive an additional one-half (1/2) hour pay at the overtime rate.

If the employee is required to work through lunch period and to eat while working, the employee shall receive in addition to regular pay for hours worked, an additional one-half (1/2) hour pay at the overtime rate. As an example, an employee required to eat while working who works from 8:00 a.m. until 4:30 p.m. shall be paid eight (8) hours at the straight time rate and one (1) hour at the overtime rate.

When employees are required to work more than two (2) hours after regular quitting time, they shall be allowed one thirty (30) minute period for supper with overtime pay, and shall be allowed thirty (30) minutes with overtime pay at every four (4) hour interval thereafter.

ARTICLE 26 - REPAIR WORK

The engineer (and Oiler when employed) shall repair the equipment he or they operate with the following exceptions:

Where the engineer (and Oiler when employed) cannot perform the work, then a Local 520 mechanic in the employ of the Employer may make the needed repairs on the job site. The engineer (and Oiler when employed) may be transferred until needed repairs are completed, if not transferred employee/employees would not be laid off.

Job site repairs on unassigned or "dead machines" shall be performed by a Local 520 engineer (and Oiler when employed) or a Local 520 mechanic.

ARTICLE 27 - FIREMAN - OILERS ASSISTANT OPERATORS & APPRENTICES

Section 1. There must be a fireman, oiler, apprentice (or by mutual agreement between the Contractor and Business Agent, an Assistant Operator), covered by this Agreement on track type hydraulic excavators, gradealls, skimmer scoops, clamshells, draglines, shovels, ditching machines and similar types rated over 12 inches (12") width of cut, locomotive cranes, track-type cranes, truck cranes, pile drivers, derricks, mixing plants, dredges, slip form pavers, asphalt spreaders, auto grade, belt placers, trimmers, milling machines, drill rigs-used for caisson or for pile driving, and similar types or where additional machines are getting their motive power from the same boiler, or any machine that this local union deems it necessary, also all servicing, oiling and cleaning of all equipment.

These provisions do not apply to milling machines, which will be manned exclusively by operating engineers. All adjustments of screeds (screens) on all asphalt pavers, regardless of size, shall be performed by oilers, assistant operators or apprentices covered by this Agreement.

Section 2. Track type hydraulic hoes & crawler gradealls (110,000 lbs. gross operating weight and under during the first year of the Agreement, increasing to 120,000 lbs. during the second year and increasing to 130,000 lbs. during the third year of the Agreement and others at the discretion of the Union Business Manager) will not require an oiler or assistant operator. During the first year of this Agreement, operators of track type hydraulic hoes and crawler gradealls having a gross weight of 60,000 to 110,000 pounds shall receive one-half (1/2) hour preparation time at the overtime rate per day. During the second year of this Agreement, operators of track type hydraulic hoes and crawler gradealls having a gross weight of 70,000 to 120,000 pounds shall receive one-half (1/2) hour preparation time at the overtime rate per day. During the Third year of this Agreement, operators of track type hydraulic hoes and crawler gradealls having a gross weight of 85,000 to 130,000 pounds shall receive one half (1/2) hour preparation time at the overtime rate per day. The employee must be present and perform all service work required during the allotted preparation time in order to receive the additional prep time pay.

Section 3. An oiler or assistant operator shall be assigned if needed by mutual agreement, on work boats twin screw over 600 H.P. rating.

Article 27 - FIREMAN – OILERS ASSISTANT OPERATORS & APPRENTICES - Continued

Section 4. DUTIES OF OILER - It shall be the duty of the oiler to keep the machine to which he is assigned thoroughly lubricated and reasonably clean, as instructed by the Engineer and to maintain the machine and assist in such work as directly affects the operation maintenance and repair of the machine.

Such duties may include those of a ground man hooking mats, resetting mats, hooking and pulling of pile, directing buckets, spotting, signaling involving the assigned machine. The oiler shall be under the technical direction of the Engineer, perform such duties as he prescribes and remain at all time in close proximity to the machine.

The same rules and regulations regarding overtime and working conditions which apply to Engineers shall also apply to Oilers, except the oiler shall take his lunch period before or after the Engineer and grease the machine during the Engineer's lunch time.

Section 5. Oilers may be utilized temporarily as operators on not more than a daily basis necessary in order to finish out the work day. In the event that this provision is abused or improperly applied, the Union shall have the right to terminate this provision as to the offending employer.

Section 6. DUTIES OF ASSISTANT OPERATOR - It shall be the duties of the Assistant Operator to relieve the operator and assist in the efficient operation, service, maintenance, repair and cleaning of said equipment and any other duties assigned by the operator.

Section 7. The parties agree that it is in their mutual and best interest that apprentices receive on-the-job work experience in order to develop the skills and knowledge necessary for mastery of the trade. Apprentices may be assigned to any equipment and perform any duties covered by this Agreement, consistent with the needs and requirements of the Local 520 Joint Apprenticeship and Training Program and according to the ability of the apprentice. No apprentice shall be employed on any project where the Employer does not also employ a journeyman operating engineer, except by agreement of the Union. There shall not be more than one (1) apprentice per four (4) journeyman operating engineers employed by the Employer on any project, except by agreement of the Union.

ARTICLE 28 - STEWARDS

A Steward shall be a qualified craftsworker, in the employment of the Employer, covered by this agreement, subject to hiring and lay off provisions of this Agreement. The Steward shall be appointed by the Business Agent and confirmed in writing to the Employer. The Steward shall not be terminated or laid off, without prior notice to the Union. The Steward must see that all Operating Engineers on the job are members of the Union in good standing, subject to the Union Security Clause. Each Employee must report to the Steward before going to work for the first time. The

Contractor will not discriminate against the Steward for the performance of his duties to the Local Union. It is agreed that the Steward will not have the power to strike any job.

ARTICLE 29 - PAYMENT OF WAGES

The Employer shall furnish each employee with a weekly paycheck and a check stub or letter setting forth the total number of hours worked and the amount of gross wages and also the amount and nature of each deduction made.

The Employer agrees that the Employees covered by this Agreement will receive their pay weekly on Friday by 4:30 p.m. Any undue delay shall be paid for by the Employer causing such delay at the overtime rate of pay. When jobs are called off on pay day, the Contractor shall have the pay checks on the job site at 12:00 noon.

A maximum of three (3) day's pay may be withheld except on agreement between the Employer and the Union. In case of overtime worked on the day of a lay-off, such overtime pay may be mailed to the employee.

When Employees are laid off or discharged, they shall be paid in full on the job site immediately, or waiting time shall be paid at the overtime rate after the regular quitting time. When Employees quit of their own accord, they shall wait until the regular pay day for the wages due them.

ARTICLE 30 - SHELTER - SANITATION - SAFETY

Employees must be furnished with suitable shelter to protect them from falling materials and the elements of the weather, including unreasonable dusty conditions.

There shall be suitable drinking water and sanitation facilities at all projects.

On all demolition and on clearing of timber and brush piles over and above the running board of the machine, there must be a safe canopy over the machine.

The Employer shall maintain adequate first aid kit on all jobs where Employees covered by this Agreement are employed and such kit shall be easily accessible and available at all times.

The Employer shall be required to furnish all rain suits, including rain hat, where employees are required to work in rain or where water drips on them. Such clothing shall be charged to the men until returned.

Safety equipment furnished by the Employer shall be returned at the termination of employment. The Employer may withhold final payment of wages upon failure of an employee to return such equipment. Compliance with all Federal and State safety laws and the Employer's safety policy shall be a condition of continued employment.

Cell phones and other personal communication and radio devices shall not be used by employees on duty. The use of cell phones, radios, etc., for work-related communication will be at the discretion of the employer. Personal communications may be made on breaks or lunch if necessary. In the event there is an impending issue for which an individual may need to be contacted, such as a family illness, the employee should inform the supervisor of that.

ARTICLE 31 - MISCELLANEOUS WAGE AND MANNING ADJUSTMENTS

Section 1. It is hereby agreed that the job classifications and the wages covering same are to be as per attached Schedule A to this agreement.

Section 2. Upon sixty (60) days notice by the Union prior to any wage increase becoming due and payable, the Union may increase or decrease the amount contributed by Employers to negotiated fringe benefit funds. The basic wage rate shall be adjusted by the amount of the increased or decreased contribution(s). The parties agree to amend this agreement to reflect said increase or decrease and the adjusted hourly rate.

At any other time during the term of this Agreement should the Union desire to increase or decrease the amount contributed by Employers to negotiated fringe benefit funds, the Union shall notify the employer in writing of such request and allow sufficient time to acquire a wage determination from the Department of Labor. The basic wage rate shall be adjusted by the amount of the increased or decreased contribution(s). The parties agree to amend this Agreement to reflect any increase or decrease and the adjusted hourly rate.

Section 3. All equipment operators shall receive the top rate of pay with the exception of an employee covered by this Agreement, who is employed to operate one compressor only, one pump only, one welding machine only, one generator only, one light plant only, one conveyor only, or one siphon or jet, as provided in the wage schedule. An Employee covered by this Agreement may operate any combination of the above with a maximum of six pieces of equipment at any one time, which shall be within a reasonable distance to maintain the equipment.

Section 4. Vibratory equipment may be included in the combination of equipment provided that all functions of the unit are controlled by the operator of the primary piece of equipment that is being used to handle the tool.

Section 5. The operation of a well point or dewatering system shall be considered a separate entity and include pumps of all sizes, regardless of the motive power not to exceed four (4) pumping units per operator and the combination of equipment shall not apply.

Section 6. An engineer shall not be required on one (1) welding machine 300 amps or less, or one (1) generator where it is used as a tool of the trade.

Section 7. An operator on an assigned machine may be required to tend to one (1) piece of self-contained equipment, one (1) compressor (up to and including 250 cubic feet), one (1) light plant, one (1) welding machine, water pumps four (4'') inches and under. The operator will be compensated an additional one dollar (\$1.00) per hour over and above, the regular wage scale for operating such self-contained equipment.

Section 8. No engineer shall be required on electrical pumps two (2) inches or less except where an engineer is on the job in which event he shall receive twenty-five cents (.25) premium per hour. If an oiler is on the job, he will be paid the pump rate for that day. An operating engineer will be required on all electric pumps whenever a fuel driven generator is to provide the mode of power for said pump or pumps.

Article 31 - MISC. WAGE AND MANNING ADJUSTMENT – Continued

Section 9. Special circumstances shall be handled by special agreement through the Business Manager regarding changes or combinations of equipment.

Section 10. An additional twelve percent (12%) premium, of the applicable base rate in Schedule A, will be paid to Engineers and Oilers operating under air pressure.

Section 11. Oilers on equipment utilizing a diesel hammer shall have their base rate, as shown in Schedule A, increased by twenty-five cents (.25) per hour.

Section 12. Hard Rock Mining shall receive twenty-five cents (.25) per hour premium pay above existing rates.

Section 13. Operating Engineers who are required to have 40-hour Haz-Mat training and work on Hazardous Waste or Asbestos Removal projects shall receive a one dollar and fifty cents (\$1.50) per hour wage premium for Level D work, a two dollar (\$2.00) per hour wage premium for Level C work, a two dollar and fifty cent (\$2.50) per hour wage premium for Level B work, and a three dollar (\$3.00) per hour wage premium for Level A work. It is agreed the Contractor and the Union will meet prior to the beginning of the project to agree on levels of protection according to the site safety plan.

Section 14. Oilers and assistant operators shall receive the journeyman engineer equipment operator rate of pay when engaged in the assembly, disassembly, or major modification (“bull gang work”) of the equipment to which they are assigned.

Section 15. Climbing time for tower crane operators, pedestal crane operators, etcetera will be on employer’s time.

ARTICLE 32 – RESIDENTIAL CONSTRUCTION

When signatory Employers are to engage in residential construction work, they may request adjustments in terms and conditions, including hours, starting time and operation of equipment. Whether a particular job or project is within the meaning of the phrase “residential construction” is within the discretion of the Union. The Business Manager may approve such adjustments, as he considers appropriate. The Employer agrees to abide by and be bound by the determination thereon made by the Union. The adjustments agreed to shall be reduced to writing and signed by both the Employer and the Union.

ARTICLE 33 - UNIT WORK PRESERVATION

The Operation, maintenance, repair, assembly and disassembly of all equipment, machinery, and material plants listed and referred to in this Agreement shall be performed solely and exclusively by employees covered by this Agreement and where Local 520 has entered into a written agreement with another Local Union signatory to an agreement with the Contractor providing for a specific allocation of certain assigned work, the Contractor shall recognize and comply with such agreement

ARTICLE 33 - UNIT WORK PRESERVATION - Continued

between such signatory Local Unions. If the Contractor does not assign according to such local agreements, assignments shall be made in accordance with the first sentence of this Article.

ARTICLE 34 - HEALTH - WELFARE - PENSION

The Employer agrees to contribute payment in the amount set forth in the attached "Schedule A" to the Employers and Operating Engineers Local 520 Health & Welfare Fund, for each hour paid or worked by Employees covered by this Agreement.

The Employer agrees to contribute payment in the amount set forth in the attached "Schedule A" to the Employers and Operating Engineers, Local 520 Pension Fund, for each hour paid or worked by Employees covered by this Agreement.

The Health & Welfare and Pension contributions shall be paid at the same rate as overtime, i.e. time and one half or double time.

ARTICLE 35 - JOINT APPRENTICE AND TRAINING FUND

The Employer agrees to contribute payment in the amount set forth in the attached "Schedule A" to the Joint Apprenticeship and Training Fund, for each hour paid or worked by Employees covered by this Agreement. The contributions shall be paid at the same rate as overtime, i.e. time and one-half or double time.

ARTICLE 36 - VACATION FUND

The Employer agrees to deduct the amount set forth in the attached "Schedule A" and shall make such deductions payable to the Employers and Operating Engineers, Local 520 Vacation Fund, for each hour paid or worked by Employees covered by this agreement. Such deductions shall be made at the same ratio as overtime - i.e. time and one half or double time.

ARTICLE 37 - ANNUITY FUND

The Employer agrees to contribute payment in the amount set forth in the attached "Schedule A" to the Operating Engineers Local 520 Annuity Fund, for each hour paid or worked by employees

covered by this agreement. Such contributions shall be made at the same ratio as overtime. i.e. time and one half or double time.

Failure of the Employer to make timely reports and monthly monetary remittances to this or to any other of the contractually-specified funds shall constitute a breach of this Agreement in consequence of which the Union may impose strike sanctions and take appropriate economic and legal recourse, other provisions of this Agreement notwithstanding. In the event suit is instituted against the Employer for violation of this provision, the Employer shall be liable for all auditing fees, costs of suit and attorney's fees incurred in the prosecution of the suit.

ARTICLE 38 - OPERATOR'S VOLUNTARY FUND (O.V.F.)

The Employer, upon receipt of a signed written authorization by an employee, shall deduct five cents (.05) per hour from the hourly wage of the employee for each hour paid, and the Employer shall remit monthly to the "Operating Engineers Local 520 Voluntary, Educational, Political, Charitable, and Defense Fund" the total amounts deducted together with a report stating the name of each employee for whom remittance is made. The purposes of the Fund are to advance the interests of the operating engineer trade through charitable, educational, defense and political activities.

The deduction to the Operator's Voluntary Fund (O.V.F.) shall be paid at the same rate as overtime, i.e. time and one-half or double time.

ARTICLE 39 - SOUTHERN ILLINOIS CONSTRUCTION ADVANCEMENT FUND (SICAP)

In addition to the per hour wage rate, the Employer shall contribute payment in the amount set forth in the attached "Schedule A" ten cents (.10) per hour worked by each employee covered by this Agreement to the Southern Illinois Construction Advancement Fund. The contribution shall be paid at the same rate as overtime, i.e. time and one-half or double time. The Employers signatory hereto agree to accept the terms of the Trust Agreement establishing the Southern Illinois Construction Advancement Fund, its Rules and Regulations and the Trustees now serving. Primary purposes of the Fund, as set forth in the Trust Agreement, shall include the promotion of safety and accident prevention in the industry, public relationships and market development and other educational and informational betterment of such employees and the common good of the construction industry.

ARTICLE 40 - JOINT CONFERENCE

The Employers and the Union agree that they shall hold monthly meetings between representatives of the Employers and the Union. These meetings shall be held for the purpose of furthering harmonious industrial relations.

ARTICLE 41 - INSURANCE

The Employer shall provide Illinois Workmen's Compensation Insurance and shall provide a certificate of such coverage when requested. Said Employer shall also further elect to come under the Illinois State Unemployment Insurance Act and pay Unemployment Compensation on all

employees, regardless of the number employed. Failure of the Employer to comply shall constitute a breach of this Agreement in consequence of which the Union may impose strike sanctions and take appropriate economic and legal recourse, other provisions of this Agreement notwithstanding.

ARTICLE 42 - TRANSPORTATION

Section 1. When an Employee covered by this Agreement is required to move equipment, the Employer shall provide transportation back to his car on Company time.

Section 2. Ownership of a truck shall not be a condition of employment or continued employment.

ARTICLE 43 - JOB SITE INJURIES

The selection of the Doctor for anyone working under this Agreement who is injured on the job, shall be done by the injured individual after the first day, if desired, and notices of this privilege shall be sent to the hospital in the area of the job site by the Contractor and the Union. The Employer shall pay all medical, surgical and hospital expenses.

The Employer may post on the job site, names of doctors practicing at the job site area hospital, and notify the hospital of list of doctors, and allow injured men to select their own doctor.

The Union shall have the right to have the doctor examine the injured man at all times.

ARTICLE 44 - COMMON CONDITIONS

There shall be no other requirements, rules, arrangements or agreements, verbal or in writing other than the terms of the contract in effect.

ARTICLE 45 - BOND REQUIREMENTS AND FRINGE BENEFITS

The Employer agrees to become party to the Employers and Operating Engineers Local 520 Pension, Health & Welfare, Vacation, Joint Apprenticeship and Training and Annuity Funds and Operator's Voluntary Fund and Southern Illinois Construction Advancement Fund and accepts the Trust Indentures and Plans of each of the said Funds and accepts the designation of Trustees thereto and their successors with the same force and effect as though the Declaration of Trust and the Plans of the said Funds were set forth in full herein and as though the Employer had executed the said Declaration of Trust.

The Union shall not furnish employees to any Employer unless such Employer has previously delivered to the Administrator of the Funds security for the timely and full payment of all fringe benefit funds and dues and assessment contributions provided for under this Agreement. This security, in the discretion of the Employer, shall be in form and amount as described hereinabove: (1) Surety Bond; (2) Irrevocable Letter of Credit; (3) Cash Deposit.

When an Employer obtains a Surety Bond, the original copy of the bond shall be filed with the Union, with copies of said bond to be filed with the various trust funds to which the bond is applicable. Such bond shall provide that it shall not be cancelled without giving thirty (30) days prior written notice to the Union. The Union shall apply the above requirements, as to Surety Bond, Irrevocable Letter of Credit, or Cash Deposit on a uniform basis.

ARTICLE 45 - BOND REQUIREMENTS AND FRINGE BENEFITS – Continued

The Employer agrees to file fringe benefit reports with the contributions due and owing as reflected by said reports on or before the tenth (10th) day of the month immediately following the month for which the report is due. Failure to file such reports and make payments of contributions due and owing, or the willful filing of a false report shall cause the Employer to be delinquent and be subject to a monthly late charge of ten percent (10%) of the amount of contributions due, as well as interest at a rate to be established by the Trustees from date of delinquency, together with attorney fees and court costs and all other costs of collection, including but not limited to audit, accounting, clerical and travel expenses as may be incurred to collect such fringe benefit contributions.

The Union may require delinquent and new Employers to remit contributions on the date they pay the employees, including the termination of the employees in the bargaining unit.

In the event of failure, default or refusal of the Employer to meet the obligations set forth herein for the payments set forth above, the party to whom any such payments are due may, after written notice to the Employer, take all legal action, including claim against such surety or deposit, to enforce such payment. Such failure of payment or to maintain the surety bond or cash deposit where required shall be considered a gross breach of this Agreement. The Union shall have the right to use economic sanctions, including strike, other provisions of this Agreement notwithstanding. Written notice by the Trustees to the Union of the delinquent status of an Employer shall be conclusive determination of breach for imposition of strike sanctions by the Union.

Surety Bond Requirements

1-2 employees	\$25,000 bond or \$10,000 cash
3-5 employees	\$25,000 bond
6-10 employees	\$50,000 bond
11-20 employees	\$75,000 bond
20+ employees	\$100,000 bond

The number of employees shall be based on the average number of employees employed during the summer months.

Employers who have current bonds in place, who maintain these bonds and make prompt benefit payments, may keep their current bonds. Failure to keep current bond in place or late benefit payments will result in requirement of new bond under new rates.

The union shall not furnish employees to an employer who is required to furnish such bond but has failed to do so.

ARTICLE 46 - INDEMNIFICATION

Employees shall be indemnified by their employers against any claims or suits made against them for bodily injury, death or property damage while said employees are working within the scope of their employment. The responsibility for indemnification shall be on the individual Employer only.

ARTICLE 47 – GRIEVANCES AND ARBITRATION

During the term of this Agreement, there shall be no stoppage or slowdown of work on the part of the Union, and no lockout on the part of the Contractor for any difference or dispute arising out of the interpretation or application of any of the provisions contained in this Agreement. All grievances will be submitted to the Steward and Job Superintendent for settlement. If these two persons cannot settle the dispute within twenty-four (24) hours, the matter shall be presented in writing within five (5) further work days to the Employer or the Union by the party pressing the grievances. If the matter or questions cannot be settled by a representative of the Employer and the Business Agent within forty- eight (48) hours, excluding weekends and contractual holidays, either party may, within ten work days thereafter, request a panel of seven (7) arbitrators (with addresses in Illinois and/or Eastern Missouri) , from the Federal Mediation and Conciliation Service for selection of an impartial arbitrator, who shall hear the original written grievance and make a decision which shall be final and binding on all parties. Each party shall have the right to reject one panel if it is unsatisfactory to it and to request another. The parties shall each pay the expense of their own representative. The expense of the impartial arbitrator shall be borne equally by both parties.

In rendering his decision, the arbitrator shall not have the authority to add to or subtract from or modify or amend any provision of this Agreement. The parties agree that no grievance shall be considered which has not been presented in writing within fifteen (15) days of its occurrence. The time limits set forth herein may be extended by mutual agreement of the parties.

ARTICLE 48 - EMPLOYMENT SECURITY

When signatory Employers are bidding against Employers who do not observe the same terms and conditions contained herein, the signatory Employer may request any adjustments deemed necessary to provide employment for unit included employees.

The Business Manager may approve such adjustments he considers appropriate; however, he shall not have authority to approve any wage or fringe benefit adjustments except in cases where all trades involved have agreed to the same adjustments, such as in a Project Agreement.

ARTICLE 49 - MAJORITY REPRESENTATIVE

Following the Union's demand for recognition as the Section 9(a) majority collective bargaining representative, the Employer recognizes the Union as Section 9(a) majority collective bargaining representative for all employees performing unit work based upon a showing by the Union or an offer by the Union to show evidence that a majority of the Employer's unit employees authorize the Union to represent them in collective bargaining.

ARTICLE 50 - BEGINNING AND DURATION OF AGREEMENT

This Agreement shall be in full force and effect as of and from August 1, 2012 to and including July 31, 2015, and shall automatically renew itself from year to year thereafter, unless either party shall notify the other in writing, sixty (60) days prior to July 31, 2015 or prior to July 31 in any contract term after the expiration of the initial term of this Agreement, of a desire to terminate this Agreement.

ARTICLE 51 - SEPARABILITY CLAUSE

Any provisions contained herein that are contrary to or held to be in violation of any Federal, State or Municipal law now in force, or hereafter enacted, shall be void and of no force and effect and the other provisions of this Agreement shall remain in full force and effect. Any Article in this Agreement that is void by law shall become immediately negotiable.

Schedule A

HEAVY AND HIGHWAY

The Wage and Fringe Benefits for Operating Engineers shall be as follows: Fringe benefits contributions shall be paid at the same rate as overtime, i.e. time and one half or double time.

08/01/2012-07/31/2013

GROUP	BASE WAGE	HEALTH& WELFARE	PENSION	TRNG. FUND	ANNUITY FUND	SICAP	TOTALWAGE &FRINGE BENE.PKG.	DUES CHECK OFF	VAC DED.	OVF	
I	32.70	9.00	10.00	1.00	7.00	0.10	59.80		1.00	0.05	
II	31.57	9.00	10.00	1.00	7.00	0.10	58.67	3% of Gross Wages, not including benefits.	1.00	0.05	
III	27.09	9.00	10.00	1.00	7.00	0.10	54.19		1.00	0.05	
IV	27.15	9.00	10.00	1.00	7.00	0.10	54.25		1.00	0.05	
V	26.82	9.00	10.00	1.00	7.00	0.10	53.92		1.00	0.05	
VI	CCO/ Under 17.5 Ton										
	34.25	9.00	10.00	1.00	7.00	0.10	61.35		1.00	0.05	
VI	CCO/ 17.5 Ton and over										
	35.25	9.00	10.00	1.00	7.00	0.10	62.35		1.00	0.05	
VII	CCO/ Under 17.5 Ton										
	34.55	9.00	10.00	1.00	7.00	0.10	61.65		1.00	0.05	
VII	CCO/ 17.5 Ton and over										
	35.55	9.00	10.00	1.00	7.00	0.10	62.65		1.00	0.05	
VIII	CCO/ Under 17.5 Ton										
	34.83	9.00	10.00	1.00	7.00	0.10	61.93	1.00	0.05		
VIII	CCO/ 17.5 Ton and over										
	35.83	9.00	10.00	1.00	7.00	0.10	62.93	1.00	0.05		
IX	33.70	9.00	10.00	1.00	7.00	0.10	60.80		1.00	0.05	
X	34.70	9.00	10.00	1.00	7.00	0.10	61.80		1.00	0.05	
XI	34.70	9.00	10.00	1.00	7.00	0.10	61.80		1.00	0.05	
XII	35.70	9.00	10.00	1.00	7.00	0.10	62.80		1.00	0.05	
XIII	08/01/12	60,000 - 110,000 pounds, ½ hour overtime rate for that day.									
	08/01/13	70,000 - 120,000 pounds, ½ hour overtime rate for that day.									
	08/01/14	85,000 - 130,000 pounds, ½ hour overtime rate for that day.									

08/01/2013 - 07/31/2014

The wage & fringe benefits will increase by \$1.70 (to be allocated at a later date)

08/01/2014 - 07/31/2015

The wage & fringe benefits will increase by \$1.65 (to be allocated at a later date)

CLASSIFICATION OF EQUIPMENT

GROUP I

Cranes, Draglines, Shovels, Skimmer Scoops, Clamshells or Derrick Boats, Pile Drivers, Crane-Type Backhoes, Asphalt Plant Operators, Concrete Plant Operators, Dredges, Asphalt Spreading Machines, All Locomotives, Cable Ways or Tower Machines, Hoists, Hydraulic Backhoes, Ditching Machines, or Backfiller, Cherrypickers, overhead Cranes, Roller, Steam or Gas, Concrete Pavers, Excavator Concrete Breakers, Concrete Pumps, Bulk Cement Plants, Cement Pumps, DerrickType Drills, Boat Operators, Motor Graders or Pushcats, Scoops or Tournapulls, Bulldozers, Endloaders or Fork Lifts, Power Blade or Elevating Graders, Winch Cats, Boom or Winch Trucks or Boom Tractors, Pipe Wrapping or Painting Machines, Asphalt Plant Engineer, Journeyman Lubricating Engineer, Drills (other than derrick type), Mud Jacks, or Well Drilling Machines, Boring Machines or Track Jacks, Mixers, Conveyors (two), Air Compressors (two) Water Pumps, regardless of size (two), Welding Machines (two), Siphons or Jets (two), Winch Head or Apparatuses (two), Light Plants (two), Waterblasters (two), all Tractors, regardless of size (straight tractor only), Fireman on Stationary Boilers, Automatic Elevators, Form Grading Machines, Finishing Machines, Power Sub-Grader or Ribbon Machines, Longitudinal Floats, Distributor Operators on Trucks, Winch Heads or Apparatuses (one), Mobil Track air and heaters (two to five), Heavy Equipment Greaser, Relief Operator, Assistant Master Mechanic and Heavy Duty Mechanic, concrete saws of all types and sizes with their attachments, gobhoppers, excavators all sizes, the repair, greasing, and fueling of all diesel hammers, the operation, set-up and cleaning of bidwells, concrete placement booms, the alterations, repair of all barges, water blasters of all sizes and their clutches, mobile lifts, hydraulic jacks where used for hoisting, diesel or gas powered flashing sings used for traffic control, micro pavers, log skidders, iceolators used on and off of pipeline, condor cranes, drill rigs of all sizes, bow boats, survey boats, ross carriers, bob-cats and all their attachments, skid steer loaders and all their attachments, creter crane, direct drive electric motors the bolting and unbolting the adjusting and shimming, (dewatering jobs, whirley crane, conveyor belts) etc., batch plants (all sizes), roto mills, conveyors systems of any size and any configuration, hydra seeders and strawblowers all sizes, operation, repair, service of all vibratory hammers, all power pacs and their controls regardless of location, curtains or brush burning machines, stump cutter machines, grout machines regardless of size, Nail launchers when mounted on a machine or self propelled, con-cover machines, Goldhoffer and similar S.P.M.T. (self-propelled modular transporters) heavy transport units and all Operators (except those listed below).

GROUP II

Assistant Operators

GROUP III

Air Compressors (one), Water Pumps, regardless of size (one), Water-blasters (one), Welding Machine (one), Mixers (one bag), Conveyor (one), Siphon or Jet (one), Light Plant (one), Heater (one), Immobile Track Air (one), and Self-Propelled Walk Behind Rollers.

CLASSIFICATION OF EQUIPMENT – Continued

GROUP IV

Asphalt Spreader oilers, Fireman on Whirlies and Heavy Equipment Oilers, Truck Cranes, Dredges, Monigans, Large Cranes - (Over 65-ton rated capacity) Concrete Plant Oiler, Blacktop Plant oiler and Creter Crane Oiler (when required), oilers on drill rigs-used for caisson or for pile driving.

GROUP V

Oiler

GROUP VI

Operators on equipment with Booms, including jibs, 100 feet and over, and less than 150 feet long.

GROUP VII

Operators on equipment with Booms, including jibs, 150 feet and over, and less than 200 feet long.

GROUP VIII

Operators on Equipment with Booms, including jibs, 200 feet and over; Tower Cranes; Whirlie Cranes.

GROUP IX

Certified crane Operators, Below 17.5 tons, when requested by the Contractor or required by the Owner.

GROUP X

Certified crane Operators 17.5 tons and above, when requested by the Contractor or required by the Owner.

GROUP XI

Master Mechanic, Working Foreman/Mechanic.

CLASSIFICATION OF EQUIPMENT - Continued

GROUP XII

Operator Foreman, licensed boat pilot.

GROUP XIII

Track type hydraulic hoes & crawler gradealls prep time.

