

K#9337

LABOR AGREEMENT

BETWEEN

CEMEX Construction Materials South, LLC

Central and Flagstaff Districts

AND

International Union of Operating Engineers

Local No. 428

TERM:

October 1, 2014 through September 30, 2017

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LABOR AGREEMENT

THIS AGREEMENT, made and entered into on this, the 1st day of October, 2014 by and between CEMEX Construction Materials South, LLC operating at those locations identified in Appendix "A" hereinafter referred to as the "COMPANY OR EMPLOYER"; and OPERATING ENGINEERS LOCAL NO. 428 of the INTERNATIONAL UNION OF THE OPERATING ENGINEERS, AFL-CIO, hereinafter referred to as the "UNION".

ARTICLE 1 - INTENT AND PURPOSE

The purpose of this Agreement is to establish an agreement between the signatory parties hereto covering rates of pay, hours of work and conditions of employment to be observed between the parties hereto in the State of Arizona.

ARTICLE 2 - SAVINGS CLAUSE - CHANGE IN LAWS

- A. Should any part hereof or any provision herein contained be rendered or declared invalid by reason of any existing legislation or by any decree of a court of competent jurisdiction, such invalidation of such part or portion of this Agreement, shall not invalidate the remaining portions hereof, and they shall remain in full force and effect.
- B. The parties further agree that this Agreement may be reopened by either party upon thirty- (30) day's written notice only for negotiations and agreement regarding the provisions invalidated.
- C. In the event that agreement regarding the provisions invalidated cannot be reached, the contract will continue in force without change until the expiration of the Agreement.
- D. Any subsequent changes or amendments to this Agreement shall be in writing and signed by the parties hereto.

ARTICLE 3 - UNION RECOGNITION

The Employer agrees to recognize craft jurisdiction of the Union at the Company locations as identified in Appendix "A" in the above Preamble. The Employer hereby recognizes the Union as the sole and exclusive Collective Bargaining Representative of all employees of the Employer over whom the Union has jurisdiction, as such jurisdiction is defined by the Building and Construction Trades Department of the AFL-CIO as of the date of this Agreement, excluding executives, Superintendents, Assistant Superintendents, Civil Engineers and their Helpers, Master Mechanics, all supervisory employees such as General Foremen, Timekeepers, Messengers and Office Workers.

Use of the pronouns "he", "his" and "him" herein shall be deemed to include "she" and

"her".

ARTICLE 4 - EMPLOYMENT OF WORKERS

- A. In order to provide the Employer with a means of securing an efficient and competent working force, and in order to minimize the evils of casual employment by securing a fair distribution of work among the workers represented by the Union, the Employer and Union agree as follows:
1. The Employer shall requisition all workers who are to be employed in the bargaining Unit of the Union from the Local Hall of the Union nearest the plant in which the worker or workers are to be employed.
 2. The Employer shall give the Union forty-eight (48) hours of notice (excluding Sundays and Holidays) of its need for workers, and within such forty-eight (48) hour period shall not hire persons not referred by the Union. The Union shall dispatch such workers as soon as possible. If, however, the Union fails to do so, the Employer shall have the right to hire persons not referred by the Union. However, in such event, the Employer will notify the Union immediately when such workers are hired, and shall make arrangements for proper referral.
 3. In notifying the Union of its need for workers, the Employer shall specify to the Union the number of workers required, the location of the plant, the specific classification of work to be performed, and other such information as may be necessary to enable the Union to make proper referral of applicants.
 4. It is understood and agreed that all dispatching of workers and the operation of any Hiring Halls by the Union shall be subject to and shall be governed by the following conditions:
 - a) Selection of applicants for referral to jobs shall be on a non-discriminatory basis and shall not be based on, or in any way affected by, Union membership, by-laws, rules regulations, constitutional provisions, or any other aspect of obligation of Union membership, policies or requirements, or race, religion, sex, color, age, national origin, disability or veteran's status.
 - b) The Employer retains the right to reject any job applicant referred by the Union.
 - c) The parties to this agreement shall post in places where notices to employees and applicants for employment are customarily posted, all provisions related to the functioning of the hiring arrangement.
 - d) The employment of applicants who have been referred to a plant of the Employer shall be on a non-discriminatory basis, and shall not be in any way affected by Union membership, by-laws, rules regulations, constitutional provisions, or any other aspect of obligation of Union membership, policies or

requirements, or race, religion, sex, color, age, national origin, disability or veterans status.

B. The following procedures shall be forthwith placed into effect at all Union Dispatching offices, pursuant to the provisions of this Agreement.

1. The Employer has agreed that he will first call the Union Dispatching Office for all workers. If Union Agents are asked to supply workers, they shall promptly relay such request to the appropriate Union Dispatch Office for servicing the request.
2. A written referral will be given to each worker dispatched to a plant. This is not a Union "clearance", but rather, written evidence in the workers possession that he has been dispatched in accordance with this Agreement.
3. Each Union Dispatching Office shall maintain appropriate registration lists or cards, kept current from day to day, and referrals will be made in the following order of preference:

Group A - (Workers who are properly qualified as follows):

- 1) Whose names are properly and currently registered with the Union Dispatching Office (currently shall mean registration or renewal thereof at least once every thirty (30) days.
- 2) Who have completed at least one thousand (1,000) hours of work, within the State of Arizona, for an Employer signatory to a Local 428 agreement, in classifications of work specified in Article 18 of this Agreement, within the two (2) year period preceding the date of the applicant's registration.
- 3) Who have resided in the State of Arizona for at least a one- (1) year period within the two- (2) year period next proceeding the date of the applicants registration.
- 4) The Employer may requisition workmen specifically by name from "Group A" provided said worker is qualified as set out above, and available for such employment. It is mutually agreed, however, that the Employer requisitioning such workers specifically by name from "Group A" does so only because of his knowledge of said individual worker's skill, qualifications, and ability to perform the work involved, by reasons of:
 - a) Said employee having worked for the employer before or
 - b) The employer having been advised of the worker's skill, qualifications, and ability by another Employer for whom he has worked, or by the Superintendent, master mechanic, or foreman currently employed by said Employer, under whose supervision said employee has performed the work involved.

Group B - (When "Group A" list is exhausted, workers who are qualified as follows:)

- 1) Whose names are properly and currently registered (currently shall mean registration or renewal thereof at least once every thirty (30) days.
- 2) Group B shall be reserved exclusively for those workers with four (4) years' experience in the related industry covered by this Agreement with two (2) months residence in Arizona and who desire to register on the out-of-work list.
- 3) Anyone registered on the B list may be called by name if they have been employed by the same Employer within the past two (2) years, and shall be counted the same as a C list request.
- 4) Workers will remain as B list status until A list status requirements are met.

Group C - When Group B is exhausted, all other workers who are properly qualified (as hereinafter provided) whose names are properly registered and who are available for employment.

- 1) The Union reserves the right to refer men from the C list, if not called by name, on the basis of most experienced for the position to be filled.
4. When the Employer has one (1) worker currently employed who has been dispatched from Group A (or B or C if not called by name), he may then requisition by name one (1) additional worker from group B or C. Said Employer may thereafter requisition by name from Group B or C, one (1) additional worker for each additional three (3) workers (or fractional part thereof) who are currently employed by him, and who have been dispatched from Group A (or B or C if not called by name).
5. Within seventy-two (72) hours after requesting a worker from Group B or C by name, the Employer shall be caused to be delivered to the appropriate Union office a letter (or some form letter agreed to between the parties) signed by the authorized Company representative setting forth the specific reasons for such a request as specified above.
6. Notwithstanding the above stated order of preference in referrals, and notwithstanding any other provisions in this agreement, a Dispatching Office may give first priority preference to any classes protected by the Civil Rights Act who are properly registered where reasonably necessary to comply with affirmative action plans which are conditions of federally or state assisted construction or which are established from time to time by the Union and the Employer in concert with each other as part of a community action or industry plan.
7. All Officers and Business Representatives of the Union, who have had experience

in any one or more of the occupational classifications of work in Article 18 of this Agreement, and all Foremen and Superintendents employed by the Employer in the plants covered by this Agreement who have previously had work experience in the state of Arizona in one or more of the occupational classifications contained in Article 18 of this Agreement shall be deemed to be employed at the Trade and it is the intent of this section to provide that upon return to the employment of an individual Employer as an employee at the trade, he does so with the same preference as if he had continually worked for the individual Employers.

8. The period of years in Group A and Group B above will be extended for any period of incapacity due to sickness or injury, or for military service, and to workers employed by the Employer on work outside the State of Arizona, provided workers so affected become properly registered with the Union Dispatching Office within thirty (30) days after recovery from such said disability, discharge or return to Arizona from such work outside the State.
9. It is further agreed that the Employer or his agent shall not contact individual workers, nor shall the individual workers contact the Employer or his agent, for the purpose of discussing potential employment under terms less favorable than those set forth in this Agreement. In the event the Employer or his agent or any individual worker violates this section of the Agreement, then he or she shall be subject to discipline as determined by the following procedure:

- a) The Union and the Employer agree that the Union and the Employer shall mutually select an Impartial Referee in Phoenix within ten (10) days from the date this Agreement is executed who shall hear charges of violation of this Article 4 of this Agreement within ten (10) days of the date of any grievance is filed in writing with him, unless the parties to the dispute mutually agree to extend the time limit. The Impartial Referee shall be empowered to impose penalties in addition to the minimum penalties hereinafter provided (except in section E-3 of this Article) and the decision of the Impartial Referee shall be final and binding. In the event the parties are unable to mutually agree upon an Impartial Referee within ten (10) days, the Impartial Referee shall be chosen in the following manner:

- b) The Commissioner of Conciliation of the Federal Mediation and Conciliation Service of the United States, who is assigned to the State of Arizona, shall immediately be requested by the Employer to submit the names of five (5) local persons qualified to act as Impartial Referees. When said list has been presented, the representatives of the Union and the representatives of the Employer shall each have the choice of rejecting the names of two (2) of these five (5) persons, the remaining (or fifth) one shall be selected as the Impartial Referee within twenty four (24) hours after submission of said list. Said Impartial Referee shall serve upon call in their respective Districts unless disqualified as set forth herein.

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

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

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

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

- C. There shall be right of inspection of the Dispatching Operations by authorized representatives of the Employer, such right to be subject to reasonable restrictions such as written notice to authorities in charge, reasonable hours, and no harassment.
- D. No worker shall be refused registration or dispatchment because of his Union or non-Union status, if he is otherwise entitled to dispatchment.
- E. It is the responsibility of the Dispatcher to determine, in the first place, the proper group in which to place the registrant. This normally will be based upon information or papers which the worker supplies. If any doubt exists as to the registrant's proper placement, the Dispatcher may call prior Employers, or make other prompt investigations to get to the facts needed. Similarly, the Dispatcher should make an appropriate notation, where necessary, of the qualifications of the applicant, or his

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

1. The registrant shall file with the Dispatching Office a written request for review of the disputed matter, within ten (10) working days after the dispute arises. He shall also, at the time, deposit with the Dispatching Office a cash bond in the sum of ten dollars (\$10.00) which sum shall be used solely toward paying his share in the Referee's fees.
 2. The Dispatching Office will immediately refer the request to the Impartial Referee who shall review the dispute within ten (10) days after the written request has been filed. Time and place of an informal hearing will be fixed by the Referee and notice thereof will be given to the registrant by the Union, as soon as practicable.
 3. The Referee will examine all material evidence submitted by the registrant and the Union, and will conclusively decide which group the registrant should be placed in and as to what qualifications the registrant has. The Union will then registers and classify the registrant accordingly. Nothing contained herein, however, may be interpreted to permit or grant power to the Referee to alter, amend, modify or otherwise change any term or condition of the Collective Bargaining Agreement or these Dispatching Procedures.
 4. The Referee's fees will be borne equally by the Union and the registrant, except that the registrant shall in no circumstance be required to pay a sum in excess of ten dollars (\$10.00). The registrant's share shall be taken out of the ten-dollar (\$10.00) bond on file with the Dispatching Office and any excess shall be returned to the registrant as soon as possible.
- F. Dispatchers shall hand each registrants in Groups A, B, and C a copy of "Dispatching Rules" and registrants should sign and return such form to indicate their awareness of the rules. Receipted rules should be kept for a period of six (6) months, filed by dates.
- G. If registrants inquire, they should be informed if workers are registered who are higher in preference than they.
- H. "Available for Work" means that the registrant must be present at the time and place uniformly required for dispatchment and be ready, able and willing to go to the job site and perform the work for which he is being dispatched. The practice of the Dispatching Office shall be uniform as to all registrants, with respect to physical presence in the office at a given hour, or telephone in, being available at a telephone, etc. and registrants shall be informed of the practice.
- I. Appropriate notations shall be made opposite the registrant's name when his name is reached for dispatchment, showing the job and classification to which he is

being dispatched, his lack of availability, or other reason that he has been passed over. If any inquiry is made by the registrant, he shall be given exactly the same information as to reasons, etc., as appears on the notation. In such cases, or any other cases which may lead to a dispute, the Dispatcher should immediately make notes on the facts upon which he, or she, bases his or her decision to dispatch or not to dispatch the person.

- J. Disputes of grievances concerning the hiring in the first instance of any worker, or workers, shall be settled by the Union Business Representative and the highest available top management of the Employer within twenty four (24) hours after said grievance arises, Saturdays, Sundays and other non-working days excepted. During said twenty-four-- (24) hour period, no work stoppage shall occur.
- K. In the event that any claim for back pay or any other liabilities is made against the Employer and/or the Employer is faced with back pay or any other liabilities arising from the implementation, administration, or interpretation, whether by action or inaction, of this Article, the Union agrees to hold the Employer harmless for any such liabilities and to pay all costs, including reasonable attorney's fees, that may be incurred by the Employer as a result of any such claim or claims.

ARTICLE 5 - EMPLOYMENT TERMINATION

- A. Employment shall be lost in the event of any of the following:
 - 1. The employee quits or retires;
 - 2. The employee is discharged for just cause and such discharge is not reversed through the grievance procedure;
 - 3. The employee fails to report his or her absence from work, two (2) days no call/no show;
 - 4. If the employee is off work on a leave of absence or sickness or injury for more than three (3) days and fails to furnish the Company with a doctor's note when requested;
 - 5. Fails to report to work after being recalled from layoff within seventy-two (72) hours;
 - 6. Absence for on-the-job injury for a period longer than twelve (12) consecutive weeks;
 - 7. Absence for non-occupational illness or injury (certified by a physician) for greater than twelve (12) weeks.
- B. There shall be no discrimination on the part of the Employer against any employee

nor shall any employee be discharged by reason of any Union activity not interfering with the proper performance of his work. The Employer shall not discharge any employee because of race, religion, sex, color, age, national origin, disability or veteran's status, nor because the employee has demanded the wages overtime or other benefits to which this contract entitles him. With these exceptions, the Employer may discharge an employee only for just cause but will not be required to carry the burden of just cause in any arbitration over such discharge.

- C. The Employer shall furnish and complete termination slips for all employees when terminated showing reason therefore, giving one to the employee, returning one to the Dispatching Hall at the time of termination and retaining one for the Company records. In those instances where a termination notice is marked "Not For Rehire", that employee shall not be referred by the Dispatching Hall to the Employer within one (1) year of the date of such termination (unless called for by name).
- D. The Employer shall have (30) calendar days from the date of an incident or when the Company becomes aware of an incident not to exceed forty-five (45) days to issue a warning or disciplinary notice for incidents other than those involving accidents or property damage. For incidents involving accidents or property damage, the employer shall conduct a proper and thorough investigation. When a proper and thorough investigation cannot be completed within thirty (30) calendar days, the Company will so notify the Union. If necessary, a warning or disciplinary notices will be issued at the conclusion of the investigation. Upon receipt the employee shall sign and date the notice and be given a copy with the original being placed in his personnel file.
- E. Awareness reports for Absence and Tardiness will be issued within thirty (30) calendar days of the incident.

ARTICLE 6 - MANAGEMENT RIGHTS

The Union recognizes and agrees that except as specifically limited by the express provisions of this Agreement, the Employer maintains sole and exclusive right to manage its business in its best interest. Such rights to manage shall include but not be limited to:

- The right to hire, discharge, promote, demote, transfer within a thirty (30) mile radius from the individual's home plant, assign and direct employees;
- To establish, revise, continue or discontinue Company policies, procedures or practices;
- The right to establish reasonable production standards and to modify, change, discontinue same;
- The right to increase the workforce;
- The right to decrease the workforce through means of plant closures or layoff.

The Employer should it fail to exercise any of its rights or exercises them in a particular way, shall not be deemed to have waived such rights or be precluded from exercising such rights in some other way.

ARTICLE 7 - HOLIDAYS

- A. The following are recognized as paid holidays: New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the day after Thanksgiving Day, Christmas Day and two floating holidays. These holidays will be earned on January 1 of each year and must be used prior to the end of the calendar year and are not convertible to cash. The floating holidays will be paid at the employee's current rate of pay. The day before Christmas is an unpaid holiday. If work is necessary, volunteers will be used first, and then work assigned following current standard practices. Work will be paid at straight time for those who work the day before Christmas.
- B. When one of the above days falls on Sunday, the following Monday shall be observed as the holiday. Appropriate holidays will be celebrated in accordance with the Federal Monday Holiday Act. When the holiday falls on a Saturday, the holiday will be observed on the Friday immediately preceding the holiday.
- C. Employees who have been continuously employed a minimum of thirty (30) days immediately prior to the above named holidays, and who have worked their regularly scheduled work day both preceding and following the above named holidays, unless excused by the Employer, or unless prevented from working because of illness or accident, properly and sufficiently vouched for, shall be paid eight (8) hours' pay at their regular straight-time rate for each of the named holidays and no work shall be performed for such holiday pay.
- D. It is further agreed that in addition to all other provisions of this Article, an

employee shall be eligible for holiday pay only if he reports for work as scheduled on his first scheduled work day after such holiday (subject to the exceptions hereinabove set forth), and his first scheduled work day falls within thirty (30) calendar days after such holiday.

- E. In addition to holiday pay as provided above, employees who are required to work on a holiday shall receive time and one-half (1 1/2) pay for all hours worked. No work shall be required on Labor Day or Christmas Day except in case of extreme emergency where life or property is endangered.
- F. Any employee who has agreed to work on a holiday, but who fails to report for work, unless for reasonable cause acceptable to the Employer, shall not receive pay for the holiday as provided above.
- G. An employee shall not be denied holiday pay for any recognized holiday falling within his scheduled vacation period, provided that employee is otherwise qualified for such holiday pay.
- H. For overtime calculations, hours paid, as holiday pay will be considered as hours worked for the week.

ARTICLE 8 - VACATIONS.

- A. During an employee's first year of employment, if he is laid off or terminated after completion of ninety (90) days continuous service, he shall be paid a pro-rata vacation based on the number of hours worked in the calendar year divided by 1200 hours times his applicable vacation from his date of hire to the date of layoff or termination.
- B. After one-year continuous service in the employ of the Employer at a plant covered by this Agreement, each employee on January 1 who has worked 1200 hours in the previous calendar year shall be entitled to one-week annual vacation. Vacation pay shall be calculated as forty- (40) hours pay at the classification rate at which he/she worked for the majority of hours in the week prior to the vacation.
- C. After an employee has completed one year continuous service but who is then laid off or terminated, he shall be paid a pro-rata vacation based on the number of hours worked in the calendar year divided by 1200 hours times his applicable vacation per the years of service.
- D. After three years continuous service in the employ of the Employer at a plant covered by this Agreement, each employee, on January 1 who has worked 1200 hours in the previous calendar year, shall be entitled to two weeks annual vacation. Vacation pay shall be calculated as eighty (80) hours at the classification rate at which he/she worked for the majority of hours in the week prior to the

vacation.

- E. After ten years continuous service in the employ of the Employer at a plant covered by this Agreement, each employee, on January 1 who has worked 1200 hours in the previous calendar year, shall be entitled to three weeks annual vacation. Vacation pay shall be calculated as one hundred twenty (120) hours at the classification rate at which he/she worked for the majority of hours in the week prior to the vacation.
- F. After fifteen years continuous service in the employ of the Employer at a plant covered by this Agreement, each employee, on January 1 who has worked 1200 hours in the previous calendar year, shall be entitled to four weeks annual vacation. Vacation pay shall be calculated as one hundred sixty (160) hours at the classification rate at which he/she worked for the majority of hours in the week prior to the vacation.
- G. For the purposes of this Article, continuous employment is understood to include all employment not interrupted by a layoff over sixty (60) days for an employee qualifying for vacation.
- H. Vacations shall be scheduled after January 1 on which the vacation is due for dates which are satisfactory to the Employer and employee. Vacations will be taken in the year following the year earned and shall not be carried over from year to year. Those vacations not scheduled in January shall require a minimum of thirty (30) days' notice for vacation scheduling and for the preparation of any advance vacation pay request. When advance pay is requested, it will not be paid on a separate check.
- I. Employees may choose to split their vacation into whole day increments by notifying the Employer thirty (30) days prior to vacation time. Dates shall be mutually satisfactory to the Employer and the employee. Pay for such increments shall be included in the employee's next regularly scheduled paycheck.
- J. If employment of the employee is terminated for any cause after a vacation is earned, but before vacation is scheduled, the employee shall be granted his vacation pay at the time his employment is terminated.
- K. After an employee has completed ninety (90) days of continuous employment, in the event of an injury not to exceed six (6) months, an employee off work for this reason shall receive pro rata vacation pay based on the number of hours worked in the calendar year divide by 1200 hours times his applicable vacation per the years of service.

If an employee's scheduled vacation in the final month of the year is cancelled by the Company, the employee will be allowed to reschedule that time off within the first quarter of the following year. Vacations cancelled at any other time during the year,

must be rescheduled and shall not be paid out.

ARTICLE 9 - JURISDICTIONAL DISPUTES

All jurisdictional disputes shall be determined in the manner and by the procedure established by the International Disputes Settlement Plan between the International Union of Operating Engineers, the International Brotherhood of Teamsters and the International Laborers Council.

ARTICLE 10 - SAFETY

- A. The Employer and the Union will comply with all applicable health and safety laws and regulations and agree to cooperate toward the objective of eliminating accidents and health hazards. The Employer will continue to make reasonable provisions for the safety and health of its employees during the hours of their employment. It is understood and agreed that the Company has developed and initiated a "zero tolerance" Lock-Out, Tag-Out (LOTO) safety policy.
- B. The Company and the Union agree to continue to cooperate in administering the current rules for substance abuse testing. Guidelines for the substance abuse drug screen will be those as specified in the "Company Policy and Standards of Enforceability". The Company will continue its current practice of paying for all time required to take substance abuse screens related to accidents, injuries, and reasonable suspicion. Employees will be paid for actual time spent from the plant to the time they leave the testing facility.
- C. The guidelines for administering the physical qualifications and examinations will be those outlined by the Company. The examination will also include substance abuse testing.
- D. Every employee shall be required to submit to a physical and drug screen administered by the Company. The employee will not be compensated for this activity. If applicable the employee will receive a copy of the DOT long form from the Human Resources Department.
- E. The Employer reserves the right to select its own medical examiner or doctor and the Union may, if it believes an injustice has been done an employee, have said employee reexamined at the employee's expense. If the two (2) doctors disagree, the Employer and the Union shall mutually agree upon a third (3rd) doctor within ten (10) working days, whose decision shall be final and binding on the Employer, the Union and the employee. Neither the Employer nor the Union will attempt to circumvent the decision of the third (3rd) doctor and the expense of the third (3rd) doctor shall be equally divided between the Employer and the employee.

This procedure shall include the third doctor provision for non-occupational injuries.

If the third (3rd) doctor agrees that the employee should be returned to work, the employee shall be reimbursed at his/her current rate multiplied by eight (8) hours for each lost day of work, less any other monies received back to the date of the examination by the Company doctor. It shall exclude any time the employee was not available for examination or work.

- F. In the event the Company requires an employee to undergo random screening for controlled substance and alcohol under DOT regulations at off-site location, the employee will be compensated up to one (1) hour at the employee current rate of pay for this activity.

ARTICLE 11 - NO STRIKE - NO LOCK OUT

- A. Under no circumstances will the Union engage in, cause or permit its members to cause, nor will any member of the bargaining unit take part in any strike of any nature on any job of the employer or engage in any curtailment of work or restriction of production or interference of any kind with the operations of the Employer.
- B. In the event of a breach of Paragraph A, the Union shall immediately instruct the involved employees that their conduct is in violation of the contract, that they may be disciplined up to and including discharge and instruct all such persons to quit the offending conduct and take all reasonable means to end the breach.
- C. The Employer will not lock out its employees during the term of this contract.
- D. If the Employer elects to pursue any remedies it may have as a result of a breach of Paragraph A of this Article in any court of competent jurisdiction, the court and not the arbitrator shall determine whether or not Paragraph A of this Article has been breached.
- E. It shall not be a violation of this Contract or an unfair labor practice, and it shall not be a cause for discharge or discipline, if any employee or employees refuse to cross a lawful primary picket line established by the Operating Engineers Union.

ARTICLE 12 - HEALTH AND WELFARE

- A. Effective on the date listed below, the Employer shall pay for each non-probationary employee the sum indicated for each hour worked by employees covered hereunder to the Trustees of Operating Engineers Local No. 428 - Health and Welfare Trust Fund:

October 1, 2014 \$4.60

October 1, 2015 \$4.80

October 1, 2016 \$5.00

- B. If additional monetary increases are deemed necessary; they will be designated by the Union as to dates and amounts, and will be taken from other economic areas herein. It is agreed that the Union will give the Employer sixty (60) days advance notice, in writing, of proposed changes to the contribution rate.
- C. The said payments by the Employer shall discharge its obligation hereunder, and any increase in cost to be deducted from the employee's wage rate. Any dispute arising in the administration of said Fund shall not be deemed to be a dispute hereunder and shall not be subject matter of the grievance procedures contained in Article 14 hereof and shall not be deemed to be a dispute concerning wages, hours and working conditions.
- D. The parties shall cause the said Trustees to execute any and all documents necessary and required to continue in full force and effect the Agreement and Declaration of Trust dated the 29th day of September, 1959, and as amended thereafter; creating the said Operating Engineers Local No. 428 Health and Welfare Trust Fund, for the duration and terms of this collective bargaining Agreement.
- E. The Employer agrees to the appointment, as its representatives, the Trustees designated by the Contractor Associations as Employer representatives and further agrees that he shall be bound by all the terms and conditions of said Agreement and Declaration of Trust dated September 29, 1959, and as amended thereafter, and to all amendments thereto during the term hereof.

ARTICLE 13 - PENSIONS

- A. The Company shall provide a defined benefit pension plan. The Company will establish a pension trust to serve as the funding vehicle for the pension plan. There shall be four trustees under the pension trust, with two trustees designated by the Teamsters and Operating Engineers Unions respectively and two designated by the Company. Subject to the Employee Retirement Income and Security Act of 1974, the trustees shall at all times have appointed an investment

manager or investment managers which, in the aggregate, shall be directed to manage the investments of the pension trust so as to meet or exceed the funding assumptions of the plan. As of April 30, 2011, the Pension Plan is a frozen vested benefit and as such there will be no further credit allowed under the Plan.

- B. For years of service after 02/27/94 the benefit is calculated at \$26.00 per month for each full year of pension credit.
- C. For years of service after 10/01/97 the benefit is calculated at \$30.00 per month for each full year of pension credit.
- D. For years of service after 10/01/99, the benefit is calculated at \$31.00 per month for each full year of pension credit.
- E. For years of service after 10/01/00, the benefit is calculated at \$36.00 per month for each full year of pension credit.
- F. For years of service after 10/01/01, the benefit is calculated at \$39.00 per month for each full year of pension credit.
- G. For years of service after 10/01/06, the benefit is calculated at \$42.00 per month for each full year of pension credit.
- H. The Company shall provide for one times the employee's base salary (rounded down to the nearest 1,000) term life insurance for active employees while the Company employs them. This includes a two (2) year extension of benefits for employees diagnosed with terminal illness at time of leaving the Company.
- I. The Company shall bear the cost of the basic short term disability plan for the employee. The cost of long term disability and any supplemental short term disability shall be at the employee's expense.

ARTICLE 14 - GRIEVANCE AND ARBITRATION

A grievance shall be defined to mean any dispute, controversy or disagreement as to the application or interpretation of any of the terms and provisions set forth in this Agreement

- Step 1 Any employee having a grievance shall; with or without the aid of a Union Representative, first meet with the employee's immediate supervisor, who shall attempt to resolve it. If a resolution satisfactory to the employee is not reached, a grievance shall be submitted in writing (containing details of the nature of the grievance and the Articles of Agreement allegedly violated) as promptly, as possible, and in no case in excess of seven (7) calendar days from the date of

the occurrence of the incident and or knowledge which led to the grievance.

Step 2 The Employer shall call an authorized Union Representative within five (5) working days of the receipt of the written grievance. All time limits hereinafter may be extended by written mutual consent. Participants in this step shall be the Union Representative and an Employer Representative who shall have ten (10) working days to settle the grievance.

Step 3 If the grievance remains unsettled, the parties within seven (7) calendar days shall engage in non-binding mediation. The mediator will be one of the Commissioners from the Arizona office of the Federal Mediation and Conciliation Service.

Step 4 If no settlement or agreement is reached in Step 3, then within ten (10) calendar days of the Step 3 mediation meeting; the matter may be referred to arbitration. A request for arbitration shall be presented to the Employer in writing and shall contain a complete outline of the nature of the complaint. Within ten (10) working days of receipt of a request for arbitration, the parties shall:

1. Meet to mutually select an arbitrator.
2. If unable to select an arbitrator at the meeting, then the moving party shall within five (5) working days, request a panel of seven (7) arbitrators from the Federal Mediation and Conciliation Service.
3. Upon receipt of the panel of seven (7) arbitrators, each party shall strike three (3) names alternately with the remaining arbitrator authorized to hear the case.

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

The arbitrator may not change, modify or alter any of the terms and provisions of the Agreement. The findings of the arbitrator shall be rendered within thirty (30) days of the date of hearing and shall be binding and enforceable on all parties. The expenses of the arbitrator and the hearing room shall be borne equally by both parties. It is the intention of the parties that this Article shall provide a peaceful method of adjusting grievances and there shall be no suspension or interruption of normal operations as a result of any grievances.

ARTICLE 15 - BUSINESS AGENT VISITATION

The Business Representative of the Union shall have access to the job during working hours for the purpose of performance of his duties, and he shall provide the Area Manager or his designee with reasonable notice prior to visiting the plant and shall not stop or interfere with the work of any workmen without the permission of the Employer or his representative. The Business Representative shall abide by all Employers, state and Federal regulations and rules.

ARTICLE 16 - UNION STEWARDS

The Steward shall be a working employee appointed by the Union who shall perform his Steward duties without unduly stopping the productivity of other employees or himself. He shall not be discriminated against in any manner by the Employer or his representatives. No job Steward shall be terminated without just cause. If the Employer or his representative feels he has just cause to terminate a Steward, he shall notify the Union Business Representative prior to termination. The Employer recognizes that it is desirable that the person appointed Steward shall remain in employment, so long as he performs his duties as an employee.

ARTICLE 17 - SUCCESSORS, HEIRS AND ASSIGNS

All of the terms, conditions and covenants of this Agreement shall be and are alike binding upon the successors, heirs and assigns of the respective parties.

ARTICLE 18 - WAGES AND CLASSIFICATIONS

Classification	October 1, 2014		October 1, 2015		October 1, 2016	
	New Hire Scale	Journeyman Scale	New Hire Scale	Journeyman Scale	New Hire Scale	Journeyman Scale
Operator Trainee	\$16.02	N/A	\$16.57	N/A	\$17.22	N/A
Operator Journeyman	\$20.02	\$22.02	\$20.57	\$22.57	\$21.22	\$23.22
Operator Universal	\$21.29	\$23.29	\$21.84	\$23.84	\$22.49	\$24.49
Operator Mechanic	\$21.29	\$23.29	\$21.84	\$23.84	\$22.49	\$24.49
Electrician	\$21.29	\$23.29	\$21.84	\$23.84	\$22.49	\$24.49
Radio Technician	\$20.02	\$22.02	\$20.57	\$22.57	\$21.22	\$23.22

The total increase for the remaining years shall be as follows:

10/1/14	10/1/15	10/1/16
\$0.30	\$0.55	\$0.65

Note 1: All leadmen will be paid at least \$.50 per hour above Journeyman scale.

Note 2: Trainees will receive \$.50 per hour pay increases at three month intervals until they reach the Journeyman New Hire scale at which time they shall receive progression increases as a New Hire Journeyman as outlined in Note 4.

Note 3: New Hire Journeymen will receive a minimum \$.50 per hour pay increase at three-month intervals until they reach the Journeyman scale.

Note 4: Any employee who is laid off and subsequently rehired within one year and was paid at less than the Journeyman scale shall not be paid less than the rate of pay at the time of termination and shall continue progression increases as stated in note 4. Journeyman being paid at Journeyman scale or above shall be rehired at the Journeyman scale.

ARTICLE 19 - HOURS OF WORK AND WAGES

- A. **Workweek** - The workweek will be Monday through Saturday. For payroll purposes the pay week shall be defined as Sunday through Saturday and hours worked on Sunday shall not be counted as straight time hours worked except as outlined elsewhere in this agreement
- B. **Overtime** - Work performed in excess of ten (10) hours per day or forty (40) hours per week will be paid for at the rate of time and one-half (1 1/2). Work performed on Sundays will be paid for at the rate of time and one-half (1 1/2). However, work that must be performed on Sunday due to contractual requirements or specifications is exempt from time and one-half (1 1/2) pay and will be treated as a normal workday.
- C. **Multi-shift Operations** - When so elected by the Employer, employees may be worked on a shift basis.
- D. **Shift Starting Point** - Employees shall be at a pre-designated starting point, ready, willing, and able to work, where employees are required to report, at a

regular starting and quitting time. A worker's pre-designated quitting point shall coincide with his pre-designated starting point. When it is necessary for the Employer to provide transportation from the pre-designated starting and quitting point to that part of the operation where work will be performed, and return, the Employer agrees that said transportation will be safe and suitable. All time lapsed between the regular starting time at the pre-designated starting point, and return to the same pre-designated point at quitting time, shall be considered as time worked and shall be paid for at the applicable rates of pay. No employee covered by this Agreement shall be required to furnish transportation within the job site, or between job sites, or from yard to job site, for transportation of employees, tools, and equipment or for any other purpose as a condition of employment.

- E. **Show up Time** - A workman shall receive two (2) hours show up time in the event of a breakdown in operations prior to or within the first two (2) hours of his shift. On Saturday the workman shall receive a minimum of four (4) hours.
- F. **Inclement Weather** - The Employer shall make advance arrangements for exchange of information, including a call-in procedure regarding work reporting in the event of weather that would cause a customer to cancel an order. Employees will be paid only for time worked when sent home for reason of inclement weather. However, anyone told to report to work and then sent home within the first two hours of their shift due to inclement weather will be paid two (2) hours show up time. On Saturday the workman shall receive a minimum of four (4) hours. However, nothing contained herein shall require the Employer to pay show up time to workmen who report to work and who are not ready, able and willing to work in the capacity for which they were hired.
- G. **Equipment Breakdown** - If a machine breaks down, the employee operating said machine may be permitted to assist in the repair work or be assigned other work in his craft jurisdiction until the expiration of his shift at his regular rate. If the employee is not permitted to work he shall have benefits as provided in working rule F.
- H. **Intervening Rest Period** - No operator shall be required to work his/her shift without an intervening period of at least eight (8) hours from his/her previous shift without the employee's consent. There shall be no adverse consequences to an employee who does not consent to work with less than an eight-hour intervening period.
- I. **Layover** - Any employee required to layover away from his predesignated starting point shall have all meals, after his second meal, and a room furnished, or paid for, at actual, reasonable costs until he returns to his predesignated starting point. He shall be compensated for no less than eight (8) hours work in any twenty-four (24) hour period except as provided in working rules F and G.
- J. **Lunch Period** - The employer may schedule a one-half (1/2) hour lunch break

between three (3) and six (6) hours after the individual's starting time or the employee may be required to work straight through. No matter which method is used, the employee will be paid for the actual time worked.

- K. **Payday and Paycheck** - All Employees shall be paid by direct deposit, prior to their regular quitting time on a designated weekly payday, set by the Company. When pay day falls on a holiday, the workers will be paid on the day proceeding the holiday. The Company will make available the means to receive an electronic pay stub to the employees at the plant(s) and in an area accessible to the employees, on company time within reason. The employee's name or identification number, rate of pay, straight time hours, overtime hours, vacation hours, floating holiday hours, and 401(k) contributions, plus all authorized deductions shall be listed separately on each electronic check stub.

The Company will provide the employees with necessary training on the system and will maintain the equipment as needed.

- L. **Payoff upon Discharge** - Employees subject to layoff for lack of work or reduction in force shall receive their final paycheck within three (3) working days or at the end of the next regular pay period, whichever is sooner. When an employee is discharged from service of the Employer, he shall be paid wages due him within the next three (3) working days (exclusive of the day of discharge) or at the end of the next regular pay period, whichever is sooner. If the Employer fails to meet the above deadlines, the Employer shall pay the employee eight (8) hours straight time pay for each business day elapsed between the first day the wages were due and the day on which the check is sent to the employee.

- M. **Extended Absences due to Injury or Illness** - Any employee off work, not in excess of twelve consecutive (12) weeks, due to injury on the job and has received benefits from the Industrial Commission, or an illness (certified by a physician), shall be entitled to return to his/her regular job when he/she is released by the Company. Physician to return to work, providing that employee has been employed by this Employer for at least ninety (90) days at the time of the injury or illness.

- N. **Sanitary Facilities** - Sanitary toilet facilities and sanitary drinking facilities shall be furnished and maintained by the Employer on the job. Ice and water shall be made available by the Employer at fixed plant locations from the beginning of the shift until the end of the shift during hot weather when deemed necessary by the majority of the employees on the job. Shade for equipment operators, heavy-duty mechanics and welders shall be furnished by the Employer. Hand washing facilities shall be in place and maintained at all plant locations and portable plants.

- O. **Company Furnished Tools** - All craftsmen shall be furnished all hand tools over one and one-half (1 1/2) inch opening, lenses for welding hoods and goggles. These will be charged to the employees who are to guarantee their return in like

condition, wear and tear excepted.

The following labor saving power tools shall be furnished by the mechanics/welders: 1/2" air impact wrench and 3/8" air drill. The Employer will repair or replace employee provided labor saving power tools which wear out or fail due to normal use.

Mechanics/welders shall furnish all hand tools less than one and one-half (1 1/2) inch opening as required to perform equipment maintenance as specified by the employer. A new employee shall be responsible for furnishing his own cutting torch head, tip and welding gloves. The Employer shall continue its practice of replacing welding gloves and tips worn out in normal use, and of rebuilding cutting heads as necessary.

P. **Tool Insurance** - The Company shall reimburse mechanics up to \$30,000 per occurrence for the loss of tools due to theft from Company premises or Company vehicles, or due to fire on company premises or Company vehicles. The mechanic shall pay the first five hundred dollars (\$500) of such loss. To be eligible for this coverage, the mechanic:

1. By October 1 of each year must provide his/her supervisor with a complete inventory of his/her personal tools. A new hire mechanic must also provide such inventory at the time of hire. At the Company's request an employee will present for inspection any or all tools as required by the Company.
2. Must properly secure his/her tools at the end of shift, and otherwise exercise reasonable diligence in protecting his/her tools.

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

R. **Citations** - The Employer shall be held responsible for overweight and defective equipment citations, unless the employee has acted contrary to the instruction of the Employer, and the Employer shall pay all fines levied for such violations or citations.

If the Employer fails to pay said fines, and the employee is arrested and/or incarcerated because of said failure, the employee shall receive the applicable hourly rate for the first eight (8) hours and the applicable overtime rate for all hours over eight (8) hours, until released from custody. The Employer is not responsible for any fines or for arrest or incarceration for failure to pay said fines if those fines

were levied as a result of violations not the responsibility of the Employer.

- S. **Safety Equipment** - The Employer must furnish all clothing and equipment necessary for health and safety including but not limited to hard hats. At the time of hire, and once each calendar year thereafter, each employee shall be entitled to receive, and the Company shall reimburse up to \$125 towards the purchase of safety-toed boots. On October 1st, 2016, this reimbursement will increase to \$150. The boots must be high-topped, lace-up safety-toed boots. The Company shall provide the reimbursement to the employee upon presentation of the receipt. For new hires, if the new hire leaves within less than a year of his/her hire date, \$50 shall be deducted from his/her final check. The employee has the sole discretion to participate in this program.
- T. **Pre-trip Inspections** - The Company will make reasonable efforts to make available existing lighted facilities to perform DOT pre-trip inspections.
- U. **Higher Classification of Pay** - When employees are called off of their regular assignments to perform other work for which a lower rate is paid, they shall receive their usual rate for all time worked that day. If the other work is classified at a higher rate and if the employee works less than two (2) hours at such other work, he shall receive a minimum of two (2) hours pay at the higher rate. If more than two (2) hours is worked at this higher rated work, he shall receive the higher rate for the entire day. This provision does not apply to trainees.
- V. **Classifications Not Established** - That should the Employer contemplate the employment of a worker, or workers, in the performance of any work coming within the jurisdiction of the Union, as defined in Article 3 hereof, in occupations which are not covered by one of the classifications herein referred to in Article 18, the Employer shall notify the Union, and prior to such employment, the Employer and the Union shall jointly attempt to classify such worker, or workers, under the classification contained herein which will most nearly fit the particular character of the employment. In the event, proper classification cannot be mutually agreed upon prior to the commencement of the work, the Employer may classify the worker, or workers, as he deems proper, and proceed with the work. The Union may then refer the matter to the grievance procedure in the manner set forth in Article 14 hereof. The wage rate finally determined by the procedure set forth in Article 14 hereof for the operations shall be made effective from the date operations started.
- W. **Jury Duty** - Employees summoned for Jury Duty shall be excused from work assignments. They shall be paid their regular straight time for scheduled work days up to a maximum of ten (10) days within any calendar year upon presentation of the Court Clerks certification of attendance. The employees shall return to work promptly after being released from jury examination or service.
- X. **Mechanics Uniforms** - The Company will reimburse all mechanics a weekly

negotiated sum for the purpose of renting or purchasing uniforms. The mechanic will be responsible for any costs to repair or replace uniforms other than normal wear and tear.

- Y. **Sick Days** - After completion of one (1) year employment with the Company, and on each subsequent anniversary date of employment, each employee shall receive two (2) days of unpaid sick leave each anniversary year. Unpaid sick day usage shall not be used in any disciplinary procedures. An employee shall not be required to furnish a doctor's note for verification of illness. Employees must notify their immediate supervisor or dispatcher at least two (2) hours prior to their starting time of their intent to take a sick day off.
- Z. **Military Leave** - The Employer will comply with the Uniformed Service Employment and Re-employment Rights Act (USERRA).

ARTICLE 20 - 401 (K) SAVING PLAN

The Company 401(k) plan, known as the CEMEX, Inc. Retirement and Savings Plan is adopted in its entirety and will be administered on the same terms and conditions as those that apply to salaried employees.

The terms and conditions of the Plan otherwise shall be as set forth in the attached Summary Plan Description. The Employers matching contribution will vest as set forth in the SPD.

ARTICLE 21 - UNION DUES CHECK OFF

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

When the Employer actually makes a deduction for dues, initiation fees and assessments, in accordance with the statement received from an appropriate

Local Union, he shall remit same no later than thirty (30) days from the date such deduction was made. All monies required to be checked off shall become the property of the entities for which it was intended at the time that such check off is required to be made. All monies to be checked off and paid over to other entities under this Agreement shall become the property of those entities for which it was intended at the time that such check off is required to be made.

The Employer will recognize authorization from deductions from wages, if in compliance with state law, to be transmitted to the Local Union or to such other organizations as the Union may request if mutually agreed to. No such authorization shall be recognized if in violation of state or federal law. No deduction shall be made which is prohibited by applicable law.

The Union shall defend, indemnify, and save the Company harmless against any claim or liability arising out of the administration of the check off provisions of this Agreement.

ARTICLE 22 - FUNERAL LEAVE

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

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

ARTICLE 23 - JOINT LABOR-MANAGEMENT COMMITTEE

The parties agree to establish a Joint Labor Management Committee to address on going Labor Management issues. These issues can include health and welfare, pension, safety or any other subjects that the Committee determines are important. The committee shall be composed of three management and three Union representatives. The committee shall meet semi-annually at a convenient time and place for all parties.

ARTICLE 24 - NEW TECHNOLOGY OR INTEGRATION OF DISPATCH/BATCH FUNCTION

If in the future new technology changes the method of operating a particular batch plant or there is an integration of the dispatch/batch function, the Company may perform the dispatch/batch work. The Company will provide advance notice to the Union prior to integration of the dispatch/batch function and will convene a Joint

Labor-Management Committee meeting as set forth under Article 24 to review the changes in operation.

However, no employees within the bargaining unit performing the batch function within their job classification shall be displaced if the events described above should occur and the Company utilizes its discretion to perform dispatch/batching work.

ARTICLE 25- SUBCONTRACTING

The employer shall contract with outside contractors for the furnishing of labor for new construction, installation of new equipment, specialized skills not normally performed by bargaining unit, or requires equipment not owned or operated by the company or for reasons such as emergencies, loss of life, or property.

The Company will utilize current employees to perform all preventative maintenance and routine work and such work shall not be subject to subcontracting unless the Union and Company meet and the parties agree that this work can be contracted, and to use as many bargaining unit employees as possible to assist with the project.

ARTICLE 26 - TERMINATION

This Agreement shall become effective as of October 1, 2014 and shall remain in full force and effect until September 30, 2017 and shall renew itself from year to year thereafter, unless written notice of termination or desired modification is given at least sixty (60) days prior to the expiration date by either of the parties hereto.

Written notice shall be mailed by registered mail, return receipt requested. Should notice of termination or desired modification be given in a manner provided above, the party desiring the same shall:

- A. Offer to meet and confer with the other party for the purpose of negotiating a new Agreement or an Agreement containing the proposed modification.
- B. Continue in full force and effect all of the terms and conditions of this Agreement, for the remainder of the term hereof and so long thereafter as the Company and the Union shall agree in writing.

If a party's mailing address is changed, such party will notify the other party of a new address.

~~CEMEX~~ Construction Materials
South, LLC

BY: _____

BY: _____

BY: _____

BY: _____

INTERNATIONAL UNION OF
OPERATING ENGINEERS
LOCAL NO. 428

BY: _____

BY: _____

BY: _____

1-22-15

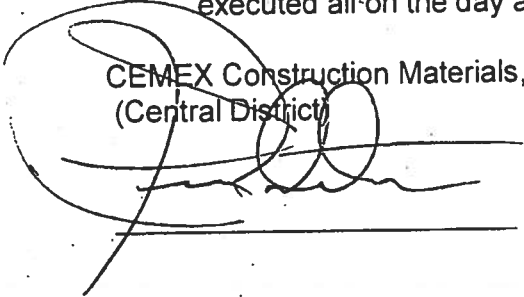
**LETTER OF AGREEMENT
FRONT END LOADER BUCKET MEASUREMENTS**

- A. SAE normally heaped as certified by manufacturer is acceptable.
- B. Modifications to the above will be measured by the SAE method by a mutually approved engineer acceptable to both parties whose costs will be paid by the party losing the dispute.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed all on the day and year first hereinabove written.

CEMEX Construction Materials, South, LLC
(Central District)

IUOE Local No. 428


Date: 1-22-15


Date: 1-22-15

LETTER OF AGREEMENT

This agreement is entered into on this 1st day of October 2010, Between CEMEX Construction Materials South, LLC ("Company") and the International Union of Operating Engineers Local 428 ("Union").

In place of and superseding the provision of Article 4 of the Labor Agreement between the Union and the Company dated October 1, 2010 (the Labor Agreement) it is hereby agreed as follows:

Article 4 – That notwithstanding anything contained in Article 4 of the Labor Agreement to the contrary, the parties hereto agree that the Company will utilize the hiring hall language in Article 4 provided however that the 48 hour right to refer shall be reduced to 24 and thereafter the Company has the right to refer workers to the Hiring Hall to be referred back to the Company. The Company agrees to abide by the following procedures when referring workers under this Letter of Agreement:

1. The Company will not discourage any applicant from joining the Union.
2. If asked by an applicant, the Company will explain his/her rights to him/her, i.e.
 - a. That joining the Union is not a condition of employment.
 - b. That it is the individuals choice whether to join the Union
3. The Company will tell the applicant that it is a condition of employment for the applicant to :
 - a. Go to the hiring hall.
 - b. Pay the Union registration or referral fee.
 - c. Return with a written referral from the hall.

In the event that the provisions of Article 4 of the Labor Agreement are in conflict with the provisions of this Letter of Agreement, the provisions of this Letter of Agreement shall control the right and obligations of the parties hereto.

This Letter of Agreement shall remain in effect from October 1, 2014 through September 30, 2017.

CEMEX Construction Materials South, LLC
(Central District)

Date: 1-22-15

IUOE Local No. 428


Date: 1-22-15

APPENDIX "A"

It is understood that Appendix A is a complete list of all properties owned and/or operated by CEMEX Construction Materials South, LLC or it's predecessors that have operated under a collective bargaining agreement signatory with the Operating Engineers Local 428.

Location	Address	City	State	Zip
Aggregate - McGuireville	216 E Kimberly's Way	Rimrock	AZ	86335
Asphalt - Flagstaff Asphalt	5200 EAST RAILHEAD AVENUE	FLAGSTAFF	AZ	86004
Asphalt - Prescott Asphalt	13531 East Hwy 89A	PRESCOTT VALLEY	AZ	86314
Asphalt - Camp Verde Asphalt	3600 OLD HWY 279	CAMP VERDE	AZ	86322
Aggregate - Nogales S&G	600 E OLD RUBY RD	NOGALES	AZ	85621
Aggregate - McCormick Aggregate	Hwy 89 & Sunset Crater, 20 mil	FLAGSTAFF	AZ	86004
Aggregate - Gray Mountain Qry	Hwy 89 ap 45 mi N of Flagstaff	GRAY MOUNTAIN	AZ	86016
Aggregate - Prescott Aggregate	13531 East Hwy 89A	PRESCOTT VALLEY	AZ	86314
Aggregate - Camp Verde S&G	3600 OLD HWY 279	CAMP VERDE	AZ	86322
Shop - Nogales Shop	600 E OLD RUBY RD	NOGALES	AZ	85621
Shop - Flagstaff Shop	5200 EAST RAILHEAD AVENUE	FLAGSTAFF	AZ	86004
Shop - Camp Verde Shop	3600 OLD HWY 279	CAMP VERDE	AZ	86322
Shop - Prescott Shop	13531 East Hwy 89A	Prescott Valley	AZ	86314
Readymix - Nogales R/M	600 E OLD RUBY RD	NOGALES	AZ	85621
Readymix - Flagstaff R/M	5200 EAST RAILHEAD AVENUE	FLAGSTAFF	AZ	86004
Readymix - Prescott R/M	13531 E Hwy 89A	PRESCOTT	AZ	86301
Readymix - Camp Verde R/M	3600 OLD HWY 279	CAMP VERDE	AZ	86322
Aggregate - Buckeye Ranch	9605 S Watson Road	Buckeye	AZ	85326
Aggregate - West Valley Quarry	11550 W. Northern	Glendale	AZ	85307
Aggregate - Central Ave	2875 South 7th Avenue	Phoenix	AZ	85041
Aggregate - 59th Ave S&G	5605 S. 59th Ave	Laveen	AZ	85339
Aggregate - Hassayampa S&G	3405 N. 327th Ave	Tonopah	AZ	85351
Asphalt - Sacaton Asphalt	Hwy 87 2 mil N. of Casa Blanca	Sacaton	AZ	85247
Central Ave Asphalt	2875 South 7th Avenue	Phoenix	AZ	85041
Asphalt - Beeline Asphalt	11253 N Beeline Highway	Scottsdale	AZ	85256
Asphalt - 19th Ave Asphalt	3640 SOUTH 19TH AVENUE	PHOENIX	AZ	85009
Asphalt - Glendale Asphalt	11920 W GLENDALE AVE	GLENDALE	AZ	85307
Asphalt - Maricopa Asphalt	NE Intersec of Maricopa Rd & G	MARICOPA	AZ	85259
Asphalt - 107th Avenue Asphalt	24004 N. 107th Ave	Peoria	AZ	85382
Asphalt - Casa Grande Asphalt	2305 S Roof Tile Road	CASA GRANDE	AZ	85222
Asphalt - Gomez Asphalt	5150 South 27th Avenue	Phoenix	AZ	85041
Aggregate - Beeline S&G	11253 N Beeline Highway	SCOTTSDALE	AZ	85256
Aggregate - Gomez S&G	5150 SOUTH 27TH AVENUE	PHOENIX	AZ	85041
Aggregate - El Mirage S&G	8635 NORTH EL MIRAGE ROAD	EL MIRAGE	AZ	85335
Aggregate - 19th Ave S&G	3640 SOUTH 19TH AVENUE	PHOENIX	AZ	85009
Aggregate - Glendale S&G	11920 W GLENDALE AVE	GLENDALE	AZ	85307
Aggregate - Jomax S&G	29800 N LAKE PLEASANT DRIVE	PEORIA	AZ	85382
Aggregate - Maricopa S&G	NE Inter of Maricopa Rd & Gila	MARICOPA	AZ	85239
Aggregate - Queen Creek S&G	39091 N SCHNEPF & Combs RD	QUEEN CREEK	AZ	85242
Aggregate - Sacaton S&G	Hwy 87 2 mil N of Casa Blanca	SACATON	AZ	85247
Aggregate - Coolidge S&G	9253 E. Hwy 287	COOLIDGE	AZ	85228

Aggregate - Casa Grande S&G	2305 S Roof Tile Road	CASA GRANDE	AZ	85222
Aggregate - 107th Avenue S&G	24004 N. 107th Ave	Peoria	AZ	85382
Aggregate - Florence S&G	17685 N. Tanner Rd.	Florence	AZ	85232
Aggregate -Table Mesa Landscape	Table Mesa exit, 4 miles north	Black Canyon City	AZ	85324
Shop - Central Ave Shop	2875 SOUTH 7TH AVENUE	PHOENIX	AZ	85041
Shop - Beeline Shop	11253 N Beeline Highway	SCOTTSDALE	AZ	85256
Shop - 19th Ave Shop	3640 SOUTH 19TH AVENUE	PHOENIX	AZ	85009
Shop - Glendale Shop	11920 W GLENDALE AVE	GLENDALE	AZ	85307
Shop - Maricopa Shop	NE Inter of Maricopa Rd & G	MARICOPA	AZ	85239
Shop - Queen Creek Shop	39091 N SCHNEPF RD	QUEEN CREEK	AZ	85242
Shop - Sacaton Shop	Hwy 87 2 mil N of Casa Blanca	SACATON	AZ	85247
Shop - Florence Shop	9253 E. Hwy 287	COOLIDGE	AZ	85228
Shop - Casa Grande Shop	2305 S Roof Tile Road	CASA GRANDE	AZ	85222
Readymix - Beeline R/M	11253 N Beeline Highway	Scottsdale	AZ	85256
Readymix - Avondale R	5301 SOUTH DYSART ROAD	AVONDALE	AZ	85323
Readymix-El Mirage R/M	8635 NORTH EL MIRAGE ROAD	EL MIRAGE	AZ	85335
Readymix - 7th Street R/M	23210 N 7TH STREET	PHOENIX	AZ	85024
Readymix - Sun City R/M	11500 W BEARDSLEY RD	SUN CITY	AZ	85024
Readymix - Buckeye R/M	MILLER ROAD & BASELINE - S	BUCKEYE	AZ	85326
Readymix - 19th Ave R/M	3640 SOUTH 19TH AVENUE	PHOENIX	AZ	85009
Readymix - Glendale R/M	11920 W GLENDALE AVE	GLENDALE	AZ	85307
Readymix - McKellips R/M	N DOBSON & MCKELLIPS RD	SCOTTSDALE	AZ	85256
Readymix - Higley R/M	3666 N. Higley	MESA	AZ	85210
Readymix - Maricopa R/M	NE Inter of Maricopa Rd & G	MARICOPA	AZ	85239
Readymix - Queen Creek	39091 N SCHNEPF RD	QUEEN CREEK	AZ	85242
Readymix - Apache Jct.	2854 W BASELINE RD	APACHE JUNCTION	AZ	85219
Readymix - Sacaton R/M	Hwy 87 2 mi N of Casa Blanca	SACATON	AZ	85247
Readymix - Coolidge R/M	9253 E. Hwy 287	COOLIDGE	AZ	85228
Readymix - Casa Grande R/M	2305 S Roof Tile Road	CASA GRANDE	AZ	85222
Readymix - Florence	17685 N. Tanner Rd.	Florence	AZ	85232
Readymix - Bard Ranch	27531 N 109th Ave	Peoria	AZ	85382
Asphalt - Cortaro Asphalt	9021 N CASA GRANDE HWY	Marana	AZ	85653
Aggregate - Cortaro S&G	9021 N CASA GRANDE HWY	Tucson	AZ	85743
Shop - Cortaro Shop	9021 N CASA GRANDE HWY	Tucson	AZ	85743
Readymix - Cortaro R/M	9021 N CASA GRANDE HWY	Tucson	AZ	85743
Readymix - Avra Valley R/M	10100 W AVRA VALLEY ROAD	MARANA	AZ	85653
Readymix - Oracle R/M	Assessor Parcel 305-55-002A	Oro Valley	AZ	85739

I U O E CONTRACT SUMMARY

LOCAL UNION: 428

INDUSTRY CLASSIFICATION: _____

EMPLOYER: Cemex Central / FLAGSTAFF

ADDRESS: _____ CITY: PHOENIX STATE: AZ

PHONE: _____ EFFECTIVE DATE: OCT-1-2014 TERMINATION DATE: Sept - 30, 2017

CLASSIFICATIONS:	RATES:		DEFERRED INCREASES:	
	OCT, 2014	OCT 2015	OCT 2016	
<u>OPERATOR (UNION)</u>	<u>22.02</u>	<u>22.57</u>	<u>23.22</u>	_____
<u>OPERATOR (UNION)</u>	<u>23.29</u>	<u>23.84</u>	<u>24.49</u>	_____
<u>OPERATOR (UNION)</u>	<u>23.29</u>	<u>23.84</u>	<u>24.49</u>	_____
<u>ELECTRICIAN</u>	<u>23.29</u>	<u>23.84</u>	<u>24.49</u>	_____
<u>RADIO TECHNICIAN</u>	<u>22.02</u>	<u>22.57</u>	<u>23.22</u>	_____

OVERTIME: After 10 Hrs. AND 40 HR.
 6th Day: _____
 7th Day: _____
 Holiday: 1 1/2 per HR.
 Saturday: _____
 Sunday: 1 1/2 per HR.

SHIFT DIFFERENTIALS:
 Afternoon: _____
 Evening: _____
 All Night: _____
 Other: _____

REPORTING PAY: 2 Hrs Showup
4 Hr - Sat.

CALL-IN PAY: _____

PAID HOLIDAYS: 8
 RATE WHEN WORKED: 1 1/2 p/hr.
 OTHER COMPENSATION: _____

PAID SICK LEAVE: _____
 (Per Year)
 ACCUMULATED TO: _____

OTHER PAID LEAVE: Floating 2
 Jury Duty: _____
 Funeral: 3 DAYS

PAID VACATIONS:
 Aft. 1 Mos. / Yrs. 1 Days / Wks.
 Aft. 3 Mos. / Yrs. 2 Days / Wks.
 Aft. 10 Mos. / Yrs. 7 Days / Wks.
 Aft. 15 Mos. / Yrs. 4 Days / Wks.

SEVERANCE PAY:
 Aft. _____ Yrs. Service \$ _____
 Aft. _____ Yrs. Service \$ _____
 Aft. _____ Yrs. Service \$ _____
 Aft. _____ Yrs. Service \$ _____

HEALTH & WELFARE:
 Cost: 4.60 - 2014
 % Paid by Employer: 4.80 - 2015
 % Paid by Employee: 5.00 - 2016

PENSION:
 Weekly/Monthly Payment: _____ Frozen
 % Paid by Employer: _____
 % Paid by Employee: _____

Benefits: _____

Benefits: _____

APPRENTICESHIP CONTRIBUTION: 0

OTHER MONETARY BENEFITS: 0

REMARKS: _____

Need additional copies of this form.

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