

**PROJECT LABOR AGREEMENT**

**FOR CONSTRUCTION OF  
GAS TURBINE UNITS 3 AND 4  
FOR THE CITY OF PASADENA**

**BETWEEN**

**EMPLOYERS (AS DEFINED HEREIN)**

**AND THE**

**LOS ANGELES/ORANGE COUNTIES BUILDING  
AND  
CONSTRUCTION TRADES COUNCIL,  
AND THE CRAFT UNIONS  
AND COUNCILS  
AFFILIATED WITH  
THE BUILDING & CONSTRUCTION TRADES DEPARTMENT  
OF THE AFL-CIO ("UNIONS")**

## PREAMBLE

The working conditions and Project Rules contained herein have been established as a means of creating uniform and acceptable standards of conduct and work practices for all Employers and Unions at the Project. This approach will result in Project-wide continuity, which will enable the Project to be managed in a fair and cost efficient manner.

A significant amount of time and effort have been expended in the assembly of this document, so that the best possible combination of management, labor, and industry concerns would be represented in the final product. The intent of this document is to provide an assurance of good construction methods and productivity, so that the Project may be completed on a timely basis and at the most reasonable cost.

## ARTICLE 1 PURPOSE

1.1 This Project Labor Agreement ("Agreement") is made and entered into this 10th day of March, 2003, by and between Sermatech Power Solutions as Project Contractor, who has received award of the construction contract for the Project, and its subcontractors, of any tier, engaged in onsite construction work within the scope of this Agreement (hereinafter collectively referred to as "Employer(s)") and the Los Angeles/Orange Counties Building & Construction Trades Council, and the Craft Unions and Councils affiliated with the Building & Construction Trades Department of the AFL-CIO, signatory hereto (hereinafter referred to as "Union(s)") acting in their own behalf and in behalf of their respective members, for the construction of Gas Turbine Units 3 and 4 (hereinafter referred to as the "Project") located at Pasadena, California. The Employers and Unions may be referred to herein as the "Parties". It is understood and agreed by the Parties that the City of Pasadena ("City") is an express and intended beneficiary of this Agreement and shall have the right to enforce its terms as if it were a party to the Agreement.

2 Timely construction of the Project is important to ensure a reliable source of electricity is available to meet the needs of the City, and to facilitate subsequent generation projects at the Project site. The Parties recognize the need for timely completion of the Project without interruption or delay. This Agreement is intended to enhance this cooperative effort through the establishment of a framework for labor-management cooperation and stability. The completion of the construction and improvements of the Project covered under this Agreement will require substantial numbers of construction trades personnel and other supporting crafts possessing skills and qualifications that are vital to its completion. The Unions and Employers will work together to furnish skilled, efficient craft workers for the construction of the Project efficiently, cooperatively, economically and without interruption.

1.3 Further, the Parties desire to mutually establish and stabilize wages, hours and working conditions for the craft workers on this Project, to encourage close cooperation between the Employers and the Unions to the end that a satisfactory, continuous and harmonious relationship will exist between the Parties to the Agreement.

1.4 Therefore, in recognition of the special needs of this Project and to maintain a spirit of harmony, labor-management peace, and stability during the term of this Agreement, the Parties agree to abide by the terms and conditions of this Agreement, and to establish effective and binding methods for the settlement of all misunderstandings, disputes or grievances which may arise. Further, the Employers agree not to engage in any lockout, and the Unions agree not to engage in any strike, slow-down, or interruption or other disruption of or interference with the work covered by this Agreement.

## ARTICLE 2 SCOPE OF AGREEMENT

2.1 This Agreement is limited to and shall apply only to that construction work, as described in City's Specification U.D-03-2, performed by the signatory Employers during the term of this Agreement, at the Project site.

2.2 It is agreed that all construction Employers working on the Project shall become signatory to and be bound by the terms and conditions of this Agreement and perform all work under the terms of this Agreement and applicable local, area, regional or national agreement (the "applicable agreement"). Employers shall become signatory to this Agreement by either signing this Agreement or by signing a letter of assent as outlined in attachment "A" of this Agreement. The Project Contractor shall assure compliance with this Agreement by all Employers.

2.3 It is further understood and agreed by virtue of having become bound to this Agreement, the Employers will not be obligated to sign any other local area or national agreement.

2.4 Nothing contained herein shall be construed to prohibit, restrict or interfere with the performance of any other operations, work or function which may occur at the Project site or be associated with the development of the Project.

2.5 This Agreement shall be binding only on the signatory Parties hereto and shall not apply to their parents, affiliates or subsidiaries.

2.6 To the extent permissible by law, the City (and where appropriate the Employer) has the absolute right to select any qualified bidder for the award of contracts or subcontracts on the Project notwithstanding the existence or non-existence of any agreement between the bidder or its subcontractors and any union provided only that such bidder or subcontractor is ready, willing and able to execute and comply with the Agreement.

2.7 This Agreement shall apply only to construction craft employees represented by the signatory Unions hereto, and shall not apply to Employers' supervisors, technical executives, engineers, office and clerical employees, draftsmen, supervisors, timekeepers, messengers, guards, or any other employees above the classification of general foreman.

2.8 The Parties acknowledge that employees of the City will operate the Project, and that these employees may be present during Project construction, startup, and commissioning activities.

2.9 The Parties acknowledge that employees of the City may perform certain elements of the Project construction. This Agreement shall not apply to any employee of the City.

2.10 This Agreement shall not apply to demolition work; removal of debris, materials, or soil; soil remediation; deliveries of equipment or materials to the Project site. However, the delivery of concrete or aggregate and the contractor's employed on this work are covered by this agreement.

2.11 The provisions of this Project Agreement shall not apply to City, and nothing contained herein shall be construed to prohibit or restrict City or its employees from performing work not covered by this Project Agreement on the Project site. As areas and systems of the Project are inspected and construction tested by the Project Contractor or its subcontractors and accepted by the City, the Project Agreement will not have further force or effect on such items or areas, except when the Project Contractor is directed by the City to engage in repairs, modifications, check-out, and warranty functions required by the City during the term of this Agreement.

2.12 The Agreement is not intended to, and shall not affect the operation or the maintenance of the Project. The Agreement shall cease to apply, and shall not apply, to any maintenance, operations or similar functions undertaken by the City at the Project work site once the construction work by the Employers covered under the Agreement has been completed and accepted by the City.

2.13 This Agreement and the sections of the applicable local, area, regional or national agreement not superceded by this Agreement represents a complete and total understanding between the Parties.

**ARTICLE 3**  
**EFFECT OF OTHER AGREEMENTS**

3.1 This Agreement shall apply to the Project work as set forth in Article 2. In the event any collective bargaining agreement conflicts with the terms of this Agreement, the terms of this Agreement shall prevail.

3.2 Except as provided in Article 9 of this Agreement, all disputes arising under collective bargaining agreements that do not involve the application or interpretation of this Agreement shall be processed under the grievance procedure contained in the respective collective bargaining agreement. All disputes relating to the interpretation or application of this Agreement shall be subject to resolution procedures set forth Article 9 of this Agreement.

**ARTICLE 4**  
**MANAGEMENT RIGHTS**

4.1 The Employers retain full and exclusive authority for the management of their operations on the Project and shall retain all existing rights of management and all rights conferred by law. Except as otherwise expressly limited by the terms of this Agreement, the Employers shall direct their working forces including, but not limited to, hiring, promoting, transferring, laying off, suspending, disciplining or discharging for cause, direction of work force, work schedules, and work practices. Employers have the right to establish Project rules for the Project and distribute such Project rules to each employee. No rules, customs, or practices shall be permitted or observed which limit or restrict production, or limit or restrict the working efforts of employees.

4.2 It is recognized that certain equipment of a highly technical and specialized nature will be installed at the Project. The nature of this equipment, together with requirements for configuration, testing, repair and manufacturer's warranty, dictate that it be prefabricated, pre-piped and/or pre-wired; that it be installed under the supervision and direction of City's and/or manufacturer's personnel; and that it be configured and tested by manufacturer's personnel. The Unions agree that such equipment is to be installed, configured, and tested without incident, and that such work is not subject to the terms of this Agreement.

4.3 The Employers shall utilize the most efficient method or techniques of construction, tools, or other labor saving devices. There shall be no restriction, other than may be required by safety regulations, on the number of employees assigned to any crew or to any service. Employer(s) may utilize any method or technique of construction and there shall be no restrictions on the use of machinery, pre-cast, pre-fabricated, or pre-assembled units, materials, equipment, tools, or other devices, methods, procedures or technology.

4.4 There shall be no restrictions upon the choice of materials, equipment, or design, nor upon the source of such materials, equipment, or design, whether purchased, leased, rented, or otherwise obtained.

4.5 Employer(s), at their sole discretion, shall set work schedules and determine when overtime is needed.

4.6 In addition to the other rights of the City enumerated in this Agreement, the City is expressly conferred its management rights and all rights provided by law. The City's rights included, but are not limited to, the right to: (i) inspect any construction facility to ensure that the Employers follow applicable safety or other work requirements; (ii) require Employers to establish a different work week or shift schedule for particular employees as required to meet the operational needs of the Project work; (iii) approve any work methods, procedures or techniques used by the Employers whether or not these methods, procedures or techniques are a part of industry practices or customs; and, (iv) investigate and process complaints.

**ARTICLE 5**  
**UNION RECOGNITION, SECURITY AND REPRESENTATION**

5.1 The Employers recognize the signatory Union(s) as the sole and exclusive collective bargaining representative for craft employees working on the Project within the scope of this Agreement, but only when such employees are engaged in covered Project work as set forth in Article 2 above. All employees performing covered work shall be or become and then remain members on good standing of the appropriate Union as a condition of employment on or before the eighth (8th) day of employment, or the eighth (8th) day following the execution of this Agreement, whichever is later. Tendering of periodic dues and or fees shall fulfill the obligations under this section. Such recognition does not extend beyond the period during which the employee is engaged in Project work.

5.2 Authorized representatives of the Union(s) shall have access to the Project provided that they do not unduly interfere with the work of the craft employees and further provided that such representatives fully comply with established Project rules.

5.3 Each Union shall have the right to dispatch a working journeyman as steward for each shift, and shall notify the Employers in writing of the identity of such steward or stewards prior to the assumption of such person's duties as steward. Such steward shall be a qualified workman assigned to a crew and shall perform the work of that craft. The steward shall not perform supervisory duties. Under no circumstances shall there be non-working stewards. Stewards shall be permitted a reasonable amount of time during working hours to perform applicable union duties.

**ARTICLE 6**  
**REFERRAL**

6.1 The Union(s) shall be the primary source of all craft employees engaged in the Project work covered by the Agreement, but only when such employees are engaged in covered Project work. Such recognition does not extend beyond the period during which the employee is engaged in the Project work.

6.2 The Unions shall provide an adequate supply of qualified workers, including apprentices and other sub-journeymen, to meet the labor requirements of the Employers. Accordingly, the registration and referral systems established or authorized by the Unions shall be made available to the Employers performing Project work, irrespective of the Employers' collective bargaining status. Each job referral system will be operated in a non-discriminatory manner and in full compliance with federal, state and local laws and regulations that require equal opportunity and non-discrimination. The Employers may reject any referral for any non-discriminatory reason.

6.3 The Employers shall hire all covered employees, including their Core Workforce as hereinafter defined, exclusively through union registration and referral systems. An Employer's Core Workforce shall not exceed fifteen (15) percent of the total workforce on the project at any time. An Employer's "Core Workforce" is comprised of those employees: (1) whose names appeared on the Employer's active payroll for 50 of the last 100 working days before award of a construction contract or subcontract; (2) who possesses any license required by state or federal law for the Project work to be performed by an employee; and, (3) who have the ability to safely perform the basic functions of the applicable trade. The Employers retain the right to reject any job applicant referred by the Unions for good cause.

6.4 In the event that any Union's registration or referral system does not fulfill the requirements for specific classifications of covered employees requested by an Employer within forty-eight (48) hours (excluding Saturdays, Sundays and legal holidays), the Employer may use employment sources other than the union registration and referral systems and may employ applicants from any other available source. In the event that a Union does not have a job referral system, an Employer shall give the Union equal opportunity to refer applicants.

6.5 No employee covered by the Agreement will be required to join the Union as a condition of being employed, or remaining employed, to complete Project work.

6.6 The Unions shall exert their utmost efforts to recruit sufficient numbers of skilled craftsmen to fulfill the manpower requirements of the Employers.

6.7 Recognizing the need to maintain continuing support of programs designed to develop adequate numbers of competent workers in the construction industry, Employers will employ apprentices and/or sub-journeymen in the respective crafts, to perform such work as is within their capabilities and which is customarily performed by their craft. The Unions agree to provide apprentices and/or sub-Journeymen to Employers in appropriate ratios to journeymen as determined by each Union.

6.8 The Union shall not knowingly refer an employee currently employed by any Employer working under this Agreement to any other Employer.

6.9 The City is committed to promoting the economic health and well being of its residents. The Parties to this Agreement support the development of increased numbers of skilled construction workers from residents of the City to meet the needs of the Project. To that end, the Unions agree to recruit Pasadena residents and to give them preference, if all other factors are equal, for referral for Project work, including apprentice and sub-journeyman positions, to the extent allowed by law and as long as they possess the requisite skills and qualifications.

## **ARTICLE 7 NON-DISCRIMINATION**

7.1 The Unions and the Employers shall not discriminate against any employee or applicant for employment because of race, creed, sex, religion, national origin, age, or any other basis recognized by law.

## **ARTICLE 8 NO WORK STOPPAGES, NO STRIKES, NO LOCKOUTS**

8.1 The Union(s) and its members, agents, employees and representatives shall not incite, encourage, condone or participate in any strike, walkout, slowdown, picketing, observation of picket lines, sympathy strike, hand billing, or other work stoppage or disruption of any nature whatsoever for any cause whatsoever, during the term of this Agreement, and it is expressly agreed that any such action is a violation of this Agreement.

8.2 The Union(s) and its officers shall take immediate action to prevent, end, or avert any such activity or threat thereof. The Union(s) shall not sanction, aid or abet, encourage or continue any work stoppage strike, walkout, slow down, sympathy strike, hand-billing, picket or pickets or other disruptive activity on the Project during the term of this Agreement.

8.3 The Employers shall discipline and may discharge any employee violating Paragraph 8.1, and any such employee will not be eligible for rehire under this Agreement. The Employers and Unions shall take all necessary steps to obtain compliance with this Article and neither shall be held liable for conduct for which it is not responsible.

8.4 The Employer(s) shall not cause, incite, encourage, or participate in any Lockout of its employees during the term of this Agreement. The term "Lockout" refers only to an Employer's exclusion of employees in order to secure a collective bargaining advantage, and does not refer to the discharge, termination, or layoff of employees by the Employer(s) for any reason in the exercise of its rights as set forth in other provisions of this Agreement, nor does the term include the City's decision to terminate or suspend work on the Project or any portion thereof for any reason.

8.5 In the event of a violation of the terms of this Article by either Employer(s) or Union(s), the Parties specifically agreed that the Parties reserve the right to pursue all remedies available under law. The Parties further agree that the City has standing and the right to enforce the terms of this Article, and may pursue all remedies available under law or equity, including, but not limited to, damages and injunctive relief.

8.6 All employees shall continue to work and to perform all of their obligations with respect to the Project work even in the event of the expiration of any collective bargaining agreement. In the event that a recognized local collective bargaining agreement expires during the term of this Agreement, the Unions agree that the scheduled Project work will proceed, that the Unions will not strike the Employers on the Project work and the terms of then current collective bargaining Agreement shall remain in full force and effect until a new or modified collective bargaining Agreement is reached. Upon ratification and signature of a new local collective bargaining agreement by the recognized negotiating agencies, the Employer(s) shall pay the new wage rates and fringe benefits, including travel pay and/or subsistence pay as called for in the new agreement.

## ARTICLE 9 GRIEVANCE PROCEDURES

9.1 Regular Grievance Procedure: Other than a question or dispute pertaining a jurisdictional dispute or a dispute concerning strikes or work stoppages, any question or dispute involving the interpretation or application of this Agreement, including whether any particular construction constitutes Project work and is covered by this Agreement, shall be resolved by the following regular grievance procedure.

Step 1: Any grievance shall be submitted in writing by a grieving party or parties (which includes a Union, Employer and/or the City only, individual employees will not have the right to grieve under the terms of this Agreement) to the other party within five (5) business days of the occurrence of the grievance or within five (5) business days from the date upon which the grieving party knew or reasonably should have known of the facts giving rise to the grievance. Upon receipt of written notification of the grievance, the party against whom the grievance has been lodged shall respond to the grievance in writing within five (5) business days and shall make an effort to resolve the dispute with the grieving party.

Step 2: In the event that the parties to the dispute cannot resolve the issue within fourteen (14) business days of the written response set forth in Step 1, then within five (5) business the parties shall submit the grievance to the American Arbitration Association for a final and binding decision. The selection of an arbitrator and the process of arbitration shall be in accordance with the current rules and regulations of the American Arbitration Association. The Arbitrator shall issue a written decision or award, and the decision of the Arbitrator shall be final and binding upon the parties. The arbitrator shall have no authority to change, amend, add to, or detract from any of the provisions of this Agreement. The expense of arbitration and arbitrator shall be borne equally by the Employer and the Union involved.

9.2 Expedited Grievance Procedure: Any question or dispute involving strikes, work stoppages or jurisdictional disputes, or involving any actual or threatened strike, sympathy strike, work stoppage or otherwise advising the public of the existence of a labor dispute or lockout shall be resolved pursuant to the following expedited grievance procedure:

9.2.1 Within twenty-four (24) hours of written notice that a grievance exists under the expedited grievance procedure, the parties (which includes the Union(s), Employer(s) and City only) shall contact the American Arbitration Association to select an Arbitrator from the available panel. If the parties are unable to agree to an Arbitrator within forty-eight (48) hours, the American Arbitration Association shall appoint an Arbitrator from the Labor and Employment Panel according to the rules and procedures of the Association.

9.2.2 Once appointed, the parties shall notify the Arbitrator of the existence of the grievance by the most expeditious means available, with notice by facsimile to the other party who allegedly violated this Agreement.

9.2.3 Upon receipt of notice set forth in 9.2.2, the Arbitrator shall set and hold a hearing on the grievance within forty-eight (48) hours if the grieving party contends that there exists a violation subject to this provision still exists. The Arbitrator shall notify the parties by facsimile of the place and time of the hearing. The hearing shall last only one session. Failure of any party to attend the hearing shall not delay the hearing of evidence or the issuance of an award by the Arbitrator.

- 9.2.4 At the hearing, the Arbitrator shall determine the sole issue of whether a violation of Article 8 or 10 of this Agreement has, in fact, occurred and the Arbitrator shall have no authority to consider any manner of justification, explanation or mitigation for such violation. The Arbitrator shall issue his award within five (5) hours after the close of the hearing and shall communicate such award to the parties by telephone and facsimile. The Arbitrator may issue the award without a written opinion. However, if any party requests a written opinion, the Arbitrator shall issue a written opinion within fifteen (15) calendar days from the issuance of the award.
- 9.2.5 The Arbitrator may order the cessation of the violation of Article 8 and such award shall be served on all parties by hand or certified mail upon issuance.
- 9.2.6 The parties waive any rights created by statute or law governing arbitration proceedings inconsistent with this procedure or which interfere with compliance herewith to the extent permitted by law.
- 9.2.7 The parties to the dispute shall divide equally the fees and expenses of the Arbitrator.
- 9.2.8 The Arbitrator shall not have the power or authority to add to, subtract from or modify the terms of this Agreement or any written agreement made supplementary hereto, or to declare invalid, inoperable or unenforceable any provisions of this Agreement.

## **ARTICLE 10 WORK ASSIGNMENTS AND JURISDICTIONAL DISPUTES**

10.1 The assignment of work will be solely the responsibility of the Contractor performing the work involved, and such work assignments will be in accordance with the Plan for the Settlement of Jurisdictional Disputes in the construction industry (the "Plan") or any successor Plan.

10.2 All jurisdictional disputes between or among Building and Construction Trades Unions and employees, parties to this Agreement, shall be settled and adjusted according to the present Plan established by the Building and Construction and Trades Department or any other plan or method procedure that may be adopted in the future by the Building and Construction Trades Department. Decisions rendered shall be final, binding and conclusive on the contractors and Unions- parties to this Agreement.

10.3 All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage, or slow-down of any nature and the Contractor's assignment shall be adhered to until the dispute is resolved. Individuals violating this section shall be subject to immediate discharge.

10.4 Each Contractor will conduct a pre-job conference with the appropriate Building and Construction Trades Council prior to commencing work. The Project Contractors and the Owner will be advised in advance of all such conference and may participate if the wish.

## **ARTICLE 11 SUBCONTRACTING**

11.1 The Project Contractor agrees that neither it nor any of its subcontractors will subcontract any covered work to be performed on the Project except to a person, firm or corporation who is or agrees to become party to this Agreement. Any contractor or subcontractor performing covered work on the Project shall, as a condition to working on said Project, become signatory to and perform all such work under the terms of this Agreement.



## **ARTICLE 12 PROJECT RULES**

12.1 The Unions and the Employers agree that the following acts or conduct shall be prohibited on the Project and that any employees violating such rules of action and conduct may be denied the privilege of access to the Project site:

1. Destroying or removing without permission any property belonging to Employers or the City.
2. Posting of signs or notices without authorization by Employer(s) and the City.
3. Fighting, creating a disturbance, or horseplay.
4. Gambling or the possession of gambling paraphernalia.
5. Sleeping on the job.
6. Violating published safety/security rules and performing work in an unsafe manner dangerous to oneself and/or other employees.
7. Refusing to work as directed.
8. Failure to allow parcel or lunch box examination on entering or leaving the Project site.
9. Reporting to work under the influence of narcotics or alcohol and/or using such at the Project site.
10. Falsely stating or making claims of injury.
11. Falsifying reports involving absence, and/or sickness.
12. Leaving the workplace or premises without Employer authorization.
13. Chronic absenteeism.
14. Selling food, beverages, or other merchandise.
15. Taking photographs within the confines of the Project Site.
16. Possessing firearms at the Project site.

## **ARTICLE 13 WORKING CONDITIONS**

13.1 Other than the rest periods required by State Law there will no non-working time established during working hours.

13.2 The City and/or Employers shall establish reasonable work rules as either the City or the Employer(s) deem appropriate and not inconsistent with this Agreement. These rules shall be posted at the work site by the Employer(s) and may be amended thereafter as necessary or deemed appropriate by the City or Employer(s). Failure to observe these rules and regulations by an employee may be grounds for discipline, including discharge.

13.3 There shall be no restriction on the emergency use of any tools by any qualified employee or supervisor; or on the use of any tools or equipment for the performance of work, provided the employee can safely use the tools or equipment involved.

#### **ARTICLE 14 REGULATORY COMPLIANCE**

14.1 The Union(s), Employer(s) and their employees shall comply with all applicable federal and state laws, ordinances and regulations, including, but not limited to, those relating to safety and health, employment and applications for employment. All employees shall comply with the safety regulations established by the City and Employers. Employees must promptly report any injuries and accidents to a supervisor.

#### **ARTICLE 15 HOLIDAYS**

15.1 Recognized holidays shall be as follows: New Year's Day, Martin Luther King Jr. Day, Memorial Day, Fourth of July, Labor Day, Veterans' Day, Thanksgiving Day, Day after Thanksgiving and Christmas Day. In the event a holiday falls on Sunday, the following day, Monday, shall be observed as such holiday. In the event a holiday falls on Saturday, the previous day, Friday, shall be observed as such holiday.

#### **ARTICLE 16 WAGES AND FRINGE BENEFITS**

16.1 All employees covered by this Agreement (including foremen and general foremen if they are covered by the Master Agreement) shall be classified and paid wages, travel, subsistence, and contributions made on their behalf to multi-employer trust funds, all in accordance with the then current multi-employer Master Agreement of the applicable Union.

16.2 Any special interest bargaining that establishes wage rates, classifications, zones, or wage escalations that apply exclusively to the Project will not be recognized.

#### **ARTICLE 17 SAFETY, HEALTH AND SANITATION**

17.1. The Employer(s) and the employees shall comply with all Job safety rules and applicable provisions of State and Federal laws and regulations including the Occupational Safety and Health Act of 1970 as amended, relating to job safety and safe working practices.

17.2. The Employer(s) shall provide a convenient and sanitary supply of cooled drinking water and sanitary drinking cups.

17.3. The Employer(s) shall provide adequate sanitary toilet facilities and hand washing facilities for the employees.

17.4. The Employer(s) shall provide a safe place for storage of tools and ventilated facilities for changing clothes.

#### **ARTICLE 18 SAVINGS CLAUSE**

18.1 If any Article, section, clause, or provision of this Agreement shall be declared invalid, inoperative or unenforceable by any competent authority of the executive, legislative, judicial, or administrative branch of any federal, or state government, the Employer(s) and the Union(s) shall immediately suspend the operation of such Article, section, clause or provision, during the period of its invalidity, provided, however, that the remainder of this Agreement shall continue in full force and effect. During

the period of any adjudged invalidity, the Employer(s) and the Union(s) shall attempt to negotiate substitute provisions which will meet the intent of the invalid provisions, but which shall be in conformity with the applicable laws.

**ARTICLE 19  
WAIVER**

19.1 A waiver of or failure to assert any provision of this Agreement by any party shall not constitute a waiver of such provision in the future. Any such waiver shall not constitute a modification of the Agreement or a change in the terms and conditions of the Agreement, and shall not relieve, excuse or release any of the parties from their rights, duties or obligations under the Agreement.

**ARTICLE 20  
AMENDMENTS**

20.1 This Agreement can be amended, supplemented, rescinded or otherwise changed only by mutual, written agreement signed by the parties.

**ARTICLE 21  
NOTICE**

21.1 Any notices required under this Agreement shall be given as follows:

To Project Contractor:

To the Unions:

Sermatech Power Solutions  
9735 Dino Dr.  
Elk Grove, CA 95624

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

With a copy to:

Phyllis E. Currie  
General Manager  
Pasadena Water and Power Department  
Pasadena, CA 91101

Either party may notify the other in writing if its person designated to receive notice is changed.

**ARTICLE 22  
DURATION OF AGREEMENT**

This Agreement shall remain in full force and effect until the completion of the Project. Covered Project work shall be deemed complete upon acceptance of the Project by the City.


**SIGNATURES**

Each person executing this Agreement represents and warrants that he or she is authorized to execute this Agreement on behalf of the Party indicated.

**PROJECT CONTRACTOR**

**LOS ANGELES/ORANGE COUNTIES BUILDING & CONSTRUCTION TRADES COUNCIL**

  
\_\_\_\_\_  
(Signature)

  
\_\_\_\_\_  
(Signature)

By: NATHAN HOWARD  
(type or print name)

By: \_\_\_\_\_  
(type or print name)

Its: VP Construction  
(type or print title)

Its: Executive Secretary  
(type or print title)

**PROJECT NAME**

ATTACHMENT "A"

LETTER OF ASSENT

(Gas Turbines 3 & 4 )  
(Pasadena, California )

This is to certify that the undersigned Employer has examined a copy of the Project Labor Agreement for Construction of the GT3 & GT 4 Specifications LD-03-02 at City of Pasadena California, between Sermatech Power Solutions and Subcontractors and applicable Unions and the Los Angeles/Orange Counties Building and Construction Trades Council.

The undersigned Employer hereby agrees to comply with all of the terms and conditions of the aforementioned Project Labor Agreement. It is understood that the signing of the Letter of Assent shall be as binding on the undersigned employer as though the employer had signed the above referred to Agreement.

This Letter of Assent shall become effective and binding upon the undersigned employer this 10th day of March, 2003 and shall remain in full force and effect until the completion of the above stated project.

Name of Employer            Sermatech Power Solutions

Address of Employer        9735 Dino Drive  
   Elk Grove, CA 95624

Signature/Title of Signatory Officer of Employer

 VP Construction