RiverPark Development, LLC

Project Labor Agreement

Effective Date: 8/19, 2004
RiverPark Development, LLC

Project Labor Agreement

1. INITIAL PROVISIONS

1.1 This Project Labor Agreement ("Agreement") is entered into this ___ day of ______, 2004, by and between RiverPark Development, LLC, RiverPark A, L.L.C., RiverPark B, L.L.C., and their respective successors and/or assigns, and such other contractors and subcontractors of whatever tier directly executing this Agreement or the Letter of Assent attached hereto as Attachment A (the "Contractor" or "Contractors"), and Ventura County Building and Construction Trades Council, AFL-CIO ("Council"), and the signatory craft unions ("Unions"), with respect to the construction work within the scope of this Agreement at the RiverPark Project, in Oxnard, California ("the Project"). (For purposes of this Agreement, the RiverPark Project shall mean all land governed by the RiverPark Specific Plan that is currently owned by RiverPark A, L.L.C. and RiverPark B, L.L.C.) It is further understood that the Contractor may designate a Program Manager to administer this Agreement and shall monitor the compliance by all Contractors as an authorized representative of Contractor.

2. PURPOSE

2.1 A large labor pool will be required to execute the work involved in the Project. Contractor wishes, and it is the purpose of this Agreement, to ensure that a sufficient supply of skilled craft workers are available at the Project, that all construction work and related work performed on this Project shall proceed continuously, without interruption, in a safe and efficient manner, economically and with due consideration for the protection of labor standards, wages and working conditions.

2.2 In recognition of these special needs of the Project and to maintain a spirit of harmony, labor-management peace and stability during the term of this Project Labor Agreement, the parties agree to establish effective and binding methods for the settlement of all misunderstandings, disputes or grievances, and in recognition of such methods and procedures, the Unions agree not to engage in any strike, slowdowns or interruption or disruption of work and the Contractors agree not to engage in any lockout.

3. SCOPE OF AGREEMENT

3.1 This Agreement shall apply and is limited to those construction contracts awarded by Contractor on or after the effective date of this Agreement and
relating to the infrastructure and Commercial development construction work ("Covered Work") to be performed at the Project. For purposes of this Agreement, the term "infrastructure development construction" refers to the construction of the backbone infrastructure (roadways, grading, drainage, water, sewer, electrical and gas) for the Project, as depicted in Exhibits 6.A, 6.E, 6.F, 6.G, 6.H, 6.I and 6.J of the RiverPark Specific Plan. For purposes of this Agreement, the term "Commercial development construction work" refers to the construction of retail, hotel, convention, neighborhood commercial and office uses within the Project. Notwithstanding the foregoing, the provisions of this Agreement relating to Strikes and Lockouts and Term shall also apply to the remainder of the Project, including any and all residential construction work to be done at RiverPark.

3.2 Contractor has the absolute right to award contracts or subcontracts on this Project to any other person or entity, notwithstanding the existence or nonexistence of any agreements between such person or entity and any Union party, provided only that such person or entity is willing, ready and able to execute and comply with this Agreement, should such person or entity be awarded work covered by this Agreement.

3.3 It is agreed that all Contractors and Subcontractors, of whatever tier, who have been awarded contracts for Covered Work on or after the effective date of this Agreement shall be required to accept and to be bound by the terms and conditions of this Project Labor Agreement, and shall evidence their acceptance by the execution of this Agreement or of the Letter of Assent as set forth in Attachment A hereto prior to the commencement of work. A copy of the Agreement or Letter of Assent as executed by all Contractors and Subcontractors shall be provided to the Council. No Contractor or Subcontractor shall commence Covered Work on or after the effective date of this Agreement without having first provided a copy of the Agreement or Letter of Assent as executed by it to RiverPark Development, LLC and to the Council 48 hours before commencement of Covered Work, or within 48 hours after the award of Covered Work to that Contractor or Subcontractor, whichever occurs later.

3.4 The Unions signatory to this Agreement each have negotiated local master agreements that cover the geographic area of the Project ("Local Master Agreements"). The wages and fringe benefits of the relevant Local Master Agreements shall apply to the Covered Work to the extent that the aggregate of such wages and fringe benefits do not exceed the relevant prevailing wages; provided, however, that in the event a specific Contractor or Subcontractor is signatory to a Union's Local Master Agreement, that specific Contractor or Subcontractor shall be bound by the terms of the applicable Local Master Agreement. Upon request, the Local Union shall furnish to any Contractor or Subcontractor, a copy of
the Local Master Agreement. It is understood that this Agreement, together with the referenced terms and conditions of the Local Master Agreement and Attachment A, constitute a self-contained, stand-alone agreement and by virtue of having become bound to this Project Labor Agreement, the Contractor will not be obligated to sign any other local, area or national agreement as a condition of performing work within the scope of this Agreement (provided, however, that the Contractor may be required to sign a uniformly applied, non-discriminatory Participation Agreement at the request of the trustee or administrator of a trust fund established pursuant to Section 302 of the Labor Management Relations Act, and to which such Contractor is bound to make contributions under this Agreement, provided that such Participation Agreement does not purport to bind the Contractor beyond the terms and conditions of this Agreement and/or expand its obligation to make contributions pursuant thereto). It shall be the responsibility of the prime Contractor to have each of its Subcontractors sign the Letter of Assent prior to the Subcontractor beginning Covered Work.

3.5 Benefits payable into the Trust Funds on behalf of all Journeymen, General Foremen, Foremen and Apprentices covered by this Agreement shall be paid pursuant to the terms and conditions of the Local Master Agreement of the appropriate craft union regardless of whether a Contractor is signatory or not to the Local Master Agreement.

4. UNION RECOGNITION

4.1 Contractor recognizes the Unions signatory to this Agreement as the sole and exclusive collective bargaining agents for their respective construction craft employees performing Covered Work for the Project, and further recognize the traditional and customary jurisdiction of each Union. Such recognition is limited to Covered Work performed on this Project only and does not extend beyond the period when the employee is engaged in Covered Work.

4.2 All employees performing Covered Work shall be or shall become and then remain members in good standing of the appropriate Union during the time such employee is providing Covered Work for the Project as a condition of employment on or before the eighth (8th) day of employment, or the eighth (8th) day following execution of this Agreement, whichever is later.

4.3 It is agreed that the Unions shall be the source of all craft employees for Covered Work for the Project. Contractors agree to be bound by the hiring practices of the respective Union and to utilize its registration facilities and referral systems, as set forth in the Local Master Agreements.
4.4 This Agreement shall apply only to construction craft employees employed to perform Covered Work, and shall not apply to any of Contractor's technical executives, managerial employees, engineers, office or clerical employees, draftspersons, supervisors, timekeepers, messengers, guards or any other employees above the classification of general superintendent.

4.5 The Contractor shall have the right to determine the competency and number of employees required and shall have the sole responsibility for selecting employees to be laid off.

4.6 Building and/or Construction Inspectors and Field Soils and Materials Testers (Inspectors) performing Covered Work are covered crafts under this Agreement. This inclusion applies to the scope of work defined in the State of California Wage Determination for said craft. Every Inspector performing work under the Wage Classification of Building and/or Construction Inspectors and Field Soils and Materials Testers under a professional services agreement or a construction contract shall be bound to all applicable requirements of this Agreement. Nothing in this section will be construed to include DSA certified Inspectors as included under the scope of this Agreement.

5. JURISDICTIONAL DISPUTES

5.1 All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage or slowdown 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.

5.2 The two (2) step jurisdictional dispute settlement plan outlined in the following subparagraphs shall be utilized by the parties hereto to attempt to settle all work assignment disputes between Unions within six (6) working days.

5.2.1 Step 1. Any Union contesting a Contractor's work assignment shall deliver written notice of the dispute to the Council, the other affected Union and the affected Contractor. Within the twenty-four (24) hour period following delivery of said notices, the Business Representatives of the disputing Unions shall meet and attempt to resolve the dispute. If there is no settlement during that twenty-four (24) hour period, the dispute shall proceed to Step 2.

5.2.2 Step 2. The Secretary of the Council will convene a dispute resolution panel within seventy-two (72) hours. The Council will appoint to the panel three (3) representatives from Unions other than those involved in the dispute. RiverPark Development, LLC
shall appoint to the panel three (3) representatives of its choosing from sources other than the affected Contractor. These six (6) panel members shall jointly select  a neutral party to be the seventh (7th) member of the panel. The panel shall hear testimony from the Unions and Contractor affected by the dispute and make a decision within two (2) business days. The panel shall use the criteria set forth in the AFL-CIO Plan for the Resolution of Jurisdictional Disputes in arriving at its decision. The panel's decision shall be final and binding on all parties to this Agreement but shall not establish as precedent for other construction work not covered by this Agreement. The written decision shall end with the following disclaimer:

"This settlement is not to be construed or used for making work assignments or to reach a jurisdictional settlement outside of the jurisdiction of Ventura County Building and Construction Trades Council ("Council") or on any other project within the jurisdiction of the Council because the decision was not arrived at by using the normal criteria for the settlement of jurisdictional disputes."

5.3 Failure by a Contractor or the affected Union to carry out and abide by the provisions of this Article 5 shall entitle the Council and/or any affected Union or Contractor to seek judicial relief in the form of a temporary restraining order or preliminary or permanent injunctive restraining and enjoining continued work in violation of said Article, along with damages, costs and attorney fees, and shall also entitle an affected Union or Contractor to such judicial or arbitral relief as its current agreement with the affected Union or Contractor may provide.

5.4 If any actual or threatened strike, sympathy strike, work stoppage, slowdown, picketing, handbilling or otherwise advising the public that a labor dispute exists, or interference with the progress of the work by reason of a jurisdictional dispute or other dispute occurs, the parties shall exhaust the procedures set forth in this Article 5 and if the parties do not resolve the dispute, the Council and/or any affected Union or Contractor may then commence and maintain an action in a court of competent jurisdiction for injunctive or other relief or damages.

6. GRIEVANCE PROCEDURE

6.1 In the event a Contractor or Subcontractor is signatory to a Union's Local Master Agreement, any disputes other than jurisdictional questions arise out of the interpretation or application of a collective bargaining agreement between a Contractor and a Union or its member(s), shall be settled by means of the grievance procedure set forth in the applicable Local Master Agreement between the affected Contractor and Union.
The Contractor and the Unions realize the importance to all parties to maintain continuous and uninterrupted performance of the work of the Project and agree that nothing in this paragraph releases any one from that goal.

6.2 In the event a Contractor or Subcontractor is bound to the terms of a Union's Local Master Agreement for Covered Work on the Project by virtue of signing this Agreement or the Letter of Assent, the provisions contained in Section 6.3, below shall apply.

6.3 Processing Grievances. Any question arising out of and during the term of this Agreement involving its interpretation and application, except jurisdictional disputes, shall be considered a grievance and subject to resolution under the following procedures.

Step 1. Employee Grievances. When any employee subject to the provisions of this Agreement feels aggrieved by an alleged violation of this Agreement, the employee shall through his local union business representative job steward, within five (5) working days after the occurrence of the violation, give notice to the work site representative of the involved Contractor stating the provision(s) alleged to have been violated. A business representative of the local union or the job steward and the work site representative of the involved Contractor shall meet and endeavor to adjust the matter within five (5) working days after timely notice has been given. If they fail to resolve the matter within the prescribed period, the grieving party may, within five (5) working days thereafter, pursue Step 2 of this grievance procedure provided the grievance is reduced to writing, setting forth the relevant information, including a short description thereof, the date on which the alleged violation occurred, and the provision(s) of the Agreement alleged to have been violated. Grievances and disputes settled at Step 1 shall be non-precedential except as to the parties directly involved.

Union or Contractor Grievances. Should the Union(s) or any Contractor have a dispute with the other party(ies) and, if after conferring within ten (10) working days after the disputing party knew or should have known of the facts or occurrence giving rise to the dispute, and processed to Step 2 in the same manner as outlined above for the adjustment of an employee complaint.

Step 2. The business manager of the involved local union or his designee, together with the site representative of the involved Contractor, and the labor relations representative of the involved Contractor, and the labor representative of the RiverPark Development, LLC, shall meet within seven (7) working days of the referral of the dispute to this second step to arrive at satisfactory settlement thereof. If the parties fail to reach an
agreement, the dispute may be appealed in writing in accordance with the provisions of Step 3 within seven (7) calendar days after the initial meeting at Step 2.

Step 3. (a) If the grievance shall have been submitted but not resolved under Step 2, either the Union or Contractor party may request a list of seven arbitrators from the Federal Mediation and Conciliation Service, and the parties shall select an arbitrator from the list to hear the grievance. The arbitrator shall be selected by the parties alternately striking names from the list, with the party against whom the grievance is filed striking first. If a party refuses to strike a name within two days of being requested to do so, the other party may select any arbitrator from the list to hear the grievance. The decision of the arbitrator shall be final and binding on all parties and the fee and expenses of such arbitrations shall be borne equally by the involved Contractor(s) and the involved union(s).

(b) Failure of the grieving party to adhere to the time limits established herein shall render the grievance null and void. The time limits established herein may be extended only by written consent of the parties involved at the particular step where the extension is agreed upon. The arbitrator shall have the authority to make decisions only on issues presented and shall not have the authority to change, amend, add to or detract from any of the provisions of this Agreement.

6.4 Procedures contained in this Article shall not be applicable to any alleged violation of Article 5.

6.5 River Park Development, LLC, shall be notified by the involved Contractor of all actions at Steps 2 and 3, and further, River Park Development, LLC shall, upon its own request, be permitted to participate fully as a party in all proceedings at such steps.

7. WAGES AND BENEFITS

7.1 All employees covered by this Agreement shall be classified in accordance with work performed and paid the hourly wage rates for those classifications in compliance with the applicable prevailing wage rate determination established pursuant to the California Labor Code by the California Department of Industrial Relations. If a wage increase negotiated in a Local Master Agreement becomes the prevailing wage under state law, the Contractor will pay that rate as of the effective date of the new prevailing wage rate.

7.2 Apprentices may comprise up to thirty (30) percent of each craft’s workforce at any time, unless the standards of the applicable Joint Apprenticeship Committee confirmed by the State Labor Commissioner
establish a lower percentage, and where such is the case, the applicable union shall use its best efforts with Committee and, if necessary, the Commissioner to permit up to 30% apprentices on the Project. Fifty (50) percent of such apprentice work force of each craft shall consist of first (1st) year apprentices.

7.3 Contractor and Subcontractors shall pay contributions to the established employee benefit funds in the manner and in the amount designated in the Union’s Local Master Agreement and shall make all employees-authorized deductions in the amounts designated in such Local Master Agreement provided, however, that the Contractor and Union agree that only such bona fide employee benefits as listed in the applicable prevailing wage determination shall be included in this requirement and required to be paid by the Contractor on the Project; and provided that such contributions shall not exceed the contribution amounts set forth in the applicable prevailing wage determination. Contractors directly signatory to one or more of the Union’s Local Master Agreements are required to make all contributions set forth in those Local Master Agreements without reference to the foregoing. Bona fide jointly-trusteed benefit plans or authorized employee deduction programs established or negotiated under the applicable Local Master Agreements may be added, provided that the contributions do not exceed the amounts set forth in the applicable prevailing wage determination.

7.4 The Contractor and Subcontractor adopts and agrees to be bound by the written terms of the applicable, legally established, trust agreement(s) specifying the detailed basis on which payments are to made into, and benefits paid out of, such trust funds for its employees. The Contractor and Subcontractor authorize the parties to such trust funds to appoint trustees and successors trustees to administer the trust funds and hereby ratifies and accepts the trustees so appointed as if made by the Contractor and Subcontractor.

7.5 Each Contractor and Subcontractor is required to certify to RiverPark Development, LLC that consistent with Section 3.4 of this Agreement it has paid all benefit contributions due and owing to the appropriate Trust(s) prior to the receipt of its final payment and/or retention. Further, upon timely written notification to RiverPark Development, LLC by a Union, RiverPark Development, LLC shall work with any prime Contractor or Subcontractor who is delinquent in payments to help assure that proper benefit contributions are made, to the extent of withholding payments otherwise due such Contractor to the extent such withholding of payments is allowed by law, until such contributions have been made or otherwise guaranteed.
7.6 Prevailing Wage Laws. The parties agree that the RiverPark Development, LLC shall monitor the compliance by all Contractors and Subcontractors with all applicable prevailing wage laws and regulations for Covered Work. All complaints regarding possible prevailing wage violations on Covered Work shall be referred to RiverPark Development, LLC for processing, investigation and resolution, and if not resolved within thirty calendar days, may be referred by any party to the state labor commissioner.

8. STRIKES AND LOCKOUTS

8.1 During the life of this Agreement, the Union, its agents, its representatives and its employees, agree that it shall not incite, encourage, condone or participate in any strike, walkout, slowdown, sit-down, stay-in, boycott, sympathy strike, picketing or other work stoppage for any cause whatsoever with respect to work; and it is expressly agreed that any such action is in violation of this Agreement. The Contractor or Subcontractor shall have standing and the right to enforce this paragraph. Should any strike, slow-down, stoppage of work or interference with the Project work occur, the Council and the Unions shall take all necessary steps to bring such activity to a prompt termination.

8.2 Notwithstanding the provisions of Paragraph 8.1 above, it is agreed that the Union retains the right to withhold the services of its members from a particular Contractor or Subcontractor who fails to make timely payments to the Union’s benefit plans, or fails to timely pay its weekly payroll (not including individually disputed amounts which are subject to the grievance procedure in the applicable collective bargaining agreement) in accordance with its agreement with the Union.

8.3 Contractors shall not cause, incite, encourage, condone or participate in any lock-out of employee with request to Covered Work during the term of this Agreement.

8.4 In the event that any applicable Labor Master Agreement expires and the parties to the agreement fail to reach agreement on a new contract by the date of expiration, the Union shall continue to provide employees to the Contractors working on the Project under all the terms of the expired Local Master Agreement until a new agreement is negotiated, at which time all terms and conditions of that new agreement shall be applied to Covered Work at the Project, except to the extent they conflict with any provision of this Agreement.
9. **TERM OF AGREEMENT**

9.1 The term of this Agreement shall commence on the date indicated below as the date of execution, and shall continue in effect until completion of the Project.

10. **HOLIDAYS**

10.1 The following eight (8) days shall constitute the recognized holidays within the terms of this Agreement: New Year's Day, Memorial Day, July 4, Labor Day, Veterans Day, Thanksgiving, Friday after Thanksgiving and Christmas Day.

10.2 If any of the above holidays falls on Sunday, Monday will be observed as a holiday. There shall be no paid holiday unless worked.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and effective as of _________, 2004.

For the Unions: ________________________________

Executive Secretary ________________________________

For the Affiliated District Councils and/or Locals: ________________________________

By: ________________________________

[Signatures continued on following pages]
RIVERPARK A:

RIVERPARK A, L.L.C.,
a Delaware limited liability company,

BY: RiverPark Development, a
Delaware limited liability company,
its Sole Member

By: Riverpark Legacy, LLC,
a Delaware limited liability company,
it Sole Member

By: Shea Riverpark Developers, LLC,
a Delaware limited liability company,
it Manager

By: Shea Homes Limited Partnership,
a California limited partnership,
it Managing Member

By: J.F. Shea LLC, a Delaware limited liability company,
it General Partner

By: [Signature]
W. Steve Seelmann
Assistant Secretary

By: [Signature]
Jeffrey K. Palmer
Assistant Secretary

[Signatures continued on following pages]
RIVERPARK B:

RIVERPARK B, LLC,
a Delaware limited liability company

BY: RiverPark Development, a
    Delaware limited liability company,
    its Sole Member

By: Riverpark Legacy, LLC,
a Delaware limited liability company,
    its Sole Member

By: Shea Riverpark Developers, LLC,
a Delaware limited liability company,
    its Manager

By: Shea Homes Limited Partnership,
a California limited partnership,
    its Managing Member

By: J.F. Shea LLC, a Delaware limited liability company,
    its General Partner

By: W. Steve Seemun
    Assistant Secretary

By: [Signature]
    Assistant Secretary

Jeffrey K. Palmer
Assistant Secretary

[Signatures continued on following page]
RIVERPARK DEVELOPMENT:

RiverPark Development, a Delaware limited liability company.

By: Riverpark Legacy, LLC,
a Delaware limited liability company,
its Sole Member

By: Shea Riverpark Developers, LLC,
a Delaware limited liability company,
its Manager

By: Shea Homes Limited Partnership,
a California limited partnership,
its Managing Member

By: J.F. Shea LLC, a Delaware limited liability company,
its General Partner

By: W. Steve Seemann
Assistant Secretary

By: Jeffrey K. Palmer
Assistant Secretary
ATTACHMENT A - LETTER OF ASSENT

To be signed by all Contractors awarded work covered by the Project Labor Agreement prior to commencing work.

[Contractor's Letterhead]

Attn:

Re: Project Labor Agreement - RiverPark Development, LLC Project

Dear Sir:

This is to confirm that [Name of Company] agrees to be party to and bound by Project Labor Agreement between the RiverPark Development, LLC and the Ventura County Building and Construction Trades Council, as such Agreement, may from time to time be amended by the negotiating parties or interpreted pursuant to its terms. Such obligation to be a party and bound by this Agreement shall extend all work covered by the Agreement undertaken by this Company on the Project pursuant to [Contract No. or identifying description], and this Company shall require all of its subcontractors of whatever tier to be similarly bound for all work within the scope of the Agreement by signing and furnishing to you an identical Letter of Assent prior to their commencement of work.

Sincerely,

[Name of Construction Company]

By: [ ]

Name and Title of Authorized Executive

[Copies of this Letter must be submitted to RiverPark Development, LLC and to the Council]
RiverPark Development, LLC

Union Signature Page

Robert Guillen, Executive Secretary
Ventura County Building & Construction
Trades Council, ALF-CIO

Robert Guillen Jr., Business Manager
Plaster & Stucco Local Union #200

Robert Guzicki, Business Manager
Asbestos Workers Local Union #5

Edward J. Marquez, Business Manager
Boilermakers Local Union #22

Robert Pelkey, Business Manager
Plumbers & Steamfitters Local Union #484

Philo Morris
Carpenters Local Union #4

Mr. Gabriel Perez, Business Manager
Roofer's Local Union #36

Boyd Brain, Business Manager
Cement Masons Local Union #500

Douglas Hemmer, Business Manager
Sheetsmetal Workers Local Union #273

Scott Baker, Business Manager
Electrical Workers Local Union #522

Mike Quevedo, Jr., Business Manager
So. Calif. B.C. of Erectors

Ernie Brown, Business Manager
Elevator Constructors Local Union #18

Bill Parke, Business Manager
Tilers Local Union #785

Grant Mitchell, Business Manager
District Council #8
Floorlayers, Glaziers, Drywall Finishers
Painters, Tapers

Chad Boggs, President
Tile, Marble & Terrazzo Local Union #18

David Alexander, Business Manager
Ironworkers Local Union

Edward Banas, Business Manager
U.A. Local Union #250

Jr. E. Smith, Business Manager
Ironworkers Local Union

William Weggener, Business Manager
Operating Engineers Local Union #12

Sam Martinez, Business Manager
Ironworkers Local Union #509

Vincent Diaz, Business Manager
U.A. Local Union #705

Leo Valenzuela, Business Manager
Laborers Local Union #585

William Small, Business Manager
U.A. Local Union #709

Affiliates who have signed RiverPark PLA

Kip Johnson, Business Manager
U.A. Local Union #686