PROJECT LABOR AGREEMENT

FOR THE

SILVER LAKE RESERVOIR COMPLEX

STORAGE REPLACEMENT PROJECT

BY AND BETWEEN

WEBCOR| OYABASHI| LYLES, A JOINT VENTURE
AS CONSTRUCTION MANAGER AT RISK

AND

LOS ANGELES/ORANGE COUNTIES BUILDING AND
CONSTRUCTION TRADES COUNCIL

AND THE

CRAFT UNIONS & DISTRICT COUNCILS

SIGNATORY TO THIS AGREEMENT
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Article</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>PREAMBLE</td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>ARTICLE 1</td>
<td>PURPOSE</td>
<td>3</td>
</tr>
<tr>
<td>ARTICLE 2</td>
<td>SCOPE AND DURATION OF AGREEMENT</td>
<td>3</td>
</tr>
<tr>
<td>ARTICLE 3</td>
<td>MANAGEMENT RIGHTS</td>
<td>4</td>
</tr>
<tr>
<td>ARTICLE 4</td>
<td>EFFECT OF OTHER AGREEMENTS</td>
<td>5</td>
</tr>
<tr>
<td>ARTICLE 5</td>
<td>UNION RECOGNITION, SECURITY, WAGES AND BENEFITS</td>
<td>6</td>
</tr>
<tr>
<td>ARTICLE 6</td>
<td>HELMETS TO HARDHATS</td>
<td>9</td>
</tr>
<tr>
<td>ARTICLE 7</td>
<td>CONTINUITY OF WORK</td>
<td>10</td>
</tr>
<tr>
<td>ARTICLE 8</td>
<td>JURISDICTIONAL DISPUTES</td>
<td>11</td>
</tr>
<tr>
<td>ARTICLE 9</td>
<td>GRIEVANCE AND ARBITRATION PROCEDURE</td>
<td>12</td>
</tr>
<tr>
<td>ARTICLE 10</td>
<td>EXPEDITED ARBITRATION</td>
<td>13</td>
</tr>
<tr>
<td>ARTICLE 11</td>
<td>SAFETY</td>
<td>14</td>
</tr>
<tr>
<td>ARTICLE 12</td>
<td>GENERAL SAVING CLAUSE</td>
<td>15</td>
</tr>
<tr>
<td>ARTICLE 13</td>
<td>NON DISCRIMINATION</td>
<td>15</td>
</tr>
<tr>
<td>ARTICLE 14</td>
<td>PRE-JOB CONFERENCE</td>
<td>15</td>
</tr>
<tr>
<td>ARTICLE 15</td>
<td>PARKING</td>
<td>16</td>
</tr>
<tr>
<td>ARTICLE 16</td>
<td>ENTIRE UNDERSTANDING</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td>ATTACHMENT “A” LETTER OF ASSENT</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>ATTACHMENT “B” LOS ANGELES CITY WIDE ZIP CODES</td>
<td>19</td>
</tr>
</tbody>
</table>
PROJECT LABOR AGREEMENT

PREAMBLE

This Agreement is entered into this ___ day of __________, 2012 by and between Webcor| Obayashi| Lyles, a Joint Venture as Construction Manager at Risk (hereinafter “WOL”) and the signatory contractors and subcontractors for the construction of the Silver Lake Reservoir Complex Storage Replacement Project (hereinafter “Employers”, or alternatively “contractors” and “subcontractors”) and the Los Angeles/Orange Counties Building and Construction Trades Council and the Local Unions and District Councils signatory to this Agreement and having members employed on the project (hereinafter “Unions”).

ARTICLE 1

PURPOSE

1.1 The purpose of this Project Labor Agreement is to promote efficiency of construction operations during the construction of the Silver Lake Reservoir Complex Storage Replacement Project (hereinafter “the Project”) and provide for orderly settlement of labor disputes and grievances without strikes or lockouts, thereby promoting the public interest in assuring that all work on this Project shall proceed continuously and without interruption for a timely and economical completion.

1.2 It is the objective of the parties that the construction of this Project will be a credit to the Employers, the Unions, the Owner and the community and it is recognized by all parties that harmonious labor-management relations are the result of responsible conduct by the Unions and the Employers employing building trades people, and it is our mutual desire to promote these relationships on this Project.

1.3 The parties hereby agree and do establish and put into practice effective and binding methods for the settlement of all misunderstandings, disputes or grievances that may arise so that the parties are assured of complete continuity of operation, without slowdown or interruption of any kind or for any reason and that labor-management peace is maintained for the life of this construction project, except as provided in section 7.4, below.

ARTICLE 2

SCOPE AND DURATION OF AGREEMENT

2.1 This Agreement shall apply and be limited to all construction work performed by WOL and its subcontractors at the site of the Project being constructed for the City of Los Angeles Department of Water and Power (hereinafter LADWP or Owner) by WOL, as more particularly described below.
2.1.1 The scope of the work to be performed under this Agreement includes the replacement of drinking water storage for the Ivanhoe and Silver Lake Reservoirs with two new water storage facilities, a combined four-megawatt hydroelectric power plant, a 250 cubic-feet-per-second water flow regulating station, the River Supply Conduit (RSC) Unit 1A, which will connect the future RSC Unit 7 to the future RSC Unit 1B along Forest Lawn Drive and an Ecosystem Restoration of the area to establish environmental habitats and recreational facilities.

2.2 This Agreement shall become effective on ________________ and shall continue in full force and effect until all of the work to be performed on the Project is completed and accepted by the Owner. This Agreement shall automatically terminate at the conclusion and acceptance of the Project by the Owner.

ARTICLE 3
MANAGEMENT RIGHTS

3.1 The Employers retain full and exclusive authority for the management of their operations. This includes, but is not limited to, the right to direct their working force and to establish coordinated working hours and starting times, which shall not be in conflict with the Unions’ Collective Bargaining Agreements (hereinafter Master Labor Agreements).

3.2 There shall be no limit on production by workmen or restrictions on the full use of tools or equipment. Craftsmen using tools shall perform any of the work of the trades and shall work under the direction of the craft foremen. There shall be no restrictions on efficient use of manpower other than as may be required by safety regulations. The Employers may utilize the most efficient methods or techniques of construction, tools or other labor-saving devices to accomplish the work. Practices not a part of the terms and conditions of this Agreement will not be recognized.

3.3 The Employers shall be the sole judge of the number and classifications of employees required to perform work subject to this Agreement. The Employers shall have the absolute right to hire, promote, suspend, discharge or layoff employees at their discretion and to reject any applicant for employment, subject to the provisions of the respective Unions’ collective bargaining agreement between the particular Employer and Union. Owner and Contractors shall have the absolute right to award contracts or subcontracts for Covered Work to any contractor notwithstanding the existence or non-existence of any agreements between such contractor and any Union parties hereto, provided only that such contractor is willing, ready and able to execute and comply with Section 4.2, below, should such contractor be awarded Covered Work under this Agreement.

3.4 Nothing in this Agreement shall be construed to limit the right of any of the Employers to select the lowest bidder such Employer deems qualified for the award of contracts or subcontracts or material or equipment purchase orders on the Project. The right of ultimate selection remains solely with the Employers, subject to section 4.2 of this Agreement.
3.5 It is recognized that certain equipment and systems of a highly technical and specialized nature will have to be installed at the Project. The nature of the equipment and systems, together with requirements of manufacturer's warranty, dictate that it be prefabricated, pre-piped, and/or pre-wired and that it be installed under the supervision and direction of Owner's and/or manufacturer's personnel. The Unions agree that such equipment and systems shall be installed without incident. It is understood that deliveries of aggregates or concrete, and companies delivering these materials, to the extent that such deliveries are construction work, are covered by this Agreement.

3.5.1 The Agreement shall not apply to the off-site manufacture, fabrication and handling of materials, supplies, equipment or machinery and the delivery of such to or from the site; provided, however, that lay down or storage areas for equipment or material and manufacturing (prefabrication) sites, dedicated solely to the Project or Project Work, and the movement of materials or goods between locations on a Project site are within the scope of this Agreement.

3.6 The Agreement shall not apply to a Contractor's executives, managerial employees, engineering employees, supervisors (except those covered by collective bargaining agreements), office and clerical employees, or any other employee not performing construction craftwork.

ARTICLE 4
EFFECT OF OTHER AGREEMENTS

4.1 This Agreement is not intended to supersede collective bargaining agreements between any of the Employers performing construction work on the Project and a Union signatory thereto except to the extent the provisions of this Agreement are inconsistent with such collective bargaining agreement, in which event the provisions of this Agreement shall apply. However, such does not apply to work performed under the National Cooling Tower Agreement, the National Stack Agreement, the National Transit Division Agreement (NTD), work within the jurisdiction of the International Union of Elevator Constructors, and all instrument calibration and loop checking work performed under the terms of the UA/IBEW Joint National Agreement for Instrument and Control Systems Technicians except that Articles dealing with Work Stoppages and Lock-Outs, Work Assignments and Jurisdictional Disputes, and Settlement of Grievances and Disputes shall apply to such work. It is specifically agreed that no later agreement shall be deemed to have precedence over this Agreement unless signed by all parties signatory hereto who are then currently employed or represented at the Project.

4.2 WOL will require all contractors and subcontractors who are awarded or are performing jobsite work on the Project, to become signatory to this Agreement and will not allow any such contractors or subcontractors to work unless they become signatory to this Agreement. In addition to becoming signatory to this Agreement, each contractor and subcontractor performing jobsite work will also become bound in the current Master Labor Agreement(s) (hereinafter “MLA”) on a one job basis for this project only with the Union(s) or
subordinate body, representing the employees employed or to become employed by such contractor(s) and subcontractor(s), upon commencing jobsite work specifically for this project.

4.3 By accepting the award of a construction contract or entering into a contract to perform any project work pursuant to a construction contract whether as a contractor or subcontractor, Employer agrees to sign the Letter of Assent as shown in Attachment A and be bound by each and every provision of this Agreement.

4.4 This Agreement does not apply to employees or work of the Owner.

4.5 This Agreement shall not apply to parents, affiliates, subsidiaries, divisions or other ventures of any signatory to this Agreement or the Letter of Assent, unless signed by such parent, affiliate, subsidiary, division or venture of such company.

ARTICLE 5
UNION RECOGNITION, SECURITY, WAGES AND BENEFITS

5.1 The Employers recognize the Union(s) as the sole and exclusive collective bargaining representative for craft employees employed on the Project.

5.2 Employees referred by the Union(s) and hired by the Employer(s), shall, as a condition of employment become and remain members in good standing of the appropriate Union on or by the 8th day of employment. Membership under this section shall be satisfied by the tendering of periodic dues and fees uniformly required.

5.3 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.

5.4 Each Union shall have the right to designate a working craft employee as steward for each Employer employing such craft on the Project. Such designated 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 nonworking stewards. Stewards shall be permitted a reasonable amount of time during working hours to perform applicable union duties.

5.5 All employees covered by this Agreement shall be classified in accordance with work performed and paid by the Employers as a minimum, the hourly wage rates for those classifications in compliance with the applicable prevailing wage determinations established by the Director of the Department of Industrial Relations, for workers at the site in job classifications covered thereby. If a prevailing rate increases under law, the Employer shall pay that rate as of its effective date under the law.

5.5.1 Notwithstanding section 5.5 above, this Agreement does not relieve
Employers from paying all of the wages and all of the fringe benefit payments described in the applicable craft Unions’ Master Labor Agreement.

5.6 The Unions, through their hiring halls, will exert their best efforts to recruit sufficient numbers of skilled craft persons to fulfill the requirements of the Employer. The Unions will be the source of all craft employees for the Project (defined in Article 2 of this agreement).

5.7 The Unions and Employers agree that, to the extent allowed by law, and as long as they possess the requisite skills and qualifications, the Unions will exert their best efforts to refer and/or recruit sufficient numbers of skilled craft “Local Residents” and “Disadvantaged Workers,” as defined below, to fulfill the requirements of the Employers. In recognition of the fact that the communities surrounding the Project will be impacted by the construction of the Project, the parties agree to support the development and graduation of disadvantaged construction apprentices and workers from the residents of these surrounding areas. Towards that end, the Unions agree that they will exert their best efforts to encourage and provide referrals and utilization of qualified workers first, residing within the zip codes set forth on Attachment B. If the Unions cannot provide the Employers in the attainment of a sufficient number of Local Residents and/or Disadvantaged Workers from within the zip codes identified in Attachment B, the Unions will exert their best efforts to then recruit and identify Local Residents and/or Disadvantaged Workers residing within the remaining zip codes which incorporate any portion of the City of Los Angeles. If the Unions still have not provided the Employers in the attainment of a sufficient number of Local Residents and/or Disadvantaged Workers from residents within the City of Los Angeles, the Unions will then exert their best efforts to recruit and identify Local Residents and/or Disadvantaged Workers from within the County of Los Angeles.

5.7.1 The following percentages shall be the good faith targeted hiring for the Project:

(a) At least 30% of the total work hours worked shall be performed by “Local Residents,” who are individuals residing within the zip codes set forth on Attachment B. If the 30% local hire is not attained utilizing these Local Residents, the outreach shall expand to the Local Residents residing within the remaining zip codes which incorporate any portion of the City of Los Angeles. If the 30% local hire is still not attained utilizing these Local Residents, the outreach shall expand to the Local Residents residing within the County of Los Angeles.

(b) At least 10% of total work hours shall be performed by Disadvantaged Workers, as defined below, residing within the areas described in Section 5.7 above. These hours may be applied towards the 30% Local Resident targeted hiring.

(c) At least 20% of total work hours on each project will be performed by apprentices, but the hours performed by apprentices in each individual craft shall not exceed the ratio to journeymen established by the applicable craft union’s Division of Apprenticeship Standards approved apprenticeship standards. The Parties agree that Local Residents residing within the areas described in Section 5.7 above, will perform 20% of all apprenticeship hours worked on the Project. An apprentice who begins his/her period of apprenticeship as a Local
Resident residing within the areas described in Section 5.7 above, will retain that status for the entire apprenticeship, regardless of any changes in the apprentice’s residence.

(d) Employers shall document their compliance efforts through the utilization of the Craft Request Form.

(e) Employers retain authority in making individual hiring decisions.

5.7.2 Disadvantaged Workers may be referred to the Unions from a Jobs Coordinator qualified to perform construction jobs coordination and related services. The Jobs Coordinator shall pre-screen and/or pre-qualify any applicant prior to referral to the Unions. Drug screening will be a prerequisite to employment. The following criteria will be used to identify the “Disadvantaged Worker”:

(a) Household income below 50% of the Area Median Income or one of the following:

(b) Emancipated youth;

(c) Receiving Public Assistance;

(d) Lacking a GED or high school diploma;

(e) Single parent;

(f) Being Homeless;

(g) Suffering from chronic unemployment or underemployment.

For an individual to qualify hereunder, the Jobs Coordinator shall verify the presence of one of the above criteria and primary place of residence within the areas described in Section 5.7.

[For the purpose of this Section, Area Median Income means the area median income from the Los Angeles-Long Beach Metropolitan Statistical Areas, as determined annually by the U.S. Department of Housing and Urban Development.]

5.7.3 Employers agree to use the Craft Request Form, to be provided by the Union, and the procedures written therein to request any and all workers from Unions, including workers qualified as Local Residents, Disadvantaged Workers, and/or general dispatch.

5.7.4 When Local Residents and/or Disadvantaged Workers are requested by the Employers, the Unions will refer such workers regardless of their place in the Unions’ hiring halls’ list and normal referral procedures.

5.7.5 In the event that an Employer, having not achieved its targeted hiring participation levels, requests a Local Resident and/or Disadvantaged Worker from the Union
hiring facility, and is referred a worker who is not a Local Resident and/or Disadvantaged Worker, the Employer is under no obligation to hire the referred worker for the Project work and shall notify the Union hiring facility.

ARTICLE 6
HELMETS TO HARDHATS

6.1 The Employers and Unions recognize a desire to facilitate the entry into the building and construction trades, veterans and members of the National Guard and Reserves who are interested in careers in the building and construction industry. The Employers and Unions agree to utilize the services of the Center for Military Recruitment, Assessment and Veterans Employment (hereinafter “Center”), a joint Labor-Management Cooperation Trust Fund, established under the authority of Section 6(b) of the Labor-Management Cooperation Act of 1978, 29 U.S.C. Section 175(a), and Section 302(c)(9) of the Labor-Management Relations Act, 29 U.S.C. Section 186(c)(9), and a charitable tax exempt organization under Section 501(c)(3) of the Internal Revenue Code, and the Center’s “Helmets to Hardhats” program to serve as a resource for preliminary orientation, assessment of construction aptitude, referral to apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as identified by the Parties.

6.1.1 The Unions and Employers agree to coordinate with the Center to create and maintain an integrated database of veterans and members of the National Guard and Reserves interested in working on this Project and apprenticeship and employment opportunities for this Project. To the extent permitted by law, the Unions will give credit to such veterans and members of the National Guard and Reserves for bona fide, provable past experience.

6.1.2 In recognition of the work of the Center and the value it will bring to the Project, within 10 days of the first hour of Work being performed on the Project, WOL shall make a onetime contribution of $5,000 to the Center on behalf of itself and all other Employers employing workers under the terms of this Agreement.

6.1.3 The Center shall function in accordance with, and as provided in the Agreement and Declaration of Trust creating the fund, and any amendments thereto, and any other of its governing documents. Each Employer performing work covered by this Agreement approves and consents to the appointment of the Trustees designated pursuant to the Trust Agreement establishing the Center and hereby adopts and agrees to be bound by the terms and provisions of the Trust Agreement.

ARTICLE 7
CONTINUITY OF THE WORK

7.1 The principal purpose of this Agreement is that it provides the Employers, Unions, and the Owner with the assurance that there will be no strike, sympathy strike, picketing, lockout, slowdown, withholding of work, refusal to work, walk-off, sick-out, sit-down, stand-in,
wobble, boycott, other work stoppage or other labor action of any kind for any reason for the
duration of this Agreement. It is agreed, therefore, as follows:

7.2 During the existence of this Agreement, there shall be no strike, sympathy strike,
picketing, lockout, slowdown, withholding of work, refusal to work, walk-off, sick-out, sit-
down, stand-in, wobble, boycott, other work stoppage or other labor action of any kind for any
reason, and there shall be no lockout by the Employers. It is agreed, however, that the Employers
may lay off employees for lack of work, or in the event that a strike, picketing or other work
stoppage impedes the work of the Project.

7.3 No picket lines or other actions of the type described in section 7.2 will be
established or supported at the Project by any of the Unions. The Unions agree that they will not
sanction in any way any picket line, organized or endorsed and will affirmatively take all
measures necessary to effectively induce its members to cross the picket line and report for work
as scheduled and that responsible representatives of the Unions who are employed on the Project
will also do so themselves.

7.4 Notwithstanding the provisions of section 7.2, it is agreed that the particular
Union involved retains the right to withhold the services of its members (but not a right to
picket) from a particular Employer who fails to make timely payments to the Union Health &
Welfare, Pension, Vacation and Holiday, Apprentice and Training, or Industry Funds in
accordance with the provisions of that particular Employer's current labor agreement with the
particular Union or who fails to timely pay its weekly payroll. However, prior to withholding its
members' services on account of a failure to make timely payments to the Union Health &
Welfare, Pension, Vacation and Holiday, Apprentice and Training, or Industry Funds, the Union
involved will give ten (10) days (unless a lesser period is provided within the applicable craft
union agreement, but in no event less than forty-eight (48) hours) written notice of such failure to
pay by registered or certified mail, return receipt requested, to the involved Employer and to
WOL. Representatives of the parties to the dispute will meet within the ten-day period to attempt
to resolve the dispute. Upon the payment by the delinquent Employer of all monies due and then
owing for wages and/or fringe benefit contributions, the Union shall direct its members to return
to work and the Employer shall return all such members back to work.

7.5 It is specifically agreed that there shall be no strike, sympathy strike, picketing,
lockout, slowdown, withholding of work, refusal to work, walk-off, sick-out, sit-down, stand-in,
wobble, boycott or other work stoppage or other labor action of any kind as a result of the
expiration of any local, regional or other applicable labor agreement having application at the
Project and/or failure of the parties to that agreement to reach a new contract. In the event that
such a local, regional, or other applicable labor agreement does expire and the parties to that
agreement have failed to reach agreement on a new contract, work will continue on the Project
on one of the following two basis, both of which will be offered by the Union(s) involved to and
the Employers affected:

7.5.1 Each of the Union(s) with a contract expiring must offer to
continue working on the Project under interim agreements that retain all the terms of the expiring
contract, except that the Union(s) involved in such expiring contract(s) may each propose wage
rates and employer contribution rates to employee benefit funds under the prior contract different from what those wage rates and employer contributions rates were under the expiring contract(s). Said interim agreement(s) would be superseded by any subsequently reached industry agreement(s) as of the date the industry agreement is reached. The terms of the Union's interim agreement offered to WOL and the Employers will be no less favorable than the terms offered by the Union to any other employer or group of employers covering similar type construction work in Los Angeles County; and

7.5.2 Each of the Union(s) with a contract expiring must offer to continue working on the Project under all the terms of the expiring contract, including the wage rates and employer contribution rates to the employee benefit funds, if the Employer(s) affected by that contract agree to the following retroactivity provision: if a new local, regional or other applicable labor agreement for the industry having application at the Project is ratified and signed during the term of this Agreement and if such new labor agreement provides for retroactive wage increases, then each affected Employer shall pay to its employees who performed work covered by this Agreement at the Project during the hiatus between the effective dates of such labor agreements, an amount equal to any such retroactive wage increase established by such new labor agreement, retroactive to whatever date is provided by the new local, regional or other applicable agreement for such increase to go into effect, for each employee's hours worked on the Project during the retroactivity period. All parties agree that such affected Employer shall be solely responsible for any retroactive payments to its employees and that neither WOL nor the Owner has any obligation, responsibility or liability whatsoever for any such retroactive payments or collection of any such retroactive payments from any other employer.

7.5.3 Some Employers may elect to continue to work on the Project under the terms of the interim agreement option offered under section 7.5.1, above and other Employers may elect to continue to work on the Project under the retroactivity option offered under section 7.5.2 above. To decide between the two options, Employers will be given one week after the particular labor agreement has expired or one week after the Union has personally delivered to the Employer, in writing, its specific offer of terms of the interim agreement pursuant to section 7.5.1 above, whichever is the later date. If the Employer fails to timely select one of the two options, the Employer shall be deemed to have selected the option of section 7.5.2 above.

ARTICLE 8
JURISDICTIONAL DISPUTES

8.1 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.

8.2 All jurisdictional disputes between or among Building and Construction Trades Unions and Employers shall be settled and adjusted according to the present Plan established by
the Building and Construction Trades Department or any other plan or method of 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.

8.3 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.

ARTICLE 9
GRIEVANCE AND ARBITRATION PROCEDURE

9.1 The parties hereby agree that all dispute or grievances that may arise concerning the application or the interpretation of the terms of this Agreement between Employers and Unions, other than disputes arising from any strike, picketing, slowdown, lockout or other work stoppages of any kind under Article 7 or any trade jurisdictional disputes under Article 8, shall be handled in accordance with the following procedures:

9.2 Step 1. If there is a dispute or grievance, the business representative of the local union involved and the project superintendent of the involved Employer, shall first attempt to settle the matter by oral discussion no later than five (5) working days after the party submitting the grievance first became aware of, or by the use of reasonable diligence should have been aware of, the occurrence first giving rise to the dispute or grievance. If the matter is not resolved between the superintendent and the business representative within five (5) working days after oral discussion, the dispute or grievance shall be reduced to writing by the grieving party.

9.3 Step 2. If the matter is not resolved in step 1, above, the written grievance shall be given by the grievance party to the responding party, and to WOL no later than five (5) working days after the oral discussion set forth above for Step 1. Thereafter, the Business Manager of the involved local Union or his designee, together with the site representative of the involved contractor, and WOL shall meet within five (5) working days of the referral of the written grievance to the responding party to arrive at a satisfactory settlement thereof. If the grievance is not resolved within five (5) working days after the meeting of the Business Manager of the involved local Union or his designee, together with the site representative of the involved contractor and WOL, it may be referred by either party to Step 3 by written notice of the submittal of the grievance to arbitration in accordance with the provisions set forth below.

9.4 Step 3. If settlement is not achieved through step 2, the parties shall meet in an effort to agree on a neutral arbitrator. If the parties are unable to agree on a neutral arbitrator within twenty (20) working days after the date of the Step 2 meeting, the first arbitrator from the list set forth below, which shall be appointed on a rotational basis in the order listed, shall be the arbitrator to hear the dispute. The agreed upon arbitrators under this Agreement are: Joseph Gentile, Fred Horowitz, Walter Daugherty, Louis Zigman and William Rule. Expenses incurred in arbitration shall be borne equally by the union and the employer involved and the decision of the arbitrator shall be final and binding on both parties. The arbitrator shall not have the authority
to alter or amend or add to or delete from the provisions of this Agreement in any way. A failure of any party to attend said hearing shall not delay the hearing of evidence or the issuance of any decision by the Arbitrator. Should any party seek confirmation of the award made by the Arbitrator, the prevailing party shall be entitled to receive its reasonable attorney fees and costs.

9.5 Failure to timely raise, file or appeal any grievance within the time limits set forth above will result in the grievance being waived.

9.6 The time limits specified in any step of the Grievance Arbitration Procedure set forth in Section 9.4 may be extended by mutual agreement of the Parties. However, failure to process a grievance within the time limits provided above, without a request for an extension of time, shall be deemed a waiver of such grievance without prejudice, or without precedent to the processing and/or resolution of like or similar grievances.

9.7 Grievances which are settled directly by the Parties to such grievance shall not be precedent setting.

ARTICLE 10
EXPEDITED ARBITRATION

10.1 In lieu of, or in addition to, any other action at law or equity, which is also available, any party may institute the following procedure when a breach or violation of sections 7.2, 7.3 or Article 8 is alleged:

10.2 The party invoking this procedure shall notify either Joseph Gentile, Walter Daugherty or Louis Zigman who the parties agree shall be the three permanent Arbitrators under this procedure. In the event that none of the three permanent Arbitrators is available for a hearing within 24 hours, anyone of the three permanent Arbitrators who is notified shall appoint an alternate to hear the matter. Notice to the Arbitrator shall be by the most expeditious means available, including telephone, with notice by e-mail, facsimile, or overnight mail to the party alleged to be in violation.

10.3 Upon receipt of said notice, anyone of the three Arbitrators named above (whichever one is notified by the invoking party) or his alternate shall set and hold a hearing within twenty-four (24) hours if it is contended that the violation still exists.

10.4 The Arbitrator shall notify the parties by e-mail, facsimile, or overnight mail of the place and time he has chosen for this hearing. Said hearing shall be completed in one session. A failure of any party or parties to attend said hearing shall not delay the hearing of evidence or issuance of an award by the Arbitrator.

10.5 The sole issue at the hearing shall be whether or not a violation of sections 7.2, 7.3 or Article 8 has in fact occurred and the Arbitrator shall have no authority to consider any matter in justification, explanation or mitigation of such violation or to award damages, which issue is reserved for court proceedings, if any. The Award shall be issued in writing within three
(3) hours after the close of the hearing, and may be issued without an Opinion. If any party desires an Opinion, one shall be issued within fifteen (15) days, but its issuance shall not delay compliance with, or enforcement, of the Award. If the Arbitrator finds that a violation of sections 7.2, 7.3 or Article 8 has occurred, then the Arbitrator in his written Award shall order cessation of the violation and a return to work and other appropriate relief, and such Award shall be served on all parties by hand or registered mail upon issuance. The Award will be final and binding on all parties to this Agreement.

10.6 Such Award may be enforced by any court of competent jurisdiction upon the filing of this Agreement and all other relevant documents referred to herein above in the following manner. Telegraphic notice of the filing of such enforcement proceedings shall be given to the other party. In the proceeding to obtain a temporary order enforcing the Arbitrator's Award as issued under Section 10.5 of this Article all parties waive the right to hearing and agree that such proceedings may be ex parte. Such agreement does not waive any party's right to participate in a hearing for a final order of enforcement. The Court's order or orders enforcing the Arbitrator's Award shall be served on all parties by hand or by delivery to their last known address or by registered mail.

10.7 The fees and expenses of the Arbitrator shall be divided equally between the moving party or parties and the party or parties' respondent unless determined otherwise by the arbitrator.

10.8 The procedures contained in this Article shall be applicable to alleged violations of sections 7.2, 7.3 or Article 8. Disputes alleging violation of any other provision of this Agreement, including any underlying disputes alleged to be in justification, explanation or mitigation of any violation of sections 7.2, 7.3 or Article 8, shall be resolved under the grievance adjudication procedures of Article 9.

ARTICLE 11
SAFETY

11.1 All Federal and State safety rules, regulations, orders, and decisions shall be binding upon the Employers and shall be applied to all work covered by this Agreement.

11.2 It will not be a violation of this Agreement, when an Employer considers it necessary to shut down to avoid the possible loss of human life, because of an emergency situation that could endanger the life and safety of an employee. In such cases, employees will be compensated only for the actual time worked. In the case of a situation described above whereby the Employer requests employees to stand by, the employees will be compensated for the "stand by time."
ARTICLE 12
GENERAL SAVING CLAUSE

12.1 It is not the intention of the parties hereto to violate the laws governing the subject matter of this Agreement. The parties hereto agree that in the event any provisions of this Agreement are finally held or determined to be illegal or void as being in contravention of any applicable law, the remainder of this Agreement shall remain in force and effect unless the part so found to be void is wholly inseparable from the remaining portions of this Agreement.

12.2 Further, all parties agree that if and when any or all provisions of this Agreement are finally held or determined to be illegal or void by a court of competent jurisdiction, an effort will be made to then promptly enter into negotiations concerning the substance affected by such decision for the purpose of achieving conformity with the requirements of any applicable law and the intent of the parties hereto.

ARTICLE 13
NON DISCRIMINATION

13.1 The Unions shall refer all applicants for employment without discrimination against any applicant by reason of age, race, color, creed, religion, sex, sexual orientation, political affiliation, membership in a labor organization or national origin. Where governmental agencies impose equal employment obligations on the Employers on the Project, referral procedures shall be subordinate to such obligations.

13.2 It is agreed that affirmative action shall be taken to afford employment opportunity to all qualified persons without regard to age, race, creed, color, sex or national origin. Furthermore, the parties agree to cooperate to the fullest extent to achieve the intent and purpose of the applicable equal employment opportunity and affirmative action laws, regulations and requirements.

ARTICLE 14
PRE-JOB CONFERENCE

14.1 WOL will conduct a pre-job conference with the Union(s) and the Council prior to commencing work. WOL shall notify the Council and all subcontractors of all tiers, who shall participate in such conferences, ten (10) days in advance of all such conferences. All work assignments should be disclosed by WOL and the subcontractors at the pre-job conference held in accordance with industry practice. Should additional project work not previously included within the scope of the project work be added, the contractors performing such work will conduct a separate pre-job for such newly included work.
ARTICLE 15
PARKING

15.1 Free parking designated by WOL and the Owner will be made available for workers who are employed at the jobsite. WOL and the Owner will not be responsible for loss, theft, damage, vandalism, or other casualty arising out of workers use of provided parking.

ARTICLE 16
ENTIRE UNDERSTANDING

16.1 The parties agree that the total results of their bargaining are embodied in this Agreement and neither party is required to render any performance not set forth in the working of this Agreement, or to bargain during the term of this Agreement about any matters unless required to do so by the terms of this Agreement. This Agreement may be amended only by written agreement signed by the parties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and effective as of the day and year first above written.

The officials signing this Agreement warrant and collectively bargain on behalf of the organizations whom they represent and the members of such organizations.

WEBCOR| OBAYASHI| LYLES, A JOINT VENTURE AS CONSTRUCTION MANAGER AT RISK

Gust Soteropulos
Project Executive

LOS ANGELES/ORANGE COUNTIES BUILDING & CONSTRUCTION TRADES COUNCIL

Robbie Hunter
Executive Secretary
ATTACHMENT "A"

LETTER OF ASSENT

(Project Name)
(City, State)

This is to certify that the undersigned Employer has examined a copy of the Project Labor Agreement for Construction of the Silver Lake Reservoir Complex Storage Replacement Project between WOL, A Joint Venture as Construction Manager at Risk and the Los Angeles/Orange Counties Building and Construction Trades Council and the Craft Unions and District Councils.

The undersigned Employer hereby agrees to comply with all of the terms and conditions of the aforementioned Continuity of Work Agreement. It is understood that the signing of this 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 ___ day of _________, 20__ and shall remain in full force and effect until the completion of the above stated project.

____________________________________
Name of Employer

____________________________________
Address of Employer

____________________________________
Signature - Officer of Employer

____________________________________
Title of Signatory Officer of Employer
ATTACHMENT “B”

LOS ANGELES CITYWIDE ZIP CODES
2010 Los Angeles County
Local Metropolitan Zip Codes

<table>
<thead>
<tr>
<th>90001</th>
<th>90063</th>
</tr>
</thead>
<tbody>
<tr>
<td>90002</td>
<td>90065</td>
</tr>
<tr>
<td>90003</td>
<td>90071</td>
</tr>
<tr>
<td>90004</td>
<td>90089</td>
</tr>
<tr>
<td>90005</td>
<td>90247</td>
</tr>
<tr>
<td>90006</td>
<td>90248</td>
</tr>
<tr>
<td>90007</td>
<td>90501</td>
</tr>
<tr>
<td>90008</td>
<td>90502</td>
</tr>
<tr>
<td>90010</td>
<td>90710</td>
</tr>
<tr>
<td>90011</td>
<td>90731</td>
</tr>
<tr>
<td>90012</td>
<td>90744</td>
</tr>
<tr>
<td>90013</td>
<td>91042</td>
</tr>
<tr>
<td>90014</td>
<td>91304</td>
</tr>
<tr>
<td>90015</td>
<td>91306</td>
</tr>
<tr>
<td>90016</td>
<td>91330</td>
</tr>
<tr>
<td>90017</td>
<td>91331</td>
</tr>
<tr>
<td>90018</td>
<td>91335</td>
</tr>
<tr>
<td>90019</td>
<td>91340</td>
</tr>
<tr>
<td>90020</td>
<td>91342</td>
</tr>
<tr>
<td>90021</td>
<td>91343</td>
</tr>
<tr>
<td>90023</td>
<td>91352</td>
</tr>
<tr>
<td>90026</td>
<td>91401</td>
</tr>
<tr>
<td>90027</td>
<td>91402</td>
</tr>
<tr>
<td>90028</td>
<td>91406</td>
</tr>
<tr>
<td>90029</td>
<td>91505</td>
</tr>
<tr>
<td>90031</td>
<td>91601</td>
</tr>
<tr>
<td>90032</td>
<td>91602</td>
</tr>
<tr>
<td>90033</td>
<td>91605</td>
</tr>
<tr>
<td>90036</td>
<td>91606</td>
</tr>
<tr>
<td>90037</td>
<td>90061</td>
</tr>
<tr>
<td>90038</td>
<td>90062</td>
</tr>
<tr>
<td>90039</td>
<td></td>
</tr>
<tr>
<td>90041</td>
<td></td>
</tr>
<tr>
<td>90042</td>
<td></td>
</tr>
<tr>
<td>90043</td>
<td></td>
</tr>
<tr>
<td>90044</td>
<td></td>
</tr>
<tr>
<td>90047</td>
<td></td>
</tr>
<tr>
<td>90057</td>
<td></td>
</tr>
<tr>
<td>90058</td>
<td></td>
</tr>
<tr>
<td>90059</td>
<td></td>
</tr>
</tbody>
</table>
Boilermakers 92
Bricklayers 92
DC36 Painters
Gunite 345
Heat & Frost Insulators 5
IBEW 11
Ironworkers 416
Ironworkers 433
IUEC 18
IUOE 12
Laborers 300
Los Angeles/Orange County Building Trades Council
OPCMIA 600
Plasters 200
Plaster Tenders 1414
Sheet Metal Workers 105
Southwest Regional Council Carpenters
Sprinklerfitters 709
Teamsters 986
Tile Marble Terrazo 18
UA Plumbers 78
UA 250
UA 345
Webcor|Otabashi|Lyles, A Joint Venture