PROJECT LABOR AGREEMENT

FOR

GLENARM POWER PLANT REPOWERING PROJECT

PASADENA, CALIFORNIA
1. INITIAL PROVISIONS AND DEFINITIONS

1.1. This Project Labor Agreement ("Agreement") is entered into by ARB, Inc. (the "Direct Contractor" or "Primary Employer"), and the State Building and Construction Trades Council of California ("State Council"), the Los Angeles/Orange Counties Building and Construction Trades Council ("Local Council"), and the local unions who have executed this Agreement, all of whom are referred to collectively as the "Unions."

1.2. The Glenarm Power Plant Repowering Project (the "Project") is the construction of a new 71 MW combined cycle power plant on the Project Site described in Attachment C. The Project Site is primarily bounded by the Glenarm Building to the north, the existing GT 3 and 4 gas turbines to the south, and the existing GT 1 and 2 gas turbines to the east. The Project is owned by the City of Pasadena ("City").

1.3. Primary Employer is the Direct Contractor (as defined in California Civil Code Section 8018, the contractor that has a direct contractual relationship with the City) for the Project. The Primary Employer will construct the Project through its employees, contractors, subcontractors, and agents. During construction of the Project, the Primary Employer shall control the Project Site.

1.4. As provided below, all contractors, subcontractors or other persons or entities (other than the Primary Employer, who is a direct signatory to this Agreement, and the City) performing, assigning, awarding or subcontracting, or authorizing another party to assign, award or subcontract Covered Work (as defined in Article 2), will be subject to this Agreement by executing Attachment A, the Agreement to be Bound (all of whom, including the Primary Employer, are individually and collectively referred to as "Employer" or "Employers").

1.5. The signatory Unions are labor organizations whose members are construction industry employees who generally work in close proximity to one
another at construction job sites and whose jobs are closely related and coordinated. Each of the Unions is a party to a multi-employer collective bargaining agreement ("Master Agreement") that covers the geographic area of the Project. Where the term Master Agreement is used, it means the existing Master Agreement currently in effect as to each of the signatory Unions and which is identified in Attachment E.

1.6. Timely construction of the Project is important to ensure a reliable source of electricity is available to meet the needs of the City. The parties recognize the need for timely completion of the Project without interruption or delay. The parties further recognize problems that may arise when union and nonunion employees are permitted to work side by side at a common construction site. This Agreement is intended to avoid such problems and to enhance a 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 craft workers 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, safely, economically, and without interruption.

1.7. It is the intent of the parties to this Agreement to use the opportunities provided by the Covered Work to identify and promote, through cooperative efforts, programs and procedures (which may include, for example, programs to prepare persons for entrance into formal Apprenticeship Programs, or outreach programs to the community describing opportunities available as a result of the Project), for the interest and involvement of "Pasadena Residents" as defined below in the construction industry; assist them in entering the construction trades and in utilizing joint labor/management sponsored apprenticeship programs to provide training opportunities for those Pasadena Residents and other individuals wishing to pursue a career in construction.
1.8. The Project will provide opportunities for Pasadena Businesses, as defined below, to participate as contractors, subcontractors or suppliers, and the parties therefore agree that they will cooperate with all efforts of the City, the Project Labor Coordinator and the City's partners, to encourage and assist the participation of Pasadena Businesses in Covered Work. All parties understand that the City has established and quantified goals which place a strong emphasis on the utilization of Pasadena Businesses on the Project. Each party agrees that it shall use demonstrable efforts to encourage utilization of Pasadena Businesses to achieve such goals. This may include, for example, compiling a list of Pasadena Businesses, advertising opportunities to participate in Covered Work, soliciting Pasadena Businesses, collaborating with Pasadena Businesses, and education and assistance to Pasadena Businesses not familiar with working on projects with a scope similar to this Project. Further, the parties shall ensure that the provisions of this Agreement do not inadvertently establish impediments to participation of Pasadena Businesses and Pasadena Residents in the Covered Work of the Project.

1.9. 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.

1.10. The working conditions and project rules contained in this Agreement 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-effective manner. The intent of this Agreement 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.
1.11. In furtherance of these purposes and to secure optimum productivity, harmonious relations between the parties and the orderly performance of the work, the parties to this Agreement agree to establish adequate and fair wage levels and working conditions and to protect the Project against strikes and lockouts and other interference with the process of the work.

1.12. In the interest of the future of the construction industry in the local area, of which the Unions are a vital part, and to maintain the most efficient and competitive posture possible, the Unions pledge to work and cooperate with the management of the Project to produce the most efficient utilization of labor and equipment in accordance with this Agreement.

1.13. It is understood and agreed by the parties that the 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.

1.14. “Apprentice” means any worker who is indentured in a bona fide labor/management construction apprentice program, registered and approved by the California Division of Apprenticeship Standards.

1.15. “Apprenticeship Program” means any labor/management construction apprenticeship program certified and approved by the California Division of Apprenticeship Standards.

1.16. “Local Hiring Strategy” means the document, attached as an exhibit to the contract between City and the Direct Contractor for construction of the Work of the Project, detailing the hiring plan for Pasadena Residents.

1.17. “Pasadena Resident” means an individual whose primary residence is within the following zip codes areas: 91101, 91103, 91104, 91105, 91106, 91107 and any of the following are acceptable forms of proof or residency: (i) copy of a current residential lease with the eligible household member’s name listed on it; (ii) valid California driver’s license or ID card with a City of Pasadena, California address; (iii) Medical card with current address; (iv) utility bill with eligible household
member’s name on it; (v) voter registration card with current address; or (vi) other proof of residence address deemed acceptable by the Project Labor Coordinator.

2. **SCOPE OF AGREEMENT**

2.1. This Agreement covers all on-site construction, alteration, or painting of buildings, structures and other works, and related activities for the Project that is within the craft jurisdiction of one of the Unions and which is part of the Project, including, without limitation, site preparation, soil and material inspection and testing, all on-site fabrication work provided such work is within the fabrication provision of the Master Agreement or national agreement of one of the Unions, demolition of existing structures, and all construction, demolition or improvements required to be performed as a condition of approval by any public agency. On-site fabrication work includes work done for the Project in temporary yards or areas near the Project. All fabrication work which is part of the Project, including without limitation, the fabrication of air-handling systems and ducts, and HVAC sheet metal work, and which is traditionally claimed as on-site fabrication shall be performed on-site. For the convenience of the Primary Employer or other Employers, such work may be performed off-site. In that event, such fabrication work shall be performed in accordance with the union standards established by this Agreement for the appropriate craft Union or by a fabrication agreement approved by the craft’s International Union. On-site construction shall also include the site of any batch plant constructed solely to supply materials to the Project. All work within the scope of this Agreement is referred to as “Covered Work” in this Agreement.

2.2. This Agreement covers all physical work typically performed by craft labor in California that is part of startup and commissioning, including but not limited to system flushes and testing, loop checks, rework and modifications,
functional and operational testing up to and including the final running test. It is understood that the City, manufacturer's and vendor's representatives, and plant operating personnel (who are not covered by the terms of this Agreement) may supervise and direct this activity, and that craft work is typically performed as part of a joint effort with these representatives and personnel. The City, a manufacturer or their respective representatives, who are not covered by the terms of this Agreement, may perform industry standard work to satisfy its guarantee or warranty prior to startup of a piece of equipment. After a system or subsystem becomes operational and upon acceptance, Covered Work on that system or subsystem is completed. However, system flushes as well as rework and modifications normally provided as a function of the construction effort, and other related work normally provided by members of the Unions, will be performed by workers who are covered by this Agreement.

2.3. Exclusions: the following shall not be considered Covered Work (“Non Covered Work”):

(a) Work of non-manual employees, including but not limited to superintendents; supervisors; staff engineers; quality control and quality assurance personnel; building official construction inspectors; geologists; time keepers, mail carriers, clerk, officer workers, messengers, guards, safety personnel, emergency medical and first aid technicians, and other professional, engineering, administrative, supervisory and management employees;

(b) All off-site manufacture and handling of materials, equipment or machinery except at dedicated staging, lay down or storage; however, the movement of materials or goods between Covered Work locations are within the scope of this Agreement;

(c) Design teams (including, but not limited to architects, engineers, and master planners), or any other consultants for the City
(including, but not limited to, project managers and construction managers and their employees) and their sub-consultants, and other employees of professional service organizations, not performing manual labor within the definition of Project Work;

(d) Any work performed on or near or leading to or into the Project undertaken by state, county, city or other governmental bodies or their contractors, or by public utilities, or their contractors; and/or by the construction manager or its contractors for work that is not part of the Project;

(e) Off-site maintenance of leased equipment and on-site supervision of such work;

(f) All work by employees of a manufacturer or vendor necessary for start up, commissioning and to maintain its warranty or guaranty;

(g) Ongoing maintenance, janitorial, and security services;

(h) Work on the Project performed directly by City or its Direct Contractor with their own employees as a result of a threat to life, limb, or property or other emergency or circumstances requiring immediate action;

(i) All non-construction support services contracted by any Employer or the City in connection with the Project; and,

(j) All maintenance and repair work.

2.4. The Agreement shall not apply to material suppliers or delivery by any means of material, supplies, or equipment required, to any point of delivery.

2.5. The parties acknowledge that regular employees of the City may perform certain elements of Covered Work. This Agreement, however, shall not apply to any employee of the City.

2.6. This 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.

2.7. Choice of Materials and New Technologies:

(a) Subject to Section 2.1, there shall be no limitation or restriction upon the choice of materials or upon the full use and installation of equipment, machinery, package units, factory precast, prefabricated or preassembled materials, tools or other labor saving devices.

(b) The use of new technology, equipment, machinery, tools and/or labor-saving devices and methods of performing work may be initiated by Employers in their respective discretion from time to time. The Unions agree that they will not in any way restrict the implementation of such new devices or methods of work. If there is any disagreement between an Employer and Unions, concerning the manner or implementation of such device or method of work, the implementation shall proceed as directed by the Employer and the Union shall have the right to arbitrate the dispute as set forth in the Agreement.

3. SUBCONTRACTING

3.1. Primary Employer and each other Employer agree that they will contract for the assignment, awarding or subcontracting of Covered Work, or authorize another party to assign, award or subcontract Covered Work, only to a person, firm, corporation or other entity that, at the time the contract is executed, has become a party to this Agreement by executing Attachment A, the Agreement to be Bound.

3.2. Primary Employer and each other Employer agree that they will subcontract Covered Work only to a person, firm, corporation, or other entity who is or becomes party to this Agreement, and who is signatory to or agrees to abide by
for the purposes of performing Covered Work the applicable Master Agreement with the craft Union having traditional and customary building trades craft jurisdiction over the work identified in Attachment E of this Agreement. The signatory Union shall provide a copy of the most recent Master Agreement to the City, which shall provide a copy of such agreement to any bidder, contractor or subcontractor, upon request. Any Employer (including Primary Employer) performing Covered Work on the Project shall, as a condition to working on the Project, perform all work under the terms of this Agreement and the applicable Master Agreement. Before being authorized to perform any Covered Work, Employers (other than Primary Employer) shall become a party to this Agreement by signing Attachment A, the “Agreement to be Bound.” Every Employer shall notify the Local Council in writing within five business days after it has subcontracted work, and shall at the same time provide to the Local Council a copy of the executed Agreement to be Bound.

3.3. Nothing in this Agreement shall in any manner whatsoever limit the rights of the Primary Employer, or any other Employer, to subcontract Covered Work or to select its contractors or subcontractors, provided, however, that all Employers, at all tiers, assigning, awarding, contracting or performing, or authorizing another to assign, award, contract or perform Covered Work shall be required to comply with the provisions of this Agreement. To the extent permissible by law, the City, Primary Employer, and any other Employer have the absolute right to award contracts or subcontracts on the Project notwithstanding the existence or non-existence of any agreement between the Contractor and any union provided only that such Employer is ready, willing, and able to execute and comply with this Agreement. No Employer will be obligated to sign any other local area or national agreement as a condition for bidding on or being awarded Covered Work on the Project.

3.4. Primary Employer and every other Employer shall notify each of its contractors and subcontractors of the provisions of this Agreement and require as a
condition precedent to the assigning, awarding or subcontracting of any Covered Work or allowing any subcontracted Covered Work to be performed, that all such contractors and subcontractors at all tiers become signatory to this Agreement. Any Employer that fails to provide the Local Council with the Agreement to be Bound executed by its direct contractor or direct subcontractor shall be liable for any failure of that direct contractor or direct subcontractor to comply with the provisions of this Agreement, including any contributions to any trust funds that the contractor or subcontractor, or any subcontractor to that subcontractor, fails to make.

4. **WAGES AND BENEFITS**

4.1. **Wages:** 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 Department of Industrial Relations. If a prevailing wage rate increases under state law, the contractor shall pay the rate as of its effective date under the law notwithstanding the rate used by the Employer when submitting its bid or executing its contract or subcontract. If the prevailing wage laws are repealed during the terms of this Agreement, the contractor shall pay the wage rates established under the Master Agreement of the applicable Union, as set forth in Attachment E, except as otherwise provided in this Agreement.

4.2. **Benefits:** Employers shall pay contributions to the established employee benefit funds in the amounts designated in the Master Agreement of the applicable Union, as identified in Attachment E, and shall make all employee authorized deductions in the amounts designated in such agreements. The Employers adopt and agree to be bound by the written terms of the applicable,
legally established trust agreement(s) specifying the detailed basis on which payments are to be made into, and benefits paid out of, such trust funds for its employees. The Employers authorize the parties to such trust funds to appoint trustees and successor trustees to administer the trust funds and hereby ratify and accept the trustees so appointed as if made by the Employer.

4.3. Any special interest bargaining which establishes wage rates, classifications, zones, or wage escalations which apply exclusively to the Project will not be recognized. In addition, there shall be no redlining of the Project in any future multi-employer collective bargaining agreements by singling out, either by name or by effect, the Project or the Employers for less favorable wages, benefits or working conditions than are generally accorded other industrial projects in the same general geographic area.

5. NO DISCRIMINATION

5.1. The Unions and Employers agree that they will not engage in any form of discrimination on the basis of race, color, religion, sex (including pregnancy, childbirth or related medical conditions), national origin, ancestry, age, physical or mental disability, legally protected medical condition, family care status, veteran status, marital status, sexual orientation, gender identity, transgender status, or any other basis protected by local, state or federal laws, in dispatching workers or hiring employees for the Project. The Employers and Unions further agree that they will not discriminate against any employee, contractor or subcontractor based on political affiliation or membership in a labor organization.

6. UNION RECOGNITION, REFERRAL AND EMPLOYMENT OF PASADENA RESIDENTS

6.1. The Employers recognize 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 craft 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.

6.2. No employee covered by the Agreement shall be required to join the
Union as a condition of being employed, or remaining employed, to complete
Covered Work. However, any employee who is a member of a Union at the time of
referral shall maintain that membership in good standing while employed under
this Agreement. Further, all employees shall be required for the period during
which they are performing Covered Work to render the applicable periodic working
dues and non-initiation or application fees uniformly required for union
membership in the local union which is a signatory to this Agreement.

6.3. The Union(s) shall be the primary source of all craft employees
performing Covered Work for the Project (excluding the Employers’ “Core
Employees,” as that term is defined), but only when such employees are engaged in
Covered Work.

6.3.1. In recognition of the City’s mission to serve the residents
residing within the City of Pasadena, the Unions and Employers agree that, to
the extent allowed by law, and as long as they possess the requisite skills and
qualifications, Pasadena Residents shall be referred for Project Covered Work,
including Pasadena Residents referred by the Project Labor Coordinator, and
by City’s partners so as to meet the hiring goal provided in Section 6.3.4. The
purpose of this section is to provide employment opportunities for Pasadena
Residents.

6.3.2. The City shall designate a “Project Labor Coordinator,” either
from its own staff or an independent contractor acting on behalf of the City, to
monitor compliance with the Agreement; assist, as the authorized
representative of the City, in developing and implementing the programs
reference in this Agreement; and to otherwise implement and administer the provisions of this Agreement relating to utilization of Pasadena Residents and Pasadena Businesses.

6.3.3. The Project Labor Coordinator shall work with the City’s partners including but not limited to local pre-apprentice preparation programs such as the Flintridge Center’s Pasadena/Altadena Apprenticeship Preparation Program to provide Pasadena Residents who can enter an Apprenticeship Program and be employed on the Project.

6.3.4. The Unions and Employers agree to a hiring goal of 25% of all certified payroll (of Covered Work) wages shall be from Pasadena Residents.

6.3.5. The Employers remain responsible for all decisions regarding hiring and layoff of employees referred by the Unions. The Unions shall not be responsible for any failure to meet the hiring goals of this Article caused by the decisions of the Employer.

6.3.6. The Project Labor Coordinator shall work with the Unions and Employers in the administration of this Pasadena-Residents utilization goal; and all the Employers and Unions shall cooperate by maintaining adequate records including but not limited to certified payroll to demonstrate to the Project Labor Coordinator that such policies have been followed. As part of this process, and in order to facilitate the contract administration procedures, as well as appropriate benefit fund coverage, all Employers shall require all employees performing Covered Work and employed other than through the referral process to register with the appropriate hiring hall, if any. Employers shall identify Core Employees in their Local Hiring Strategy and shall provide payroll records evidencing the worker’s qualification as a Core Worker upon request by the Project Labor Coordinator.

6.4. Except as provided in Section 6.5 herein, the Employers shall hire all covered employees, including Core Employees, exclusively through Union
registration and referral systems. A “Core Employee” is someone: (1) whose name appeared on the Employer’s active payroll for 60 of the last 100 working days before award of a construction contract or subcontract and meets all standards required by applicable local, State or Federal law; (2) who has the ability to safely perform the basic functions of the applicable trade; and (3) who possesses any certification required by State or Federal law for the Covered Work to be performed by such employee. The number of Core Employees on this Project shall be governed by the following procedure: one Core Employee shall be selected and then the Unions will refer to the Employer one employee from the hiring hall out of work list for each affected craft. The process then will be repeated, one and one, until the Employer’s requirements are met or until the Employer has hired the five (5) Core Employees for that craft, whichever occurs first. Thereafter, all additional employees in the affected trade or craft shall be first requisitioned from the Union hiring hall in accordance with the provisions of this Article 6.

6.5. 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. Employers, however, in this event, must request referral of Pasadena Residents from the Project Labor Coordinator and from City’s partners prior to employment of any non-Pasadena Residents on the Project. Employers shall document their compliance efforts through utilization of the Craft Employee Request Form (Attachment D), hiring hall procedures, resources provided by the Project labor Coordinator. In the event that a Union does not have a job referral system, an Employer shall give the Union equal opportunity to refer applicants. The Employers retain the right to reject any job applicant referred by the Unions for good cause.
6.6. Each Union shall have the right to designate a working journeyperson as a steward. The steward shall be a qualified employee performing the work of that craft and shall not exercise any supervisory functions. Each steward shall be concerned with the employees of the steward’s Employer and not with the employees of any other Employer. A steward shall be allowed sufficient time to perform his duties.

6.7. Apprentices.

6.7.1 The parties recognize the need to maintain continuing support of the existing programs designed to develop adequate numbers of competent workers in the construction industry, and the obligation to capitalize on the availability of the City’s local work force. To these ends, the parties shall facilitate, encourage and assist Pasadena Residents to commence and progress in Apprenticeship Programs. The Project Labor Coordinator and the Unions will work cooperatively to identify, establish or maintain effective programs and procedures for persons interested in entering the construction industry and which will help prepare them for Apprenticeship Programs maintained through the signatory Unions. Unions shall track retention of Apprentices hired through this process and shall submit quarterly reports during the term of this Agreement to the Project Labor Coordinator in an agreed upon format.

7. **WORK STOPPAGES AND LOCKOUTS**

7.1. The Unions and Employers agree that during the term of this Agreement there shall be no strikes, sympathy strikes, picketing, hand billing (where the hand billing relates to the Project or Employer), work stoppages, slow downs, interference with the work or other jobsite disruptive activity for any reason by the Union or by any employee and there shall be no lockout by the Employer at the job site of the Project or at any other facility of the City because of a dispute.
Failure of any Union or employee to cross any picket line established at the Project site is a violation of this Article.

7.2. The Union shall not sanction aid or abet, encourage or continue any work stoppage, strike, picketing or other disruptive activity at the Project site and shall undertake all reasonable means to prevent or to terminate any such activity. No employee shall engage in activities which violate this Article. Any employee who participates in or encourages any activities which interfere with the normal operation of the Project shall be subject to disciplinary action, including discharge, and if justifiably discharged for the above reasons, shall not be eligible for rehire on the same project for a period of not less than ninety (90) days.

7.3. The Union shall not be liable for acts of employees for which it has no responsibility. The business manager of the Union will immediately instruct, order and use the best efforts of his office to cause the Union to cease any violations of this Article. A Union complying with this obligation shall not be liable for unauthorized acts of employees it represents. The failure of the Employer to exercise its right in any instances shall not be deemed a waiver of its right in any other instance.

7.4. The Employer(s) shall not cause, incite, encourage or participate in any Lockout of its employees during the term of the 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 the 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 other than a labor dispute.

7.5. The Unions agree that if any union or any other persons, whether parties to this Agreement or otherwise, engage in any picketing or work stoppages,
the signatory Unions shall consider such work stoppage or picketing to be illegal, and refuse to honor such picket line or work stoppage.

7.6. In the event of any work stoppage, strike, sympathy strike, picketing interference with the work or other disruptive activity in violation of this Article, the Employer may suspend all or any portion of the Project Work affected by such activity at the Employer’s discretion and without penalty.

7.7. In lieu of, or in addition to, any other action at law or equity, any party may institute the following procedure when a breach of this Article is alleged, after the Union(s) or Employer(s) alleged to be in violation has been notified of the fact.

7.7.1. The party invoking this procedure shall notify Thomas Pagan or Joe Grodin who the parties to this Agreement agree shall be the permanent Arbitrators under this procedure. In the event that either of the permanent Arbitrators is unavailable at any time, the American Arbitration Association shall select an alternative arbitrator within twenty-four (24) hours of notice. Notice to the Arbitrator shall be by the most expeditious means available, with notice by fax or electronic means or any other effective written means, to the party alleged to be in violation and the involved International Union President, and or local union.

7.7.2. Upon receipt of said notice the Arbitrators named above shall set and hold a hearing within twenty-four (24) hours if it is contended that the violation still exists.

7.7.3. The Arbitrator shall notify the parties by fax or electronic means or any other effective written means, 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.

7.7.4. The sole issue at the hearing shall be whether or not a violation of this Article has in fact occurred. 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. The Arbitrator may order cessation of the violation of this Article by the Union, and such Award shall be served on all parties by hand or registered mail upon issuance.

7.7.5. 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. The fax or electronic 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 7.7.4 of this Article, all parties waive the right to a 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.

7.7.6. Any rights created by statute or law governing arbitration proceedings inconsistent with the above procedure or which interfere with compliance therewith are hereby waived by the parties to whom they accrue.

7.7.7. The fees and expenses of the Arbitrator shall be borne by the party or parties found in violation, or in the event no violation is found, such fees and expenses shall be borne by the moving party.

7.8. The procedures contained in Section 7.7 shall be applicable to alleged violations of this Article. 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 this Article, shall be resolved under the grievance procedures of Article 9.
7.9. Notwithstanding the provisions of Section 7.1 above, it is agreed that, with twenty four (24) hour prior notice to the Primary Employer, a 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, in accordance with its agreements with the Union; provided, however, that in the event the Union or any of its members withholds their services from such contractor or subcontractor, Primary Employer shall have the right to replace such contractor or subcontractor with any other contractor or subcontractor who executes the Agreement to be Bound.

7.10. In the event that any applicable Master Agreement expires and the parties to that agreement fail to reach agreement on a new contract by the date of expiration, a Union shall continue to provide employees to the Employers working on the Project under all the terms of the expired 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 in the same manner as the prior Master Agreement, except to the extent they conflict with any provision of this Agreement. In addition, if the new Master Agreement provides for benefit increases, then any Employer shall pay to its employees who performed Covered Work at the Project during the hiatus between the effective dates of such Master Agreements, an amount equal to any such benefit increases established by the new Master Agreement for such work performed.

8. **HOURS OF WORK, HOLIDAYS, AND SAFETY**

8.1. The standard work day shall consist of eight (8) hours of work between 6:00 a.m. and 5:30 p.m. with one-half hour designated as an unpaid period for lunch. The standard work week shall be five (5) consecutive days of work
commencing on Monday. Nothing herein shall be construed as guaranteeing any employee eight (8) hours of work per day or forty (40) hours of work per week.

8.2. Recognized holidays shall be as follows: New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Memorial Day, Fourth of July, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, and Christmas Day. Under no circumstances shall any work be performed on Labor Day except in cases of emergency involving life or property. In the event a holiday falls on Saturday, the previous day, Friday, shall be observed as such holiday. In the event a holiday falls on Sunday, the following day, Monday, shall be observed as such holiday. There shall be no paid holidays. If employees are required to work on a holiday, they shall receive the appropriate rate; but in no case shall such overtime rate be more than double the straight time rate.

8.3. It shall be the responsibility of each Employer for site safety to ensure safe working conditions and Employer and employee compliance with all job safety rules and applicable provisions of local, 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.

8.4. Employees shall be bound by the safety, security, and visitor rules established by the Employers and the City. These rules will be published and posted in conspicuous places throughout the work site. An employee's failure to satisfy his/her obligations under this section will subject him/her to discipline, including discharge.

8.5. The Employer(s) shall provide: (a) a convenient and sanitary supply of cooled drinking water and sanitary drinking cups, (b) adequate sanitary toilet facilities for the employees, and (c) a safe place for storage of tools and ventilated facilities for changing clothes.

8.6. The parties to this Agreement acknowledge that the City and the Employers have a policy, which prohibits the use, sale, transfer, purchase and/or
possession of a controlled substance (illegal drugs), alcohol and/or firearms while on the City's premises. Additionally, the Employers have a “drug free” work place policy, which prohibits those working on the City's premises from having a level of alcohol in their system, which could indicate impairment and/or any level of controlled substances in their system. To that end, the parties agree that the Labor/Management Memorandum of Understanding (MOU) on Drug Abuse Prevention and Detection negotiated with the various General Contractor Associations and the Basic Trades.Unions shall be the agreed upon protocol concerning drug testing for workers who will be employed on the Project. The MOU is appended to this Agreement as Attachment B.

9. GRIEVANCE PROCEDURE

9.1. It is mutually agreed that any question arising out of and during the term of this Agreement involving its interpretation and application (other than jurisdictional disputes or successorship) shall be considered a grievance. Questions between or among parties signatory to a Master Agreement arising out of or involving the interpretation of a Master Agreement shall be resolved under the grievance procedure provided in that Master Agreement.

9.2. The Primary Employer and other Employers, as well as the Unions, may bring forth grievances under this Article.

9.3. A grievance shall be considered null and void if not brought to the attention of the Employer(s) within five (5) working days after the incident that initiated the alleged grievance occurred or was discovered, whichever is later. The term “working days” as used in this Article shall exclude Saturdays, Sundays or holidays regardless of whether any work is actually performed on such days.

9.4. Grievances shall be settled in accordance with the following procedure except that grievances that do not involve an individual grievant shall be discussed
by the Primary Employer, State Council, and Local Council and then, if not resolved within 5 working days of written notice unless extended by mutual consent, commence at Step 4:

**Step 1**
The steward and the grievant shall attempt to resolve the grievance with the craft supervisor within five (5) working days after the Grievance has been brought to the attention of the Employer.

**Step 2**
In the event the matter remains unresolved in Step 1 above after five (5) working days, within five (5) working days thereafter, the alleged grievance may be referred in writing to the Business Manager(s) of the Union(s) affected and the project manager or Labor Relations representative of the Employer(s) for discussion and resolution. A copy of the written grievance shall also be mailed/faxed/emailed to the Primary Employer.

**Step 3**
In the event the matter remains unresolved in Step 2 above within five (5) working days, within five (5) working days thereafter, the grievance may be referred in writing to the Business Manager(s) of the affected Union(s) involved and the Manager of Labor Relations of the Employer(s) or the Manager’s designated representative, and the Primary Employer for discussion and resolution.

**Step 4**
If the grievance is not settled in Step 3 within five (5) working days, within five (5) working days thereafter, either party may request the dispute be submitted to arbitration or the time may be extended by mutual consent of both parties. The request for arbitration and/or the request for an extension of time must be in writing with a copy to the Primary Employer. Should the parties be unable to mutually agree on the selection of an Arbitrator, selection for that given arbitration shall be made by seeking a list of seven (7) labor arbitrators with construction industry experience from the Federal Mediation and Conciliation Service and alternately striking names from the list of names on the list until the parties agree on an Arbitrator or
until one name remains. The first party to strike a name from the list shall alternate between the party bringing forth the grievance and the party defending the grievance. Primary Employer shall keep a record of the sequence and shall notify the parties to the grievance as to which party has the right to strike a name first.

9.5. The Arbitrator shall conduct a hearing at which the parties to the grievance shall be entitled to present testimonial and documentary evidence. Hearings will be transcribed by a certified court reporter. The parties shall be entitled to file written briefs after the close of the hearing and receipt of the transcript.

9.6. Upon expiration of the time for the parties to file briefs, the Arbitrator shall issue a written decision that will be served on all parties and on the Primary Employer. The Arbitrator’s decision shall be confined to the issue(s) posed by the grievance and, except as provided in Section 14.1.1, the Arbitrator shall not have the authority to modify, amend, alter, add to or subtract from, any provision of this Agreement. The Arbitrator shall have the authority to utilize any equitable or legal remedy to prevent and/or cure any breach or threatened breach of this Agreement. The Arbitrator’s decision shall be final and binding as to all parties signatory to this Agreement.

9.7. The cost of the Arbitrator and the court reporter, and any cost to pay for facilities for the hearing, shall be borne equally by the parties to the grievance. All other costs and expenses in connection with the grievance hearing shall be borne by the party who incurs them.

9.8. Any party to a grievance may invite the Primary Employer to participate in resolution of a grievance. The Primary Employer may, at its own initiative, participate in Steps 1 through 3 of the grievance procedure.

9.9. In determining whether the time limits of Steps 2-4 of the grievance procedure have been met, a written referral or request shall be considered timely if
it is personally delivered, faxed or postmarked within the five (5) working day period. Any of the time periods set forth in this Article may be extended in writing by mutual consent of the parties to the grievance, and any written referral or request shall be considered timely if it is personally delivered, faxed or postmarked during the extended time period.

10. JURISDICTIONAL DISPUTES

10.1. The assignment of Covered Work will be solely the responsibility of the Employer 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 the Unions and their employees (parties to this Agreement) 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 Employers and Unions parties to this Agreement.

10.2.1. If a dispute arising under this Article involves the Southwest Regional Council of Carpenters or any of its subordinate bodies, an Arbitrator shall be chosen by the procedures specified in Article V, Section 5, of the Plan from a list composed of John Kagel, Thomas Angelo, Robert Hirsch, and Thomas Pagan, and the Arbitrator's hearing on the dispute shall be held at the offices of the applicable Building and Construction Trades Council within 14 days of the selection of the Arbitrator. All other procedures shall be as specified in the Plan.

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

10.4. Each Employer will conduct a pre-job conference with the Local Council prior to commencing work. The Primary Employer and any general contractor will be advised in advance of all such conferences and may participate if they wish. Pre-job conferences for different Employers may be held together.

11. **JOINT LABOR/MANAGEMENT MEETINGS**

11.1. During the period of any work performed under this Agreement, a joint Labor/Management meeting will be held on an approximately monthly basis or more frequently as needed between the Primary Employer, the other Employers, and the signatory Unions. The purpose of these meetings is to promote harmonious labor/management relations, ensure adequate communications and advance the proficiency and efficiency of the craft workers and contractors performing work at the Project. These monthly (or more frequent) meetings will also include discussion of safety, craft resource requirements, scheduling, and productivity of work performed at the Project.

11.2. A Pre-Job Conference shall be held prior to the commencement of work to establish the scope of work in each Employer's contract. When a contract has been let to an Employer covered by this Agreement, a Pre-Job Conference shall be required upon request of any Union, Employer or the Primary Employer.

11.3. The Primary Employer will schedule and attend all Pre-Job Conferences.

12. **MANAGEMENT RIGHTS**

12.1. The Employers retain full and exclusive authority for the management of the Project and shall retain all existing rights of management and all rights
conferred by law. Management of the Project, including, but not limited to, the hiring, promoting, laying off, suspending, disciplining or discharging for cause, direction of work force, work schedules, and work practices, are is vested solely in the Employers, except as specifically and expressly limited by this Agreement. The City has the right to establish reasonable Project rules for the Project and distribute such Project rules to each employee.

12.2. It is recognized that certain industry standard equipment of a highly technical and specialized nature will have to be installed at the Project. The nature of this equipment, 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 the City’s personnel and/or manufacturer’s personnel. The Unions agree that such equipment is to be installed without incident. This Section shall not be used to avoid the fabrication requirements of Section 2.1.

12.3. Subject to Section 2.1, Employer(s) may utilize any method or technique of construction and there shall be no restrictions on the use of machinery, pre-cast or pre-assembled units, materials, equipment, tools, or other devices, methods, procedures or technology.

12.4. 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.

12.5. 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. Subject to the applicable Master Agreement, the City's rights include, 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.

13. **HELMETS TO HARDHATS**

13.1. The Employers and Unions recognize a desire to facilitate the entry into the building and construction trades of 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 ("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.

13.2. 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.
14. GENERAL PROVISIONS

14.1. If any article or provision of this Agreement shall become invalid, inoperative and/or unenforceable by operation of law or by declaration of any competent authority of the executive, legislative, judicial or administrative branches of the federal or state government, the parties shall suspend the operation of such article or provision during the period of its invalidity, and the Primary Employer and the State Council shall negotiate in its place and stead an article or provision that will satisfy the objections to its validity and that, to the greatest extent possible, will be in accord with the intent and purpose of the article or provision in question. The new article or provision negotiated by the Primary Employer and the State Council shall be binding on all parties signatory to this Agreement.

14.1.1. If the Primary Employer and the State Council are unable within thirty (30) calendar days to negotiate a substitute article or provision, any of them may at any time thereafter submit the matter directly to interest arbitration pursuant to the procedures set forth in Section 9.4, Step 4, and Sections 9.5 through 9.7. The Arbitrator shall have the authority to modify, amend and alter the Agreement by providing a substitute article or provision to replace the one(s) that have become invalid, inoperative or unenforceable. The Arbitrator’s decision, and the new article or provision, shall be final and binding on all parties signatory to the Agreement.

14.2. If any article or provision of this Agreement shall be held invalid, inoperative or unenforceable by operation of law, or by any of the above mentioned tribunals of competent jurisdiction, the remainder of the Agreement or application of such article or provision to persons or circumstances other than to which it has been held invalid, inoperative or unenforceable shall not be affected thereby.
14.3. Except as enumerated in this Agreement, all other terms and conditions of employment described in the applicable Master Agreement of the signatory Union having traditional and customary jurisdiction over the work shall apply.

14.4. The provisions of this Agreement shall take precedence over conflicting provisions of any Master Agreement or any other national, area or local collective bargaining agreement except for all work performed under the National Transient Lodge Articles of Agreement, the National Stack/Chimney Agreement and the National Cooling Tower Agreement; all instrument calibration work and loop checking Covered Work shall be performed under the terms of the UA/IBEW Joint National Agreement for Instrument and Control Systems Technicians and work within the craft jurisdiction of the Elevator Constructors will be performed under the terms of the National Agreements of the International Union of Elevator Constructors; provided that Articles 7, 9 and 10 of this Agreement shall apply to all Covered Work.

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

14.6. This Agreement may be executed in any number of counterparts, and each counterpart shall be deemed to be an original document. All executed counterparts together shall constitute one and the same document, and any signature pages may be assembled to form a single original document.

14.7. Any notices required under this Agreement shall be given as follows:
To Primary Employer:

Larry Jansen
ARB, Inc.
3500 Pegasus Drive
Bakersfield, CA 93308
Tel. 661-396-4309
email: Ljansen@arbinc.com

With a copy to:

To the State Council:

Robbie Hunter, President
State Building and Construction Trades Council of California
1225-8th Street, Suite 375
Sacramento, CA 95814
Telephone: 916-443-3302

To the Local Council:

Ron Miller, Executive Secretary
Los Angeles/Orange Counties Building and Construction Trades Council
1626 Beverly Blvd
Los Angeles CA 90026
Telephone: 213-483-4222

With a copy to:

Marc D. Joseph
Adams Broadwell Joseph & Cardozo
601 Gateway Boulevard, Suite 1000
South San Francisco, CA 94080
Telephone: 650-589-1660

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

15.1. 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 all Covered Work pursuant to Article 2.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and effective as of _______________, 2014.

ARB, INC.
Primary Employer:

By: Larry Jansen

STATE BUILDING & CONSTRUCTION TRADES COUNCIL OF CALIFORNIA

By: Robbie Hunter, President

LOS ANGELES/ORANGE COUNTIES BUILDING AND CONSTRUCTION TRADES COUNCIL

By: Ron Miller, Executive Secretary
UNIONS

Cement Masons
Southwest Carpenters
UA Local 345
Ironworkers Local 483
Tile, Marble & Terrazzo #18
Boilermakers #92
George M. Vasquez Jr. #50
Lead Workers

Pat Keefer
Paul Kirby
Ranjeet Mehta
Damian Roman

Sparrow

Sprinkler Fitters UA Local 709
Insulators
Ironworkers 416
VEC Local 18
Bricklayers #4
PAT DC36
Physicians Local 200
Tompkins 986

IUOE 12
Iron Local 12
IUOE Local 12
Roasters & Waterproofers Local 36
UNIONS

Marvin Kroopke, M.D.
William J. Bowers

Charl B. Stanton

Steven Karon

[Signatures]

I.B.E.W. Local #11

SMART Local Union 105

UA Local 398

Local 300

SC OCL

Granite Local 345

Plaster Tenders #1414

[Blank lines]
The undersigned hereby certifies and agrees that:

1) It is an Employer as that term is defined in Section 1.4 of the Project Labor Agreement for the Glenarm Power Plant Repowering Project (“Agreement”) because it has been, or will be, awarded a contract or subcontract to assign, award or subcontract Covered Work on the Project (as defined in Sections 1.2 and 2.1 of the Agreement), or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

2.) In consideration of the award of such contract or subcontract, and in further consideration of the promises made in the Agreement and all attachments thereto (a copy of which was received and is hereby acknowledged), it accepts and agrees to be bound by the terms and conditions of the Agreement, together with any and all amendments and supplements now existing or which are later made thereto.

3) If it performs Covered Work, it will be bound by the legally established trust agreements designated in the applicable Master Agreement identified in Attachment E, and hereby authorize the parties to such local trust agreements to appoint trustees and successor trustee to administer the trust funds, and hereby ratifies and accepts the trustees so appointed as if made by the undersigned.

4.) It has no commitments or agreements that would preclude its full and complete compliance with the terms and conditions of the Agreement.

5.) It will secure a duly executed Agreement to be Bound, in form identical to this document, from any Employer(s) at any tier or tiers with which it contracts to assign, award, or subcontract Covered Work, or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

DATED: ___________ Name of Employer

[Signature]

[Authorized Officer & Title]

[Address]

Bakersfield, CA 93308
PLA ATTACHMENT B

LABOR/MANAGEMENT MEMORANDUM OF UNDERSTANDING (MOU) ON DRUG ABUSE PREVENTION AND DETECTION

MEMORANDUM OF UNDERSTANDING

TESTING POLICY FOR DRUG ABUSE

Revised June 2009

International Union of Operating Engineers
Local Union No. 12
-INTRODUCTION-

At the June 1991 General Membership Meeting, the members in attendance acknowledged the need of some form of drug testing that would keep the jobsite safe while at the same time protect each member's individual rights under the constitution.

When signatory contractors were not being allowed to bid on projects because they had no official drug testing policy, it became obvious that we were going to have to develop a test to remedy that problem. We feel that within the confines of this addendum the best and fairest for all has been accomplished.

This Memorandum of Understanding is actually an addendum to Local 12's Master Labor Agreement. All the provisions in this shall be adhered to and enforced by Local 12. No member shall be subjected to any provision outside of this memorandum. If any employer asks a member to test for substance abuse and asks for any procedures outside of what is outlined here or in the Side Letter of Understanding on page 11 - that employer is in violation of the Master Labor Agreement and you are not required to comply.

Substance abuse has become a national problem. While jobsite safety has always been a priority in Local 12, it is not the intent of this policy to subject any member to a test that all members on a project are not subjected to.
You, as a member working under these conditions have rights as well as obligations. If you have any questions please contact this office or your business representative.

Sincerely,

Wm. C. Waggoner, Business Manager & General Vice President
This Memorandum of Understanding shall be considered as an addendum to the Master Labor Agreement currently in effect between the parties. It shall be effective as of the date it is signed and shall thereafter run concurrently with the Master Labor Agreement.

The parties recognize the problems which drug abuse has created in the construction industry and the need to develop drug abuse prevention programs. Accordingly, the parties agree that in order to enhance the safety of the workplace and to maintain a drug free work environment, individual Employers may require applicants or employees to undergo drug testing. The parties agree that if a testing program is implemented by an Individual Employer, the following items have been agreed upon by the Labor and Management and will apply.

1. It is understood that the use, possession, transfer or sale of illegal drugs, narcotics, or other unlawful substances is absolutely prohibited while employees are on the Employer's job premises or while working on any jobsite in connection with work performed under the Master Labor Agreement.

2. No Employer may implement a drug testing program which does not conform in all respects to the provisions of this Agreement.

3. No Employer may implement drug testing at any jobsite unless written notice is
given to the Union setting forth the location of the jobsite, a description of the project under construction, and the name and telephone number of the Project Supervisor. Said notice shall be addressed to the International Union of Operating Engineers, 150 East Corson Street, Pasadena, California 91103. Said notice shall be delivered in person or by registered mail before the implementation of drug testing. Failure to give such notice shall make any drug testing engaged in by the Employer a violation of the Master Labor Agreement, and the Employer may not implement any form of drug testing at such jobsite for the following six months.

4. An Employer who elects to implement drug testing pursuant to this Agreement shall require all employees on the project to be tested. With respect to individuals who become employed on the project subsequent to the proper implementation of a valid drug testing program, such test shall be administered upon the commencement of employment on the project, whether by referral from a Union Dispatch Office, transfer from another project, or another method. Individuals who were employed on the project prior to the proper implementation of a valid drug testing program may only be subjected to testing for the reasons set forth in paragraph 5(f)(1) through 5(f)(3) of this Agreement. Refusal to undergo such testing shall be considered sufficient grounds to deny employment on the project.
5. The following procedure shall apply to all drug testing:

a. The Employer may request urine samples only. The applicant or employee shall not be observed when the urine specimen is given. An applicant or employee, at his or her sole option, shall, upon request, receive a blood test in lieu of a urine test. No employee of the Employer shall draw blood from a bargaining unit employee, touch or handle urine specimens, or in any way become involved in the chain of custody of urine or blood specimens. A Union Business Representative, subject to the approval of the individual applicant or employee, shall be permitted to accompany the applicant or employee to the collection facility to observe the collection, bottling, and sealing of the specimen.

b. The testing shall be done by a laboratory approved by the Substance Abuse & Mental Health Services Administration (SAMHSA), which is chosen by the Employer and the Union.

c. An initial test shall be performed using the Enzyme Multiplex Immunoassay Technique (EMIT). In the event a question or positive result arises from the initial test, a confirmation test must be utilized before action can be taken against the applicant or employee. The confirmation test will be by Gas Chromatography/Mass Spectrometry (GC/MS). Cutoff levels for both the initial test and confirmation test will be those established by the SAMHSA. Should these
SAMHSA levels be changed during the course of this agreement or new testing procedures are approved, then these new regulations will be deemed as part of this existing agreement. Confirmed positive samples will be retained by the testing laboratory in secured long-term frozen storage for a minimum of one year. Handling and transportation of each sample must be documented through strict chain of custody procedures.

d. In the event of a confirmed positive test result the applicant or employee may request, within forty-eight (48) hours, a sample of his/her specimen from the testing laboratory for purposes of a second test to be performed at a second laboratory, designated by the Union and approved by SAMHSA. The retest must be performed within ten (10) days of the request. Chain of custody for this sample shall be maintained by the Employer between the original testing laboratory and the Union's designated laboratory. Retesting shall be performed at the applicant's or employee's expense. In the event of conflicting test results the Employer may require a third test.

e. If, as a result of the above testing procedure, it is determined that an applicant or employee has tested positive, this shall be considered sufficient grounds to deny the applicant or employee his/her employment on the project.

f. No individual who tests negative for drugs pursuant to the above procedure and becomes employed on the project shall
again be subjected to drug testing with the following exceptions:

1. Employees who are involved in industrial accidents resulting in damage to plant, property or equipment or injury to him/herself or others may be tested pursuant to the procedures stated hereinabove.

2. The Employer may test employees following thirty (30) days advance written notice to the employee(s) to be tested and to the Union. Notice to the Union shall be as set forth in Paragraph 3 above and such testing shall be pursuant to the procedures stated hereinabove.

3. The Employer may test an employee where the Employer has reasonable cause to believe that the employee is impaired from performing his/her job. Reasonable cause shall be defined as being aberrant or unusual behavior, the type of which is a recognized and accepted symptom of impairment (i.e., slurred speech, unusual lack of muscular coordination, etc.). Such behavior must be actually observed by at least two persons, one of whom shall be a supervisor who has been trained to recognize the symptoms of drug abuse or impairment and the other of whom shall be the job steward. If the job steward is unavailable or there is no job steward on the project the other person shall be a member of the Operating Engineers bargaining unit. Testing shall be pursuant to the procedures stated hereinabove. Employees who are tested pursuant to the exceptions set forth in this paragraph and who test positive will be
removed from the Employer's payroll.

a. Applicants or employees who do not test positive shall be paid for all time lost while undergoing drug testing. Payment shall be at the applicable wage and benefit rates set forth in the Master Labor Agreement. Applicants who have been dispatched from the Union and who are not put to work pending the results of a test will be paid waiting time until such time as they are put to work. It is understood that an applicant must pass the test as a condition of employment. Applicants who are put to work pending the results of a test will be considered probationary employees.

6. The Employers will be allowed to conduct periodic jobsite drug testing on construction projects under the following conditions:

   a. The entire jobsite must be tested, including any employee or subcontractor's employee who worked on that project three (3) working days before or after the date of the test;

   b. Jobsite testing cannot commence sooner than thirty (30) days after start of the work on the project;

   c. Prior to start of periodic testing, a Business Representative will be allowed to conduct an educational period on company time to explain periodic jobsite testing program to affected employees;
d. Testing shall be conducted by a SAMHSA certified laboratory, pursuant to the provisions set forth in Paragraph 5 hereinafore.

e. Only two periodic tests may be performed in a twelve month period.

7. It is understood that the unsafe use of prescribed medication, or where the use of prescribed medication impairs the employee's ability to perform work, is a basis for the Employer to remove the employee from the jobsite.

8. Any grievance or dispute which may arise out of the application of this Agreement shall be subject to the grievance and arbitration procedures set forth in the applicable Master Labor Agreement.

9. The establishment or operation of this Agreement shall not curtail any right of any employee found in any law, rule or regulation. Should any part of this Agreement be found unlawful by a court of competent jurisdiction of a public agency having jurisdiction over the parties, the remaining portions of the Agreement shall be unaffected and the parties shall enter negotiations to replace the affected provision.

10. Present employees, if tested positive, shall have the prerogative for rehabilitation program at the employee's expense. When such program has been successfully completed the Employer shall not discriminate in any way against the employee. If
work for which the employee is qualified exists he/she shall be reinstated.

11. The Employer agrees that results of urine and blood tests performed hereunder will be considered medical records held confidential to the extent permitted or required by law. Such records shall not be released to any persons or entities other than designated Employer representatives and the Union. Such release to the Union shall only be allowed upon the signing of a written release and the information contained therein shall not be used to discourage the employment of the individual applicant or employee on any subsequent occasion.

12. The Employer shall indemnify and hold the Union harmless against any and all claims, demands, suits, or liabilities that may arise out of the application of this Agreement and/or any program permitted hereunder.

13. Employees who seek voluntary assistance for substance abuse may not be disciplined for seeking such assistance. Requests from employees for such assistance shall remain confidential and shall not be revealed to other employees or management personnel without the employee's consent. Employees enrolled in substance abuse programs will be subject to all Employer rules, regulations and job performance standards with the understanding that an employee enrolled in such a program is receiving treatment for an illness.
14. The parties agree to develop and implement a drug abuse prevention and testing program for all apprentices entering the industry.

15. This Memorandum of Understanding shall constitute the only Agreement in effect between the parties concerning drug abuse, prevention and testing. Any modifications thereto must be accomplished pursuant to collective bargaining negotiations between the parties.
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<th>SCREENING LEVEL**</th>
<th>CONFIRMATION METHOD</th>
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* SAMHSA specified threshold
** A sample reported positive contains the indicated drug at or above the cutoff level for that drug.
A negative sample either contains no drug or contains a drug below the cutoff level.

EMIT - Enzyme Immunoassay
GC/MS - Gas Chromatography/Mass Spectrometry
SIDE LETTER
OF
UNDERSTANDING

In regard to the Memorandum of Understanding on Drug Abuse Prevention and Detection agreed to by the parties, it is agreed that if, as a condition of contract award or due to Federal, State or Governmental Agency requirements, an individual Employer is required to abide by or implement more stringent requirements than set forth in the Memorandum of Understanding, the individual Employer will notify the Union in writing of those requirements. The Union reserves the right, upon receiving notification, to require the individual Employer to meet to negotiate any changes.

Agreed to this 18th day of June, 1991.

ASSOCIATED GENERAL CONTRACTORS OF CALIFORNIA, INC.

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL UNION NO. 12

Wm. C. Waggoner
Business Manager

Mickey J. Adams
President

Ronald J. Sikorski
Vice President
SIDE LETTER

OF

AGREEMENT

TESTING POLICY

FOR DRUG ABUSE

It is hereby agreed between the parties hereto that an Employer who has otherwise properly implemented drug testing, as set forth in the Testing Policy for Drug Abuse, shall have the right to offer an applicant or employee a "quick" drug screening test. This "quick" screen test shall consist either of the "ICUP" urine screen or similar test or an oral screen test. The applicant or employee shall have the absolute right to select either of the two "quick" screen tests, or to reject both and request a full drug test.

An applicant or employee who selects one of the "quick" screen tests, and who passes the test, shall be put to work immediately. An applicant or employee who fails the "quick" screen test, or who rejects the "quick" screen tests, shall be tested pursuant to the procedures set forth in the Testing Policy for Drug Abuse. The sample used for the "quick" screen test shall be discarded immediately upon conclusion of the test. An applicant or employee shall not be deprived of any rights granted to them by the Testing Policy for Drug Abuse as a result of any occurrence related to the "quick" screen test.
Agreed to this 5th day of November, 2004.

ASSOCIATED GENERAL CONTRACTORS OF CALIFORNIA, INC.

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL UNION NO. 12

Wm. C. Waggoner
Business Manager

Mickey J. Adams
President

Ronald J. Sikorski
Vice President
PLA ATTACHMENT C

GLENARM POWER PLANT REPOWERING PROJECT SITE

The Project Labor Agreement shall apply only to the Glenarm Power Plant Repowering Project in the shaded area as shown on the site map below. The Project Site is primarily bounded by the Glenarm Building to the north, the existing GT 3 & 4 gas turbines to the south and the existing GT 1 & 2 gas turbines to the east.
The Project Labor Agreement (PLA) for the Glenarm Power Plant Repowering Project (Project) requires that Contractors make a good faith effort to employ qualified individuals who are Pasadena Residents for at least 20% of the certified payroll (of Covered Work) wages.

To the Contractor:
Complete and fax this form to the applicable local trade union to request craft workers that fulfill all hiring requirements for the Project. After faxing your request, call the local trade union to verify receipt and substantiate their capacity to furnish Pasadena Residents as requested. Contact information for local trade unions is listed on the attachment to this form. Please print your Fax Transmission Verification Report and keep a copy of this request for your records. In the event that referral facilities maintained by the unions are unable to fill the requisition of a contractor for qualified employees within a 48-hour period after such requisition is made by the contractor, the contractor shall be free to obtain workers from other sources. Employers, however, must request referral of Pasadena Residents from the Project Labor Coordinator and from City's partners prior to employment of any non-Pasadena Residents on the Project. Employers must document efforts to comply with the Local Hiring Strategy approved by the Project Labor Coordinator.

To the Union:
Complete the "Union Use Only" section and fax form back to the requesting contractor. Retain form for your records.

| To: Local # | Fax # ( ) | Date: | From Company: | Contact Phone: ( ) |

Provide the requesting contractor with craft workers according to the Project PLA that fulfills the requirement for 25% Pasadena Residents for of the certified payroll (of Covered Work) wages.

**PASADENA RESIDENT ZIP CODES:** The following zip codes reflect the Pasadena general residency boundaries:

- 91101
- 91103
- 91104
- 91105
- 91106
- 91107

**CRAFT WORKERS REQUEST:**

| QTY # | CRAFT POSITION | JOURNEYMAN OR APPRENTICE LEVEL | PASADENA RESIDENT (REQUIRED) | REPORT DATE | REPORT TIME |

Total Workers Requested

Please have the worker(s) report to the following project site address indicated below:

| Project Name: | Report to: |
| Site Address: | On-site Tel #: | On-site Fax: |
| Comment or special instructions: |

**Union Use Only**

(Fax the completed Form back to Contractor)

| Reception Date: | Dispatch Date: | Received By: |
| Requested Dispatch: | Available for Dispatch | Unavailable for Dispatch |
| Pasadena Resident Worker: | ☐ | ☐ |

Comments:
PLA ATTACHMENT E

APPLICABLE MASTER LABOR AGREEMENTS
Dear Mr. Lavin:

This Side Letter agreement accompanies the Project Labor Agreement between the ARB, Inc., the State Building and Construction Trades Council of California, the Los Angeles/Orange Counties Building and Construction Trades Council and the other Unions ("Agreement").

Unless performed by the City of Pasadena Water and Power Department, the construction of transmission and distribution lines, outside substations, switchyards, and ground grids for the Glenarm Power Plant Repowering Project will be performed by contractors who are signatory to a collective bargaining agreement with I.B.E.W. Local #47. Any jurisdictional dispute between Local #47 and a Union who is party to the Agreement will be referred to the General Presidents of the Unions involved and the employer for resolution.

Please indicate your concurrence with the foregoing by executing this Side Letter agreement below.

ARB, Inc.

By: Larry Jansen

AGREED

I.B.E.W. Local #47

By: Pat Lavin
Business Manager