COMMUNITY BENEFITS AGREEMENT

CALIFORNIA HIGH-SPEED RAIL AUTHORITY

THE STATE BUILDING AND CONSTRUCTION TRADES COUNCIL OF CALIFORNIA
AND THE SIGNATORY CRAFT COUNCILS AND LOCAL UNIONS

COMMUNITY BENEFITS AGREEMENT
Table of Contents

Purpose		1
Article I:	Definitions	2
Article II:	Scope of Agreement	5
Article III:	Effect of Agreement	7
Article IV:	Work Stoppages & Lockouts	8
Article V:	No Discrimination	12
Article VI:	Union Security	12
Article VII:	Referral	12
Article VIII:	Wages & Benefits	17
Article IX:	Dispute Resolution Procedure	17
Article X:	Joint Administrative Committee	19
Article XI:	Jurisdictional Disputes	19
Article XII:	Employee Grievance Procedure	20
Article XIII:	Management Rights	20
Article XIV:	Safety, Protection of Person and Property	21
Article XV:	Savings Clause	21
Article XVI:	Pre-Job Conference	21
Article XVII:	Steward	22
Article XVIII:	Term	22

Article XIX:	Miscellaneous Provisions	22
Attachment A:	California High Speed Rail Authority - Community Benefits Agreement – Union Signatory Pages.....	A-1
Attachment B:	Letter of Assent to Community Benefits Agreement.....	B-1
Attachment C:	Authority's Small Business Policy.....	C-1
Attachment D:	Draft Request Form.....	D-1
Attachment E:	Zip Code Defining the Extremely Economically Disadvantaged Area and Economically Disadvantaged Area.....	E-1
Attachment F:	Core Employee List.....	F-1
Attachment G:	Memorandum of Understanding (MOU) on Drug Abuse Prevention and Detection.....	G-1

PURPOSE

The purpose of this Community Benefits Agreement (Agreement) is to facilitate efficiency and timely execution of this project while promoting employment opportunities and careers in the construction industry during the construction of the High Speed Rail System (Project) awarded by the California High Speed Rail Authority (Authority), remove potential barriers small businesses may encounter in participating in this Project, and to provide for the orderly settlement of labor disputes and grievances without strikes or lockouts, thereby promoting the public interest in assuring timely and economical completion of the Project.

WHEREAS, the Authority is responsible for the design and construction of the Project; and

WHEREAS, the successful timely completion of the Project is of the utmost importance to the Authority; and

WHEREAS, the work to be done will require maximum cooperation from the Parties; and

WHEREAS, increasing access to employment opportunities with prevailing wages is one way for the Authority to directly combat poverty and unemployment; and

WHEREAS, large numbers of workers of various skills will be required in the performance of the construction work, including those to be represented by the affiliated unions and any other craft labor organizations which are signatory to this Agreement employed by C/S/E(s) who are signatory to agreements with said labor organizations for the purpose of the Project; and

WHEREAS, it is recognized that projects of this magnitude with multiple C/S/E(s) and bargaining units on the job site at the same time over an extended period of time, the potential for work disruption is substantial without an overriding commitment to maintain continuity of work; and

WHEREAS, the interests of the general public, the Authority, the Unions, C/S/E(s) and workers would be best served if the construction work proceeded in an orderly manner without disruption because of strikes, sympathy strikes, work stoppages, picketing, lockout, slowdowns or other interferences with work; and

WHEREAS, the Authority, C/S/E and the Unions desire to mutually establish and stabilize wages, hours and working conditions for the workers employed on this Project by C/S/E(s), and further, to encourage close cooperation among the C/S/E(s) and the Unions to the end that a satisfactory, continuous, and harmonious relationship will exist among the parties to this Agreement; and

WHEREAS, this Agreement is not intended to replace, interfere with, abrogate, diminish, or modify existing local or national collective bargaining agreements in effect during the duration of this Project, except to the extent that the provisions of this Agreement are inconsistent with said collective bargaining agreements, in which event, the provisions of this Agreement shall prevail; and further, it is understood that Unions and C/S/E(s) are bound and shall remain bound, for the duration of this Project, by the terms of this Agreement and the applicable local and national collective bargaining agreements for

the craft work performed, established between the Authority, Unions and C/S/E(s), in effect and covering the area of this Project; and

WHEREAS, this Agreement reflects a commitment by all parties to the diversity in the workforce hiring that reflect levels of minority, women, veterans, and other worker utilization at levels which are representative of the relevant workforce as determined by the U.S. Census Bureau; and

WHEREAS, the Parties signatory to this Agreement acknowledge the Authority's Small Business Policy (Attachment C to this Agreement) and established overall 30% Small Business Goal, inclusive of microbusinesses, a 10% DBE and a 3% DVBE goal within the 30% overall goal and shall exercise full support of this Policy in the implementation of this Agreement in ensuring maximum utilization of Small Businesses on the Project; and

WHEREAS; it is recognized that this Project receives funding from the Federal Railroad Administration, Department of Transportation under the High-Speed Intercity Rail Program; and

WHERAS, Federal Executive Order 13502 encouraged the entering into labor agreements in large-scale federally assisted construction projects for the purpose of facilitating the steady supply of labor, preventing labor disputes and promoting the efficiency and timely execution of construction projects; and

WHEREAS, this Agreement is intended to have a positive impact and exemplify the Authority's commitment to ensure the communities, small businesses and residents along the corridors benefit from the Project during construction; and

WHEREAS, the parties to this Agreement recognize that this Project provides an optimal opportunity to combat poverty and high unemployment; and

WHEREAS, the Parties signatory to this Agreement pledge their full good faith and trust to work towards a mutually satisfactory completion of the Project;

NOW, THEREFORE, IT IS MUTUALLY AGREED BY AND BETWEEN THE PARTIES, AS FOLLOWS:

ARTICLE I
DEFINITIONS

1.1 "Agreement" means this Community Benefits Agreement.

1.2 "Apprentice" as used in this Agreement shall mean those apprentices registered and participating in Joint Labor/Management Apprenticeship Programs approved by the State of California, Department of Industrial Relations, Division of Apprenticeship Standards ("DAS"), or in the case of a Federally Funded Project, approved by the US Department of Labor ("DOL") and DAS.

1.3 "Authority" means the California High-Speed Rail Authority.

1.4 "CBA Administrator" means the Authority's representative and/or designee acting on behalf of the Authority to administer this Agreement to ensure compliance by all Parties to this Agreement; develop and implement the associated processes and programs to facilitate this Agreement.

1.5 "Construction Contract" means a contract to perform Project Work.

1.6 "Contractor/Subcontractor/Employer" (C/S/E) means any individual firm, partnership or corporation, or combination thereof, including joint ventures, which is an independent business enterprise and which has entered into contract with the Authority or any of its contractors or subcontractors or owner operators of any tier, with respect to the construction of any part of the Project under contract terms and conditions approved by the Authority which shall incorporate this Agreement. A C/S/E may bid for and be awarded construction of any part of the Project without regard as to whether the C/S/E is otherwise a party to any collective bargaining agreement. Each C/S/E warrants that it is an employer primarily engaged in the construction industry.

1.7 "Core Worker" or "Core Employee" as used in this Agreement shall mean an employee whose name appeared on the C/S/E active payroll for sixty (60) of the one hundred (100) days immediately before the award of the Project Work to the C/S/E and meets all standards required by applicable local, state or federal law or regulation.

1.8 "Disadvantaged Worker" means an individual who, prior to commencing work on the Project, resides in an Economically Disadvantaged Area or Extremely Economically Disadvantaged Area as defined in Sections 1.9 and 1.10, (Attachment E to this Agreement) and faces at least one of the following barriers to employment: (1) being a veteran; (2) being homeless; (3) being a custodial single parent; (4) receiving public assistance; (5) lacking a GED or high school diploma; (6) having a criminal record or other involvement with the criminal justice system; (7) suffering from chronic unemployment; (8) emancipated from the foster care system; or (9) being an apprentice with less than 15% of the apprenticeship hours required to graduate to journey level in a program as described in Section 1.2.

1.9 "Economically Disadvantaged Area" means a zip code that includes a census tract or portion thereof in which the median annual household income is between $32,000 and $40,000 per year, as measured and reported by the U.S. Census Bureau in the 2010 U.S. Census and as updated by the parties upon the U.S. Census Bureau issuing updated Median Annual Household Income data by census tract in the American Community Survey (refer to Attachment E to this Agreement).

1.10 "Extremely Economically Disadvantaged Area" means a zip code that includes a census tract or portion thereof in which the median annual household income is less than $32,000 per year, as measured and reported by the U.S. Census Bureau in the 2010 U.S. Census and as updated by the parties upon the U.S. Census Bureau issuing updated Median Annual Household Income data by census tract in the American Community Survey (refer to Attachment E to this Agreement).

1.11 "Federally-Funded Project" means any portion of the Project that is funded in whole or in part with funds received from the United States Department of Transportation.

1.12 "Federal Railroad Administration" (FRA) means an operating mode of the United States Department of Transportation (DOT) providing financial and technical assistance to the Authority for this

Project.

1.13 "Jobs Coordinator" means the Prime Contractor designee responsible for the facilitation and implementation of the Targeted Hiring Requirements of this Agreement. The Jobs Coordinator must be able to demonstrate or document to the Authority the requisite qualifications and/or experience to fulfill the duties and responsibilities.

1.14 "Joint Administrative Committee" (JAC) means the committee established by Article X of this Agreement to review the implementation of this Agreement.

1.15 "Letter of Assent" means the document which formally binds each C/S/E to adherence to all the forms, requirements, and conditions of this Agreement that each C/S/E (of any tier) must sign and submit to the Authority's designated office prior to beginning any work covered by this Agreement, and a copy of which will be provided by the designated Authority office to the Council. The form of Letter of Assent is provided as Attachment B to this Agreement.

1.16 "National Targeted Worker" means (a) an individual whose primary place of residence is within an Economically Disadvantaged Area or an Extremely Economically Disadvantaged Area in the United States; or (b) a Disadvantaged Worker.

1.17 "Project" means the California High-Speed Rail System Project.

1.18 "Project Work" means all on-site construction, alteration, painting or repair 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 directly or indirectly part of the Project, including, without limitation, pipelines (including those in linear corridors built to serve the Project), start-up, site preparation, survey work and soils and material inspection and testing, all on-site fabrication work provided such work is within the fabrication provision of a local master or national agreement, or local addenda to a 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 construction includes work done for the Project in temporary yards or areas near the Project. All fabrication work over which the Authority or C/S/E's possesses the right of control, and which is traditionally claimed as on-site fabrication shall be performed on-site, including without limitation, the fabrication of air-handling systems and ducts, HVAC sheet metal work, all reinforced concrete support structures designed and specially fabricated for this Project. For the convenience of the C/S/Es, 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 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. Project Work also includes 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 Authority, manufacturer's and vendor's representatives, and Project operating personnel may supervise and direct this activity. A manufacturer or its representatives may perform industry standard work to satisfy its guarantee or warranty prior to start-up of a piece of equipment.

1.19 "Prime Contractor" means the firm who the Authority has directly awarded the Project Work and who has formally entered into contract directly with the Authority.

1.20 "Subscription Agreement" means the contract between C/S/E(s) and a Union's Labor/Management Trust Fund(s) that allows the C/S/E(s) to make the appropriate fringe benefit contributions in accordance with the terms of the contract.

1.21 "Union" or "Unions" or "Signatory Unions" means the State Building and Construction Trades Council of California ("Council") and any other labor organization signatory to this Agreement, acting in their own behalf and on behalf of their respective affiliates and member organizations whose names are subscribed hereto and who have through their officers executed this Agreement.

ARTICLE II
SCOPE OF AGREEMENT

2.1 Parties: this Agreement shall apply to the C/S/E(s) entering into a Construction Contract for Project Work, C/S/E(s) performing Project Work or agreeing to perform Project Work as C/S/E(s) or otherwise in regards to the Construction Contract and the State Building and Construction Trades Council of California, Craft Councils and Local Unions and any other labor organization signatory to this Agreement, acting in their own behalf and on behalf of their respective affiliates and member organizations whose names are subscribed hereto and who have through their officers executed this Agreement ("Signatory Unions") unless otherwise provided or limited herein under Attachment A of this Agreement.

2.2 Project Agreement Scope: This Agreement shall apply to all Project Work.

2.3 Schedule A Agreements: The provisions of this Agreement, including the Schedule A Agreements, (which are the local collective bargaining agreements of the Signatory Unions having jurisdiction over the work on the Project, as such may be changed from time-to-time and which are incorporated herein by reference) shall apply to the work covered by this Agreement (Project Work). All Project Work shall be performed as provided in the applicable Schedule A Agreement. Where there is a provision in a Schedule A Agreement and not covered by this Agreement, the provision of the Schedule A Agreement shall prevail. Where there is a provision in this Agreement, it shall prevail over any conflicting provision of a Schedule A Agreement. All disputes relating to the interpretation or application of this Agreement shall be subject to resolution by the dispute resolution procedures set forth herein.

2.4 Exclusions:

2.4.1 This Agreement shall not apply to or govern the award of contracts by the Authority which are outside the scope of the Project Work.

2.4.2 This Agreement shall not apply to or govern the award of contracts by the Authority which are for maintenance and operations of the Project.

2.4.3 This Agreement shall not apply to or impact in any way service contracts or operation, inspection or maintenance contracts entered into by the Authority including, but not limited to said contract relating to the Project, services provided at any Authority facility, building and/or the operation or maintenance of any Authority owned and

operated facilities.

2.4.4 This Agreement shall not apply to a C/S/E's non-manual employees including, but not limited to, superintendents, supervisors, staff engineers, quality control and quality assurance personnel, time keepers, mail carriers, clerk, office workers, messengers, guards, safety personnel, emergency medical and first aid technicians, and other engineering, administrative, supervisory, and management employees (except those covered by existing building and construction trades collective bargaining agreements).

2.4.5 This Agreement shall not apply to officers and employees of the Authority, nor to work performed by or on behalf of other governmental entities and public utilities.

2.4.6 This Agreement shall not apply to the work of persons, firms and other entities that perform consulting, planning, scheduling, design, environmental, geological, management, or other supervisory services on any Authority Project including, but not limited to, consultants, engineers, architects, geologists, construction managers, and other professionals hired by the Authority or any other governmental entity.

2.4.7 Notwithstanding the foregoing, it is understood and agreed that Building/Construction Inspector and Field Soils and Material Testers (Inspectors) are a covered craft under this Agreement. This inclusion applies to the scope of work defined in the State of California Wage Determination for that Craft. Every Inspector performing under these classifications pursuant to a professional services agreement or a construction contract shall be bound to all applicable requirements of this Agreement. Covered work as defined by this Agreement shall be performed pursuant to the terms and conditions of this Agreement regardless of the manner in which the work was awarded, but shall not cover quality assurance work performed by or on behalf of Authority. Notwithstanding the provisions of this sub-section, the Authority may engage consultants for limited periods of time in the event of an urgent need for specialized inspection services. The Authority must provide prior notice to the union that despite good faith efforts, it is unable to obtain qualified inspector(s) under the provisions of this Agreement. Such engagement shall be only to meet immediate and limited needs until such qualified inspectors working under the Agreement are available.

2.4.8 This Agreement shall not apply to work performed by or under contract to electric, gas, communications or water public utilities, and such work is not Project Work.

2.4.9 This Agreement shall not apply to the overhead electrification system.

2.4.10 The furnishing of supplies, equipment or materials which are stockpiled for later use shall in no case be considered subcontracting. Construction trucking work, such as the delivery of ready-mix, asphalt, aggregate, sand or other fill material which are directly incorporated into the construction process as well as the off-hauling of debris and excess fill material and/or mud, shall be covered by the terms and conditions of this Agreement, to the fullest extend provided by law and by prevailing wage determinations of the California Department of Industrial Relations. Employers, including brokers, of persons

providing construction trucking work shall provide certified payroll records to the Authority within ten (10) days of written request or as required by bid specifications.

ARTICLE III
EFFECT OF AGREEMENT

3.1 By executing the Agreement, the Unions and the Authority agree to be bound by each and every provision of this Agreement. This Agreement is not intended to supersede collective bargaining agreements between any of the C/S/E performing construction work on the Project and Signatory Unions 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 NTL Articles of Agreement, the National Cooling Tower Agreement, the National Stack Agreement, the National Transit Division Agreement (NTD), or the National Agreement of the International Unions of Elevator Constructors and all instrument calibration work and loop checking shall be performed under the terms of the UA/IBEW Joint National Agreement for Instrument and Control Systems Technicians, however, provisions of this Agreement 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.

3.2 It is understood that this Agreement constitutes a self-contained, stand-alone agreement and that, by virtue of having become bound to this Agreement, the C/S/E will not be obligated to sign any local, area or national collective bargaining agreement as a condition of performing work within the scope of this Agreement.

3.3 It is agreed that all C/S/Es of whatever tier, who have accepted the award of a Construction Contract or who have been awarded contracts for work covered by this Agreement, shall be required to accept and be bound to the terms and conditions of this Agreement, and shall evidence their acceptance by the execution of the Letter of Assent as set forth in Attachment B hereto, prior to the commencement of work. At the time that any C/S/E enters into a subcontract with any C/S/E of any tier providing for the performance on the Construction Contract, the C/S/E shall provide a copy of this Agreement to the C/S/E and shall require the C/S/E, as a part of accepting the award of a construction subcontract, to agree in writing in the form of the attached Letter of Assent to be bound by each and every provision of this Agreement prior to the commencement of work on the Project. No C/S/E shall commence Project Work without having first provided a copy of the Letter of Assent as executed by it to the Authority 48 hours before the commencement of Project Work, or within 48 hours after the award of Project Work to that C/S/E, whichever occurs later. Further, C/S/E(s) not signatory to the established Joint Labor/Management Trust Fund Agreements, as described in the Schedule A Agreement(s) for the craft workers in their employ, shall sign a "subscription agreement" with the appropriate Joint Labor/Management Trust Funds covering the work performed under this agreement before work is commenced on the Project.

3.4 So that the public, the Unions and the employees have complete information, the Authority shall immediately post copies of all executed Letters of Assent on a dedicated page on its website. No C/S/E may perform any Project Work until its Letter of Assent is posted. If the Authority is notified that

a C/S/E is performing Project Work without its Letter of Assent being posted, the C/S/E shall be removed from the Project unless an executed Letter of Assent is posted within 48 hours.

3.5 This Agreement shall only be binding on the signatory C/S/Es hereto in regards to the Construction Contract and shall not apply to the parents, affiliates, subsidiaries, or other ventures of any C/S/Es or any other contract for construction or project to which this Agreement does not apply.

3.6 This Agreement shall be included as a general condition of the Construction Contract for the Project.

ARTICLE IV
WORK STOPPAGES AND LOCKOUTS

4.1 During the term of this Agreement there shall be no strikes, picketing, work stoppages, slowdowns or other disruptive activity for any reason by the Union, its applicable local Union or by any employee, and there shall be no lockout by the C/S/E. Failure of any Union, local Union or employee to cross any picket line established for this Project is a violation of this Article.

4.2 The Union and its applicable local Union shall not sanction, aid, or abet, encourage or continue any work stoppage, strike, picketing or other disruptive activity of the Project 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 Project for a period of not less than ninety (90) days.

4.3 The Unions agree that they shall not sanction, aid or abet, encourage or continue any work stoppage, strike, picketing or other disruptive activity of the Project. If any Union is notified of any unrelated offsite work stoppage, strike, picketing or other disruptive activity by the Union that will economically and/or materially affect the completion of the Project, the Union will promptly make good faith efforts to cease such Project disruption.

4.4 No Union shall be liable for independent acts of employees. The principal officer or officers of a local Union will immediately instruct, order and use the best efforts of his office to cause the employees the local Union represents to cease any violations of this Article. A local Union complying with this obligation within two business days shall not be liable for unauthorized acts of employees it represents. The failure of the C/S/E to exercise its right in any instance shall not be deemed a waiver of its right in any other instance.

4.5 Expiration of Local Agreements. If local, regional, and other applicable labor agreements expire during the term of this Agreement, it is specifically agreed that, with respect to any Authority Project, 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, disruption, advising of the public that a labor dispute exists, or other impairment of any kind as a result of the expiration of any local, regional or other applicable labor agreement having application at any Authority Project and/or failure of the parties to that agreement to reach a new contract. Terms and conditions of employment established and set for purposes of prevailing wage requirements under such

labor agreements or as required by law at the time of bid or thereafter shall remain established and set. Otherwise to the extent 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 bases, both of which will be offered by the Unions involved to the C/S/E affected:

4.5.1 Each of the Unions 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 Unions involved in such expiring contracts 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 contracts provided, however, that the proposal does not violate state and/or federal prevailing wage laws required to be paid on public works projects. The terms of the Union's interim agreement offered to C/S/E(s) will be no less favorable than the terms offered by the Union to any other employer or group of employers covering the same type of construction work in the affected county.

4.5.2 Each of the Unions 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, provided that said wage rates comply with state and/or federal prevailing wage laws, if the C/S/E(s) affected by that contract agree to the following retroactivity provisions: 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 wage increases, then each affected C/S/E's shall pay to its employees who performed work covered by the Agreement at the Project during the hiatus between the effective dates of such labor agreements, an amount equal to any such 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 retroactive period. An agreed labor agreement must not violate any requirements of state and/or federal prevailing wage laws. All parties agree that such affected C/S/E shall be solely responsible for any retroactive payment to its employees and that neither the Authority nor any other C/S/E has any obligation, responsibility or liability whatsoever for any such retroactive payments or collection of any such retroactive payments, from any such C/S/E.

4.5.3 Some C/S/E(s) may elect to continue to work on the Project under the terms of the interim agreement option offered under 4.5.1 above and other C/S/E(s) may elect to continue to work on the Project under the retroactivity option offered under 4.5.2 above. To decide between the two options, C/S/E(s) will be given one (1) week after the particular labor agreement has expired or one week after the Union has personally delivered to the C/S/E(s) in writing its specific offer of terms of the interim agreement pursuant to 4.5.1 above, whichever is the later date. If the C/S/E(s) fails to timely select one of the two options, the C/S/E(s) shall be deemed to have selected the option of 4.5.2.

4.6 Expedited Arbitration will be utilized for all work stoppages and lockouts. In lieu of or in

addition to any other action at law or equity, any party may institute the following procedure when a breach or violation of this Article IV is alleged to have occurred:

4.6.1 The party invoking this procedure shall notify the permanent arbitrator next in sequence from the following list:

1. Joseph Gentile
2. Michael Rappaport
3. Walter Daugherty
4. Sara Adler
5. Mai Ling Bickner

The Parties agree these shall be the five permanent Arbitrators under this procedure. In the event that none of the five permanent Arbitrators are available for a hearing within 24 hours, the party invoking the procedure shall have the option of delaying until one of the five permanent Arbitrators is available or of asking the permanent Arbitrator that would normally hear the matter to designate an arbitrator to sit as a substitute Arbitrator for this dispute. If any of the permanent Arbitrators ask to be relieved from their status as a permanent Arbitrator, the Parties shall mutually select a new permanent Arbitrator from the following list of arbitrators:

1. John Kagel
2. William Rule
3. Another arbitrator agreed to by the Authority and the Council

Selection shall be made by each party alternately striking from the foregoing list until one name remains who shall be the replacement permanent Arbitrator. Expenses incurred in arbitration shall be borne equally by the Union and the C/S/E involved and the decision of the Arbitrator shall be final and binding on both Parties, provided, however, that 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. Notice to the Arbitrator shall be by the most expeditious means available, including by telephone and by facsimile to the party alleged to be in violation and to the Council and involved local Union if a Union is alleged to be in violation.

4.6.2 Upon receipt of said notice, the Arbitrator shall convene a hearing within twenty-four (24) hours if it is contended that the violation still exists.

4.6.3 The Arbitrator shall notify the Parties by telephone and by facsimile or telegram of the place and time for the hearing. Notice shall be given to the individual Unions alleged to be involved and to the Council. Said hearing shall be completed in one session, which, with appropriate recesses at the Arbitrator's discretion, shall not exceed twenty-four (24) hours unless otherwise agreed upon by all Parties. A failure of any party to attend said hearings shall not delay the hearing of evidence or the issuance of any decision by the Arbitrator.

4.6.4 The sole issue at the hearing shall be whether or not a violation of Section 4.1, 4.2, 4.3 or 4.5 of this Article IV has in fact occurred. The Arbitrator shall have no authority

to consider any matter of justification, explanation or mitigation of such violation or to award damages, which issue is reserved for court proceedings, if any. The decision shall be issued in writing within three (3) hours after the close of the hearing, and may be issued without a written opinion. If any party desires a written opinion, one shall be issued within fifteen (15) days, but its issuance shall not delay compliance with or enforcement of the decision. The Arbitrator may order cessation of the violation of this Article and liquidated damages as follow, and such decision shall be served on all Parties by hand or registered mail upon issuance: for the first shift in which the violation occurred, $15,000; for the second shift, $20,000; for the third shift, $25,000; for each shift thereafter on which the craft has not returned to work, $25,000 per shift. The Arbitrator shall determine whether the specified damages in this Section shall be paid to the Authority or the C/S/E. The Arbitrator shall retain jurisdiction to determine compliance with this section and this Article.

4.6.5 Such decision may be enforced by any Court of competent jurisdiction upon the filing of this Agreement and all other relevant documents referred to above in the following manner. Written 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 decision as issued under Section 4.6.4 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 decision shall be served on all parties by hand or delivered by registered mail.

4.6.6 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.

4.6.7 The fees and expenses incurred in arbitration shall be divided equally by the parties to the arbitration, including Union(s) and the C/S/E(s) involved.

4.7 The procedures contained in Section 4.6 shall be applicable to alleged violations of Article IV to the extent any conduct described in Section 4.1 , 4.2, 4.3 or 4.5 occurs on the Project. 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 Section 4.1 or Article IV shall be resolved under the applicable grievance adjudication procedures for these other Articles.

4.8 Notwithstanding any provision of this Agreement to the contrary, it shall not be a violation of this Agreement for any Union to withhold the services of its members (but shall not have the right to picket) from a particular C/S/E who:

4.8.1 Fails to timely pay its weekly payroll; or

4.8.2 Fails to make timely payments to the Union's Joint Labor/Management Trust Funds in accordance with the provisions of the applicable Schedule A Agreements. Prior to withholding its members services for the C/S/E(s) failure to make timely payments to the Union's Joint Labor/Management Trust Funds, the Union shall give at least ten

(10) days (unless a lesser period of time is provided in the Union's Schedule A 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, and by facsimile transmission to the involved C/S/E(s) and to the Authority. The Union and C/S/E will meet within the ten (10) day period to attempt to resolve the dispute.

4.8.3 Upon the payment of the delinquent C/S/E(s) 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 C/S/E(s) shall return all such members back to work.

ARTICLE V
NO DISCRIMINATION

5.1 Consistent with Federal Executive Order 11246 and applicable federal and state law and regulation, the C/S/Es and Unions agree not to engage in any form of discrimination on the ground of, or because of, race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, marital status, medical condition, political affiliation, mental handicap, color, genetic information or membership in a labor organization in hiring and dispatching workers for the Project.

5.2 Any employee covered by this Agreement which believes he/she has been discriminated against, in violation of section 5.1 above, shall be referred to the appropriate state and/or federal agency for the resolution of such dispute.

ARTICLE VI
UNION SECURITY

6.1 The C/S/Es recognize the Unions as the sole and exclusive bargaining representatives of all craft employees working within the scope of this Agreement.

6.2 No employee covered by this Agreement shall be required to join any Union as a condition of being employed, or remaining employed, for the completion of the Project work. To the extent to which this Agreement applies, the C/S/E shall, however, require all employees working on the Construction Contract for a cumulative total of eight (8) or more working days to comply with the applicable Union's security provisions for the period during which they are performing on-site Project work and as permitted by law, to render payment of the applicable monthly dues and any working dues only, as uniformly required of all craft employees while working on the Project and represented by the applicable Signatory Unions. However, any employee who is a member of a Union at the time the referring Union refers the employee, shall maintain that membership in good standing while employed on the Construction Contract.

ARTICLE VII
REFERRAL

7.1 The C/S/E(s) recognize that the Unions shall be the primary source of all craft labor employed on the Construction Contract for the Project. For each craft, the local Union with geographic jurisdiction over the work to be performed shall make referrals of employees to the requesting C/S/E. The Unions will exert their best efforts to recruit and identify individuals, particularly National Targeted

Workers, as well as those referred by the Jobs Coordinator, for entrance or reentrance into the labor/management apprenticeship programs, and to assist individuals in qualifying and becoming eligible for such programs. C/S/E(s) utilizing core employees shall follow the procedures outlined below:

7.1.1 The C/S/E worker shall be considered a Core Worker for the purposes of this Article if the employee's name appeared on the C/S/E(s) active payroll for sixty (60) of the one hundred (100) days immediately before the award of the Project Work to the C/S/E and meets the required definition of Section 1.7 above,

7.1.2 Each C/S/E shall submit a Core Employees List to the CBA Administrator (on Attachment F to this Agreement) and shall provide payroll records evidencing the worker's qualification as a Core Worker upon request by Authority, and /or its designee, or any other party to this Agreement. The number of Core Workers on the Project for C/S/Es covered by this Agreement shall be governed by the following procedure: one Core Worker shall be selected and one worker from the hiring hall of the affected trade or craft and this process shall repeat until such C/S/E's requirements are met or until such C/S/E has hired five (5) such Core Workers for that craft, whichever occurs first. Thereafter, all additional employees in the affected trade or craft shall be hired exclusively from the applicable hiring hall list. In the event of a reduction-in-force or layoff, such will take place in a manner to assure that the number of remaining Core Workers in the affected craft does not exceed, at any time, the number of others working in that craft who were employed pursuant to other procedures available to the C/S/E under this Agreement. This provision applies only to employees not currently working under a current master labor agreement and is not intended to limit transfer provisions of current master labor agreements of any trade. As part of this process, and in order to facilitate the contract administration procedures, as well as appropriate benefit fund coverage, all C/S/E(s) shall require their "Core Work Force" and any other persons employed, other than through the referral process, to register with the appropriate hiring hall, if any, of the signatory union prior to said employee's first day of employment at the Project site.

7.2 C/S/Es shall be bound by and utilize the registration facilities and referral systems established or authorized by this Agreement and the signatory Unions when such procedures are not in violation of state or federal law or in conflict with provisions set forth in this Agreement.

7.3 In the event that referral facilities maintained by the unions are unable to fill the requisition of a C/S/E for National Targeted Workers within forty-eight (48) hours (excluding Saturdays, Sundays and holidays), the C/S/E shall be free to obtain National Targeted Workers from any source. If the Union's registration and referral system does not fulfill the requirements for specific classifications of covered classifications requested by any C/S/E within forty-eight (48) hours (excluding Saturdays, Sundays and holidays), that C/S/E may use employment sources other than the union registration and referral services, and may employ any applicants meeting such standards from any other available source. The C/S/E shall inform the Union of any applicants hired from other sources within 48 hours of such applicant being hired, and such applicants shall immediately register with the appropriate hiring hall, if any.

7.3.1 The C/S/E(s) must document all efforts made to comply with the targeted hiring

process to locate and hire National Targeted Workers.

7.3.2 The C/S/E shall inform the Unions, Job Coordinator and Authority of the name, address, worker craft classification and social security number of any worker hired from other sources upon their employment on the Project(s).

7.3.3 No National Targeted Worker, having been pre-screened and /or pre- qualified by the Jobs Coordinator, and employed by the C/S/E to work on the Project, shall be required to participate in any Joint Labor/Management "boot camp" or pre- apprentice program that will unnecessarily delay the Targeted National Worker's start of work or cause said worker's termination due to having to participate in such "boot camps" or pre-apprentice programs.

7.4 Unions will make their best effort to recruit sufficient numbers of skilled craft persons to fulfill the requirements of the C/S/E(s).

7.5 Recruitment

7.5.1 The Unions will make every effort to recruit National Targeted Workers and to refer and utilize National Targeted Workers on the Project. The C/S/E(s) shall submit written documentation to Authority on a quarterly basis, or as required by Authority, which sets forth the steps taken by the C/S/E(s) to recruit, refer and utilize qualified National Targeted Workers recruited by the Unions and referred to or utilized on the Project. In recognition of Authority's policy to utilize National Targeted Workers, the Unions and C/S/E(s) agree that as long as they possess the requisite skills and qualifications National Targeted Workers shall be first referred for Project work, including journeypersons and apprentices.

7.5.2 The C/S/Es and Unions are responsible for ensuring that the following Targeted Hiring Requirements are met.

(a) A minimum of 30% of all hours of Project Work shall be performed by National Targeted Workers.

(b) A minimum of 10% of all National Targeted Worker hours shall be performed by Disadvantaged Workers.

7.5.3 Apprentice Hiring Requirements

(a) All C/S/E(s) performing Project Work will make every effort to employ the maximum number of Apprentices allowed by State Law.

(b) The Authority will seek to make available through this Agreement or other means, significant apprenticeship opportunities for National Targeted Workers, consistent with Section 7.5.1.

(c) Any apprentice must come from an apprenticeship program as defined in

Section 1.2.

(d) All apprentices shall work under the direct supervision of a journeyman from the trade in which the apprentice is indentured. A journeyman shall be defined as set forth in the California Code of Regulations, Title 8 [apprenticeship] section 205, which defines a journeyman as a person who has either completed an accredited apprenticeship in his or her craft, or has completed the equivalent of an apprenticeship in length and content of work experience and all other requirements in the craft which has workers classified as journeyman in the apprenticeable occupation. Each C/S/E shall provide adequate proof evidencing the worker's qualification as a journeyman.

7.6 The Disadvantaged Workers will be referred to the Unions from the 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. As referenced in 1.8 above, Disadvantaged Workers must meet at least one of the following criteria:

1. Being a Veteran;

2. Being homeless;

3. Being a custodial single parent;

4. Receiving public assistance;

5. Lacking a GED or high school diploma;

6. Having a criminal record or other involvement with the criminal justice system;

7. Suffering from chronic unemployment;

8. Emancipated from the foster care system;
or

9. An apprentice with less than 15% of the required graduating apprenticeship hours in a program as described in Section 1.2.

For the applicant to qualify under this program, the Jobs Coordinator shall verify the presence of any of the criteria listed above.

7.7 The C/S/E shall be the sole judge of the qualifications of any employee including those referred to the C/S/E by any source.

7.8 Helmets to Hardhats:

7.8.1 The C/S/Es 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 (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.

7.8.2 The Unions and C/S/E(s) 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 of apprenticeship and employment opportunities for this Project. To the extent permitted by law, the C/S/E(s) and Unions will give credit to such veterans and members of the National Guard and Reserves for bona fide, provable past experience.

7.8.3 In recognition of the work of the Center and the value it will bring to the Project, the Authority shall negotiate a contract with the Center for services.

7.8.4 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 C/S/E(s) 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.

7.9 C/S/Es agree to only use the Craft Request Form (Attachment D) and the procedures written therein to request any and all workers from Unions with a concurrent transmittal of such request to the Jobs Coordinator, including workers qualified as National Targeted Workers and/or general dispatch.

7.10 When National Targeted Workers are requested by a C/S/E, the Unions will refer such workers regardless of their place in the Union hiring halls' list and normal referral procedures.

7.11 The C/S/E(s), Unions and Jobs Coordinator agree to maintain copies of all Craft Request Forms used on the Project submitted or received including transmission verification reports that are date/time imprinted, until the Project on which such workers is completed. All Craft Request Forms and transmission verification reports shall be available for inspection and copies provided, upon request by Authority.

7.12 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 (Titled Memorandum of Understanding Testing Policy for Drug Abuse; International Union of Operating Engineers Local Union No. 12; Revised June 2009 as shown in Attachment G) shall be the policy and procedure utilized under this agreement.

ARTICLE VIII
WAGES & BENEFITS

8.1 All employees covered by this Agreement (including foremen and general foremen if they are covered by the Schedule A Agreement) shall be classified and paid wages, benefits, and other compensation including but not limited to travel, subsistence, and shift premium pay, and contributions made on their behalf to multi-employer trust funds, all in accordance with the then current multi-employer Schedule A Agreement of the applicable Union.

8.1.1 All C/S/E's must pay employees in compliance with the applicable federal and state prevailing wage laws even if those wage rates are higher than those required by the Agreement.

8.2 Each C/S/E adopts and agrees to be bound by the written terms of the applicable, legally established, trust agreement(s), to the extent said trust agreements are consistent with this Agreement, specifying the detailed basis on which payments are to be made into, and benefits paid out of such trust funds for the C/S/E(s) employees. Each C/S/E authorizes the parties to such trust funds to appoint trustees and successor trustees to administer the trust funds and hereby ratifies and accepts the trustees so appointed as if made by the C/S/E(s). C/S/E(s) further agree to sign the applicable trust agreement "subscription" agreement(s) if required by the craft Union on behalf of the craft employees in order to make the employee contributions to the pension, annuity, health and welfare, vacation, apprenticeship, training trusts, etc.

8.3 The Parties agree that the Authority shall monitor the compliance of all C/S/E(s) with all Federal and state prevailing wage laws and regulations. All complaints regarding potential wage violations shall be referred to the Authority for processing, investigation and resolution. However, this Section does not prevent the filing of grievances under the applicable Schedule A Agreement for violations of those Schedule A Agreements.

8.4 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 C/S/E(s) for less favorable wages, benefits or working conditions than are generally accorded other large scale infrastructure projects in the same general geographic area.

ARTICLE IX
DISPUTE RESOLUTION PROCEDURE

9.1 This Agreement is intended to provide close cooperation between management and labor. Each of the Unions will assign a representative to this Project for the purpose of completing the construction of the Project economically, efficiently, continuously, and without interruptions, delays, or work stoppages.

9.2 The Authority, C/S/E(s), Unions, and the employees, collectively and individually, realize the importance to all Parties to maintain continuous and uninterrupted performance of the work of the Project, and agree to resolve disputes in accordance with the grievance-arbitration provisions set forth in this Article.

9.3 The Authority's CBA Administrator shall facilitate the processing of grievances under this Article, including the scheduling and arrangement of facilities for meetings, the selection of the arbitrator to hear the case, and any other administrative matters necessary to administer the process the timely disposition of the case, however, it is the responsibility of the principal parties to any pending grievance to insure the time limits are met.

9.4 Any question or dispute by or between a C/S/E and/or a Union and arising out of and during the term of this Agreement, other than disputes arising under Article IV (Work Stoppages and Lockouts), Article XI (Jurisdictional Disputes) and Article XII (Employee Grievance Procedure) shall be considered a grievance and subject to resolution under the following procedures:

Step 1: Within five (5) business days after notice of the dispute, the Business Representative of the involved Local Union or District Council, or his/her designee, and the representative of the involved C/S/E shall meet and attempt to resolve the dispute.

Step 2: In the event that the representatives are unable to resolve the dispute at the Step 1 meeting, the grieving party shall, within five (5) business days after the Step 1 meeting, reduce the dispute to writing and notify the responding party and the CBA Administrator of a request to discuss the grievance. The Business Manager of the Union (or his/her designee) shall meet with the respective jobsite representative of the C/S/E and the CBA Administrator within ten (10) business days (or such longer time as all of the parties may mutually agree) after receipt of the request to discuss the grievance. If the grievance is not resolved at the Step 2 meeting, the grievance may be submitted within seven (7) calendar days after the initial Step 2 meeting to final and binding arbitration as described in Step 3.

Step 3: In the event a dispute cannot be satisfactorily resolved within the time limits established above in Step 2, either party may request in writing to the CBA Administrator (with copy(ies) to other party(ies)) within seven (7) calendar days days (or such longer time as mutually agreed) after the initial Step 2 meeting, that the grievance be submitted to an arbitrator selected from the following list of permanent arbitrators: (1) Joseph Gentile, (2) Michael Rappaport, (3) Walter Daugherty, (4) Sara Adler, and (5) Mei Ling Bickner. The CBA Administrator shall contact all arbitrators for their availability and assign the next available arbitrator to hear the case to ensure the prompt remedy of the dispute. If none of the five arbitrators is available, the Authority and the Council shall select additional arbitrators. The arbitrator's decision shall be final and binding upon the parties. The arbitrator shall not have the authority to alter, amend, add to, or delete from the provisions of this Agreement in any way. The 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 The Authority's CBA administrator shall be notified of all actions from Steps 1 through 3 and shall, upon its request, be permitted to participate in all proceedings. The Authority, in its sole and absolute discretion, may elect to utilize the procedures that are set forth herein for addressing issues of concern to Authority arising under this Agreement.

9.6 The time limits specified in any step of the Dispute Resolution Procedure set forth in Section 9.4 may be extended by mutual agreement of the parties initiated by the written request of one party to the other, at the appropriate step of the dispute procedure. However, failure to process a dispute, or failure to respond in writing within the time limits provided above, without a request for an extension of time, shall be deemed a waiver of such dispute without prejudice, or without precedent to the processing and/or resolution of like or similar disputes.

9.7 In order to encourage the resolution of disputes at Steps 1 and 2 of the dispute procedure, the Parties agree that any settlements made during such steps, shall not be precedent setting.

9.8 The fees and expenses incurred by the arbitrator, as well as those jointly utilized by the parties (i.e. conference room, court reporter, etc.) in arbitration, shall be divided equally by the parties to the arbitration, including Union(s) and C/S/E(s) involved.

ARTICLE X
JOINT ADMINISTRATIVE COMMITTEE

10.1 The Parties to this Agreement shall establish a six (6) person Joint Administrative Committee (JAC) to monitor compliance with the terms and conditions of this Agreement. This JAC shall be comprised of three (3) representatives of the Authority to be appointed by and serve at the pleasure of the Authority, and three (3) representatives of the signatory Unions to be appointed by and serve at the pleasure of the Council. Each representative shall designate an alternate who shall serve in his or her absence for any purpose contemplated by this Agreement.

10.2 The JAC shall meet as required to review the implementation of this Agreement and the progress of the Project and resolve problems or disputes by majority vote with such resolutions to be binding on all signatories of the Agreement as provided herein. A unanimous decision of the JAC shall be final and binding upon all Parties. However, the JAC shall have no authority to make determinations upon or to resolve grievances arising under this Agreement.

10.3 A quorum will consist of at least two (2) Authority and two (2) signatory union representatives. For voting purposes, only an equal number of Authority and signatory union representatives present may constitute a voting quorum.

10.4 The JAC may modify the terms of this Agreement, including updating the zip codes that define the "Extremely Economically Disadvantaged" and "Economically Disadvantaged" areas due to availability of new census data, by unanimous vote of the six (6) persons serving, or their alternates.

ARTICLE XI
JURISDICTIONAL DISPUTES

11.1 The assignment of work will be solely the responsibility of the C/S/E 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.

11.2 All jurisdictional disputes on this Project between or among the Unions and the C/S/Es, 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 C/S/E(s) and Unions parties to this Agreement.

11.2.1 For the convenience of the parties, and in recognition of the expense of travel between California and Washington, DC, at the request of any party to a jurisdictional dispute under this Agreement, 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 & Construction Trades Council. All other procedures shall be as specified in the Plan.

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

11.4 Each C/S/E will conduct a pre-job conference with the Council prior to commencing work, as provided in Section 17.1. The Primary Employer and the Owners will be advised in advance of all such conferences and may participate if they wish.

ARTICLE XII
EMPLOYEE GRIEVANCE PROCEDURE

12.1 Should a grievance arise regarding the imposition of discipline of an employee, or the dismissal of an employee, working on Project work, all such grievance(s) shall be processed, exclusively, under the grievance procedure contained in the applicable Schedule A Agreement for the craft Union representing such employee(s) and not under the provisions of the Grievance Arbitration provisions of Article X. C/S/Es shall not discipline or dismiss its employees except for good cause.

ARTICLE XIII
MANAGEMENT RIGHTS

13.1 The C/S/E(s) 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 Schedule A Agreements.

13.2 There shall be no limit on production by workers 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 foreman. There shall be no restrictions on efficient use of manpower other than as may be required by safety regulations. The C/S/E(s) may utilize the most efficient methods or techniques of construction, tools or other labor-saving devices to accomplish the work. Restrictive practices not a part of the terms and conditions of this Agreement or the Schedule A Agreement will not be recognized.

13.3 The C/S/E shall be the sole judge of the number and classifications of employees required to perform work subject to this Agreement. The C/S/E shall have the absolute right to hire, promote, suspend, discharge or lay off employees at their discretion and to reject any applicant for employment, subject to the provisions of the applicable Schedule A Agreement and this Agreement.

13.4 Nothing in this Agreement shall be construed to limit the right of any of the C/S/Es to select the lowest bidder it deems qualified for the award of contracts or subcontracts or material, supplies, or equipment purchase orders on the Project. C/S/E(s) shall have the absolute right to award contracts or subcontracts for Project Work to any qualified C/S/E notwithstanding the existence or non-existence of any agreements between such C/S/E and any Union parties hereto, provided only that such C/S/E is willing, ready and able to execute and comply with this Agreement should such C/S/E be awarded work covered by this Agreement. The right of ultimate selection remains solely with the C/S/E in accordance with the Construction Contract or Inspection Services Contract.

ARTICLE XIV
SAFETY, PROTECTION OF PERSON AND PROPERTY

14.1 It shall be the responsibility of each C/S/E to ensure safe working conditions and employee compliance with any safety rules contained herein or established by the Authority, the State of California and the C/S/E. It is understood that the employees have an individual obligation to use diligent care to perform their work in a safe manner and to protect themselves and the property of the C/S/E and the Authority.

14.2 Employees shall be bound by the safety, security, and visitor rules established by the C/S/E and the Authority. These rules will be published and posted in conspicuous places by the C/S/E throughout the work site. An employee's failure to satisfy the obligations under this Section will subject the employee to discipline, including discharge.

ARTICLE XV
SAVINGS CLAUSE

15.1 The Parties agree that in the event any article, provision, clause, sentence or work of the Agreement is determined to be illegal or void as being in contravention of any applicable law, by a court of competent jurisdiction, the remainder of the Agreement shall remain in full force and effect. The Parties further agree that if any article, provision, clause, sentence or word of the Agreement is determined to be illegal or void, by a court of competent jurisdiction, the parties shall substitute, by mutual agreement, in its place and stead, an article, provision, sentence or work which will meet the objections to its validity and which will be in accordance with the intent and purpose of the article, provision, clause, sentence or word in question.

15.2 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.

ARTICLE XVI
PRE-JOB CONFERENCE

16.1 Each C/S/E will conduct a pre-job conference with the appropriate affected Union(s) and

the Council prior to commencing work. The C/S/E shall notify the Council ten (10) days in advance of all such conferences. C/S/E(s) of all tiers will be advised in advance of all such conferences and shall participate. All work assignments shall be disclosed by the C/S/E at a pre-job conference held in accordance with industry practice. Should a Union dispute a work assignment which has been disclosed and discussed at the pre-job meeting with the Union Representative present, it shall proceed to file a claim with the Plan pursuant to Article XI of this Agreement. Should there be any formal jurisdictional dispute raised, the Prime Contractor shall be promptly notified. If the C/S/E intends to change the work assignment after the pre-job conference or to make an assignment of work not previously known, the C/S/E must notify the appropriate affected craft Union(s) prior to the commencement of work. If any Union has a dispute over such changed or newly discovered assignment, such Union shall proceed to file a claim with the Plan pursuant to Article XI of this Agreement.

ARTICLE XVII
STEWARD

17.1 Each Union shall have the right to designate one working craft employee as steward for each C/S/E employing such craft on the Project. Such designated steward shall be a qualified employee assigned to a crew and shall perform the work of the 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 related to the work being performed by the craft employees of his C/S/E and not to the work being performed by other C/S/Es or their employees.

17.2 Authorized representatives of the Union(s) shall have access to the Project, provided that such representatives fully comply with posted visitor, security, and safety rules and the environmental compliance requirements of the Project, and provided that they do not unnecessarily interfere with the employees or cause them to neglect their work.

ARTICLE XVIII
TERM

18.1 The Agreement shall continue in effect until completion of all Project Work.

ARTICLE XIX
MISCELLANEOUS PROVISIONS

19.1 This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the United States and the State of California.

19.2 Any notice, demand, request, document, consent, approval, or communication required by or to be given to the Authority shall be sent to the Authority office or individual designated by the Authority.

19.3 The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

19.4 The persons executing this Agreement on behalf of the parties hereto warrant that (i) such

party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other agreement to which said party is bound.

19.5 Any modification to this Agreement must be in writing and executed by the Authority and the Council.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year written below.

THE CALIFORNIA HIGH-SPEED RAIL AUTHORITY

By: Jeff Morales Date: 8/13/13

STATE BUILDING AND CONSTRUCTION TRADES COUNCIL OF CALIFORNIA

By: Robbie Hunter Date: 8/7/2013
Robbie Hunter
President

ATTACHMENT A

California High Speed Rail Authority
Community Benefits Agreement
Union Signatory Pages

Subject to review and approval by your local union/district council, please contact the State Building and Constructions Trades Council of California in Sacramento at (916) 443-3302 to make arrangements to sign this Agreement.

ATTACHMENT B

LETTER OF ASSENT TO COMMUNITY BENEFITS AGREEMENT

FOR THE

CALIFORNIA HIGH-SPEED RAIL PROJECT

The undersigned hereby certifies and agrees that:

1.) It is a C/S/E as that term is defined in Section 1.6 of the California High-Speed Rail Community Benefits Agreement ("Agreement") because it has been, or will be, awarded a contract or subcontract to assign, award or subcontract Project Work on the Project, or to authorize another party to assign, award or subcontract Project Work, or to perform Project 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 Project Work, it will be bound by the legally established trust agreements designated in local master collective bargaining agreements, and hereby authorizes 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 Letter of Assent, in form identical to this document, from any C/S/E(s) at any tier or tiers with which it contracts to assign, award, or subcontract Project Work, or to authorize another party to assign, award or subcontract Project Work, or to perform Project Work.

DATED: _____ Name of Contractor _____

_____

(Authorized Officer & Title)

_____

_____

(Address)

_____

CALIFORNIA HIGH-SPEED RAIL AUTHORITY

POLICY DIRECTIVE

Number POLI-SB-01

Approved By

Jeff Morales
Chief Executive Officer

8.20.12
Date

SUBJECT: Small and Disadvantaged Business Enterprise Policy

The California High-Speed Rail Authority (Authority) is overseeing the design and construction of a multi-billion dollar state-of-the-art high-speed rail system, with 800 miles of track connecting urban centers from San Francisco to San Diego, utilizing trains that operate at speeds of 220 mph. Building this state-of-the-art high-speed rail system will promote a strong, diverse economy. The project will create significant contracting opportunities for businesses throughout the State of California and will eventually result in more than 1 million job-years, with 100,000s of long-term/permanent jobs once the system is fully in place.

As a condition of federal financial assistance, from the Federal Railroad Administration (FRA), the Authority has signed an assurance that it will implement the best practices of Title 49 Code of Federal Regulations (CFR) Part 26 "*US Department of Transportation DBE Program*" and comply with Title VI of the Civil Rights Act of 1964 and related statutes, on all activities to ensure Small and Disadvantaged Businesses have an equitable opportunity to participate in contracts funded in part or in whole with federal financial assistance. The Authority has established a Small and Disadvantaged Business Enterprise Program, inclusive of Small Businesses (SB), Disabled Veteran Business Enterprises (DVBE), Disadvantaged Business Enterprises (DBE) and Microbusinesses (MB), which meets the State of California SB/DVBE and federal DBE certification eligibility criteria, and herein after, will be referred to as SBs. The Authority is committed to ensuring SBs have the maximum practicable opportunity to compete for and participate in the Authority's contracting and procurement opportunities.

It is the policy of the Authority to ensure SBs as defined by Government Code 14837, Military and Veteran Code 999 and 49 CFR Part 26; are afforded every opportunity to participate in the Authority's contracting program. The Authority strives to meet an overall 30 percent SB participation goal, representative of firms that reflect the diversity of California. The 30 percent goal is inclusive of a 10 percent DBE goal and a 3 percent DVBE goal on federally assisted contracts.

Program Objectives

The Authority's Chief Executive Officer (CEO) has the lead responsibility for the development and implementation of the Authority's SB Program. The CEO will designate a SB Liaison Officer (SBLO). In this capacity, the SBLO is responsible for implementing and ensuring compliance by all parties with respect to all components of the program.

The Authority's policy and race and gender neutral SB Program incorporates the following objectives:

- Ensure participation by SB concerns owned and controlled by socially and economically disadvantaged individuals,
- Provide maximum practicable opportunities for SBs, including veteran owned small businesses and service-disabled veteran small businesses;
- Ensure best practices are implemented, consistent with our nation's Civil Rights and Equal Opportunity laws that ensure all individuals regardless of race, gender, age, disability and national origin benefit from activities funded by federal financial assistance;
- Meet construction employment goals for minorities and women;
- Ensure non-discrimination in the award and administration of all contracts inclusive of USDOT- assisted contracts;
- Create a level playing field in which SBs can compete fairly for all Authority contracts and subcontracts;
- Ensure that the SB Program is implemented in accordance with applicable State and federal laws and regulations;
- Ensure that only firms that fully meet Government Code 14837, Military and Veterans Code 999 and 49 CFR Part 26 eligibility standards are permitted to be counted towards meeting the overall SB goal;
- Help remove barriers for the participation of SBs;
- Assist in the development of existing SB firms--enabling the firms to compete successfully in the market place;
- Ensure Contractors meet the established SB goals, including developing a SB Performance Plan (SB Utilization Plan);
- Ensure subcontract solicitation and subcontract documents include the SB Program plan and goal requirements;
- Ensure the SB Program is flexible, attainable, efficient and credible; and
- Ensure a workforce on the construction of the project to be reflective of the diversity of California

The Authority will administer the SB Program in accordance with the spirit and intent of the Governor's Executive Order S-02-06 and US Department of Transportation, 49 CFR Part 26, federal financial assistance agreements until all funds are expended.

The Authority ensures Equal Opportunity to all people and businesses, regardless of race, color, or national origin.

ATTACHMENT D

Craft Request Form

The draft "Craft Request Form" template follows. Please note, this document is still under development. The tailored Craft Request Form will be finalized before scheduled construction commences on the Authority's CP1 contract in the Fresno-Madera area. If you have questions, please contact:

Patricia Padilla, Jobs Coordinator
California High Speed Rail Authority
Padilla & Associates, Inc.
ppadilla@padillainc.com
office (714) 973-1335

Attachment D

CALIFORNIA
High-Speed Rail Authority

CBA NATIONAL TARGETED PRIORITY HIRING
CRAFT REQUEST FORM

Instructions: This form is to be used in conjunction with each Union's established dispatch process. Please complete and fax this form to the Union when requesting a worker. Please print your Fax Transmission Verification Report and keep a copy of this request for your records. Please provide complete and detailed information to assist in meeting your request.

PROJECT/PROJECT NO.: California High Speed Rail Authority /Construction Package 1 (CP1)

DATE OF REQUEST ____/____/____ **ANTICIPATED HIRE DATE:** ____/____/____

REQUESTED BY

Name: _____ Title _____

Company: _____ Address: _____

Scope of Work: _____

Craft Employee Requirements:					
Jobs/Craft Title	Classification Level: • Journeyman • Apprenticeship • Specific Skills/ Requirement	Number Requested	Estimated Number of Hours	Report Date	Report Time

Please have requested worker(s) report to the following work address indicated below:

Project & Site Address: _____

Report To: _____ On-Site Tel: _____

Special Instructions: _____

For Union Use Only

Dispatch Instructions:
Pursuant to the CBA, the Union shall make every effort to assist the CHSRA to meet its defined National Targeted Hiring Goal as set forth as follows:

- A minimum of 30% of all hours of Project Work shall be performed by National Targeted Workers.
- A minimum of 10% of the 30% National Targeted Workers hours shall be performed by Disadvantaged Workers.

Please proceed to dispatch craft workers, including apprentices, to the requesting Contractor in accordance with these defined objectives (refer to the definitions below).

Dispatched Worker Name	Dispatched Worker Applies to Category 1, Category 2 and/or Option 3 as defined below

Category 1) "Extremely Economically Disadvantaged Area:" a zip code that includes a census tract or portion thereof in which the median annual household income is less than $32,000 per year, as measured and reported by the U.S. Census Bureau in the 2010 U.S. Census and as updated by the parties upon the U.S. Census Bureau issuing updated Median Annual Household Income data by census tract in the American Community Survey.

Nationally Extremely Economically Disadvantaged areas will be identified on Authority's webpage at (website address to be inserted/ in the interim refer to Metro's PLA/CCP website at: http://www.metro.net/interactives/deod/)

Category 2) "Economically Disadvantaged Area:" a zip code that includes a census tract or portion thereof in which the median annual household income is between $32,000 and $40,000 per year, as measured and reported by the U.S. Census Bureau in the 2010 U.S. Census and as updated by the parties upon the U.S. Census Bureau issuing updated Median Annual Household Income data by census tract in the American Community Survey.

Nationally Economically Disadvantaged areas identified on the Authority's webpage at (website address to be inserted/ in the interim refer to Metro's PLA/CCP website at: http://www.metro.net/interactives/deod/)

Option 3) "Disadvantaged Worker:" Consistent with the Authority's National Targeted Hiring Program a Disadvantaged Worker is an individual who, prior to commencing work on the project, resides in an Economically Disadvantaged Area or Extremely Economically Disadvantaged Area as defined in Sections 1.9 and 1.10 of the CBA and faces at least one of the following barriers to employment. (1) being a veteran, or (2) being homeless; (3) being a custodial single parent; (4) receiving public assistance; (5) lacking a GED or high school diploma; (6) having a criminal record or other involvement with the criminal justice system; (7) suffering from chronic unemployment; (8) emancipated from the foster care system; or (9) being an apprentice with less than 15% of the apprenticeship hours required to graduate to journey level in a program as described in Section 1.2.

☐ Worker Dispatched Date: ___/_____/_____

☐ Cannot fulfill Dispatch Request within in 48 hours of Request Comment: _____

Dispatcher Name: _____

ATTACHMENT E

Zip Code Defining the Extremely Economically Disadvantaged Area and Economically Disadvantaged Area

The California High Speed Rail Authority Policy Directive Number POLI-SB-05 signed into effect on December 7, 2012 is included in all bid documents and is applicable with or without a CBA/PLA.

This policy directs the Authority and its contractors to make every effort to engage in defined activities that will provide meaningful employment opportunities and construction careers to those residing in disadvantaged areas and/or currently facing barriers to employment.

To meet federal funding requirements, an *extremely economically disadvantaged* area (Income Category 1) is defined nationwide as zip codes where the median household income is less than $32,000.00 and an *economically disadvantaged* area (Income Category 2) is defined as zip codes where the median household income is between $32,000.00 and $40,000.00.

The CHSRA General Management National Targeted Hiring Initiative Plan (3.3 Targeted Hiring) requires the Contractor shall ensure the following targeted hiring requirements are met:

- A minimum of 30% of all hours of Project Work shall be performed by National Targeted Workers
- A minimum of 10% of the 30% National Targeted Workers hours shall be performed by Disadvantaged Workers.

In the months ahead, the California High Speed Rail Authority will create a website that will contain the nationwide zip codes for areas that comply with the National Hiring Target Goals. For now, the CHSRA has deferred to the Los Angeles County Metropolitan Transportation Authority website for Targeted Worker Zip Codes (http://www.metro.net/interactives/deod/).

This interactive website allows you to search geographically for areas that comply with the National Hiring Target Goals. The information contained on the L.A. Metro website is precisely the same data as that which will appear on the High Speed Rail Authority's website when completed.

ATTACHMENT F

Core Employees List

Each Contractor/Subcontractor/Employer (C/S/E) that claims a core workforce, shall submit a Core Employees List to the CBA Administrator. This form is under development and will be ready before any Core Worker will be dispatched to the job site.

The purpose of the form is to consistently verify payroll records evidencing the worker's qualification as a Core Worker upon request by the Authority, and /or its designee, or any other party to this Agreement.

If you have questions, please contact:

Patricia Padilla, Jobs Coordinator
California High Speed Rail Authority
Padilla & Associates, Inc.
ppadilla@padillainc.com
office (714) 973-1335

CALIFORNIA
High-Speed Rail Authority
CORE EMPLOYEES LIST

FIRM NAME: _____

PROJECT: _____ **CONTRACT NO.:** _____

SUBMITTED BY: _____ **TELEPHONE NO.:** _____

The following is a list of "Core Employees" which in accordance with the Community Benefits Agreement

- have been on the active payroll for at least sixty (60) out of the last one-hundred (100) days prior to the award, AND
- possesses any license required by state or federal law for the Project Work to be preformed;

All contractor/consultant regardless of tier must submit this form prior to commencing work on the project.

Placement Priority (Non-Union)[1]	Name	SSN	Trade	Hire Date	Date last Employed	Home Zip Code

Certification:

I certify that the information contained hereon is true and correct. If it is determined that the information reported hereon is not true and correct, I will not be allowed to do work (begin, finish, complete) for the California High Speed Rail Project.

Signature: _____ **Date:** _____

Title: _____

SUBMIT TO: **<<To be inserted>>**

PLEASE USE ADDITIONAL SHEETS AS NECESSARY

[1] Core employees must be prioritized by intended use on the project, i.e. all workers shall be dispatched from the Union referral hall. First hire is a core employee, then an employee through a referral from the Union, then a second core employee, then a second employee through the referral system, and so until a maximum of five core employees are employed All additional employees shall be through the referral system.

ATTACHMENT G

Memorandum of Understanding (MOU) on

Drug Abuse Prevention and Detection

California Public Contract Code Section 2500(a)(3) requires that any Project Labor Agreement include "an agreed-upon protocol concerning drug testing for the workers who will be employed on the project."

For the purposes of this Agreement, all Parties have agreed 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 (Titled Memorandum of Understanding Testing Policy for Drug Abuse; International Union of Operating Engineers Local Union No. 12; Revised June 2009 as shown in this Attachment) shall be the policy and procedure utilized under this Agreement.

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 Multiplies 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 hereinabove.

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.

DRUG ABUSE PREVENTION AND DETECTION
APPENDIX A - CUTOFF LEVELS

DRUG	SCREENING METHOD	SCREENING LEVEL**	CONFIRMATION METHOD	CONFIRMATION LEVEL
Amphetamines	EMIT	1000 ng/ml*	GC/MS	500 ng/ml*
Barbiturates	EMIT	300 ng/ml	GC/MS	200 ng/ml
Benzodiazepines	EMIT	300 ng/ml	GC/MS	300 ng/ml
Cocaine	EMIT	300 ng/ml*	GC/MS	150 ng/ml*
Methadone	EMIT	300 ng/ml	GC/MS	100 ng/ml
Methaqualone	EMIT	300 ng/ml	GC/MS	300 ng/ml
Opiates	EMIT	2000 ng/ml*	GC/MS	2000 ng/ml*
PCP (Phencyclidine)	EMIT	25 ng/ml*	GC/MS	25 ng/ml*
THC (Marijuana)	EMIT	50 ng/ml*	GC/MS	15 ng/ml*
Propoxyphene	EMIT	300 ng/ml	GC/MS	100 ng/ml

* *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.

ATTACHMENT A

California High Speed Rail Authority

Community Benefits Agreement

Union Signatory Page

UNION NAME: SOUTHWEST REGIONAL COUNCIL OF CARPENTERS

NAME OF SIGNER: GORDON K. HUBEL - Contract Administrator

SIGNATURE: Gordon K. Hubel

UNION NAME: Plumbers Local 447

NAME OF SIGNER: Mike Swanson

SIGNATURE: Mike Swanson

UNION NAME: UA Local 393

NAME OF SIGNER: Bill Meyer

SIGNATURE: Bill Meyer

UNION NAME: UALC 449

NAME OF SIGNER: Bill Hadley

SIGNATURE: Bill Hadley

UNION NAME: Western Regional District Council of Roofers & Waterproofers
Locals, 2738, 40, 45, 81, 95, 220

NAME OF SIGNER: Steve Tucker

SIGNATURE: Steve Tucker

UNION NAME: _____

NAME OF SIGNER: _____

SIGNATURE: _____

ATTACHMENT A

California High Speed Rail Authority

Community Benefits Agreement

Union Signatory Page

UNION NAME: DCPCM

NAME OF SIGNER: [illegible]

SIGNATURE: [illegible]

UNION NAME: CM 400

NAME OF SIGNER: Hector Cortez

SIGNATURE: [illegible]

UNION NAME: Plasterers + Shophands Local 66

NAME OF SIGNER: Michael Mayfield for Chester Murph

SIGNATURE: [illegible]

UNION NAME: I.U.O.E. LOCAL #3

NAME OF SIGNER: RUSSELL E BURNS

SIGNATURE: [illegible]

UNION NAME: _____

NAME OF SIGNER: _____

SIGNATURE: _____

UNION NAME: _____

NAME OF SIGNER: _____

SIGNATURE: _____

ATTACHMENT A

California High Speed Rail Authority

Community Benefits Agreement

Union Signatory Page

UNION NAME: Plasterers Local 200

NAME OF SIGNER: Tom Castleman

SIGNATURE: Tom Castleman

UNION NAME: Sheet Metal Local 105

NAME OF SIGNER: Luther B Medina

SIGNATURE: Luther B Medina

UNION NAME: Northern California District Council of Laborers

NAME OF SIGNER: Oscar De La Torre

SIGNATURE: Oscar De La Torre

UNION NAME: SMW Lu. 104 (SMART)

NAME OF SIGNER: Bruce Word

SIGNATURE: Bruce Word

UNION NAME: Union Roofer Local 27

NAME OF SIGNER: Dario Sifuentes

SIGNATURE:

UNION NAME: Plasterers & Cement Mason Local 300

NAME OF SIGNER: Michael Moylan

SIGNATURE:

ATTACHMENT A

California High Speed Rail Authority

Community Benefits Agreement

Union Signatory Page

UNION NAME: Sheet Metal Workers LU206

NAME OF SIGNER: Eric Emblem

SIGNATURE: _____

UNION NAME: BAC local 3 CA

NAME OF SIGNER: Dave Jackson

SIGNATURE: _____

UNION NAME: INTERNATIONAL UNION OF ELEVATOR CONSTRUCTORS LOCAL 8

NAME OF SIGNER: ERIC W. McCLASKEY - BUSINESS MANAGER

SIGNATURE: _____

UNION NAME: INTERNATIONAL UNION OF ELEVATOR CONSTRUCTORS LOCAL 18

NAME OF SIGNER: ERIC W. McCLASKEY ON BEHALF OF BUSINESS MANAGER TONY GAZZANIGA

SIGNATURE: _____

UNION NAME: Road Sprinkler Fitters UA Local 669

NAME OF SIGNER: Chuck Franco

SIGNATURE: _____

UNION NAME: Laborers SCDCL

NAME OF SIGNER: ARMANDO ESPARZA

SIGNATURE: _____

ATTACHMENT A

California High Speed Rail Authority

Community Benefits Agreement

Union Signatory Page

UNION NAME: International Union Painters & Allied Trades IUPAT DC 16

NAME OF SIGNER: Vince Echeverria

SIGNATURE:

UNION NAME: Bricklayer #4 CA

NAME OF SIGNER: Richard A. Whitney

SIGNATURE:

UNION NAME: I. B. E. W. # 569

NAME OF SIGNER: Johnny Simpson

SIGNATURE:

UNION NAME: Cement Masons Local 500

NAME OF SIGNER: Jaime Barton

SIGNATURE:

UNION NAME: Teamsters Joint Council 42 (locals 38, 166, 186, 848, 986 & 87)

NAME OF SIGNER: MIKE BERGEN

SIGNATURE:

UNION NAME: Pipe Trades District Council #36 (L.U.'s, 62, 228, 246, 442)

NAME OF SIGNER: E.R. Jennings (Bob)

SIGNATURE:

ATTACHMENT A
California High Speed Rail Authority
Community Benefits Agreement
Union Signatory Page

UNION NAME: International Brotherhood of Boilermakers

NAME OF SIGNER: J. Tom Baca

SIGNATURE:

UNION NAME: IUPAT

NAME OF SIGNER: Robert Smith

SIGNATURE: Robert Smith

UNION NAME: Tile, Marble & Terrazzo Local #18

NAME OF SIGNER: Chad Boggio

SIGNATURE:

UNION NAME: IBEW Local 100

NAME OF SIGNER: Kevin Cole

SIGNATURE:

UNION NAME: Northern California Carpenters & all affiliated Locals

NAME OF SIGNER: Robert Alvarado

SIGNATURE:

UNION NAME: Northern California Teamsters JT Joint Council 7

NAME OF SIGNER: & affiliated Local Unions including Local 87

SIGNATURE:

ATTACHMENT A
California High Speed Rail Authority
Community Benefits Agreement
Union Signatory Page

UNION NAME: C4 I/R IRONWORKERS

NAME OF SIGNER: RICHARD DAVIS

SIGNATURE:

UNION NAME: IRONWORKERS 155 Local

NAME OF SIGNER: DON SAVORY

SIGNATURE:

UNION NAME: IRONWORKERS 229 Local

NAME OF SIGNER: Juan M Galvan

SIGNATURE:

UNION NAME: IRONWORKERS 377 Local

NAME OF SIGNER: DENNIS ZMEAKIN

SIGNATURE:

UNION NAME: IRONWORKERS 378 Local

NAME OF SIGNER: JEFF MCELLEN

SIGNATURE:

UNION NAME: Ironworkers 4/6

NAME OF SIGNER: Hart Keeble

SIGNATURE:

ATTACHMENT A
California High Speed Rail Authority
Community Benefits Agreement
Union Signatory Page

UNION NAME: IBoy E. W Local 340

NAME OF SIGNER: A. C. Steelman

SIGNATURE: A. C. Steelman

UNION NAME: U.A. Lu 246

NAME OF SIGNER: E.R. Jennings (Bob)

SIGNATURE: E.R. Jennings

UNION NAME: Building TRADES - FRESNO

NAME OF SIGNER: John Hutson

SIGNATURE: John Hutson

UNION NAME: Plasters Tenders #1414

NAME OF SIGNER: Jon P. Preciado

SIGNATURE:

UNION NAME: UA Local # 460

NAME OF SIGNER: Michael C Rock

SIGNATURE: Michael Rock

UNION NAME: LIUNA Local 220

NAME OF SIGNER: Ed Padilla

SIGNATURE: Ed Padilla

ATTACHMENT A

California High Speed Rail Authority

Community Benefits Agreement

Union Signatory Page

UNION NAME: I.B.E.W # 441

NAME OF SIGNER: RICHARD SAMANIEGO

SIGNATURE: Richard Samaniego

UNION NAME: IBEW 684

NAME OF SIGNER: Billy Powell

SIGNATURE:

UNION NAME: IBEW 595

NAME OF SIGNER: VICTOR UNO

SIGNATURE:

UNION NAME: IBEW 332

NAME OF SIGNER: Gerald Pfeiffer

SIGNATURE: Gerald Pfeiffer

UNION NAME: IBEW 617

NAME OF SIGNER: DOMINIC NOLAN

SIGNATURE:

UNION NAME:

NAME OF SIGNER: IBEW Local 6

SIGNATURE: Jim Donovan

ATTACHMENT A

California High Speed Rail Authority

Community Benefits Agreement

Union Signatory Page

UNION NAME: IBEW 477

NAME OF SIGNER: John A. Brown

SIGNATURE: John A. Brown

UNION NAME: IBEW 11

NAME OF SIGNER: MARVIN KROFFKE

SIGNATURE: Marvin Kroffke

UNION NAME: IBEW 440

NAME OF SIGNER: Robert C. Frost

SIGNATURE: Robert C. Frost

UNION NAME: IBEW 428

NAME OF SIGNER: DANNY KANE

SIGNATURE: Danny Kane

UNION NAME: UA PLUMBERS LOCAL UNION 78

NAME OF SIGNER: Gary L. Cook

SIGNATURE: Gary L. Cook

UNION NAME: U.A. LOCAL 398

NAME OF SIGNER: Ray E LeVangia Jr

SIGNATURE: Ray E LeVangia Jr

ATTACHMENT A

California High Speed Rail Authority

Community Benefits Agreement

Union Signatory Page

UNION NAME: IUOE #12

NAME OF SIGNER:

SIGNATURE:

UNION NAME: IUOE LOCAL 12

NAME OF SIGNER: MICKEY J. ADAMS

SIGNATURE: Mickey J Adams

UNION NAME: IUOE Local 12

NAME OF SIGNER: DANE HAWN

SIGNATURE: Dane S Hawn

UNION NAME: Cement Masons Local 600

NAME OF SIGNER: SCOTT BRAIN

SIGNATURE:

UNION NAME: Boilermakers #92

NAME OF SIGNER: MARK THOMAS

SIGNATURE:

UNION NAME: ROOFERS 36

NAME OF SIGNER: CLIFF SMITH

SIGNATURE:

ATTACHMENT A
California High Speed Rail Authority
Community Benefits Agreement
Union Signatory Page

UNION NAME: 433 IRONWORKERS

NAME OF SIGNER: MICHAEL SILVEY

SIGNATURE:

UNION NAME: IRONWORKERS - DISTRICT COUNCIL

NAME OF SIGNER: JOE STANDLEY

SIGNATURE:

UNION NAME: ROOFERS & WATERPROOFERS U 220

NAME OF SIGNER: BRENT BEASLEY

SIGNATURE:

UNION NAME: SOUTHERN CALIFORNIA PIPE TRADES D.C 16

NAME OF SIGNER: SID C. STOCKER

SIGNATURE:

UNION NAME: ASBESTOS WORKERS 16

NAME OF SIGNER: Mel Breshears

SIGNATURE:

UNION NAME: Insulators / Asbestos U

NAME OF SIGNER: Tom Gutierrez B.M

SIGNATURE: