

**INTERNATIONAL UNION
OF
OPERATING ENGINEERS
Local Union #965
AFL-CIO**



**STANDARD FORM
AREA AGREEMENT**

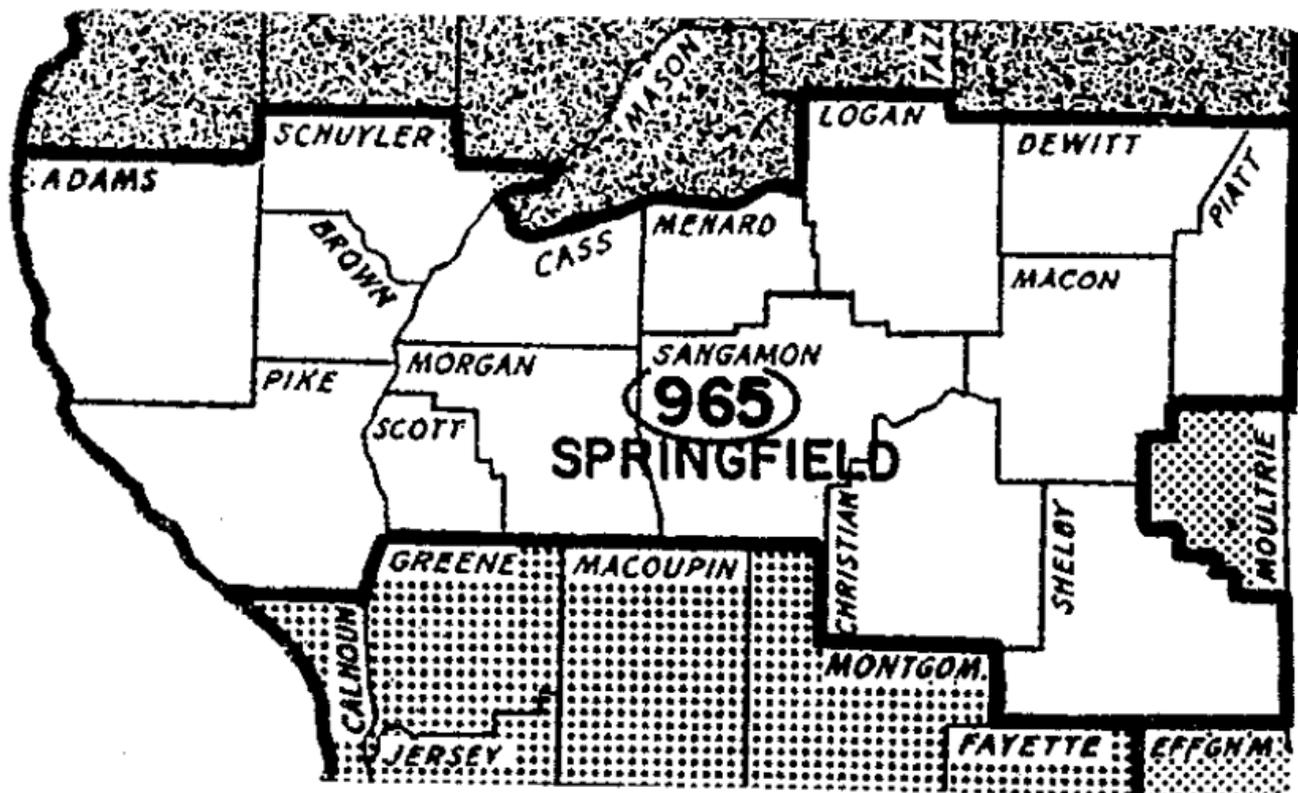
May 1, 2004 Through April 30, 2008

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TERRITORIAL JURISDICTION OF LOCAL 965

International Union of Operating Engineers



INTERNATIONAL UNION OF OPERATING ENGINEERS
Local Union #965
AFL-CIO

STANDARD FORM AREA AGREEMENT

covering

All public or private construction, demolition, alteration, repair, maintenance, excavation, production and other work performed by the Employers who are parties to this Agreement.

including

Open, heavy, highway, bridge, street, sewer, levee, drainage, dredging; water, gas and oil lines; railroads, airports, docks, wharves, piers, shipyards, sea walls, river work, tunnels, subways, dams, reservoirs; temporary sand and gravel pits, rock quarries and material yards; land clearing and development, drilling operations; all underground cables.

Effective: May 1, 2004 Expires: April 30, 2008

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PREAMBLE

THIS AGREEMENT is hereby made and entered into this 1st day of May, 2004, by and between the _____, hereinafter referred to as the "Employer," and Local Union No. 965, of the International Union of Operating Engineers, hereinafter referred to as the Union, WITNESSETH THAT:

WHEREAS, it is believed that the interest of the general public, the Employer and the Union can best be served if a workable Agreement exists between and among the parties hereto, in the efficient and productive employment of operating and apprentice engineers on all classes of public and private work engaged in by the Employer in the counties of Illinois hereinafter listed; and

WHEREAS, operating and apprentice engineers should be paid and should be willing to work on a scale and basis commensurate with their skill and knowledge of their trade and in keeping with the wages and the standard of living in the district wherein their work is performed; and

WHEREAS, the parties hereto desire to enter into an Agreement relating to wages, hours and other terms or conditions of employment of employees represented by the Union; and

WHEREAS, it is the desire and intent of the parties to provide orderly collective bargaining relations and prompt and equitable disposition of grievances, to maintain fair wages, hours and working conditions, to prevent strikes and lockouts and to represent the interest of the general public, the industry and the craft; and

WHEREAS, the Employer has recognized the Union as the exclusive bargaining agent for all (journeymen and apprentice) operating engineer employees for the purpose of collective bargaining with respect to wages, rates of pay, hours and other terms or conditions of employment.

IT IS THEREFORE UNDERSTOOD AND AGREED by and between the parties hereto as follows:

ARTICLE 1 CRAFT JURISDICTION

It is mutually understood and agreed by the parties hereto that the craft jurisdiction of the Union shall cover and apply to all persons engaged in performing the following duties or classifications of work:

All persons engaged in erecting, dismantling and repairing, operating or assisting in operating, erecting, dismantling, or the repair of all hoisting and portable machines, all refrigerating machines or units and engines used on open and heavy construction work; all hoisting and portable machines and engines used in or upon wrecking, digging, boring, building and erecting, foundations, buildings, tunnels, and subways, dams, reservoirs, disposal plants, bridges, railroads, streets (paving and repair), road building construction (including grading and repair), sewers, water, gas and oil lines, underground cables, allotment development construction, harbor and river dredging, the construction and repair of all docks, wharves, piers, and seawalls; all sand, gravel and stone pits; quarries and material yards (permanent and temporary), sand, rock and gravel screening machines; motor generators (when used for welding and cutting or for converting or transforming electric currents

(irrespective of their motive power); all machines used to sweep, clean and remove debris and snow from streets and roads; all mine hoists, telfers, grab buckets, pumps, siphons, pulsometers, generators, concrete mixers (irrespective of capacity), concrete pumps of all sizes and capacities, stone crushers, air compressors, all watertest and blasthole drilling machines; all sandblasting and other machines and boilers used in the cleaning and washing or for the heating of materials or heating water, or furnishing steam for the operation of all machines, engines and other appurtenances herein specified; all locomotive, tractor and truck type cranes; all derricks, boom hoists (of all descriptions and capacities), and automatic hoists; house and all elevators, man lifts (permanent and temporary) used for hoisting building material or lowering debris or carrying workmen from floor to floor in buildings under construction and repair; all street rollers, steam and other types of scoops, pull shovels, mucking machines, draglines and cable-ways; all clamshell and orange peel buckets when used in connection with any machine or derrick or boom hoist for excavating, handling, storing, loading or unloading materials; all land and floating pile drivers, floating derrick barges and boats, floating and self propelled dredges and rock drilling plants; all dinkey and standard locomotives, derrick cars, tractors and all tractor propelled machinery; all power and elevator graders, scarifiers, bulldozers, loaders, all trenching and ditching machines, all mechanical hoe-type machines, backfillers and conveyors; all cranes, including overhead cranes, derricks, scissor hoists when used strictly to hoist or stockpile materials, machines, engines, and boilers used in asphalt and concrete mixing plants and all other engines and machines (irrespective of motive power) used on

construction work which shall specifically include all fork lifts - wheel types, track types, either gas, diesel or electric, all water pumps (irrespective of horsepower), gas, diesel, electric, or air, all motor driven welders, generators, or light plants, gas, diesel, or electric driven, self-propelled sheepsfoot or compaction roller of any type or size (irrespective of horsepower); pulverizer, or vibratory compactors, helicopter service when used in lieu of equipment covered by this Agreement, mechanical space heaters, autograde; formless paver, autograde placer, vibratory hammer (power source) and finisher and similar equipment, or in the loading, unloading, or storage of commodities at or in terminals and all other engines and machines within the craft jurisdiction of the Operating Engineers.

ARTICLE 2 CONFLICT OF JURISDICTION

In cases where there shall develop a jurisdictional dispute between this Union and another and the dispute cannot be settled amicably at the Local level, then the procedural rules and regulations of the National Joint Board for Settlement of Jurisdictional Disputes in the Building and Construction Industry or its successor shall be utilized, which, among other things, provides that there shall be no stoppage of work resulting from such disputes. In cases where it becomes the Employer's responsibility to make a specific assignment of work, because of disputed jurisdiction, said assignment shall be in accordance with the above-mentioned rules and regulations and then shall be submitted to the disputing parties in writing on the letterhead of the Employer involved, or by telegram.

ARTICLE 3 A REFERRAL OF APPLICANTS

In order that the Employer shall have a competent working force and to promote efficiency and safety of operation, the Employer and the Union agree that:

a. The Union shall maintain a list of persons available for employment.

b. The Union shall be the sole and exclusive source of referral of applicants for employment. The Employer shall request the Union to refer applicants as required and shall not solicit applicants directly and shall not in any manner circumvent the Union in the recruitment of applicants for employment.

c. The Employer in requesting referral of applicants shall specify to the Union (1) the number of applicants to be employed, (2) the work to be performed, (3) the location of the project, (4) the nature of the project, and (5) such additional information as is deemed pertinent by the Employer in order to enable the Union to make proper referral of applicants.

d. The Union will not discriminate, either in the maintenance of the list or in its referrals for employment, against any person because of his membership or nonmembership in the Union. Selection of applicants for referral shall not be based on, or in any way affected by Union membership, bylaws, rules, regulations, constitutional provisions, or any other aspect or application of Union membership, policies or requirements. Neither the Union nor the Employer shall discriminate in any way whatsoever against any employee or applicant for employment for reasons of race, color, religion, national origin, age, sex, disabilities, Vietnam-era veterans,

disabled veterans or any other characteristic protected by law.

e. All such referrals for employment shall be in accordance with the following procedures:

1. An applicant must have maintained his permanent residence in the geographical area of Adams, Brown, Cass, Christian, DeWitt, Logan, Macon, Menard, Morgan, Piatt, Pike, Sangamon, Schuyler, Scott or Shelby Counties for a period of two (2) years, or who, having had a permanent home in said area, has temporarily left with the intentions of returning to said area as his permanent home.

2. The Union and the Employer agree that the Union shall operate a referral system in compliance with the National Labor Relations Act and applicable law. Registration and referral of the applicants shall be by group and each applicant shall be registered in the highest group for which he is qualified. Referral of prospective employees shall be first from Group A, then Group B, Group C, Group D and Group E. Registrants shall retain their existing classification or be grouped according to the Union's referral rules as follows:

Group A: All applicants who have at least four (4) years of employment under a Local 965 collective bargaining construction agreement.

Group B: All applicants who have less than four (4) years of employment but at least three (3) years of employment under a Local 965 collective bargaining construction agreement.

Group C: All applicants who have less than three (3) years of employment but at least two (2) years of employment

under a Local 965 collective bargaining construction agreement.

Group D: All applicants with less than two (2) years of employment under a Local 965 collective bargaining construction agreement.

Group E: All other applicants for employment.

Employees shall lose the length of service credits for time worked if there is a continuous break of five (5) years in their length of service under a construction agreement, or if they show intent to cease working at the craft in this geographical area by taking a transfer, withdrawal or in any other way.

A crane trainee list will be developed. In order to qualify for this list an Operator must successfully complete a 40-hour CCO Preparation Class, pass a test and must successfully complete an 8-hour crane maintenance class. These crane trainees shall receive the first preference for all oiler positions on the referral list.

3. Applicants for referral shall fill out a work qualification form supplied by the Union prior to their being placed upon the referral register. Each applicant for referral on the said referral list shall be required to re register for referral by the first business day of each calendar month in order to maintain his position on the referral list. The referral office shall be open for registration for four (4) hours during normal business days. Applicants must complete and keep current a qualification card which lists their qualifications. If an employee is terminated two (2) times because an Employer claims the employee cannot operate equipment placed on the qualification card, the employee cannot list that piece of equipment on his/her qualification card

unless the Union verifies that the employee can satisfactorily operate that piece of equipment.

4. The Union shall refer to the Employer in the order of registration on the referral list such applicants as are competent to fulfill the requirements of the positions sought to be filled and who have acquired the experience and possess the requisite skills for the fulfillment of the vacant positions as specified by the Employer. If requested by the Employer, the Union, if no qualified and competent applicants are registered, shall furnish applicants from any source that is available.

5. The referral list is open only to applicants who are actively seeking work under a Local 965 collective bargaining construction agreement.

6. Any person referred to work on a job(s) that lasts at least ten (10) working days or who is terminated for cause shall be removed from the list and must reregister when out of work. Any person who attempts to evade the ten-day rule by quitting or asking for a layoff will be placed at the bottom of the list. Temporary replacement work is not counted.

f. The Employer shall have the right to accept or reject, to employ or not to employ for just cause any applicant referred by the Union, subject to the right of such applicant to invoke the grievance procedure contained in this agreement. An applicant rejected by the Employer shall be returned to his place on the referral list and shall be referred to other employment in accordance with his position on said list, subject to competency and experience.

g. The Employer shall be the sole judge of and have the right to determine the number of employees required on any job. There shall be no restrictions as to the use of machinery,

tools or appliances, subject to the other provisions of this contract.

h. If for any reason the referral office is unable to furnish qualified and competent applicants within twenty-four (24) hours from the time the request is made to the referral office (providing the said twenty-four (24) hours does not include Saturdays and Sundays or holidays), the Employer may secure applicants from any other sources. The Employer shall furnish to the referral office the names and addresses of such new employee within twenty-four (24) hours.

i. No supervisor in the employ of any Employer who holds union membership shall be bound or in any way affected in the performance of his duties for the Employer, including hiring, by any obligation of union membership, by laws, rules and regulations, or the Constitution of the Local or International Union.

j. The provisions of this Article shall be posted by the Union at its offices where notices to applicants for referral are customarily posted.

k. An applicant for employment who is aggrieved by an action of the Union with respect to the registration or referral under this provision or who is aggrieved by an action of the Employer in connection with hire hereunder, may, within ten (10) days of the occurrence of the event which constitutes the basis for the grievance, file a written statement of the grievance with the Union and the Employer. Upon such filing, the grievance shall be considered and disposition thereof made within ten (10) days by a Board consisting of a representative of the Union, a representative of the Employer, and an impartial chairman appointed jointly by the Employer and the Union. Such Board shall consider the grievance and render a decision which

shall be final and binding. An Employer signatory to this Agreement may file a grievance against the Union with respect to referral of employees. Such grievance shall be processed in the same way as stated in this Article.

The Board is authorized to issue procedural rules for the conduct of its business, but is not authorized to add to, subtract from, or modify any of the provisions relating to the referral arrangement. The cost of the third member shall be borne equally by all parties involved.

i. The Union agrees that it will indemnify and save the Employer harmless from any and all claims and damages that the Employer might suffer as a result of the Union's operation of the said referral office.

ARTICLE 3 B REQUEST FOR REFERRALS

An Employer desiring the services of a specific applicant registered may request his referral in writing to the referral office, and if such applicant was employed by the Employer in the geographical area for at least ninety (90) calendar days in the eighteen (18) months before the request, said applicant shall be referred to such Employer.

ARTICLE 3 C UNION SECURITY

Section 1. It is agreed that all employees coming under the terms of this Agreement shall be or become members of the Union, as a condition of employment as authorized in Section 8 (A) (3) and 8 (F) of the Labor Management Relations Act of 1947 and the Labor Management Reporting and

Disclosure Act of 1959, which among other things provides, where a proper contract so states, in the construction field, for non members to become members thereof after the seventh (7th) day following the beginning of employment, provided further that no Employer or the union shall discriminate against an employee to whom membership was not available on the same terms and conditions generally applicable to other members, or if membership was denied the employee or terminated for reasons other than the failure of the employee to tender the periodic dues and initiation fees uniformly required as condition of acquiring or retaining membership.

Section 2. It is provided that employees not members of the Union shall make application for membership and start paying monthly dues and the initiation fee on the eighth (8th) day following the beginning of employment, and shall then be given sixty (60) days following the signing or the making of application to pay the initiation fee in full, and any employee who fails to meet this requirement or to continue in good standing in the payment of his dues, shall be removed from the job upon written notice from the Union.

a. This section shall not preclude the voluntary choice of applicant employees to make partial or whole initiation fee payments at any time during the eight (8) days' period following the beginning of employment with an Employer.

b. Nothing contained herein shall preclude the Union from assessing a service charge to all persons who utilize the above said facilities of the Union, which amount shall be reasonably related to the pro rata cost of maintaining said facilities.

ARTICLE 4 EXCEPTIONS

Section 1. This Agreement shall not apply to permanent sand and gravel pits, permanent rock quarries, permanent ready mixed concrete plants, and permanent material yards. Where an existing Agreement is in force this Agreement shall not apply.

Section 2. This Agreement shall not apply to superintendents, foremen, clerks, and master mechanics with supervisory authority.

ARTICLE 5 GEOGRAPHICAL AREA

This Agreement shall cover work done in the following counties in the State of Illinois in which the Union maintains territorial jurisdiction: Adams, Brown, Cass, Christian, DeWitt, Logan, Macon, Menard, Morgan, Piatt, Pike, Sangamon, Schuyler, Scott and Shelby.

ARTICLE 6 SUBCONTRACTORS

Whenever work covered by the terms of this Agreement, to be done or performed at the site of construction, is sublet or subcontracted to another Employer, such work as is within the work classifications of this Agreement shall be performed by said subcontractor under the terms and provisions of this Agreement including the referral procedure, working hours and overtime, equipment classifications, wages and fringe benefits (including Supplemental Dues Checkoff). The Employer shall assume all responsibility for the subcontractor. In cases where the Union and the Employer mutually agree, the

Employer's employee may be placed on the subcontractor's payroll.

ARTICLE 7 GRIEVANCE AND ARBITRATION

Section 1. There shall be no strike or lockout on account of any difference of opinion or dispute which may arise between the Employer and the Union relative to the interpretation of this Agreement.

Section 2. Any employee that has a grievance shall state it to his foreman within five (5) days of the aggrieved action or within five (5) days of having knowledge of the aggrieved action. If the complaint is not settled at this time it shall be referred to the job steward and superintendent. If they cannot settle the dispute within twenty-four (24) hours, the complaint shall be referred to representatives of the Union and Employer. If the matter is not settled within forty-eight (48) hours by a representative of the Union and a representative of the Employer, it shall be submitted to the arbitration procedure set forth under Section 3 of this Article 7 below. Time limits may be extended by mutual agreement.

Section 3. If this procedure, outlined in Section 2, fails to bring about a satisfactory and prompt adjustment to the question in dispute, then the party initiating the action shall have the right to submit, in writing, the unresolved grievance to final and binding arbitration, as set forth herein. At the request of the moving party, both parties shall jointly request in writing from the Federal Mediation and Conciliation Service (F.M.C.S.) a panel of five (5) potential arbitrators from which panel each party shall alternately strike two names. The remaining member of the panel shall serve as the sole arbitrator. The arbitrator shall

conduct a hearing as soon as is practicable and render a written decision without undue delay, which decision will be final and binding. However, there shall be no arbitration to offset the plain language of the Agreement. The Arbitrator shall have the authority to issue a binding award requiring compensation to a grievant for any loss resulting from the violation of this Agreement. Each party shall pay its own expenses and one-half (1/2) the expenses of the arbitrator.

ARTICLE 8 EQUIPMENT CLASSIFICATIONS, WAGE SCALE AND FRINGE BENEFITS

Section 1. Equipment Classifications: The hourly wage scales, as set forth in Section 2, shall be the minimum rates to be paid for the following equipment classifications.

CLASSIFICATION NO. 1

- ASPHALT SCREED MAN
- ASPHALT TRANSFER MACHINE
- ASPHCO CONCRETE SPREADERS
- ASPHALT PAVERS
- ASPHALT PLANT ENGINEER
- ASPHALT ROLLERS ON BITUMINOUS CONCRETE
- ATHEY LOADERS
- BACKHOES
- BULLDOZERS
- CABLEWAYS
- CAISSON VERTICAL DRILLS
- CARRY DECK PICKERS
- CHERRY PICKERS (ROUGH TERRAIN)
- C.M.I. & similar type autograde formless paver, autograde
placer & finisher
- CONCRETE BREAKERS

CONCRETE PLANT OPERATORS
CONCRETE PUMPS
DERRICKS
DERRICK BOATS
DEWATERING SYSTEMS
EARTH AUGER or BORING MACHINES
ELEVATING GRADERS
ENGINEERS ON DREDGES
GRADALL
GRAVEL PROCESSING MACHINES
GROUT PUMP
HEAD EQUIPMENT GREASER
HIGH LIFTS or FORK LIFTS
HOISTS with two or more drums or two or more load lines
HYDRO JET or HYDRO LASER
LOCOMOTIVES, ALL
MECHANICS
MOTOR GRADERS or AUTO PATROLS
MULTI POINT POWER LIFTING EQUIPMENT
OPERATORS or LEVERMAN ON DREDGES
OPERATORS, POWER BOAT
OPERATORS, PUG MILL (ASPHALT PLANTS)
OVERHEAD CRANES
PAVING MIXERS
PILED RIVERS
PIPE WRAPPING and PAINTING MACHINES
PUSH DOZERS, or PUSH CATS
ROBOTIC CONTROLLED EQUIPMENT in this classification
ROBOTIC HYDRO-demolition cutting head
ROCK CRUSHERS
ROSS CARRIER or SIMILAR MACHINES
ROTO MILL

SHEEP FOOT ROLLER (SELF PROPELLED)
SHOVELS
SKID STEER
SKIMMER SCOOPS
TEST HOLE DRILLING MACHINES
TOWER MACHINES
TOWER MIXERS
TRACK TYPE END LOADERS
TRACK TYPE FORKLIFTS or HIGH LIFTS
TRACK JACKS and TAMPERS
TRACTORS, SIDEBOOM
TRENCHING or DITCHING MACHINE
TUNNELLUGGERS
VERMEER-TYPE SAWS
WHEEL TYPE END LOADERS
WINCH CAT
SCOOPS, ALL or TOURNAPULL

CLASSIFICATION NO. 2

AIR COMPRESSORS (six to eight)*
ARTICULATED DUMPS**
ASPHALT BOOSTERS AND HEATERS
ASPHALT DISTRIBUTORS
ASPHALT PLANT FIREMAN
BOOM OR WINCH TRUCKS
BULL FLOATS or FLEXPANES
CONCRETE FINISHING MACHINE
CONCRETE SAWS, SELF PROPELLED
CONCRETE SPREADING MACHINES
CONVEYORS (six to eight)*
GENERATORS (six to eight)*
GRAVEL or STONE SPREADER, POWER OPERATED

HOIST, AUTOMATIC
HOIST with One Drum and One Load Line
LIGHT PLANTS (six to eight)*
MECHANICAL HEATERS (six to eight)*
MUD JACKS
OFF ROAD WATER WAGONS**
OILER on Two Paving Mixers When Used in Tandem
POST HOLE DIGGER, MECHANICAL
ROBOTIC CONTROLLED EQUIPMENT in this classification
ROAD OR STREET SWEEPER, SELF PROPELLED
ROLLERS (except bituminous concrete)
SCISSOR HOIST
SEAMAN TILLER
STRAW MACHINE
VIBRATORY COMPACTOR
WATER PUMPS (six to eight)*
WELL DRILL MACHINES

CLASSIFICATION NO. 3

AIR COMPRESSORS (one to five)*
AIR COMPRESSORS, TRACK OR SELF PROPELLED
BULK CEMENT BATCHING PLANTS
CAISSON VERTICAL DRILL HELPER
CONVEYORS (one to five)*
CONCRETE MIXERS (Except Plant, Paver, or Tower)
FIREMEN
GENERATORS (one to five)*
GREASERS
HELPER ON SINGLE PAVING MIXER
LIGHT PLANTS (one to five)*
MECHANIC HELPERS
MECHANICAL HEATERS (one to five)*
OILERS

POWER FORM GRADERS

POWER SUB GRADERS

PUG MILLS when used for other than Asphalt operation

ROBOTIC CONTROLLED EQUIPMENT in this classification

TRACTORS without power attachments, regardless of size or type

TRUCK CRANE OILER and DRIVER (1 man)

VIBRATORY HAMMER (power source)

WATER PUMPS (one to five)*

WELDING MACHINES (one 300 Amp. or over)*

WELDING MACHINES (one to five)*

*Combinations of one to eight of any Air Compressors, Conveyors, Welding Machines, Water Pumps, Light Plants or Generators shall be in batteries or within 400 feet and shall be paid as per the Classification Schedule contained in this Article.

**Except where provisions of a prior agreement prohibit or where a contractor has established a practice of assignment to a different craft.

CLASSIFICATION NO. 4

LATTICE BOOM CRAWLER CRANE

LATTICE BOOM TRUCK CRANE

TELESCOPIC TRUCK-MOUNTED CRANE

TOWER CRANE

All Classification No. 4 Operating Engineers shall have an NCCO classification. Employers may request NCCO certified operators on any hoisting equipment, however, if an Employer requests operators with NCCO certification they shall pay the Classification No. 4 rate.

SELF CONTAINED EQUIPMENT

Self contained equipment includes the following:

Mechanical heaters, air compressors, (up to and including 600 cubic feet), conveyors, generators, light plants, welding machines, (one 300 amp. or over), water pumps (6 inch and under) and concrete plant pig.

An operator may be required to tend one (1) piece of self contained equipment (must start, stop, and maintain) while continuing to operate his assigned machine.

On jobs where there is a crane or similar machines and self contained equipment requiring only starting, stopping and maintenance, the helper may tend up to one piece of such equipment within 400 feet of his assigned machine.

Operators will not man TWO (2) INCH submersible electric pumps, small generators, (10 KW and under) and small compressors (up to 40 CFM); however, this equipment will remain the jurisdiction of the Union.

Whenever this type of equipment is used in groups to produce an increased capacity, or combinations which produce the equivalent capacity of manned equipment, they will be manned in accordance with the terms of this Agreement.

PROVISO NO. 1

a. When employees are employed on machines or classifications of work which are different from the machines or classifications of work mentioned herein and when the machine or classification of work cannot be identified as within one of the aforementioned classifications, then the wages shall be negotiated by and between the Employer and the Business Manager or Business Representative of the Union.

b. Machines and classifications of work, as mentioned in paragraph (a) above, shall be confined to the craft jurisdiction of the Union.

PROVISO NO. 2

Cranes with booms of 120 ft. TO 200 ft. including jib, shall be compensated an additional one dollar (\$1.00) per hour over and above the regular wage scale for operating such crane. All employees operating cranes with booms over 200 ft., including jib, shall be compensated an additional one (\$.01) cent per foot per hour for operating such crane.

PROVISO NO. 3

Employees working on underground construction, such as underground domes, shafts, and tunnels, shall receive one dollar (\$1.00) per hour wage increase over negotiated wage for such machine underground.

Employees working under air pressure shall receive one dollar (\$1.00) per hour over negotiated wage rate, plus the underground rate, if applicable. This paragraph shall not apply to ventilation.

PROVISO NO. 4

No employee shall contract, subcontract, or do other work which will interfere with the work schedule of his current Employer. Any employee found to be in violation of this shall be subject to immediate discharge with no recourse.

PROVISO NO. 5

When a stationary tower crane is used, the Employer shall have the option of employing an operator and helper, or just an operator. In case he employs just an operator, the operator shall be guaranteed forty-five (45) hours' pay (forty [40] regular and five [5] overtime) for the regular work week, plus any other overtime he may be required to work. His wages shall be the long boom rate, plus one dollar (\$1.00) per hour. The crew shall be employed from the start of erection to the completion of dismantling. The Employer shall decide at the pre job conference which option he desires.

Section 2. Wage Scale and Fringe Benefits.

	5/1/2004	5/1/2005*	5/1/2006*	5/1/2007*
CLASSIFICATION 1	\$25.65	\$27.15	\$28.70	\$30.30
CLASSIFICATION 2	\$23.09	\$24.50	\$25.93	\$27.41
CLASSIFICATION 3	\$19.18	\$20.43	\$21.70	\$23.02
CLASSIFICATION 4	\$27.15	\$28.65	\$30.20	\$31.80
FRINGE BENEFITS				
Health & Welfare	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
Pension	\$ 5.50	\$ 5.50	\$ 5.50	\$ 5.50
Training	\$.80	\$.80	\$.80	\$.80
Subtotal	\$11.30	\$11.30	\$11.30	\$11.30

In addition to the above, Supplemental Dues of three percent (3%) of the employee's gross wages (deducted from employee's paycheck) is to be paid in monthly on the Fringe Benefit Report Form. (See Article 31)

TOTAL ECONOMIC PACKAGE

CLASSIFICATION 1	\$36.95	\$38.45	\$40.00	\$41.60
CLASSIFICATION 2	\$34.39	\$35.80	\$37.23	\$38.71
CLASSIFICATION 3	\$30.48	\$31.73	\$33.00	\$34.32
CLASSIFICATION 4	\$38.45	\$39.95	\$41.50	\$43.10

* The parties have reached an understanding that the total wage increases due 5/1/2005, 5/1/2006 and 5/1/2007 may be redistributed as the Union determines.

**ARTICLE 9
PUMPS**

Pumps and all required attachments shall be installed, operated, maintained, and removed by bargaining unit members at all times, subject to the following:

- a. Electric Submersible pumps 2" and under: The Employer

may use up to eight (8) 2" and under electric submersible pumps without manning. Over eight (8) pumps, a bargaining unit employee shall be paid one dollar (\$1.00) for each hour pumps in excess of eight (8) run.

b. Pumps 6" and under: An oiler/helper on the project may be assigned to man up to four (4) pumps 6" and under on a single shift basis and will be paid as follows:

- | | |
|------------------|---------|
| (1) 1 pump | Class 3 |
| (2) 2 to 4 pumps | Class 2 |

c. Pumps not covered by Paragraphs "a" or "b" above may be manned by one (1) pump operator on a single shift basis and paid as follows:

- | | |
|---|---------|
| Up to 5 | Class 3 |
| 6 to 8 | Class 2 |
| Excess of 8 in reasonably close proximity | Class 1 |

d. Pumping beyond a single shift operation, Electric Submersible Pumps: Outside normal single shift hours, the bargaining unit employee assigned to the electric submersible pumps in accordance with Paragraph "b" and "c" above, shall be paid one dollar (\$1.00) for each hour said pumps are operated but not manned.

e. Pumping beyond a single shift operation, other than electric submersible pump: Pump operator shall man any number of pumps other than electric submersible and shall be compensated in accordance with Paragraph "c" above.

ARTICLE 10 WORKING HOURS AND OVERTIME

Section 1. Eight (8) hours shall constitute a regular day's work and forty (40) hours a regular week's work, Monday through Friday, inclusive. The starting time shall be 7:00 A.M.

Sunday through Saturday. However, in order to meet seasonal conditions or special conditions specified by the awarding authority(ies), the starting time may be changed weekly to 6:00 A.M. or 8:00 A.M. with prior notice to the union hall or job steward, and forty-eight (48) hours' notice to the employee(s). Any employee called out for work during a shift shall be paid from the start of that shift.

Where legal, the Employer may choose the option of working four (4) ten (10) hour days, Monday through Thursday, at the straight time rate. A ten (10) hour day may be worked on Friday with all hours, up to ten (10), or up to forty (40) for that week being paid at the straight time rate, provided those hours were lost due to weather conditions on Monday through Thursday. The payroll period must be such that no more than forty (40) straight time hours will be paid on any paycheck. Any new employee starting during the calendar week will be paid in the same manner as the rest of the Operating Engineers on the crew. This option may be exercised weekly and shall remain in effect for the entire week.

Section 2. When a single shift is worked, any time worked during the lunch period, or before or after the scheduled hours of the shift and any time worked on Saturdays, shall be paid for at the rate of time and one half; except that time worked on Sundays, and holidays as defined in Article 12, shall be paid for at double time. Any employee working past 6:30 P.M. shall be allowed one-half (1/2) hour at the overtime rate of pay for supper period.

Section 3. All overtime except Sundays and Holidays shall be paid at the rate of time and one half.

Section 4. The regular lunch period shall be at the mid point of the shift. Should circumstances require, the lunch period may be adjusted to thirty (30) continuous minutes between one-half (1/2) hour before and one-half (1/2) hour after the regular lunch period.

Section 5. All engineers shall be allowed up to two (2) hours' time to vote with no deduction in pay for loss of time providing enough time is not available before or after regular working hours due to distance to and from work. This shall apply to State and Federal elections only.

ARTICLE 11 SHIFT WORK

Section 1. Work may be performed in shifts, of equal length, at the election of the Employer, but in no case for less than three (3) consecutive workable days. The working hours for a two shift job shall be by agreement between the Employer and the Business Representative. If the first shift is required to work different hours than the regular hours on a one shift job, the shift differential shall apply. The starting time on a three shift job shall be 8:00 A.M., which shall be regarded as the first shift on the calendar day. On all three-shift work, the first shift shall end at 4:00 P.M.

Section 2. When two shifts are worked, eight (8) hours, plus one-half (1/2) hour lunch period shall constitute a shift and any time worked during the lunch period, which shall be at the mid point of the shift, shall be paid for at the rate of time and one half. Should circumstances require, the lunch period may be adjusted to thirty (30) continuous minutes between one-half (1/2) hour before and one-half (1/2) hour after the regular lunch period. Shift work from Sunday Midnight to Friday Midnight shall constitute a regular week's work and any time worked

from Friday Midnight to Sunday Midnight, or in excess of regular shift hours, shall be paid for at the applicable overtime rate specified in Section 3 of Article 10. On a two-shift job no more than one (1) hour shall elapse from the ending of the first shift and the beginning of the second shift. There shall be no time allowed between shifts on a three shift job. The rate of pay for the second shift shall be twenty five cents (\$.25) per hour above the regular rate, and the rate for the third shift shall be twenty five cents (\$.25) per hour above the regular rate.

Section 3. If a special shift is required by an owner and if the Employer is required to perform work which cannot be performed during regular working hours, employees may, with prior notification by the Employer to the Business Manager, work a special shift and receive one dollar and fifty cents (\$1.50) per hour over the base rate for eight (8) hours' work, plus thirty (30) minutes' unpaid lunch after the fourth (4th) hour. No employee may work on a special shift if he has performed bargaining unit work that day during the regular working hours. The Employer's request for this special shift must include the starting date, the approximate number of employees involved, and the estimated conclusion date. Other terms and conditions may be agreed to between the Business Manager and the Employer.

ARTICLE 12 HOLIDAYS

Double time shall be paid for all work performed on Sunday and the following seven holidays:

New Year's Day
Fourth of July
Memorial Day

Labor Day

Thanksgiving Day
Veterans Day (to be
celebrated the day after
Thanksgiving)
Christmas Day

No work shall be performed on Labor Day except to save life or property. When the holiday falls on Sunday, it shall be observed on Monday. If a holiday falls on any day other than a Sunday, it shall be celebrated that day.

ARTICLE 13 REPORTING

Section 1. Call-In Pay and Reporting for Work: All employees who report for work unless ordered not to report by the Employer or his representative shall receive two (2) hours' pay. Employees shall report to the foreman and, if so directed, they shall remain on the job for two (2) hours. Reporting time on overtime days shall be paid at the overtime rate.

If an employee starts to work in the morning he shall receive a minimum of four (4) hours' pay provided, however, that there is no shutdown on account of weather conditions or breakdown of equipment. In this case, the employee shall be paid for actual time worked beyond the minimum two (2) hours.

If any employee is permitted to work after the four (4) hours, he shall be paid for a full eight (8) hour shift at the applicable rate for that day or shift, provided, however, that there is no shutdown after the four (4) hours on account of weather conditions or breakdown of equipment; in this case the employee shall be paid for the time worked after the first four (4) hours. Any employee who quits on a job during any work shift shall be paid only for the time worked and the Employer may exercise his option to require the employee to wait until the regular pay day to receive his wages.

If the Employer chooses the option of four (4) ten (10) hour days, any employee that starts to work shall receive a minimum of five (5) hours pay provided there is no shut

down because of weather conditions or breakdown of equipment. If any employee works after five (5) hours, he shall be paid for a full ten (10) hour shift provided there is no shut down after five (5) hours because of weather conditions or breakdown of equipment. If work is shut down because of weather conditions or breakdown of equipment the employee shall be paid for time worked.

Section 2. Nothing in this Agreement shall preclude the Employer or his foreman from stopping an employee from coming to work at any time so long as the employee is notified in adequate time before leaving his place of residence. The distance the employee has to travel to the job shall be taken into consideration along with an understanding with the employee as to the time he usually leaves for work. Employees may be notified either in person or by telephone. It will be the responsibility of the Employer or his foreman to obtain the address and telephone number of his employees covered by this Agreement for the purpose stated above, and those employees who cannot furnish an adequate way of contact shall sacrifice their rights for show up time pay. Two (2) hours' pay will be paid for reporting on request and not hired or worked on that day, except where the Employer has not been furnished sufficient information from which to give the individual reasonable notice of the withdrawal of the Employer's work request.

Section 3. If on the first day of employment, an employee starts to work he shall receive eight (8) hours' pay, provided there is no shut down on account of weather conditions or breakdown of equipment, in which case the employee shall be paid as any other employee as provided in Section 1 of this Article. If the Employer determines the said new employee is

incapable of performing the assigned work, he shall receive pay for time actually worked, but in no case less than two (2) hours' pay.

ARTICLE 14 CHANGING MACHINES

Section 1. There shall be no limit as to the number of machine changes made by an Operating Engineer.

Section 2. It is agreed if in changing machines the rate of pay for one machine is higher than the other, the employee shall be paid the highest rate for that day. It is agreed that no employee will be allowed to change to a machine that another employee has been employed to operate. When a change is made the employee shall indicate which machine he claims preference on.

Section 3. Any employee who is laid off may claim preference on the machine he was employed to operate for a period not exceeding three (3) days provided he does not register for work with the Union Referral Office, and shall be recalled if that machine performs any work on that project prior to the end of three (3) days. At the time of lay off, the Employer shall advise the employee if there shall be any work for that machine in the next three (3) days and the employee shall inform the Employer if he claims preference for the three (3) day period. Where lay off exceeds three (3) calendar days, or if the employee reports out of work to the Union, the Employer may place another employee on that machine or he shall seek referral of an operator through the referral procedure.

Section 4. Any employee coming with leased or rented equipment shall be limited to the operation of that piece of equipment.

ARTICLE 15

MECHANIC HELPERS, FIREMEN, EQUIPMENT GREASERS

Section 1. Mechanic helpers shall be those employees who assist the mechanic in performing his duties. Mechanic helpers shall be provided for the mechanics when performing heavy and difficult work.

Section 2. Firemen shall be those employees who tend all boilers (of any size or type), space and material heaters when mechanically operated.

Section 3. There shall be a helper on all clam shells, draglines, all cranes, piledrivers, derricks, dual pavers, asphalt pavers (screedman), ditch machines (over 15" cutting width), auto grade, formless paver, auto grade placer and finisher or any other machine where the Local Union and Employer deem it necessary.

The operator of track-type backhoes/excavators shall be paid one (1) hour in addition to his regular hours for the greasing and maintenance of his machine, subject to the other terms of this Agreement. To be paid this additional one (1) hour, the operator shall prepare and start his machine prior to starting time. He shall grease his machine before start of the shift or after end of the shift or as mutually agreed to by his supervisor. If help is required, it will be an operating engineer.

No helper will be required on a slip form curb and gutter machine. If additional help is needed to operate the machine, such help will be an employee covered by this bargaining unit.

Only one (1) helper will be required to man the front spreader and the slip form paver in a single lane paving spread.

A helper need not be employed on cranes used in plant setups, or tractor-type backhoes such as Case, Ford, or similar types

that have 210 degree swing or less or small trenching machine. An oiler or helper on a job (except on concrete or asphalt plants) may be required to operate an unassigned piece of equipment once in the morning, not to exceed two (2) consecutive hours, and once in the afternoon, not to exceed two (2) consecutive hours.

Section 4. Helpers shall, if requested, start one-half (1/2) hour before the regular starting time to prepare his machine for the day's operation and in which case he shall quit work one-half (1/2) hour before the regular quitting time or be allowed one (1) hour for lunch period. He shall be allowed to eat lunch before or after the regular lunch hour in order that he may oil his machine while the operator is eating lunch and the machine is not in operation.

Section 5. Equipment greasers shall be those employees who grease and oil heavy grading equipment not covered by helpers. Equipment greasers shall be employed when ten (10) or more pieces of heavy grading or dirt moving equipment are placed in operation. The head equipment greaser shall be the employee who is in charge of the greasing operations. Equipment greasers and helpers shall be allowed to work off hours so long as they are allowed the same amount of hours as that of the regular shift or operator who he oils for. In cases where an equipment greaser is not required, a bargaining unit employee shall do the greasing. If so directed, the operator shall do the greasing during his regular work shift with no additional pay.

ARTICLE 16 MECHANICS

Mechanics shall be those employees who are employed to

repair and maintain the Employer's equipment. When a machine breaks down and repair work is begun thereon by the mechanic, the employee(s), assigned to the equipment shall be retained for the completion of that shift if the mechanic is working on the assigned piece of equipment. Otherwise, the employee(s) will be assigned to another machine.

The employee(s) need not be retained while the mechanic is performing work on a machine, unless the mechanic requires help.

In case of repair work, if a mechanic requires a helper, an operator will be required. Mechanics shall be retained the same hours as the shift works.

In case of fire or theft of the mechanic's tools, the Employer shall be responsible only for that amount over one hundred dollars (\$100.00). All claims must be accompanied by a police report.

ARTICLE 17 SHOP AND YARD WORK

The Employer recognizes the Union as the sole and exclusive representative of mechanics and operators assigned to perform work in temporary and permanent shops and yards. Mechanics and operators so assigned shall receive the wages, benefits and all other conditions of employment specified herein for employees. In the case of repair work, if a mechanic requires help, an operator will be required. Repair work performed on equipment operated by operating engineers, and repaired in the Employer's shop, is the craft jurisdiction of the Local Union.

ARTICLE 18 DEWATERING

Section 1. For the purpose of this Article, a dewatering system is defined as a combination of one or more pumps of

any type, size or motive power, including but not limited to well point pumps, submersible pumps, well pumps, ejector or educator pumps in combination with wells, well points, well screening sumps, piping, and/or other appurtenances powered by diesel, electric, gasoline, gas, or any other motive power to control water on any and all types of construction work.

Section 2. A dewatering system shall be installed and operated by operating engineers at all times that the dewatering system is being operated. The classifications listed in this Agreement shall prevail with the exception that no combination of oiler & pump man shall be allowed.

ARTICLE 19 MANNING OF CONCRETE PLANTS

Section 1. On all temporary or portable concrete plants, there shall be two (2) operators and one (1) oiler utilized to man the plant and all auxiliary equipment (except the loader) when the plant is being operated, except on small production days.

Section 2. On small production days, when the plant produces no more than 250 cubic yards, the plant and all integral auxiliary equipment (except the loader), may be manned by only two (2) operators. On such days the Employer will keep the oiler employed on other equipment, if possible.

ARTICLE 20 MANNING OF ASPHALT PLANTS

Section 1. On all asphalt plants, except drum mix, there shall be a plant engineer, a pugmill or console operator and a plant oiler to man the plant and all integral auxiliary equipment (except the loader) when the plant is being operated, except on small production days.

Section 2. On small production days, when the plant

produces no more than 400 tons, the plant and all integral auxiliary equipment (except the loader) may be operated by a plant engineer and a pugmill or console operator. On such days the Employer will keep the oiler employed on other equipment, if possible.

Section 3. No oiler shall be required on drum mix asphalt plants. However, if help is needed it will be an Operating Engineer.

ARTICLE 21 PAYMENT OF WAGES

Section 1. The Employer shall pay wages weekly and the payment shall be in full for the payroll period except for legal deductions for which the employee shall be furnished a receipt or check stub showing such deductions. Pay day shall be no later than 4:30 P.M., and not to exceed five (5) days after the ending of the payroll period. Any employee laid off permanently or discharged shall be paid his wages immediately. In the event an employee is not paid within the time specified herein, waiting time at the straight time rate shall be charged until payment is made. Waiting time shall not exceed eight (8) hours in any one twenty-four (24) hour period. Payment of wages shall be made on the job site if the employee is working; if not, the payment may be made by mail only by permission of the employee affected or at the Employer's office, in which case the waiting time provision shall not apply.

Section 2. In the event payment of wages is delayed by conditions beyond the control of the Employer, waiting time shall be waived providing the Union office is notified of the delay and the cause thereof.

Section 3. In case of a bad check, the waiting time

provisions shall apply which shall be limited to eight (8) hours of each working day, Monday through Friday, not to exceed forty (40) hours at regular pay for a calendar week.

Any Employer who fails to have sufficient funds in the bank to meet all paychecks issued to employees shall be liable also for the cost of collecting the amount due and the defaulting Employer is to be deprived of the right to pay by check.

Section 4. All deductions shall be furnished on detachable written record stub to each employee on regular pay day.

Section 5. It will not be a violation of this Agreement to take all economic actions available to enforce this Article against the Employer.

ARTICLE 22 JOB STEWARD

A Steward may be appointed for each job, one for each shift, where shifts are worked. They must see that all operating engineers, firemen, oilers, and helpers on the job are members of the Union in good standing, subject to the provisions of this Agreement in Article 3 C. They must see that all provisions of this Agreement are strictly enforced. Every employee must report to the steward before going to work for the first time. The steward on the day or first shift shall be the Master Steward. The Employer will not discriminate against the steward for the performance of his reasonable duties to the Local Union. It is agreed that the steward will not have the power to strike any job.

However, certain duties of a job steward may be worked out at a pre job conference and no job steward may be laid off without twenty-four (24) hours' notice to Local Union office so that either another steward may be appointed, or problems worked

out so steward can be reassigned.

ARTICLE 23 RIGHTS OF BUSINESS MANAGER OR BUSINESS REPRESENTATIVE

The Business Manager or Business Representative of the Union must be granted the privilege to visit any job at any time to consult with the steward on the job or to confer with the Employer or his representatives. Further than this there shall be no interference except for observation or in case of emergency or necessity. General consultations with employees, when desirable, shall be held before starting time, at noontime, or after quitting time.

ARTICLE 24 SAFETY REGULATIONS AND PROTECTION FOR EMPLOYEES

Section 1. It is recognized there are important roles to be performed by the employees, Union officials and management in the prevention of accidents and ensuring a safe and healthy working environment. The work site should be maintained in a clean and orderly state so as to encourage efficient and safe operations.

It is important to succeed in this cooperative effort because it also is recognized that failure can mean emotional and financial hardship to the employee and a threat to the security of his family.

It is because of these mutual benefits that the employees, Union officials and management pledge to do all that is possible to maintain a safe, hazard-free working environment for all on the job, including initial and continuous training, regular inspections, establishment of emergency procedures and the

commitment and cooperation of the parties to this Agreement.

Section 2. The use of personal communication devices such as cellular phones and audible pagers is prohibited during work hours unless the company has provided such devices to the employee for business use only. Any employee carrying a non-company issued pager with an audible alarm must ensure the alarm is turned off during work hours. Employees must not make, return or receive calls on personally owned portable phones during work hours. Employees will have access to communication devices for emergencies. Limited and TEMPORARY exceptions to this policy permitting the use of personally owned communication devices for ongoing personal emergency situations (such as imminent birth of a child) can be made only with the prior and continued approval of the employee's supervisor. Also excepted is the right to call the union representative on a contract violation, provided the call does not affect production and is done when the equipment is not running.

Section 3. Each Operating Engineer shall be required to successfully complete the Ten-Hour OSHA 500 Construction Safety and Health Course every three (3) years to maintain their safety awareness and competence. Employers may request referral of Operating Engineers who have completed the Ten-Hour OSHA Course and refuse, without penalty, Operating Engineers who have not completed the course.

Section 4. The Employer will provide nonprescription safety glasses, hard hats, and other OSHA-required safety equipment. All Operating Engineers shall be responsible for wearing appropriate safety gear such as boots, ear, eye and head protection.

Section 5. The Employer shall provide reasonable heat and reasonable protection for his employees who are covered by this Agreement. Said protection shall include, but not be limited to umbrellas, heat houses, and protection from falling debris. An adequate supply of fresh water, properly cooled in season, along with disposable individual drinking cups, shall be made available at all times by the Employer in order that the health and physical welfare of their employees might be protected and they shall be allowed to avail themselves of the drinking water so supplied.

Section 6. A boatman shall be employed at all times when employees covered by this Agreement are working on or over water, on navigable streams and lakes where the Union and Employer deem it necessary to comply with safe practices.

Section 7. The Employer and all employees agree to abide by all federal, state, local and company safety policies. Failure on the part of an employee to comply with these safety rules and policies may be grounds for dismissal.

ARTICLE 25

ALCOHOL AND NONPRESCRIPTION DRUGS

Section 1. Possession, sale or use of alcohol or nonprescription drugs on the Employer's property, site of construction or during the working hours regardless of the location shall be grounds for termination. Any employee who reports to work under the influence of alcohol or nonprescription drugs shall be subject to termination. "Nonprescription drugs" shall be defined as drugs which cannot be legally dispensed without a prescription and are not covered by a current valid prescription endorsed by a qualified physician for use by named employee in question. Employees working under this Agreement shall be subject to all necessary diagnostic medical testing

for purposes of verifying compliance with this provision, when required by the Employer at the expense of the Employer.

Section 2. Provision for employee drug or alcohol testing will be outlined in Employer policy and procedures or as required in documentation by Project Owners. Drug and alcohol testing shall consist of, but not be limited to pre-employment, random, reasonable cause/suspicion, post-accident, injury or unsafe act. Employees refusing to consent to such testing shall be deemed to have voluntarily quit.

Section 3. All drug and/or alcohol testing shall follow the procedures or future revisions outlined by the Department of Health and Human Services and/or the Substance Abuse and Mental Health Services Administration (hereinafter referred to as SAMHSA, formerly known as the National Institute of Drug Abuse [NIDA]).

Section 4. Personnel utilized for testing will be certified as qualified to collect samples and adequately trained in collection procedures. The laboratory selected to conduct the analyses shall be certified by the Department of Health and Human Services and/or SAMHSA.

Section 5. All drug screening tests shall be capable of identifying marijuana, cocaine, opiates (morphine & codeine), phencyclidine (PCP), and amphetamines (amphetamines, methamphetamine) or other drugs that may be specified by future SAMHSA direction.

Section 6. Test Results: Concentrations of a drug at or above the following levels shall be considered a positive test result when using the initial immunoassay drug screening test:

INITIAL TEST**LEVEL (ng/ml)**

Level-Nanogram/Milliliter (hereinafter referred to as ng/ml)

Marijuana metabolite	50
Cocaine metabolite	300
Opiate metabolite	2,000
Phencyclidine	25
Amphetamines	1,000

Concentration of a drug at or above the following levels shall be considered a positive test result when performing a confirmatory Gas Chromatography/Mass Spectrophotometry test on a urine specimen that tested positive using a technologically different initial screening method.

CONFIRMATORY TEST**LEVEL (ng/ml)**

Marijuana metabolite	15*
Cocaine metabolite	150**
Opiates: Morphine	2,000
Codeine	2,000
Phencyclidine	25
Amphetamines/Methamphetamine	500***

*Delta-9-tetrahydrocannabinol-9-carboxylic acid

**Bezoyllecgonine

***If methamphetamine, there must be > 200 ng/ml of Amphetamines

Alcohol test levels at or above .04 shall be considered a positive test for safety-sensitive equipment.

Section 7. Employees taking prescription medication which, according to their physician, has physical or mental side effects which could cause impairment on the job site should report the medication to site supervision. Employees who report use of lawful medication as described above shall not be disciplined for use of same.

Section 8. Any employee with test results of negative shall be compensated for all hours lost. If an employee has a confirmed positive test (s)he will: (1) be suspended without pay up to thirty (30) days, or as determined by established company policy; (2) agree to mandatory enrollment in a certified rehabilitation program at employee's own expense, with successful completion; and (3) agree to periodic follow-up drug testing for up to two (2) years after successful completion of rehabilitation program. A second positive or refusal to participate in a certified rehabilitation program after the first positive test shall result in termination of employment.

Section 9. Termination under this provision, including the circumstances surrounding the conduct of the drug or alcohol test, shall be fully subject to the arbitration provision of this Agreement.

ARTICLE 26 PAYROLL DATA

It is agreed that the Employer shall make available for examination and inspection by the Business Manager or Business Representative of the Union any pertinent payroll information requested by the said Business Manager or Business Representative on any employee covered by this Agreement after any complaint made in writing to the Union.

The Employer agrees to certify in writing as correct the material made available to the Business Manager or Business Representative for inspection. No complaint shall be valid unless it is made within thirty (30) days after the alleged violation.

ARTICLE 27 PREJOB CONFERENCE

Every Employer who is or becomes party to this Agreement

shall notify the Business Representative of the Union prior to the performance of any work properly coming under the jurisdiction of the Union; and the Employer shall inform the Business Representative of the nature and classifications of Operating Engineers estimated to be required on said project. The Employer shall meet with the Business Representative of the Union at a date, time, and place mutually agreeable for the purpose of holding a pre job conference. Any questions concerning the application of this Agreement shall be resolved at such pre job conference and the Employer shall make arrangements for the referral of engineers to the project in accordance with the contractual referral provisions.

ARTICLE 28 PENSION PLAN

Section 1. During the period May 1, 2004, through April 30, 2008, the Employer shall pay monthly into the Central Pension Fund of the International Union of Operating Engineers and Participating Employers, the amount as specified in Article 8, Section 2, for each hour paid for or worked in the preceding month by all employees covered by this Agreement. Said payments shall be made on the dates, in the manner and form, and in accordance with the rules and regulations as adopted by the trustees of said Fund. Negligence of the Employer in complying with this Article shall be deemed a direct violation of this Agreement. It shall not be a violation of this Agreement to take economic action available to enforce this Article.

Section 2. The Employer's obligation to make Pension contributions shall be expressly conditioned upon the Plan's continued qualification by IRS and conformance with ERISA. If discontinuation should happen, the negotiated fringe benefit for this Article shall revert to wages.

ARTICLE 29
HEALTH AND WELFARE PLAN

Section 1. During the period May 1, 2004, through April 30, 2008, the Employer shall pay monthly into the Operating Engineers Local 965 Health Benefit Plan the amount as specified in Article 8, Section 2, for each hour paid for or worked in the preceding month by all employees covered by this Agreement. Said payments shall be made on the date, in the manner and form, and in accordance with the rules and regulations as adopted by the trustees of said Fund. Negligence of the Employer in complying with this Article shall be deemed a direct violation of this Agreement.

Section 2. If contributions are not made by the 15th of the month for the preceding month and employee was not eligible to receive benefits because of non payment, the Employer shall be liable for any claim that may arise on account of such non payment. It shall not be a violation of this Agreement to take any economic action available to enforce this Article.

ARTICLE 30
APPRENTICE TRAINING AND RETRAINING

Section 1. The parties hereto have accepted and do accept the terms and conditions of the Agreement and Declaration of Trust establishing the Operating Engineers 965 Apprentice Training and Retraining Fund.

Section 2. During the period May 1, 2004, through April 30, 2008, the Employer shall pay monthly into the Operating Engineers Local 965 Apprentice Training and Retraining Fund, the amount specified in Article 8, Section 2, for each hour paid or worked in the preceding month by all employees covered by this Agreement. Said payment shall be made on the dates, in

the manner and form, and in accordance with the rules and regulations as adopted by the Committee. Negligence of the Employer in complying with this Article shall be deemed a direct violation of this Agreement.

Section 3. All parties governed by this Agreement will train Apprentices in accordance with and comply with the provisions of the Apprenticeship Standards adopted by the Joint Operating Engineers Apprenticeship and Skill Improvement Committee for Central Illinois. The ratio of apprentices to journeymen shall not exceed 1-4, unless otherwise determined by the Committee to meet special conditions.

Section 4. Apprentices shall be paid the following percentages of wage rate (plus fringe benefits set out in the wage scale Article) for Classification No. 1 provided in the Collective Bargaining Agreement in effect between the Employer and Local 965 of the International Union of Operating Engineers:

First period	70%
Second period	75%
Third period	80%
Fourth period	85%
Fifth period	90%
Sixth period	95%

ARTICLE 31 SUPPLEMENTAL DUES CHECKOFF

Upon receipt of an employee's written authorization, which shall be irrevocable for not more than one (1) year, or the termination of the Agreement, whichever occurs sooner, the Employer shall deduct from such employee's wages Union dues in the amount as specified in Article 8, Section 2. The Employer shall remit same to and as directed by the duly

authorized representative of said Union together with a list of the names of employees from whose pay deductions were made. Such a written authorization may be revoked by the employee by written notice by Certified Mail to the Employer and the Union during the ten (10) day period prior to the end of any applicable yearly period, or during the ten (10) day period prior to the termination of any applicable bargaining agreement, whichever occurs sooner. In the absence of such revocation, sent and received in accordance with the foregoing requirements, the authorization shall be renewed for an additional yearly period or until the end of the collective bargaining agreement, whichever occurs sooner.

ARTICLE 32 PROTECTION OF RIGHTS

It shall not be a violation of this Agreement and it shall not be cause of discharge if any employee or employees refuse to go through an authorized picket line of this or any other Union. Nor shall the exercise of any rights protected by law be a violation of this Agreement.

ARTICLE 33 INDEMNIFICATION

Employees shall be indemnified by their Employers against any claim or suits made against them for bodily injury, death, or property damage while said employees are working without willful negligence within the scope of their employment. The responsibility for indemnification shall be on the individual Employer only.

ARTICLE 34 BONDING

Section 1. For cause, unless waived by mutual agreement between the Employer and the Union, any Employer who has not maintained a business office within the jurisdiction covered by this Agreement for at least one (1) full year immediately preceding the execution of this Agreement or has previously been delinquent in the payment of fringe benefits (providing said Employer was required to report fringe benefits) for a period of thirty (30) days, shall obtain and maintain during the term of this Agreement a surety bond in the amount of Twenty-Five Thousand Dollars (\$25,000.00) to guarantee to his employees working under this Agreement the payment of wages and fringe benefits, including Pension Plan, Health and Welfare Plan, Apprentice Training and Retraining Fund, and Supplemental Dues Check-Off payments.

Section 2. In the event of failure, default or refusal of the Employer to meet his obligations to their employees or the Pension Plan, Health and Welfare Plan, Apprentice Training and Retraining Fund when due, the aggrieved Union employees or the Trustees of the Pension Plan, Health and Welfare Plan, Apprentice Training and Retraining Fund or the Joint Negotiating Committee when pertaining to Supplemental Dues Check-Off, after written notice to the Employer and bonding company, may file claim to obtain payment, costs and reasonable attorney's fees there from of the applicable surety bond.

Section 3. Failure of an Employer to obtain and maintain an effective surety bond as required herein, or failure and default by an Employer of payment of obligations covered by this Agreement in excess of the amount of the surety bond may, at the option of the Union, be declared by the Union a

gross breach of this Agreement in consequence of which the Union shall have the right to resort to economic and other sanctions against the said Employer. Bond shall remain in full force and effect for a period of ninety (90) days after job completion.

ARTICLE 35 UNFAIR COMPETITION

Section 1. When signatory Employers are bidding against Employers who do not observe the same terms and conditions contained herein, the signatory Employer may request any adjustments deemed necessary to make him competitive.

Section 2. The Business Manager may approve such adjustments he considers appropriate; however, he shall not have authority to approve any wage or fringe benefit adjustments except in cases where other trades involved have agreed to adjustments, such as in a Project Agreement.

Section 3. The adjustments agreed to shall be reduced to writing and signed by both parties.

ARTICLE 36 COMPLETENESS OF AGREEMENT

Section 1. All understandings, agreements, and undertakings of the parties hereto touching on the subject matter hereof are embodied herein, and none of the parties shall be affected, during the existence of this Agreement, by any rules, regulations, or understandings touching on the subject matter of this Agreement, whether oral or written, which are not expressly incorporated herein.

Section 2. Any part of this Agreement found to be in conflict with any State or Federal Law, by a recognized and competent Court or Board, shall be immediately renegotiated by

the interested parties hereto, in accordance to the finding of such Court or Board.

ARTICLE 37
PERIOD OF AGREEMENT

This Agreement shall be in full force and effect from May 1, 2004, through April 30, 2008, and shall remain in effect from year to year thereafter, unless objections are made by Certified Mail by one or more of the interested parties at least sixty (60) days prior to the expiration date as set forth above or the yearly expiration date thereafter.

**STANDARD FORM CONTRACT FOR
ADOPTION OF AGREEMENT**

**INTERNATIONAL UNION OF
OPERATING ENGINEERS
LOCAL UNION NO. 965
SPRINGFIELD, ILLINOIS**

THIS AGREEMENT, made and entered into this _____
day of _____, _____, by and between

and Local Union No. 965, International Union of Operating Engineers (AFL-CIO), shall be effective on all present and future work performed within Adams, Brown, Cass, Christian, DeWitt, Logan, Macon, Menard, Morgan, Piatt, Pike, Sangamon, Schuyler, Scott and Shelby Counties in Illinois, by the first mentioned party, and

WHEREAS, Local Union No. 965 has consummated Agreements through regular collective bargaining processes, covering work within the above named counties in Illinois. A copy of said Agreement is attached herewith and incorporated herein by reference, and the signatory parties desire to adopt the provisions of this Agreement.

THEREFORE, it is further understood and agreed by and between the parties hereto as follows:

(1) The parties hereto do hereby adopt all of the provisions and terms of the attached Agreement as the Agreement between the parties.

(2) The Employer agrees that, upon the Union's presentation of signed authorization of representation or

other proof that it represents a majority of its employees in the bargaining unit described herein at any time during the term of this Agreement, the Employer will voluntarily recognize, in writing, the Union as the exclusive collective bargaining representative as set out in Section 9(a) of the Labor-Management Relations Act for such unit. Such recognition shall continue thereafter within the territorial jurisdiction of the Union, unless and until at the appropriate time such status is changed as a result of an N.L.R.B. election requested by the employees. The Employer further agrees that it will not request an N.L.R.B. election.

(3) The individual Employer signatory hereto agrees that it will be bound by all modifications, amendments, extensions, and renewals of this Agreement as well as any subsequent collective bargaining agreements unless the signatory Employer gives notice in writing by Certified Mail upon the Union between one hundred twenty (120) and one hundred fifty (150) days prior to the expiration of this or any subsequent Agreement of its intent not to be bound by the collective bargaining negotiations and agreements reached thereafter.

(4) The above-named firm agrees to cover employees working under the terms of this Agreement with (a) Workmen's Compensation Insurance, and (b) Illinois State Unemployment Insurance, as provided by the Unemployment Insurance Act.

IN WITNESS WHEREOF, the parties hereto have affixed their signatures which officially binds said parties under the provisions of this Agreement.

SIGNED this _____ day of _____, _____,

at _____
(City) (State)

(Name of Company)

(Street Address)

(City/State/Zip)

Phone:

(Area Code) (Number)

FAX:

(Area Code) (Number)

FOR THE COMPANY:

(Name) (Title)

FOR IUOE LOCAL 965:

Business Manager

President

Recording Secretary