

**MASTER AGREEMENT
For The
PLUMBING AND PIPING
INDUSTRY of SOUTHERN
CALIFORNIA**

THIS AGREEMENT is entered into the 1st day of July, 2011 by and between the CALIFORNIA PLUMBING AND MECHANICAL CONTRACTORS ASSOCIATION, ("CPMCA") for and on behalf of all its present and future members and such other Contractors who have authorized CPMCA to bargain on their behalf with full authority to bind them in collective bargaining with "the Union" on a multi-employer basis, hereinafter referred to as the "CONTRACTORS ASSOCIATION" and/or "CONTRACTORS," and SOUTHERN CALIFORNIA PIPE TRADES DISTRICT COUNCIL NO. 16 OF THE UNITED ASSOCIATION, for and on behalf of all employees represented by it and its following affiliated Local Unions: Numbers 78, 114, 230, 250, 345, 364, 398, 403, 460, 484, 494, 582, and 761 hereinafter referred to as the "Union."

**SECTION 1
RECOGNITION**

1.1.1 The Union claims each individual Contractor acknowledges and agrees that a majority of its employees performing plumbing and pipefitting work, as more particularly described in Section 3 herein, have authorized the Union to represent them in collective bargaining. The California Plumbing and Mechanical Contractors Association (CPMCA) and each individual Contractor agrees to voluntarily recognize the Union as the exclusive collective bargaining agent under Section 9(a) of the National Labor Relations Act for all employees of each Contractor performing plumbing and pipefitting work covered by this collective bargaining agreement. The definition of employees shall also include General Foreman and Foreman.

1.1.2 The Union hereby recognizes CPMCA as the sole and exclusive collective bargaining representative for all present and future Contractors, who are engaged on work covered by this Agreement, who may or have authorized CPMCA as their exclusive, authorized bargaining representative, to bargain on their behalf with full authority to bind them in collective bargaining with the Union, and agrees not to negotiate individually with them during the term of this Agreement.

1.1.2.1 It is understood between the parties that service work, as defined in the ARCA/MCA and District Council 16 HVACR Service Master Labor Agreement, will be performed under the terms and conditions of an area-wide District Council 16 HVACR Service

Master Labor Agreement and is eliminated from the scope of work this Agreement. Notwithstanding the foregoing, plumbing and heating service work and incidental HVACR service work may continue to be performed under this Agreement.

1.1.3 The Contractors Association shall submit a roster of their members covered by this Agreement within sixty (60) days after the effective date of this Agreement to District Council No. 16, showing the Contractor firm name, address, telephone number, state license number, and state license bond carrier.

1.1.4 District Council No. 16 agrees to give the Contractors Association immediate notice of any change in the geographic boundaries of any Local Union over that previously submitted to the Contractors Association. No violation of the hiring procedures will be processed because of such change in geographical boundary until thirty (30) days after said notice is given. All men presently employed on a job at time of a boundary change, may remain on said job for its duration. All other items in the Agreement will remain under the Local Union assuming jurisdiction.

1.1.5 STANDARDS FOR EXCELLENCE

The parties have agreed the U.A. Standard of Excellence shall apply to work performed under this agreement. The U.A. Standard of Excellence is attached hereto as Appendix F

1.1.6 STANDARD FOR SAFETY

The parties have agreed the U.A. Standard for Safety shall apply to work performed under this agreement. The U.A. Standard

for Safety is attached hereto as Appendix G

1.2 QUALIFICATIONS

1.2.1 Each of the parties hereto warrants and agrees it is under no disability of any kind, whether arising out of the provisions of its Articles of Incorporation, Constitution, Bylaws, or otherwise, that will prevent it from fully and completely carrying out and performing each and all of the terms and conditions of this Agreement, and further, that it will not, by the Articles, Constitution, Bylaws, or Charter, or by contract, or by any means whatever, take any action that will prevent or impede it in the full and complete performance of each and every term and condition hereof.

1.2.1.1 The warranties and agreements contained in this Paragraph are made by each of the signatories hereto on its own behalf and on behalf of each organization for which it is acting hereunder. The individuals signing this Agreement in their official capacity and the signatories hereto hereby guarantee and warrant their authority to act for and bind the respective parties or organization whom their signatures purport to represent, and the Local Unions on whose behalf the said parties are signing said Agreement.

1.2.2 This Agreement contains all the covenants, stipulations and provisions agreed upon by the parties hereto and no agent or representative of either party has authority to make, and none of the parties shall be bound by, nor liable for any statement, representation, promise, inducement or agreement not set forth herein; that any provision in the working

rules of the Unions, with reference to the relations between the Contractors and their employees, in conflict with the terms of this Agreement, shall be deemed to be waived and any such rules or regulations, which may hereafter be adopted by the Unions shall have no application to the work hereunder.

1.2.3 If any provision in this Agreement shall at any time during the terms thereof conflict with the Labor Management Relations Act of 1947, or said Act as may be amended, or any other act or statute of the United States or State of California, then such provision shall be deemed modified but continue in effect to the extent permitted by the applicable law. However, if at any time thereafter such provisions shall no longer conflict with the law, they shall be deemed restored to the Agreement with the same force and effect as if it had never been in conflict with the law. If any single provision, clause, paragraph, sentence, or Section of this Agreement is held by any court, bureau, board, or administrative agency to be invalid, illegal or inoperative, it shall not invalidate the remaining portion or portions of this Agreement.

1.2.4 SCOPE OF BARGAINING. The Employer and the Union acknowledge that during the negotiations which resulted in this Agreement, each party had the unlimited right and opportunity to make demands and proposals or matter not removed by law from the area of collective bargaining, and that the understandings and agreements arrived at by the parties after the exercise of the right and opportunity are set forth in this Agreement.

1.2.4.1 Therefore, the Employer and the Union, for the terms of this Agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter not specifically referred to or covered by this Agreement, including fringe benefits, even though such subject or matter may not have been within the knowledge or contemplation of the parties at the time they negotiated or signed the Agreement. This shall not be construed to prevent the parties to this Agreement agreeing to the discussion or negotiation on any subject matter.

SECTION 2 CONTRACTOR STANDARDS

2.1.1 It is agreed that any individual, partnership, or corporation, party to this Agreement, must meet each and all of the conditions of this Section.

2.1.2 SHOP. Employers signing this Agreement agree to maintain and operate their shop, or branch shop as defined in Appendix E, Paragraph 6.1.4 on a continuous basis, and to have a current business address and telephone for same listed with District Council No. 16, all Contractors Associations and the Pipe Trades Trust Fund. Employers shall be assessed damages for failure to notify District Council No. 16 and the Contractors Associations if they fail to maintain such a shop once listed. Such damages to be determined by the Joint Arbitration Board for each day of the violation.

2.1.3 SIGNS. All Contractors' trucks and equipment used to transport materials, welding rigs and/or personnel shall have their firm name affixed to equipment, in letters at least two inches (2") high on clearly visible portions of such vehicle on both sides. Magnetic signs are not acceptable.

2.1.4 The Unions agree that no workmen covered by this Agreement who are employed by Contractors at the time he makes application to sign the Labor Agreement as an Employer, will be permitted to sign the Agreement, or operate as an employer, until thirty (30) days' written notice has been given to the Contractors Association and District Council No. 16.

2.1.5 Any provisions of this Agreement shall be binding upon the Employer and upon any of its successors, or assigns in which the Employer or any of its owners, partners, officers, or stockholders has an ownership interest, be it sole, partnership, joint or coventurer, associate, corporate or otherwise (other than a security interest as hereinafter provided). In the event of any change of ownership or in the form of the Employer's business organization (other than a bona fide sale to a new owner), the terms and obligations herein contained shall continue in full force and effect as to the employing organization.

2.1.6 NOTICE OF BONIFIED SALE For the purpose of this Section, a new owner is defined as a purchaser in which neither the Employer hereunder, nor any of its owners, partners, officers, or stockholders, has an ownership interest other than a security interest. For the purpose of this Section, a security interest shall be understood to mean a mortgage, pledge, lien, conditional sale contract, or other arrangement which secures the payment of the purchase price upon a bona fide sale, the Joint Arbitration Board shall determine ownership under this Agreement. In the event of a bona fide sale, District Council No. 16 shall be notified by the Contractor in writing not less than ten (10) days prior to close of escrow.

2.1.6.1 The persons, firms, corporations, joint venture or other business entities bound by the terms of this Agreement are referred to in this Agreement as "Employer" or "Employers." The Employers and the Union by entering into this Agreement intend to and agree to establish a single multi employer collective bargaining unit. Any Employer who becomes party to this Agreement shall thereby become a member of the multi employer collective bargaining unit established by this Agreement.

2.1.6.2 Any Contractor who owns, or acts as an RMO, or who has financial interest in any business doing the same or similar work covered by this Agreement, shall be subject to damages assessed by the Joint Arbitration Board.

SECTION 3 MANAGEMENT RIGHTS

3.1 MANAGEMENT PREROGATIVES Except as they are limited by the terms of this Agreement, the prerogatives of management include, but are not limited to, the exclusive right to hire, promote, demote, transfer, discharge, increase or decrease the work force to meet the exigencies of the business, and to maintain the efficiency of the operation. Any of the rights, powers or authority the Employer had prior to the signing of this Agreement are retained by the Employer except those specifically abridged, delegated or modified by this Agreement.

**SECTION 4
WORK RULES**

4.1 WORK DAY

4.1.1 **WORK DAY AND WEEK.** The work days shall be eight (8) consecutive hours, exclusive of lunch period, between 6:00 A.M. and 4:30 P.M. Forty (40) hours, Monday 7:00 A.M. through Friday, 4:30 P.M., shall constitute a week's work. The starting time shall be at 6:00 A.M., 6:30 A.M., 7:00 A.M., 7:30 A.M. or 8:00 A.M., Monday through Sunday. The starting time shall be changed only to meet a bona fide job requirement. Starting time shall not be staggered.

4.1.2 **REPORTING AND QUITTING TIME.** Workmen shall arrive at the designated parking and/or transportation pickup area in sufficient time to reach their assigned work location and be ready to begin work at the start of the shift; and, workmen shall be allowed sufficient time to put away tools and equipment with sufficient time remaining during the regular shift for each workman to depart their assigned work location at the end of the shift.

4.1.3 **SHOW UP PAY.** Any Workman, after being hired and reporting for work at the regular starting time and for whom no work is provided, shall receive pay for two (2) hours at the prevailing rate of wages, unless he has been notified by the Contractor before leaving his home not to report; and any workman who reports to work, and for whom work is provided, shall receive not less than four (4) hours' pay, and if more than four (4) hours are worked in any one (1) day, shall receive not less than a full day's pay. However, the exception shall be when strike or weather conditions make it impossible to put such an employee to work, where stoppage of work is occasioned thereby, or when a workman leaves his work of his own accord. An employee reporting to work at the regular starting time at a shop or job, and for whom no work is available, due to weather conditions, will receive no pay for reporting time unless requested by the Employer to report.

4.1.4 **EMERGENCY LUNCH PERIOD.** Men who are required in an emergency to work through their lunch period, or from 12:00 noon to 1:00 P.M., shall take their period at 11:30 A.M. or 1:00 P.M., and

such emergency work shall be done at the straight time rate.

4.2 PARKING

4.2.1 Where free parking is not available within four (4) tenths of a mile of the job or project, the Contractor shall reimburse employees at the lowest rate available, provided the employee presents a signed and dated receipt for each parking expenditure.

4.3 ACCESS

4.3.1 **INACCESSIBLE AREAS.** Where a job is in an area accessible only by roads in such condition that grave damage to employee's cars might result, the Contractor shall furnish transportation over such roads for all employees both coming to work and returning from work. This Section shall not apply to any road maintained by the city, county, state or federal governments.

4.3.2 **ACCESS TO JOBS.** The Business Representative shall have access to all jobs and shops at all times during working hours. With exception of security clearance requirements, it shall not be a violation of this Agreement for the Union to remove employees covered by this Agreement until such time as access to the job is provided. The Contractor shall give all possible assistance for security clearance and access.

4.4 SHIFT WORK

4.4.1 Where the nature of the work requires the working of employees covered by this Agreement on a shift basis, the shift arrangements shall be as follows:

4.4.1.1 **Shifts.** Shift work may be performed at the option of the Employer, but when performed it must continue for a period of not less than five (5) consecutive work days. Saturday and Sunday, if worked, can be used for establishing the five (5) day minimum shift work period. The straight time work week shall be considered to start with the day shift on Monday and end with the conclusion of the second and third shift on the fifth day. In the event the second or third shift of any regular work day shall extend into a holiday, employees shall be paid at the regular shift rate.

4.4.1.2 The first or day shift shall work on a regular eight (8) hour shift as outlined in Section 4, Paragraph 4.1.1 of this Agreement. If two (2) shifts are worked, the second shift shall be eight (8) hours for which each employee shall receive pay for the hours worked, plus fifteen percent (15%). Work in excess of eight (8) hours per shift shall be paid at overtime rates. In computing overtime pay the shift rate shall be the base rate.

4.4.1.3 If three (3) shifts are worked, the Employer and the Union shall establish mutually acceptable hours and pay for shift work, considering among other things the schedule of shift work of the related crafts in the Local Building Trades area in which the job is located.

4.4.1.4 **Four/Ten Work Week.** The work days shall be ten (10) consecutive hours, exclusive of lunch period, between 6:00 A.M. and 5:30 P.M., forty (40) hours Monday through Thursday shall constitute a week's work. There is no premium pay during the hours stated above in the 4/10 work week unless another craft on the job site is receiving premium pay, and if more than one craft is receiving premium pay then the highest premium rate shall be applicable hereto as if incorporated herein. The Employer signatory hereto may only apply this option prior to starting the job unless he has received permission from the Local Union Business Manager having jurisdiction over said job. Time and one-half (1 1/2) shall be paid for the ten (10) hours if worked on Friday. Double time shall be paid for all hours worked over ten (10) hours Monday through Friday. Saturday, Sunday and Holidays shall be double time.

4.5 ROLLING 4/10s

4.5.1 **Rolling Four Ten Hour Shifts.** This shift schedule may be worked on a project provided it has a duration of at least sixteen (16) consecutive days. Each shift must maintain a crew size of at least fifty percent (50%) of the largest shift crew.

4.5.1.1 Under this agreement, the day shift work force is organized into two (2) teams. The "A" team works four (4) consecutive ten (10) hour days. On the fifth day, the "B" team continues to work four (4) consecutive ten (10) hour days. On the ninth day, the "A" team returns to work to

continue the maintenance activities. The same pattern applies for a second shift.

4.5.1.2 Payment for all hours beyond eight (8) hours shall be paid at one and one-half (1 1/2) the basic straight time pay, with the exception that all hours beyond eight (8) on Sunday will be paid at two (2) times the basic straight time rate.

4.5.1.3 In this arrangement, the normal work day for all employees shall be ten (10) hours of work, plus a one-half (1/2) hour nonpaid meal period.

4.5.1.4 Any employee who is called in to work outside of his regular A, B, C and D week, to work either the 5th or 8th day, will be paid one and one-half (1-1/2) times the basic straight time hourly wage rate for work performed on that day. For work on the 6th or 7th day, the employees will be paid at two (2) times the basic straight time hourly wage rate for work performed on that day. Employees working six (6) or more consecutive shifts shall receive two (2) times the basic straight time hourly wage rate after the fifth regularly scheduled shift.

4.5.1.5 The work day for each employee shall be defined as the twenty-four (24) hour period which begins with the regular starting time of the employee's shift and ends with the regular starting time of the employee's shift the following day. In this shift arrangement, the day shift shall be worked somewhere between the hours of 6:00 A.M. and 6:00 P.M.

4.5.1.6 Swing Shift (C or D Teams). For each shift, eight (8) hours shall be paid at the basic straight time hourly wage rate for the first through the fourth day of the scheduled work week for seven and one-half (7-1/2) hours of work. Eight (8) hours straight time pay shall be the basis for computing fringe benefits and overtime pay. Payment for all hours beyond seven and one-half (7-1/2) hours shall be at one and one-half (1-1/2) the basic straight time pay, with the exception that all hours beyond seven and one-half (7-1/2) on Sunday will be paid at two (2) times the basic straight time rate.

4.5.1.7 All work performed on Holidays shall be paid at two (2) times the basic straight time hourly wage rate.

4.5.1.8 Wages due for Employees working the rolling 4-10 schedule shall be paid the

first day the Employee reports back to work on his next regularly scheduled work week.

4.5.1.9 Any violation of the above shall make all hours worked payable at twice the hourly wage rate unless prior approval has been given by the Business Manager.

4.5.2 When the Contractor determines that shift work is necessary, the employees who are assigned to the second or third shift on the first day, or on subsequent days, of the necessary five (5) day period, must be continued on such shift until after the five (5) day shift establishment period has been completed. Any such employee who is not continued on such shift for the five day shift establishment period shall be paid at double time for all work performed on said second and third shifts. This provision shall not apply to employees who are discharged for just cause during the shift establishing period.

4.5.3 Where shift work is temporarily interrupted for a period of one (1) work week for reasons beyond the control of the Contractor excluding the final termination of the shift, and all three (3) shifts have worked the same number of hours that week, and then the shifts are reestablished and the same individuals go back on the same shift (providing they are available), then there will be no penalty or no overtime payable. If one (1) or two (2) shifts are temporarily shut down or interrupted for a period of one (1) work week, and all three shifts have not worked the same number of hours that week, then those who are not permitted to work must be paid four (4) hours' straight time pay but it shall not be necessary to go through another five (5) day shift establishment period.

4.6 PAY ROLL

4.6.1 PAY PROVISIONS. Pay day shall be the last regular scheduled work day of the week, with not more than three (3) days being withheld. If the Contractor uses a computerized payroll, he must program the computer to meet the requirements for payroll checks in Paragraph 4.6.2. The Contractor must also include all data required on Trust Fund reports as determined by the Joint Board of Trustees, including pay rate, straight time hours, overtime hours and year-to-date compensation, among other requirements.

The Board of Trustees may require reporting in electronic format than hard-copy. Workmen are to be paid at least one (1) hour before the end of the regular shift whether working in a shop, Contractors' yard, or in the field. When men are laid off or discharged, they must be paid wages due them immediately at the time of layoff or discharge, and shall remain on the payroll until paid in full. If a regular pay day falls on a holiday, the day before the holiday shall be designated as pay day.

4.6.2 PAYROLL CHECKS. Payroll checks must bear the authorized signature of, and be drawn from the account of, the Contractor to whom men are dispatched. The employee shall receive a check stub from each check showing the Contractor's name and address, Trust Fund code number, pay period covered, regular and overtime hours worked, vacation and holiday contributions, and all other deductions required by law. If a Contractor issues a check with insufficient funds in the bank for payment, he shall be required to issue only certified checks for the duration of the job or for ninety (90) days, whichever is longer, and shall reimburse the employee immediately by certified check for the NSF check issued and for bank charges assessed for each check, subject to Subcommittee decision as provided in Appendix C, Paragraph C.4.9. The Subcommittee shall have authority to assess one (1) day's wages where there is no satisfactory excuse.

4.6.3 Labor Release. No employee will be permitted to sign any labor release not approved by the Joint Arbitration Board.

4.7 OVERTIME

4.7.1 Double time shall be paid for all hours worked over ten (10) hours, Monday through Saturday. Sundays and Holidays shall be double time. Time and one half shall be paid for all other overtime. When an employee is called back, he shall be paid double time and a minimum of two (2) hours' pay at double time.

4.7.2 There shall be no alteration, remodeling or new work performed on overtime, without the Contractor or Journeyman in charge first obtaining permission from the Local Union Business Manager or his designee having jurisdiction over said job. This does not apply to service or repair work. Overtime work shall be rotated equally among all

employees covered by this Agreement on any given job or in any shop. The Contractor shall have the right to appeal such decision to the Joint Arbitration Board, whose decision shall be final and binding.

4.8 HOLIDAYS

4.8.1 The following days are recognized as holidays: New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, the Friday after Thanksgiving Day excluding work performed under Appendix D, Section D.2 and Christmas Day, and if Christmas and/or New Years' falls on Saturday, Friday shall also be considered a legal holiday. If any of the above holidays should fall on Sunday, the Monday following shall be considered a legal holiday. No work shall be required on Labor Day except in cases of extreme emergency when life or property is in imminent danger.

4.9 SUPERVISION

4.9.1 SUPERVISION. Supervision shall be selected solely by the Employers and they shall act as agents of the Employers and shall not apply or attempt to apply Union regulations, rules, Bylaws or provisions of the Union constitution. They shall comply with all provisions of the Labor Agreement. The Unions will not take any disciplinary action against any Foreman, General Foreman, for any action they may take in the proper performance of their duties for the Contractors.

4.9.2 FOREMEN. When three (3) or more Journeymen are fabricating or installing work, there shall be a Foreman selected by the Contractor who shall be a member in good standing of a Local Union affiliated with District Council No. 16, who shall receive not less than fifteen percent (15%) per hour above the Journeyman wage rates, and shall handle only one (1) project.

4.9.3 A Foreman or a General Foreman may supervise different crews including crews performing any of the work covered by this Agreement.

4.9.4 GENERAL FOREMEN. When two (2) or more Foremen are employed on a job, one shall be designated General Foreman. Any person who supervises two (2) or more projects at separate

geographical locations shall be designated a General Foreman. A General Foreman shall receive not less than twenty-five percent (25%) per hour above the Journeyman rate. Foremen and/or General Foremen may work with the tools.

4.10 APPRENTICES & PRE-APPRENTICES

4.10.1 The Employer Trustees shall normally employ at least one (1) Apprentice each.

4.10.2 Apprentices shall be selected for dispatch at the discretion of the Business Manager, subject to such rules as may be established by the Local Joint Apprenticeship Committee. Upon the Contractor's request the Union shall dispatch Apprentices and Pre-Apprentices according to the following ratio: After the Contractor has employed one (1) Journeyman on a job site, the Local Union shall dispatch one (1) Apprentice and then one (1) Pre-Apprentice. After the Contractor has employed one (1) additional Journeymen on the same job site the Local Union shall dispatch a second Apprentice and then a second Pre Apprentice to that job site. After a second Apprentice has been secured, the Local Union shall dispatch additional Apprentices and Pre-Apprentices only after the Contractor has employed one (1) Journeymen for each such Apprentice and Pre-Apprentice. With the approval of the Business Manager the Employer may increase the ratio of Pre-Apprentices and Apprentices to Journeymen.

4.10.3 These standards shall not be changed as they apply to work opportunities on the job without the consent of the parties hereto in regard to the ratio of jobs, Apprentice dispatching or any other aspects of the Apprentice employment or work covered under the terms of this Agreement, all of which shall be subject to the Labor Agreement.

4.10.4 Apprentice advancement shall be annually on February 15 or August 1 according to their anniversary date and only upon satisfactory completion of training. The Contractors shall be notified by the local area J.A.C. at least ten (10) days prior to the effective date of an increase when an Apprentice is advanced from one (1) year to another. It shall be a violation of this Agreement for any

Contractor to pay, or any Apprentice to accept a wage rate in excess of those set forth in this Agreement.

4.11 STEWARDS

4.11.1 A Steward shall be a working employee, appointed by the Business Manager, who shall, in addition to his work as Journeyman, be permitted to perform during working hours such of his Union duties as cannot be performed at any other time (it being understood and agreed that the Steward's duties shall not include any matters relating to hiring and/or termination). The Unions agree that such duties shall be performed as expeditiously as possible and the Contractors agree to allow Stewards a reasonable amount of time for performance of such duties. The Unions shall notify the Contractors of the appointment of each Steward in writing, and the Contractors, before transferring, laying off or discharging a Steward, shall notify the Union in writing of its intention to do so and give the reason therefore at least twenty-four (24) hours in advance of such intended action.

4.11.1.1 The person appointed Steward shall remain on the job as long as there is work in his particular classification which he is qualified to perform, and so long as there are three (3) men on the job, excluding the Steward; provided, however, the Steward does not engage in any activities which are contrary to the provisions of this Agreement. In no event shall a Contractor discriminate against a Steward or lay him off, or discharge him on account of any action taken by him in the proper performance of his Union duties.

4.11.1.2 If a Steward is discharged and three (3) or more men remain on the job and the Steward is to be replaced by another Journeyman, the Business Manager shall be permitted to select a man from the Group 1 list to replace him.

4.11.2 Stewards are expected to be competent Journeymen and to do the normal amount of work required of other Journeymen, with the exception of a reasonable amount of time to perform his duties, as defined in this Section. There is no such thing as a roving or non-working Steward.

4.11.3 The duties of a Steward are primarily to ascertain that work covered by this Agreement is performed by employees covered by this Agreement, and to see that the men employed on the job have the proper referral slip and to ascertain dues are paid as required. Once per month, a Steward shall be permitted sufficient time to check the dues books of the men on the job to ascertain that they are in order.

4.11.4 If a Steward receives a complaint that employees not covered by this Agreement are performing work covered by this Agreement, or if a man on the job files a grievance with the Steward, the Steward shall be permitted a reasonable amount of time to investigate the complaint or grievance and to present the matter to the Contractor representative in charge of the job and request correction.

4.11.5 Stewards shall not argue with the Contractor representative and shall not take any action on their own initiative, but shall report matters to their Local Union office that are not corrected upon request.

4.11.6 Stewards are not authorized to leave their normal place of duty to check the status of any employees not performing work covered by this Agreement. No Steward shall be assigned to more than one job or project.

4.11.7 With respect to arbitration cases involving the discharge of Stewards, if the dispute is not settled between a Representative of the Contractor or Contractors Association and District Council No. 16, then the same may be referred to an Impartial Arbitrator to be selected by them. The Contractor and Local Union involved in the dispute shall be obligated to provide their own witnesses. All expenses of the arbitration shall be assessed against the party losing the dispute with the Impartial Arbitrator to determine which party shall be required to pay all expenses and fees. The Arbitrator shall also determine the remedy and/or damages, if any. No transcript of the proceedings shall be required. The decision of the Impartial Arbitrator shall be issued in writing five (5) days from the close of the hearing and said decision shall be final and binding upon the parties hereto.

4.12 SPECIAL ISSUES

TEMPORARY HEAT

4.12.1 On temporary heat on new construction projects, employees covered under the terms of this Agreement shall operate all steam boilers and all steam systems operating at or under fifteen (15) pounds pressure, all hot water heating boilers and hot water heating systems, all gas or oilfired unit heaters and all refrigeration and air conditioning equipment when the aforementioned units and systems are operated prior to the acceptance of the units or systems by the owner or his agent. Such work shall be performed at the regular hourly wage on all shifts with time and one-half the regular hourly wage rate being paid for all work performed in excess of regular work week.

JOB INJURIES

4.12.2 Any employee injured on the job or shop to the extent of requiring a doctor's care and which injury prevents him from working, shall be paid a full day's wages and subsistence if applicable for the date of injury.

WELDING TESTS

4.12.3 Where Journeymen are required to take welding tests for certification, they shall before starting tests, be placed on the payroll of the individual Employer, and shall be paid in accordance with the wage schedule contained in this Agreement. Welders may be given certification papers on every job (which requires them) upon termination due to reduction in force or upon project completion.

TOOLS

4.12.4 The employee shall provide the following set of tools: 1. Rule, Tape; 2. Level; 3. Channel Locks; 4. Hammer; 5. Blade Screwdriver; 6. Phillips Screwdriver; 7. 14" and 18" Pipe Wrenches; 8. Striker; 9. 8" and 12" Crescent Wrench; 10. Tube Cutters; 11. Tin Snips; 12. Pencil Reamer; 13. Hacksaw; 14. Torque Wrench; 15. Nail Puller.

4.12.4.1 The tools listed in Paragraph 4.12.4 is a representative list and may be changed by mutual consent. Any changes to the list will not be more burdensome in cost or transportation than the representative list.

4.12.4.2 The Employee may opt to furnish other miscellaneous hand tools of choice, not to exceed one hundred dollars (\$100.00) in value. Under no circumstances will Power Tools, Electrical Cords, Ladders, etc. be permitted under the description of miscellaneous hand tools.

4.12.4.3 The Employer shall provide a safe locked place, where warranted, on job site for tools and equipment. Where substantial evidence of loss by fire or burglary, outside of regular working hours, of tools from the place provided by the Employer is established, the Employer will replace tools or pay an amount not to exceed the list price of the tools.

4.12.4.4 No Employee shall furnish any tools, other than as described in Paragraph 4.12.4.2 and shall not deposit any money to guarantee the safety of any tool kit. Contractor shall furnish welders with hoods, sleeves, gloves and goggles, and clear glass for hoods. Journeymen and Apprentices shall be furnished helmets for their protection. Contractors shall furnish lighters. Hoods and colored lenses, etc. broken or damaged on the job shall be replaced by the Contractor, except when damaged through negligence of the Employee. Employee shall exercise the best of care in the handling and use of a Contractor's tools and equipment, and failure on the part of an Employee to protect the Contractor's property shall be deemed sufficient cause for discharge. Special corrective lenses will not be furnished by the Contractor.

4.12.4.5 No Employee shall furnish, rent, lease or loan an automobile, truck or any other conveyance for any purpose other than to convey himself to and from work at the beginning or end of the shift. It shall not be a violation of this Paragraph for the employee to keep the Contractor's hand tools in his vehicle if he so desires, but it shall not be mandatory.

4.12.4.5.1 Hand tools are defined as small tools up to and including eighteen inch (18") wrenches, and specifically excluding all tools normally classified as shop tools.

4.12.4.6 No Employee shall be allowed to rent or lease to a Contractor any welding rig, hoist, crane, or any other type of equipment necessary to perform United Association work.

4.12.4.6.1 "Tools" and "equipment" as enumerated in this Section 4.12.4 shall be defined as any tools or piece of equipment from which an Employee derives monetary benefits regardless of how these benefits may be derived.

4.12.4.6.2 The Contractor shall furnish information, if requested by the Local Union on ownership of leased equipment.

4.13 PRODUCTION AND SAFETY

4.13.1 Because the Contractors and the Unions recognize the necessity of eliminating restrictions on production and promoting efficiency, nothing shall be permitted that restricts production or increases the time required to do the work, nor shall there be any restriction against the use of any kind of machinery, tools or laborsaving devices. The Contractor shall comply with all Federal, State and Local Safety and Health Laws. No one shall be required to use any machinery or tools not acceptable by the Industrial Safety Commission of the State of California, or the Federal Government safety standards, or as listed in Paragraph 4.13.2.

4.13.2 Switches that shut off whenever pressure is released on the trigger or switch shall be required on all portable power hand tools. Chain saws may be used that are not disapproved by California OSHA. It shall be a violation of this Agreement and the Contractor shall be subject to damages if any gas lines are tested illegally.

4.13.3 Safety Protection and Compensation. Employees required to work in an area where they are exposed to acids and caustics, or other hazardous conditions, shall be provided adequate protection by the Contractor, acceptable to the California State Accident Commission, and the provisions of Cal-OSHA.

SECTION 5 HIRING PROVISIONS

5.1 HIRING PROVISIONS

5.1.1 Qualified Craftsmen. Contractors shall employ Journeymen, Plumbers, Pipefitters and Welders. Journeymen shall be P.I.P.E. / N.I.T.C. and/or UA National Certified for employment under this

Agreement who have successfully passed a P.I.P.E. / N.I.T.C. and/or UA National Certification Examination in the Plumbing or Pipefitting trade in the building and construction industry.

5.1.1.1 Hiring provisions covering Apprentices, Pre-Apprentices, Pipe Tradesmen, Pipe layers are covered under the Sections of this Agreement dealing with those classifications.

5.1.1.2 Supervision shall be considered as Journeymen for the purpose of hiring referral and transfer of men.

* Whenever the term "P. I. P. E. / N.I.T.C. and/or UA National Certified Journeymen" is used in this Agreement, it shall not apply to workmen employed in work covered under Appendix D, Sections D.4 and D.5 of this Agreement. However, all other provisions of the hiring procedures shall be complied with.

5.1.1.3 Newly Organized workmen will be grandfathered under the terms of Section 4 for a period of up to three (3) years to meet the hour requirements and one (1) year to obtain P.I.P.E. / N.I.T.C. and/or UA National Certification.

5.1.2 Exclusive Hiring. Contractors shall hire "P.I.P.E. and/or UA National Certified Journeymen" by calling the Local Union having craft and geographical jurisdiction in which the job is to be performed. Whenever a Contractor requires a Journeyman on any job, he shall notify the Local Union office, either in writing or by telephone, stating the location, starting time, approximate duration of the job, type of work to be performed and the number of workmen required, prior to starting the job. No employee shall be required to fill out, sign or submit any information about himself except that required by law.

5.1.3 Seniority. It is the desire of the parties of this Agreement that those employees who have previously worked for Contractors in the Southern California area, as herein above defined, for the period set forth herein shall enjoy seniority rights for the purpose of employment.

5.1.4 P.I.P.E. and/or UA National Certified Journeymen shall be hired and/or rehired in accordance with the length of service with any of the Contractors in the Southern

California area parties to an agreement with District Council No. 16 as follows:

5.1.5 Group 1. All P.I.P.E. / N.I.T.C. and/or UA National Certified Journeymen who have had five (5) years' actual, practical working experience in the Plumbing or Pipefitting trade in the building and construction industry and who have a total of three thousand (3,000) hours or more employment in plumbing and pipefitting within the past three (3) years in the Local Union area in which he is seeking employment. These three thousand (3,000) hours must have been accumulated within the past three (3) years working for Contractors party to and under the terms of an Agreement with District Council No. 16.

5.1.6 Group 2. All P.I.P.E. / N.I.T.C. and/or UA National Certified Journeymen who have had five (5) years actual, practical working experience in the Plumbing and Pipefitting trade in the building and construction industry and who have a total of two thousand (2,000) hours or more employment in plumbing and pipefitting within the past three (3) years working for Contractors party to and under the terms of an agreement with District Council No. 16. All P.I.P.E. / N.I.T.C. and/or UA National Certified Journeymen who have had five (5) years' actual, practical working experience in the Plumbing and Pipefitting trade in the building and construction industry, and who have a total of two thousand (2,000) hours or more employment in plumbing and pipefitting within the past three (3) years working for Contractors party to and under the terms of an agreement with District Council No. 16. Southern California and Oregon Pipe trades agree to reciprocate to meet the terms of Section 5.1.6.

5.1.7 Group 3. All Journeymen who have had five (5) years' actual, practical working experience in the Plumbing or Pipefitting trade in the building and construction industry and who have had a total of two thousand (2,000) hours or more employment in California within the past three (3) years as employees with Contractors signed to and doing work under an agreement signed with a U.A. Local Union in the State.

5.1.8 Group 4. All Journeymen who have had five (5) years' actual, practical

working experience in the Plumbing and Pipefitting trade in the building and construction industry and who have less than two thousand (2,000) hours service with any of the Contractors parties to an agreement with a U.A. Local Union outside the State of California or any applicant who qualifies as a Journeyman and who registers for hiring in accordance with the terms of this Agreement.

5.1.9 All P.I.P.E. N.I.T.C. and/or UA National Certified Journeymen who have worked for a Contractor for a period of one (1) year or more and said Contractor is signed to a Union Agreement for the first time and the P.I.P.E. / N.I.T.C. and/or UA National Certified Journeyman becomes a member of the Union according to the terms of this Agreement, shall be placed on the Group 1 list of the Local Union.

5.1.10 Lay Off Seniority. In order to have continuity in seniority, it is agreed by the parties to this Agreement when laying off employees after being hired and/or transferred, the Employer shall observe seniority rights of Group 1, 2, 3 and 4, by laying off Group 4 employees before Group 3, and Group 3 employees before Group 2, and Group 2 employees before Group 1.

5.2 REGISTRATION RULES

5.2.1 Each Local Union shall establish and maintain a separate appropriate registration facility for qualified applicants available for employment as P.I.P.E. / N.I.T.C. and/or UA National Certified Journeymen, Plumbers, Pipefitters, Welders and Qualified Apprentices. Applicants shall be registered on the appropriate craft out of work list; i.e., either Plumber or Pipefitters in the order of time and date of registration.

5.2.2 There shall be four groupings in each separate craft out of work list. All P.I.P.E. / N.I.T.C. and/or UA National Certified Journeymen with seniority shall be registered in Group 1 or 2, and all other Journeymen who are qualified, but without P.I.P.E. and/or UA National Certification and/or seniority, shall be registered in Group 3 or 4. Each applicant for employment shall be required to furnish such data, records, names of employers, length of employment and P.I.P.E. / N.I.T.C. and/or UA National Certification and/or licenses, as may be deemed

necessary, and each applicant shall complete such forms or registration as shall be submitted to him. Applicants for employment shall also list any special skills that they possess.

5.2.3 Selection of applicants for referral to jobs shall be on a nondiscriminatory basis and shall not be based on, or in any way affected by, Union membership, Bylaws, rules, regulations, constitutional provisions, or any other aspect or obligation of Union membership, policies or requirements. The Contractors and the Unions agree that they will not discriminate against a person with regards to recruitment, hiring, promotion, demotion, transfer, rates of pay or other forms of compensation, selection of apprenticeship training, layoff or termination, or admission to Union membership because of race, religion, color, national origin, ancestry or sex.

5.2.4 The Union and the Contractor shall post in places where notices to all employees and applicants for employment are customarily posted, all provisions relating to the functioning of the hiring provisions of this Agreement.

5.3 REFERRAL OF MEN

5.3.1 Prior to dispatch of any employee or applicant for employment, the Union shall verify that person's employment eligibility under the Immigration Reform and Control Act of 1986. The Union shall complete a U.S. Immigration and Naturalization Service Form I-9 for each employee and applicant for employment who is dispatched. However, if the Union is unable to complete verification at the time of dispatch because the employee or applicant does not have the required documents, the employee or applicant will still be eligible for dispatch, and the Union shall verify that individual's employment eligibility within three (3) days of dispatch, or twenty-one (21) days if the employee or applicant has provided a receipt showing application for a document which will establish eligibility. The Union shall keep a copy of each Form I-9 in its files for three years, or until one (1) year after the employee's last day of employment, if later, and shall complete new I-9 forms as required by I.N.S. regulations.

5.3.1.1 Upon the request of a Contractor for P.I.P.E. / N.I.T.C. and/or UA National Certified plumbers, pipefitters, welders, qualified apprentices and pre-apprentices, the Union shall, within forty-eight (48) hours, refer registrants in sufficient number required by the Contractor in the manner and under the conditions specified in this Agreement from the separate appropriate out of work list on a first-in, first-out basis; that is, the first man registered shall be the first man referred except as set forth herein.

5.3.2 The Employer retains the right to reject a job applicant referred by the Union. It is understood that any applicant referred by the Union and rejected shall receive two (2) hours' show up pay, or four (4) hours if worked, except for work performed under Appendix D, Section D.2. Any man receiving less than a full day's pay shall retain his place on the out of work list, but he shall not be redispached to the same Contractor or the same job if so requested by the Contractor in writing.

5.3.3 When men are ordered before 10:00 A.M. for the following work day they shall report to the job at 8:00 A.M. or the agreed starting time. If they do not report at 8:00 A.M. or agreed starting time they shall be paid only for time actually worked. Dispatch hours shall be at a minimum 8:00 A.M. to 10:00 A.M. Monday through Friday. Any Local Union desiring to change the dispatching hours must obtain approval of the Joint Arbitration Board.

5.3.4 Contractors shall be privileged to call Group 1 employees, as provided in Paragraph 5.3.5, by name. Such request shall be honored without regard to the individual's position on the out of work list. All such requests shall be confirmed in writing when requested by the Business Manager of the Local Union. However, any Contractor or employee who violates these hiring provisions shall be subject to damages. All such disputes shall be heard in accordance with the grievance procedures in Appendix B, Section B.2 and damages shall be assessed by the Joint Arbitration Board or its Subcommittee established in Appendix B, Section B.3.

5.3.5 The first man on each job in each classification shall come from Group 1 or Group 2 and may be called by name. The first man on each job may be replaced at any time by the Contractor. Such

replacement must be on the job within seven (7) days. The second man on each job in each classification shall come from Group 1, and may be called by name. The third man on each job in any classification may be designated by the Business Manager and shall come from the Group 1 list. Thereafter, all other calls by name in each classification shall be on a 50-50 alternating basis from Group 1 list.

5.3.5.1 All men dispatched other than called by name, shall come from the out of work list in their proper order. Layoffs due to a reduction in force are to be in the same ratio so that, within a margin of one man, employees on the job will be equally divided between those called by name and those from the out of work list. At no time shall the ratio of call by name be greater than one over the 50-50.

5.3.6 Except as provided in Appendix C, Paragraph C.1.1.2 no Journeyman who holds a Contractor's license shall be permitted to work on work covered by this Agreement unless he submits evidence that he made his Contractor's license inactive through the procedures specified by the California Contractor's State License Board. Further, Contractors who have signed the Agreement as an Employer and subsequently go out of business and desire to register for employment on work covered by the Agreement shall be required as a condition precedent thereto, to sign an agreement not to engage in business as a Contractor for the duration of the Labor Agreement in effect at that time.

5.3.7 Men with special skills and abilities shall be dispatched according to rules to be issued by the Joint Arbitration Board established in Appendix B, Section B.3.

5.3.8 In the event a Contractor within forty-eight (48) hours of request to the Union does not obtain the number of employees needed, the Contractor may obtain employees from any other source without regard to Section 5.1, which provisions shall not be applicable to such employees, and such employees shall register with the Local Union Dispatch Office prior to reporting to work and be referred by the Local Union to the job, and he shall be restricted to the job to which he is dispatched. Job order requests by Employers shall be voided if not renewed after one week.

5.4 TRANSFER OF MEN

5.4.1 Contractors shall have the right to transfer ten (10) qualified employees from one DC 16 affiliated Local Union's jurisdiction into another DC 16 affiliated Local Union's jurisdiction with the following provisions: All qualified employees must comply with section 5.4.2. The transfers shall conform to: The first, second, and third employee transferred by Contractor, the fourth employee assigned by the Local Union Business Manager, the fifth employee transferred by Contractor, the sixth employee assigned by the Local Union Business Manager, the seventh thru the twelfth employee transferred by Contractor and onward on a 50/50 call by name ratio. When the Local Union is unable to fill manpower requests from their Local Unions lists within 48 hours of the request, the contractor has the right to transfer additional qualified employees into the Local Unions jurisdiction. When a Local Union can fill manpower requests from their Local Union's Group 1 list, the Contractor shall maintain the right for 50/50 call by name ratio.

5.4.2 Contractors may transfer Group 1 or Group 2 employees from one Local Union's jurisdiction into another Local Union's jurisdiction. Transferred employees must have worked for said Contractor for at least one hundred sixty (160) hours immediately prior to transfer of which a minimum of eighty (80) hours on the job site from which he is being transferred. An employee who is transferred may be exchanged for another transferred employee, may transfer from job site to job site within the Local Union's jurisdiction into which he has been transferred, and may be removed from that Local Union's jurisdiction temporarily and be subsequently brought back in so long as all the requirements of this Section are satisfied.

5.4.4 All employees to be transferred shall report to the Local Union Business Manager or his designee prior to reporting for work. This shall be accomplished in one of the following manners:

5.4.4.1 The individual transferred employee may pick up and deliver his travel card and obtain his dispatch slip in person or,

5.4.4.2 The Contractor may, on a form developed by the parties for that purpose, advise the Local Union that an employee is being transferred into its jurisdiction. This form may be delivered by e-mail, first class mail or by fax to the Local Union, with a copy retained by the employee which shall be the equivalent of a dispatch slip. The employees hereby agree that such form is the equivalent of a travel card, thereby subjecting the employee to the jurisdiction and authority of the Local Union to which he is transferred and requiring the payment of any travel fees which shall be deducted from the employees' pay and remitted to the Local Union. If a Contractor fails to advise the Local Union that the transferred employee has left the Local Union's jurisdiction, or has terminated his employ with the Contractor, the Contractor shall be liable to the Local Union in damages for an amount not to exceed the equivalent of four (4) weeks' travel fees.

5.4.4.3 Contractors penalties for violation of fax transfer policy.

1st violation: 90 day no fax transfer, hard card still deposit and still entitled to 10 of 12 transfer with 6 months probation.

2nd violation: no fax transfer, limited to 3 of 4 transfer and 1 year probation.

3rd violation: no fax transfer, limited to 3 of 4 transfer for length of contract.

5.4.4.4 On jobs of one day duration or less, the Contractor shall notify the Local Union having area jurisdiction in advance of any work being performed, giving the location of the job and the names of the employee(s) being transferred.

5.4.4.5 In case of emergency, the Contractor shall notify by telephone and confirm in writing to the Local Union within forty-eight (48) hours thereafter. Contractors in violation of this Section of the Agreement may be prohibited from further rights to transfer employees by the Joint Arbitration Board, providing that charges have been properly preferred by the Local Union and the Contractor is found guilty of such violation. General Superintendents shall be excluded.

5.4.4.6 Concrete coring contractors, residential vacuum system contractors, single family solar system contractors, fire safety contractors, fiberglass tub and shower installers may move men on each

job without restriction throughout the area of District Council No. 16.

5.5 UNION SECURITY

5.5.1 The Contractors agree that employees employed by the Contractors for a period of seven (7) days or accumulatively within the multi-employer unit and procured in accordance with Section 5.1 of this Agreement, or procured from other sources by the Contractor, shall become members of the appropriate Local Union immediately upon terms and qualifications not more burdensome than those applicable at such times to other applicants of that Union, and that, after seven (7) days of employment, as set forth above, the employees shall maintain their membership in the Union as a condition of continued employment.

5.5.2 Membership in the Union is defined to mean the tendering of initiation and uniform assessments and periodic dues per the Constitution and Bylaws of the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada and the Constitution and Bylaws of all its subordinate bodies. Such dues and uniform assessments shall be due and payable by the tenth (10th) day of the current month.

5.5.2.1 Any Employer covered by the provisions of this Agreement hereby agrees to deduct from the wages of any employee doing work covered by this Agreement District Council 16 and Local Union Administrative Dues check-off (uniform throughout the District Council) . The Employer will deduct the proper amounts in any given payroll period and will remit such sums to the Southern California Pipe Trades Trust Fund with Southern California Pipe Trades Trust Fund monthly contribution reporting form provided the employees in question have signed a valid authorization card, authorizing such deduction.

5.5.2.2 Such assignment and authorization shall become effective as of the date it is executed and shall be irrevocable for the period of one (1) year or until the termination of the Agreement whichever occurs earlier, and this assignment and authorization shall be automatically renewed and shall be irrevocable for successive periods of one (1) year each or

for the period of each succeeding applicable collective Agreement between the Employer and Union, whichever period shall be shorter, unless written notice is given by employee to the Employer and the Union not less than ten (10) days nor more than fifteen (15) days immediately prior to the expiration of each period of one (1) year or of each applicable collective bargaining Agreement, whichever occurs earlier.

5.6 CLASSIFICATION

5.6.1 The Contractors agree to recognize and observe classification of qualified craftsmen as set forth in hiring provisions.

5.6.2 One classification may do the work of another classification, provided the work to be performed may be completed in eight (8) hours or less by one man. The Contractor will not willfully assign men out of classification. Violations of this Section shall be referred to the Joint Arbitration Board.

5.6.3 PRE-APPRENTICES: Employers wishing to hire Pre-Apprentices may do so as long as there are not more Pre-Apprentices on any job site or shop than there are Apprentices. Layoff due to reduction in force are to be in the same ratio.

5.6.4 Pre-Apprentices and Apprentices will not be counted in reference to crew size for purpose of determining Foremen and General Foremen.

5.7 FAILURE TO MEET OBLIGATIONS

5.7.1 On any job or project which has been partially completed by one Contractor and work thereon has stopped because of the failure of the Contractor to meet his current obligations, and money is due and payable to employees either as wages or fringe benefits and has not been paid, it shall not be a violation of this Agreement for the Union to refuse to permit persons covered by this Agreement to work on said job or project until all such wages and fringe benefits have been paid.

5.7.2 Nor shall it be a violation for the Union to remove workmen who are working on said job. The Union's right to refuse to permit workmen to work on the job because of unpaid wages and fringe benefits, may be taken without prior resort

to the grievance and arbitration procedures contained in this Agreement.

5.8 SUBCONTRACTING

5.8.1 Subcontracting — Damages. Employees who violate the Agreement by contracting or subcontracting work, who violate this Agreement by working hours prohibited by agreement, who work for substandard wages, or who knowingly work for less fringe benefits than required by contract, and such violation has been brought before the Subcommittee of the Joint Arbitration Board and so affirmed, shall be automatically assessed one (1) day's wages for each day or fraction thereof of such proved violation, said penalty to revert to the SOUTHERN CALIFORNIA PIPE TRADES RETIREMENT TRUST FUND. Any employee who conspires with the Contractor to evade the contract terms, and charges have been filed and is found guilty by the Joint Arbitration Board, shall be immediately discharged. Contractors who conspire with employees to evade the contract terms by subcontracting or lumping work to an employee, or who lease or otherwise use any equipment owned in whole or part by an employee, and charges have been properly brought before the Joint Arbitration Board or its Subcommittee and the contractor has been found guilty of the charge, shall be assessed one hundred dollars (\$100.00) for each day such violation occurred. Said damages to be paid to the Pension Fund established under this Agreement.

SECTION 6 JURISDICTION

6.1.1 It is recognized by the parties hereto that it is mutually desirable to have all of the work described in this Agreement performed by employees covered by this Agreement and to that end they will utilize their best efforts to see that this is done to the extent permissible by law.

6.1.2 To further this aim of protecting present work and reclaiming work lost, the Contractor shall submit in writing to the Union having jurisdiction, prior to starting any construction job, the location of the job where the contract is in excess of \$50,000.

6.1.3 The Employer agrees that all work covered in this Agreement, except those items excluded and listed below, including, but not limited to all fabrication and installation work over which the Employer has control, shall be performed by the Employer under the terms and conditions of this Agreement.

6.1.4 In the event any fabrication and/or installation work mentioned in Paragraph 6.1.3 has been performed, is being performed, or will be performed by anyone other than employees working for Employers in accordance with the provisions of this Agreement, the Employer agrees to redo the work or pay the equivalent of wages and fringe benefits lost by employees covered by this Agreement, as determined by the Joint Arbitration Board or its Subcommittee into the SOUTHERN CALIFORNIA PIPE TRADES RETIREMENT TRUST FUND within ten (10) days of date of receipt of the decision of the Joint Arbitration Board. If two (2) or more Contractors are involved on such work, the Joint Arbitration Board shall decide which Contractor or Contractors are liable and the amount of liability. Contractors signed to this Agreement shall be bound by it on all jobs or projects in its entirety.

6.1.5 The Contractor agrees that neither he nor any of his subcontractors on the site will subcontract any work covered by this Agreement to be done at the site of the construction, alteration, painting or repair of a building, structure or other work except to a person, firm or corporation party to the District Council No. 16 Master Labor Agreement.

6.1.6 This Agreement shall cover all future locations which the Employer may operate during the term of this Agreement, or any extension thereof.

6.1.7 Whenever a Contractor has definite knowledge that he is taking over a contract for a job that has been partially completed by another Contractor, he shall notify the Local Union holding jurisdiction in writing before starting work.

**SECTION 7
FABRICATION & INSTALLATION**

7.1.1 "Fabrication" is defined to mean cutting, threading and/or joining together

by any means or method of kinds of pipe and nonstructural pipe and equipment supports regardless of its composition or structure."

7.1.2 Standard millrun lengths of pipe sixteen feet (16') or over are not fabricated material for the purpose of this Agreement. Custom lengths are fabricated material with the exception of nipples up to twelve inches (12") in length. Unistrut or similar material less than ten feet (10') in length shall be considered fabricated material for the purpose of this Section. Victaulic grooving or cutting to length of such pipe is fabricated material excluding standard millrun lengths sixteen feet (16') or over and nipples up to twelve inches (12").

7.1.3 All pipe and nonstructural pipe and equipment supports fabricated for specialty units, service facilities, heating, refrigeration and air-conditioning equipment used in buildings, facilities or manufacturing establishments, shall be fabricated under the terms of this Agreement and may be installed throughout District Council No. 16.

7.1.4 All pipe and nonstructural pipe and equipment supports may be fabricated in the Contractor's shop or yard, if located in the area covered by this Agreement, and transported for installation on any job in the geographical area covered by this Agreement including all work covered under this Agreement performed by employees covered under this Agreement on residential prefabricated modular component construction, plumbing, heating, commercial and industrial piping.

7.1.5 Manufactured components which are not purchased by the Employer, shall be excluded from this Fabrication Section. However, such components shall be handled and installed under the terms of this Agreement. As used in this Paragraph the term "Manufactured Components" which are to become part of a piping system means either singular or in combination and all the piping included thereon, but not the pipe and pipe formations between manufactured components which is customarily the work of employees under this Agreement.

7.1.6 All catalog items, such as clamps, u-bolts, all thread rod, etc. may be purchased from any source at the option of the

Employer. Erection of such items shall be covered by the terms of this Agreement.

7.1.7 Whenever a Contractor desires to fabricate pipe and related material in his shop or yard and transport it to be installed on a job site, all such fabricated pipe must have a District Council No. 16 label affixed thereto and be signed by the shop Steward, verifying the fact that the fabrication was done in accordance with the terms and conditions of this Agreement. Any employee signing a false statement for such fabrication shall be immediately discharged if found guilty by the Joint Arbitration Board.

7.1.8 Whenever a Union Representative discovers work being performed which he considers to be in violation of this Agreement, the procedure must be as follows:

7.1.8.1 The Business Manager or his designee shall file a complaint in writing, or by telephone with confirmation in writing within forty-eight (48) hours, with the Joint Arbitration Board by notifying the Contractor, Contractors Association and District Council No. 16 that said Contractor is violating this Section. The Business Manager shall send a letter to District Council No. 16 and the Contractors Association naming the individual or individuals who are authorized to sign charges against the Contractors. Complaints arising under the Agreement will be handled by the Joint Arbitration Board or its Subcommittee.

7.1.8.2 The Secretary of the Joint Arbitration Board shall immediately send a telegram and/or certified or registered letter, return receipt requested, to the Contractor's last known address on file with District Council No. 16, advising him that such a complaint has been filed.

7.1.8.3 The Joint Arbitration Board, or a Joint Subcommittee thereof, shall immediately investigate said complaint. In the event the Board, or the Subcommittee, finds that the work in question is or is not in violation of this Section, they shall so inform the Contractor and the complaining Union, and shall determine the corrective measures that must be taken by the Contractor if the contract has been violated. Said decision shall be final and binding on all parties hereto if made by the Joint Arbitration Board. Either party shall

have the right to appeal the decision of the Joint Subcommittee provided such appeal is filed in writing, certified mail, return receipt requested, to both the parties signatory hereto, within five (5) days after receipt of notification of the decision of the Joint Subcommittee.

7.1.8.4 Failure to comply with the provisions of this Section of the Agreement shall give the Joint Arbitration Board the right to require the offending Contractor to fabricate all material on the job site, which is to be installed in the area where the violation occurred, for a period of time to be determined by the Joint Arbitration Board, and such other damages, or make any other award against the Employer which it may deem appropriate under the circumstances of the particular case.

7.1.9 On work covered in Section 7.1.4 Journeymen are to be paid at eighty-five percent (85%) of base taxable wages, plus one hundred percent (100%) of all fringe benefits listed in Appendix E or Appendix D, Section D.3, whichever is applicable.

7.1.9.1 Industrial piping two inch (2") and under shall be fabricated in accordance with Appendix D, Section D.3, paragraph D.3.4.

**SECTION 8
FAVORED NATIONS**

8.1. FAVORED NATIONS / PROJECT AGREEMENTS / ADDENDUM AGREEMENTS.

8.1.1 If, during the term of this Agreement, the Union negotiates an agreement with any "Recognized Employer Association" which provides more favorable wages, hours or working conditions for the type of work covered by this Agreement than the wages, hours or working conditions contained in this Agreement then, in that event, CPMCA may at its option adopt those more favorable conditions by written notice to District Council No. 16.

8.1.2 It is understood and agreed that the Union has entered into other agreements containing clauses similar to Subparagraph 1.6 above and that the Union interprets those clauses as requiring the signatory employer or employer association to adopt all the terms of an agreement allegedly

containing more favorable wages, hours or working conditions and not just the more favorable conditions. So long as the Union interprets and applies such similar clauses in other agreements in this fashion, then CPMCA, in exercising its option under Subparagraph 8.1.1 shall likewise be required to adopt all of the terms of a more favorable agreement.

8.1.3 CPMCA shall have the same option described in subparagraphs 8.1.1 and 8.1.2 above in the case of any independent contract (i.e., an agreement executed by the Union with an individual employer not represented by an association and not limited to a single project), provided that the independent contract also contains a favored nations clause.

8.1.4 In the event the Union negotiates a project agreement (i.e., an agreement limited to a single project) before the owner or general contractor has selected a plumbing or piping contractor, it is agreed that the terms of any such project agreement shall apply to any contractor bidding on the project and the Union shall provide CPMCA with a copy of the project agreement so that CPMCA may advise the contractors it represents to take into account the terms of the project agreement in any bid submittal for the project.

8.1.5 The parties hereto recognize that the Local Unions have been authorized to adopt certain "addendum" to this Agreement, such as the Housing Addendum. If a Local Union elects to adopt any such addendum, District Council No. 16 shall advise CPMCA and CPMCA will make known to its Contractors that the addendum is available throughout the electing Local Union to any contractor choosing to execute it. If a Local Union confines its adoption of an addendum to a particular project, then the terms of the addendum will be available only to those contractors bidding on that project.

8.1.6 For the purposes of this understanding, "Recognized Employer Associations" shall mean an association of Employers which is formally organized as a recognized legal entity, with its offices located within California, with a Federal Tax Identification Number, and a California Tax Identification Number.

**SECTION 9
TERM-TERMINATION AND
RENEWAL**

**9.1 TERM TERMINATION AND
RENEWAL**

9.1.1 This Agreement shall commence on the first day of July 2011, and shall continue until midnight on the 30th of June, 2014. It is agreed that negotiations on the terms and conditions of a new contract shall begin not later than February 1, 2014, and continue until agreement is reached or the contract expires at midnight June 30, 2014, whichever occurs earlier, unless an extension of time is mutually agreed upon by the parties hereto.

**APPENDIX A
SCOPE OF WORK**

A.1.1 This Agreement shall apply to and cover all employees of the Contractors employed to perform or performing all plumbing and piping work of every description as listed hereinafter in the area known as Southern California, more particularly described as the Counties of Los Angeles, Orange, Riverside, San Bernardino, Imperial, San Diego, Ventura, Santa Barbara, Inyo, Kern, Mono and San Luis Obispo, and all off-shore Islands and Platforms.

A.1.1.1 All piping for plumbing, water, waste drains, floor drains, drain grates, supply downspout piping, soil pipe, grease traps, sewage and vent lines. Sewage shall include all sewers with metallic or nonmetallic pipe used inside property lines.

A.1.2 All piping for water filters, water softeners, sub water meters and setting of same.

A.1.3 All cold, hot and circulating water lines, piping for house pumps, cellar drainers, ejectors, house tanks, pressure tanks, swimming pools, ornamental pools, display fountains, drinking fountains, aquariums, plumbing fixtures and appliances and the handling and setting of the above mentioned equipment.

A.1.4 All water services from mains to buildings, including sub water meters.

A.1.5 All water mains from whatever source, including branches and fire hydrants, etc.

A.1.6 All down spouts and drainage areas, soil pipe, catch basins, manholes, drains, gravel basins, storm water sewers, septic tanks, cesspools, water storage tanks, etc. This includes all storm drain piping inside property lines.

A.1.6.1 The sealing of sleeves, penetrations, holes, chases, passages, or openings of any kind in concrete, metal or any other material by means of machinery, tools and equipment powered by any other method, the purpose of which is to seal after the passage, placing or installation of pipe conduit, tubing or any other material installed by employees of contractors in the plumbing, heating and piping industries, for work covered under this agreement.

A.1.7 All liquid soap piping, liquid soap tanks, soap valves, and equipment in bath and washroom, shower stalls, etc.

A.1.8 All bathroom, toilet room and shower room accessories, i.e., towel racks, paper holders, glass shelves, hooks, mirrors, cabinets, backing and necessary supports.

A.1.9 All lawn sprinkler work, including piping, fittings, and lawn sprinkler heads.

A.1.10 All sheet lead lining for fountains, swimming pools or shower stalls, tanks or vats for all purposes and for roof flashings in connection with the pipefitting industry.

A.1.11 All fire stand pipes, fire pumps, pressure and storage tanks, valves, hose racks, fire hose, cabinets and accessories, and all piping for sprinkler work of every description.

A.1.12 All block tin coils, carbonic gas piping, for soda fountains, bars, etc.

A.1.13 All piping for racks of every description, whether screwed or welded.

A.1.14 All piping for pneumatic vacuum cleaning systems of every description.

A.1.15 All piping for hydraulic, vacuum, pneumatic, air, water, steam, oil, or gas, used in connection with railway cars,

railway motor cars, and railway locomotives.

A.1.16 All marine piping and all piping used in connection with ship building and ship yards.

A.1.17 All power plant piping of every description.

A.1.18 All handling, assembling and erecting of all economizers, superheaters, regardless of the mode or method of making joints, hangers and erection of same.

A.1.19 All internal and external piping on boilers, heaters, tanks and evaporators, water legs; water backs and water grates, boilers compound equipment, etc. Excluding package boilers that are shipped preassembled. Separate packages of prefabrication will not be considered preassembled.

A.1.20 All soot blowers and soot collecting piping systems.

A.1.21 The setting, erecting and piping for all smoke washing and regulating devices.

A.1.22 The setting, erecting and piping of instruments, measuring devices, thermostatic controls, gauge boards and other controls used in connection with power, heating, refrigerating, air-conditioning, manufacturing, mining and industrial work.

A.1.23 The setting and erecting of all boiler feeders, water heaters, filters, water softeners, purifiers, condensate equipment, pumps, condensers, coolers and all piping for same in powerhouses, distributing and boosting stations, refrigeration, bottling, distilling, and brewing plants, heating, ventilating and air-conditioning systems.

A.1.24 All piping for artificial gases, natural gases, and holders and equipment for same, chemicals, minerals and byproducts and refining of same, for any and all purposes.

A.1.25 The setting and erecting of all underfed stokers, fuel burners and piping, including gas, oil power fuel, hot and cool air piping and all accessories and parts of burners and stokers, etc.

A.1.26 All ash collecting and conveyor piping systems, including all air washing and dust collecting piping equipment, accessories and appurtenances and regulating devices, etc.

A.1.27 The setting and erecting of all oil heaters, oil coolers, storage and distribution tanks, transfer pumps, mixing devices and piping thereto of every description.

A.1.28 The setting, erecting and piping of all cooling units, pumps, reclaiming systems, and appurtenances, in connection with transformers and piping to switches of every description.

A.1.29 All fire extinguishing systems and piping, whether by water, steam, gas, or chemical, fire alarm piping, and control tubing, etc.

A.1.30 All piping for sterilizing, chemical treatment, deodorizers and all cleaning systems of every description and laundries for all purposes.

A.1.31 All piping for oil or gasoline tanks, gravity and pressure lubricating and greasing systems, air and hydraulic lifts, etc.

A.1.32 All piping for power or heating purposes, either by water, air, steam, gas, oil chemicals or any other method.

A.1.33 All piping, setting and hanging of all units and fixtures for air conditioning, cooling, heating, solar systems, roof cooling, refrigeration, ice making, humidifying, dehumidifying, dehydrating, or by any method, and the charging, testing and servicing of all work after completion.

A.1.34 All pneumatic tube work and all piping for carrying systems by vacuum, compressed air, steam, water or any other method.

A.1.35 All piping to stoves, fire grates, blasts and heating furnaces, ovens, driers, heaters, oil burners, stokes and boilers and cooling utensils, etc. of every description.

A.1.36 All piping in connection with central distributing filtration treatment stations, boosting stations, waste sewage disposal plants, central chlorination and chemical treatment work and all

underground supply lines to cooling wells, suction basins, filter basins, settling basins and aeration basins.

A.1.37 All process piping for refining, manufacturing, industrial and shipping purposes of every character and description.

A.1.38 All air piping of every description.

A.1.39 All temporary piping of every description in connection with building and construction work, excavating and underground construction.

A.1.40 The laying out and cutting of all holes, chases and channels, the setting and erection of bolts, inserts, stands, brackets, backing supports, sleeves, thimbles, hangers, conduits and boxes used in connection with pipefitting industry.

A.1.41 The handling and setting of boilers, setting of soot blowers and attaching of all boilers trimmings.

A.1.42 All pipe transportation lines for gas, oil, gasoline fluids, and liquids, water aqueducts, water lines and booster stations of every description.

A.1.43 All acetylene, heliarc, heavy wall, micro wire welding and arc welding, brazing, lead burning, soldered and wiped joints, caulked joints, expanded joints, rolled joints or any other mode or method of making joints in connection with the pipe fitting industry.

A.1.44 Laying out, cutting, bending and fabricating of all pipe work of every description, by whatever mode or method.

A.1.45 All methods of stress relieving of all pipe joints made by every mode or method.

A.1.46 The assembling and erecting of tanks, used for mechanical manufacturing or industrial purposes, to be assembled with bolts, packed or welded joints.

A.1.47 The handling and using of all tools and equipment that may be necessary for the erection and installation of all work and materials used in the pipefitting industry.

A.1.48 The operating, start up, maintenance, repairing, servicing and

dismantling of all work installed by Journeymen.

A.1.49 All piping for cataracts, cascades, i.e., artificial waterfalls, makeup water fountains, captured waters used for industrial, manufacturing, commercial or for any other purpose. Excluding custom made circular piping formations for decorative fountains.

A.1.50 Piping herein specified means pipe made from metals, tile, glass, rubber, plastics, wood, or any other kind of material, or product manufactured into pipe, usable in the pipefitting industry, regardless of size or shapes.

A.1.51 All layout and takeoff work, if performed by other than the owner, on the job site.

A.1.52 Chlorination piping work including hooking up of pumps, and the installation and operation of chlorination equipment is covered under the Labor Agreement. Sterilization and chemical analysis are not covered by the Agreement.

A.1.53 Start up, testing, flushing, purging, water balancing, placing into operation all piping equipment, fixtures and appurtenances installed under the Agreement.

A.1.54 Operation and servicing of welding machines used by U.A. members.

A.1.55 Charging water softeners.

A.1.56 The installation of reheat coils and controls when attached. Excluding coils that are totally supported by duct work.

A.1.57 Wrapping of field joints on all prewrapped pipe and pipe formations.

A.1.58 All water heaters, floor furnaces, suspended gas and oil fired heaters, including vents for same and excluding duct work.

A.1.59 Handling, including delivery or pick up at job site to or from delivery vehicles, setting, rigging, erecting and fabricating by any mode or method of all U.A. jurisdiction covered under this Paragraph.

A.1.60 All solar systems and components thereof (excluding catalog panel supports).

APPENDIX B GRIEVANCE & ARBITRATION

B.1 STRIKES AND LOCKOUTS

B.1.1 If a Contractor is performing work on a job, it shall not be a violation of this Agreement or cause for discharge or disciplinary action in the event that the Building Construction Trades Council or any of its affiliated Unions places a lawful primary picket line on such job and any employee refuses to go through or work behind any such lawful picket line. Nor shall the Contractors be deemed to have violated this Agreement if they cease operations during the period of a stoppage of work by the Unions other than those who are parties hereto.

B.1.2 Before a Business Agent or Representative of a Union signatory to this Agreement shall request action which would strike a project upon which an Employer, party to this Agreement, is operating, said Business Agent or Union Representative shall notify said Employer forty-eight (48) hours before such strike is to become effective or before such action is taken by said Business Agent or Representative.

B.2 GRIEVANCE PROCEDURE

B.2.1 All grievances or disputes must be brought to the attention of the Employer, or his representative above the rank of Foreman, within ten (10) work days of the known occurrence giving rise to the dispute, or it shall be waived; and in no event shall any retroactive adjustment be required in excess of thirty (30) work days from the date the grievance or dispute is brought to the attention of the Employer. The thirty (30) days' limitation shall not apply to employer contributions. Grievances or complaints may be filed by a Local Union signatory hereto, the Contractor, Contractors Association, or District Council No. 16 Representatives. Grievances or complaints may be filed by the Trustees of any Trust Fund ten (10) days after the Employer has been notified that he is delinquent in his fringe benefit contributions. Such grievances and disputes shall be initiated in accordance with the procedure set forth in this

Paragraph. All time limits set forth in this Section may be extended by mutual agreement between the Contractor and/or Contractors Association and District Council No. 16.

B.2.2 Step One. The Steward or the Union Representative is to receive grievances or disputes from employees covered by this Agreement, and report them to his Business Manager, who shall then attempt to adjust said grievance or dispute with the Contractor Representative performing the work.

B.2.3 Step Two. In the event that such dispute cannot be adjusted in this manner within twenty-four (24) work hours after complaint has been submitted, the same shall be submitted in writing within an additional twenty-four (24) work hours to the Subcommittee of the Joint Arbitration Board with copies to the Contractor and/or Contractors Association and District Council No. 16.

B.2.4 Step Three. If referred by a member of the Subcommittee, or appealed by the affected Employer or Local Union, the Joint Arbitration Board shall convene at its next meeting after the dispute has been referred to it. Any Contractor or Union cited before the Joint Arbitration Board shall have at least ten (10) calendar days' notice of the hearing, unless a lesser period of time is agreed to between the complaining Union and the Contractor. The final decision must be rendered as soon as possible after the complaint is heard by the Joint Arbitration Board. All the time limits set forth in this Section may be extended by mutual agreement between the Contractor and/or the Contractors Association and District Council No. 16. In the event any party cited before the Joint Arbitration Board or the Subcommittee fails to appear after receiving notice in conformity with Appendix B, Paragraph B.2.8, the Joint Arbitration Board or Subcommittee shall have the power to hear and determine the matter based solely upon the evidence of the party or person making the complaint.

B.2.5 Step Four. In the event the Joint Arbitration Board is unable by majority vote to agree, they may submit the dispute to a referee chosen by the Board. If the Board is unable to select a referee, either party may immediately request the Federal Mediation and Conciliation Service to

submit the names of five (5) persons qualified to act as referee. When said list has been presented to representatives of the parties hereto, each shall have the choice of alternately rejecting the names of two of those five persons, with the order of choice being determined by lot, and the remaining, or fifth person shall be selected as the referee within forty (40) work hours after submission of said list. The referee's decision shall be final and binding on both parties.

B.2.6 It is specifically agreed that the terms and conditions of this Agreement shall be binding upon the Joint Arbitration Board and/or the Impartial Arbitrator and that he or they shall have no authority to alter, amend, or revise the wages, hours and other conditions set forth herein, it being the intent that such Board and/or arbitrator's authority and decision shall be within the scope and limited to the application of terms and conditions hereof. The parties hereto agree that a decision rendered by a majority of the Arbitration Board and/or the Impartial Arbitrator shall be final and binding upon them. All costs of the impartial arbitrator shall be divided equally between the Contractor and the Local Union involved.

B.2.7 All disputes between the parties regarding the interpretation or application of any of the terms or conditions of this Agreement shall be submitted to arbitration in the manner provided in this Section.

B.2.8 Contractors will not be cited before the Joint Arbitration Board except on charges preferred by the Business Manager of a Local Union, or his designee, except when the charge has been filed by the Trustees of any Trust Fund for nonpayment of fringe benefit contributions.

B.2.8.1 Such charges must be made on a form designated by the Joint Arbitration Board. Such charges shall not be accepted unless the form shows the Business Manager or his designee, or the Trustees of any Trust Fund, attempted to contact the Employer without success to settle the grievance prior to submitting such complaint to the Board. Copies of such charges must be immediately sent Certified Mail, return receipt requested, to the Contractor (or Local Union) the complaint is against, with a copy to the

Contractor and/or the Contractors Association and District Council No. 16. The complaining party must give immediate notice to the Contractors and/or Contractors Association and District Council No. 16 when a dispute is settled after having been referred to them in writing. The Unions agree that such Board procedure will not be used to harass a Contractor, and the Employers agree to give full consideration to all charges, particularly repeated violations of the contract.

B.2.8.2 The signatory parties hereto agree that service of the charges, the notice of hearing before the Joint Arbitration Board or Subcommittee, and notice of the decision of the Joint Arbitration Board or Subcommittee shall be deemed to have been properly served upon the party cited if it is sent by Certified Mail, return receipt requested, at said person's last known home or business address, as posted with District Council No. 16. The signatory parties hereto agree that the address appearing as contained in the Contractors Roster of the Contractors Association or District Council No. 16 shall be the last known address of the person cited, and the person cited agrees that service at this address will be deemed sufficient both for notice of hearing and of the decision of the Joint Arbitration Board or Joint Arbitration Board Subcommittee. It shall be the affirmative duty of all the signatory parties hereto to keep the secretary of the Joint Arbitration Board or Subcommittee advised of said person's last known address. The signatory parties hereto hereby waive any claim that they were not served properly if service as above set forth was made as set forth in this Section.

B.2.9 All jurisdiction disputes between Unions signatory hereto shall be decided by the United Association, and shall be binding on the Local Union and the Contractor.

B.2.10 Both parties hereto agree to maintain proper personnel and facilities to carry out the terms and conditions of this Agreement.

B.2.11 The Unions may take any lawful action they deem necessary against any Contractor who has failed, neglected or refused to comply with or execute any settlement or decision reached through the provisions of Appendix B, Section B.2 and

B.3 of the Agreement, except a decision involving violations of Paragraphs 2.1.5 and 6.1.5 of this Agreement. The Union shall have the right to strike, picket, remove men or engage in any economic activity in the event the Employer fails to pay wages, fringe benefits or fails to post the required bond.

B.3 JOINT ARBITRATION BOARD

B.3.1 Within thirty (30) days after the execution of this Agreement, the Contractors shall elect five (5) representatives and sufficient alternates, and the Union shall elect five (5) representatives and sufficient alternates, as members of the Joint Arbitration Board, which shall be known as the Joint Arbitration Board of the California Plumbing and Mechanical Contractors Association. In the event of the absence of any representative elected by the Unions, the remaining representatives elected by the Unions, may vote in behalf of such absent representative. In the event of the absence of any representative elected by the Contractors, the remaining representative elected by the Contractors may vote in behalf of such absent representative. Such Joint Arbitration Board shall have the following power and duties:

B.3.1.1 The Contractors signatory to this Agreement agree that the Joint Arbitration Board established between District Council No. 16 and the Contractors Association will be the Joint Arbitration Board as listed in this Agreement and such Board and/or its Subcommittee will have full authority to process all grievances, disputes, violations and/or other items as spelled out by the Agreement as being under their jurisdiction, and any decision rendered by such Board shall be final and binding on both Contractor and Union and any employees involved.

B.3.1.2 To supervise and control the operation of the job referral system of all Contractors under agreement with the Union.

B.3.1.3 To promulgate any and all rules and regulations from time to time that it deems advisable for the operation of the exclusive job referral plan, and to assess damages and/or penalties against Contractors, Local Unions, and/or workmen for violation of this Agreement.

B.3.1.4 To supervise the posting by the parties of all rules and regulations relating to the functioning of the referral plan at the Union Dispatch Office and at the Contractor's Office and job site.

B.3.1.5 To hear and determine any and all disputes or grievances arising out of the operation of the job referral system including but not limited to grievances arising out of work registration, work referrals and the preparation of the referral registration lists. Any applicants or registrant shall have the right of appeal of any dispute or grievance arising out of and relating to the operation or functioning of the job referral plan to the Joint Arbitration Board. If any question arises as to the qualifications and competence of an applicant, the Joint Arbitration Board shall make the determination. Such determination shall be fair and impartial, without regard to applicant's membership or nonmembership in the Union, and shall be final and binding on both parties.

B.3.1.6 To inspect at all times any of the books, records, procedures or operations of any Hiring Hall operated for the procurement of men under the terms of this Agreement or the Independent Master Agreement. To see that the operation of the Hiring Halls are conducted according to the rules and regulations adopted for such Halls. Any Hiring Hall denying such rights to the Joint Board shall be subject to immediate suspension of the privilege of dispatching men to Contractors covered under the terms of this Agreement and Contractors shall be denied the right to procure men from such a Hiring Hall.

B.3.1.7 During such time as a Hiring Hall is under suspension and until such time as the Joint Board clears the Hall of discriminatory practices and approves the necessary methods of correction, the Contractors shall procure all employees from the other approved Hiring Halls covered under the terms of this Agreement. The Contractors shall immediately be subject to the reuse of such a Hall on clearance by the Joint Board.

B.3.1.8 Prior to action being taken as outlined, the United Association General Offices shall be notified of the violations and given a ten (10) day notice to arrange for inspection of the records and procedure.

B.3.1.9 Upon receipt of complaint filed pursuant to the provisions of Paragraph 7.1.8 to perform all the functions and duties provided for in Paragraphs 7.1.8.1, 7.1.8.2, 7.1.8.3, and 7.1.8.4.

B.3.1.10 To perform all the functions and duties provided for in Appendix B, Section B.2.

B.3.1.11 The Joint Arbitration Board or the Subcommittee shall have the right not only to determine whether there has been a violation of this Agreement, but shall also have the right to devise an appropriate remedy, including allowance of attorney's fees, costs of enforcement and interest from the date of decision, if court proceedings are required to enforce the decision. In addition, the Joint Arbitration Board and Subcommittee shall have the right to determine whether a party cited before the Joint Arbitration Board or Subcommittee has been properly cited and whether the provisions for notice have been complied with.

B.3.1.12 The Joint Arbitration Board and Subcommittee shall have the further right to determine whether a party is signatory to this Agreement; whether any particular dispute is subject to the grievance procedure of this Agreement; and shall have the right to determine any and all defenses or contentions, legal or otherwise, raised by any person. Upon the rendering of the decision by the Joint Arbitration Board, the Chairman and Secretary may execute any written award on behalf of all the members of the Board.

B.3.2 The Board shall meet periodically to review the operation of this Agreement, labor supply and general technical and economic conditions of the Plumbing, Heating and Piping Industry and make recommendations to the parties which will be beneficial to the industry and the general public.

B.3.3 The Board shall have the right to assess damages against Contractors, workmen or any of the Local Unions signatory hereto for violation of this Agreement, including but not limited to:

B.3.3.1 The right to hear and determine damages against any of the Local Unions signatory hereto, including alleged

violations of Appendix C, Paragraphs C.4.55 and C.4.6 of this Agreement.

B.3.3.2 The right to remove workmen from the shop or job for a period of one (1) year.

B.3.3.3 The right to deny the use of the Hiring Hall to either the Contractor or workmen except for violation of Paragraphs 2.1.5 and 6.1.5 of this Agreement.

B.3.3.4 The right to suspend for any period of time, the Contractor's right to call for workmen by name from the Union's out of work list.

B.3.3.5 The right to suspend for any period of time the Contractor's right to transfer workmen from the jurisdiction of one Local Union to the jurisdiction of another Local Union.

B.3.3.6 The right to determine where any assessments or damages are to be paid except as otherwise provided in this Agreement. Damages for all grievances for breaches of these collective bargaining Agreements shall be payable as additional revenue contributions for the SOUTHERN CALIFORNIA PIPE TRADES RETIREMENT TRUST FUND where no identified grievant employee is determined eligible for such damages.

B.3.3.7 The right to require a bond for wages or fringe benefit contributions after one or more defaults or delinquencies.

B.3.3.8 The right to require a contributing Contractor to permit the Trust Funds to audit his accounting records to determine that contributions have been properly made.

B.3.4 The Joint Arbitration Board may delegate any and all of its powers and duties to a Joint Subcommittee which shall consist of no less than one (1) person designated by the Contractors Association and one (1) person designated by District Council No. 16. Said Subcommittee shall have the authority to hear complaints of contract violations and shall be empowered to determine guilt and assess damages. Any decision of the Subcommittee may be appealed to the Joint Arbitration Board provided said appeal is submitted in writing by Certified Mail, return receipt requested, to both of

the signatory parties hereto within five (5) days after receiving notice of decision of the Subcommittee. If no appeal is filed within five (5) days, the decision of the Subcommittee shall be final and binding.

B.3.5 In the event the Subcommittee of the Joint Arbitration Board determines by a final and binding decision that an employer has failed to make the required contributions pursuant to this Agreement, or has issued a nonsufficient fund check, the Union shall immediately comply with the provisions of Appendix C, Paragraph C.4.5. The Union shall continue to keep the job shut down until all proper payments to the Trust Fund have been paid and until the required bond and/or bonds have been deposited. Either the Joint Arbitration Board or the Subcommittee shall have the right to request, at an appropriate time and place, all records, books of accounts, copies of federal and state tax reports, documents relating to payrolls and documents relating to fringe benefit contribution reports.

B.3.6 Said request may be made by the Joint Arbitration Board or Subcommittee together with any complaint filed against the Employer. Failure to produce the aforementioned books and records shall be a violation of this Agreement.

B.3.7 District Council No. 16 agrees to give the Contractors, and the Contractors Associations immediate notice of any change in the geographical boundaries of any Local Union over that previously submitted to the Contractors Association. No violation of the hiring procedures or fabrication provisions will be found of such change in geographical boundary until thirty (30) days after said notice is given.

B.3.8 District Council No. 16 and the Contractors or the Contractors Association party to any grievance agree to share equally all expenses incurred necessary for the consideration and decisions of grievances or disputes, arising herein, with District Council No. 16 administering the sending of notices, setting up the meetings, filing the decisions, etc. The Joint Arbitration Board shall determine the cost in each case.

B.3.9 The Employer and the Union hereby accept the authority and jurisdiction of the Joint Arbitration Board established

between Southern California Pipe Trades District Council No. 16 and California Plumbing and Mechanical Contractors Association (CPMCA) as the Joint Arbitration Board to decide overall questions regarding any provision in this collective bargaining agreement which relates in any way to the Pipe Trades Trusts, including but not limited to the making of contributions to the Trusts.

B.3.9.1 Overall demands by the Trustees for the payment of contributions, for delinquent contributions, for audits of contributing Employers and related entities, for costs including audit and other collection costs, for interest and for attorney fees.

**APPENDIX C
TRUST FUNDS**

C.1 CONTRACTOR TRUST STANDARDS

C.1.1 OWNER PERFORMING BARGAINING UNIT WORK / EXEMPT OWNER:

C.1.1.1 An Owner is defined as a sole proprietor, partners, or shareholders and/or officers of a corporation.

C.1.1.2 Each signatory contractor may designate one Owner to perform bargaining unit work without complying with the terms and conditions of the Agreement, including, but not limited to, payment of wages and benefits under Appendix E. The designated Owner under this provision shall be referred to as the "exempt owner".

C.1.1.3 The "exempt owner" shall be designated in writing at the time the contractor becomes signatory to the Agreement. Such written notification shall be made to District Council No. 16, Pipe Trades Trust Funds, and the appropriate Contractor's Association, if the contractor is a member of an association. Failure to provide written notification shall prohibit the contractor from designating an "exempt owner" for that calendar year and all Owners performing bargaining unit work shall meet the requirements in Paragraph C.1.2 below. Each contractor may designate or change the designated "exempt owner" one time each calendar year by notifying District Council No. 16,

Pipe Trades Trust Fund, and appropriate Contractor's Association in writing of the change. More than one (1) change per calendar year must be approved by the Joint Arbitration Board.

C.1.1.4 Exempt Owners may not perform bargaining unit work when their company is performing work under a subcontract from another signatory firm.

C.1.2 OWNERS PERFORMING BARGAINING UNIT WORK

C.1.2.1 Owners, other than the "exempt owner" as provided above, may perform bargaining unit work provided the contractor meets the following conditions.

C.1.2.2 The terms and conditions of the Agreement must be applied to the Owner, except as modified below.

C.1.2.3 Trust Fund contributions for each Owner shall be paid at the construction journeyman contribution rate of one hundred twenty (120) hours per month for H&W and one hundred ten (110) hours per month or hours worked, whichever is greater for all other benefits. However, corporate shareholders who own less than ten percent (10%) of the corporate stock and partners who hold less than ten percent (10%) partnership interest must have contributions made on hours worked.

C.1.2.4 Non corporate contractors whose non-exempt Owners are performing bargaining unit work are not required to make pension contributions on the Owner(s), because such individual is not legally eligible to participate in the Retirement or Defined Contribution Funds. Each non corporate Owner acknowledges that he cannot participate in the Retirement Fund or the Defined Contribution Fund and that payments into the other trust funds does not implicate participation in the Retirement or Defined Contribution Fund.

C.1.2.5 Each contractor making contributions on behalf of Owners under these provisions shall list in writing with District Council No. 16, Pipe Trades Trust Funds, and with the appropriate Contractors Association the names of all Owners on whose behalf contributions are being made. With respect to corporations, the listing shall include the percentage amount of stock owned by each individual.

For purposes of corporate ownership the ownership interest of all members of the immediate family (i.e. spouse and children) shall be listed and considered one person for the purposes of determining percentage ownership.

C.1.2.6 Once a non-exempt Owner stops performing bargaining unit work, or the contractor becomes delinquent more than forty-five (45) days to the Trust Funds, the non-exempt Owner is no longer eligible to participate in the Trust Funds and all Trust Fund benefits are forfeited and revert to the Trust Funds, except vested benefits that by law cannot be lost, i.e. vested pension benefits and vacation and holiday contributions. This forfeiture shall not apply if the contractor goes out of business, or the non-exempt Owner becomes unemployed, and the non-exempt Owner makes himself available for covered work by immediately signing the local union's out-of-work list or intends to retire. Under these circumstances, there shall be a continuity of Trust Fund participation.

C.1.3 OWNERS ENGAGED IN ADMINISTRATION OF WORK

C.1.3.1 Owners who are actively involved in the administration of bargaining unit work may participate in the Trust Funds. Such classifications as bookkeepers and lawyers are not included in the administration of bargaining unit work. Trust Fund contributions for Owners reported under this provision shall be paid at the construction journeyman contribution rate of one hundred ten (110) hours per month or hours worked, whichever is greater.

C.1.3.2 Each contractor must designate in writing as required in Paragraph C.1.2.5 above Owners participating under Paragraph C.1.3.1. Participation in the Trust Funds shall commence thirty (30) days after giving written notification to District Council No. 16, Pipe Trades Trust Funds, and appropriate Contractors Association. Failure to provide written notice shall result in no obligation on the Trust Funds part to cover such corporate Owners.

C.1.3.3 Notwithstanding any other provision of these Sections (C.1, C.2, C.3), contractors may continue contributions to the Pipe Trades Trust Funds on behalf of

compensated employees who were previously covered by the Funds while working as a regular bargaining unit employee under this Agreement or any other District Council 16 agreement. Such employees shall be considered bargaining unit alumni and their participation in the Pipe Trades Trust Funds will be in accordance with the rules and regulations of those Funds.

C.1.3.4 Once a contractor elects not to provide Trust Fund participation under these provisions, or becomes delinquent more than forty-five (45) days, the individuals covered hereunder are no longer eligible to participate in the Trust Funds and all Trust Fund benefits are forfeited and revert to the Trust Funds, except vested benefits that by law cannot be lost, i.e. vested pension benefits and vacation and holiday contributions. This forfeiture shall not apply if the contractor goes out of business, or the individual becomes unemployed, and the individual makes himself available for covered work by immediately signing the local union's out-of-work list. Under these circumstances, there shall be a continuity of Trust Fund participation.

C.1.4 SPECIAL PARTICIPATION AGREEMENTS

C.1.4.1 As a condition of acceptance of contributions on behalf of anyone for which these Sections apply (C.1, C.2, C.3) the Pipe Trade Trust Funds may require the contractor to sign a special participation agreement on the terms and conditions established by the Trustees.

C.2 BENEFIT TRUST FUNDS

C.2.1 The parties to this Agreement have established the SOUTHERN CALIFORNIA PIPE TRADES HEALTH AND WELFARE TRUST FUND, the SOUTHERN CALIFORNIA PIPE TRADES PENSIONERS AND SURVIVING SPOUSES HEALTH FUND, the SOUTHERN CALIFORNIA PIPE TRADES RETIREMENT TRUST FUND, the SOUTHERN CALIFORNIA PIPE TRADES DEFINED CONTRIBUTION TRUST FUND, the SOUTHERN CALIFORNIA PIPE TRADES VACATION AND HOLIDAY TRUST FUND, the SOUTHERN CALIFORNIA PIPE TRADES CHRISTMAS BONUS FUND, the

PIPING INDUSTRY PROGRESS AND EDUCATION LABOR & MANAGEMENT COOPERATION COMMITTEE TRUST FUND and the APPRENTICE AND JOURNEYMAN TRAINING TRUST FUND. Each Trust is to be administered by a single Board of Trustees composed of not to exceed fourteen (14) Union members elected by District Council No. 16 and not to exceed fourteen (14) Employer members selected as follows: nine (9) selected by California Plumbing and Mechanical Contractors Association (CPMCA), two (2) selected by Airconditioning, Refrigeration and Mechanical Contractors Association of Southern California, Inc. (ARCA/MCA), one (1) selected by the California Landscape and Irrigation Contractors, and two (2) Independent Contractor and or C.P.M.C.A.. Pursuant to the Trust document, P.I.P.E. may have additional Trustees. In the event the current number of Union Trustees is reduced as a result of any merger of Local Unions, the number of Employer Trustees shall be reduced by the same number. In no event shall the CPMCA maintain less than the majority of Employer members. The Association selecting Employer Trustees shall first meet and attempt to consensually reallocate the selection of Employer Trustees. In the event the Associations are unable to resolve the reallocation, the issue shall be turned over to the Industrial Relations Council (IRC) and arbitration shall be held where all Associations shall be parties. The IRC shall allocate the Trustee positions based upon hours worked within District Council #16 over the past year by contractors in the multi employer group of each Association; provided, however, each Association shall be guaranteed one (1) Trustee position. The costs of appearing before the IRC and a transcript of the hearing shall be equally divided between the Associations. In no event shall the total number of Trustees be reduced under fourteen (14); seven (7) Union Trustees and seven (7) Employer Trustees.

C.2.2 The parties also established the Alternative Workers' Compensation Insurance Program. This program is to be administered by a single Board of Trustees composed of not to exceed three (3) Union members appointed by P.I.P.E. and three (3) Contractor representatives appointed by P.I.P.E.

C.2.3 A Trustee, representing Employers, must be an owner or employee of a Contractor bound by a District Council No. 16 Collective Bargaining Agreement and making contributions to these Trust Funds. Such Trustees' job responsibilities for that Contractor must include labor relations. Any Trustee will remain a Trustee so long as they continue to make contributions to the Trusts to which it currently contributes.

C.2.4 PLUMBERS AND PIPEFITTERS NATIONAL PENSION FUND. The undersigned Employer and Union agree that the Employer shall make pension contributions to the NATIONAL PENSION FUND in accordance with the terms of this Agreement, including the execution of all documents.

C.2.4.1 The parties agree that the Employers shall make pension contributions to the Plumbers and Pipefitters National Pension Fund in accordance with the terms of this Agreement and the requirements of the Trustees of the Fund. The Employers shall make the contributions to the National Pension Fund for each hour or portion thereof, for which any Employee is paid or entitled to payment for performance of duties for the Employers, and each overtime hour shall be counted as one regular hour for which contributions are payable.

C.2.4.2 The Employers shall continue contributions to the National Pension Fund for any compensated Employees who were previously covered by the National Pension Fund as members of the bargaining unit and who are continuing to perform work of the type covered by this Agreement for at least half of their hours with the Employer. It is understood that the Employers may not make contributions on behalf of any Employee who owns, or whose spouse owns, 10% or more of the corporation unless it signs and abides by a participation agreement covering such owner Employees. It is also agreed that the Employers shall not make contributions to the National Pension Fund on behalf of any Employees other than those covered by this Agreement or by a separate participation agreement.

C.2.4.3 It is agreed that all contributions shall be made to the Plumbers and

Pipefitters National Pension Fund which was established under an Agreement and Declaration of Trust, dated July 23, 1968 and restated December 13, 1978, as amended at such time and in such manner as required by this Agreement and in accordance with any other requirements set by the Trustees of the Plumbers and Pipefitters National Pension Fund. The Employers hereby ratify, accept and designate as their representatives the Employer Trustees serving as such and authorize said Employer Trustees to designate additional and successor Employer Trustees. The Employers also authorize the Employer Trustees to adopt amendments to the Restated Agreement and Declaration Trust.

In addition, the Trustees shall have the authority to retain an accountant or accounting firm to perform payroll audits of the Employers to determine whether the correct amount of contributions have been made or to determine whether contributions have been made on behalf of all Employees covered by the National Pension Plan. The Employers' liability for payment to the Plumbers and Pipefitters National Pension Fund shall not be subject to the grievance or arbitration procedure or any "no-strike" clause provided under this Agreement, and the Trustees may impose interest and liquidated damages on unpaid contributions as provided in the Restated Agreement and Declaration of Trust.

C.2.4.4 It is agreed that the Pension Plan adopted by the Trustees of the National Pension Fund shall at all times conform with the requirements of the Internal Revenue Code so as to enable the Employers at all times to treat contributions to the National Pension Fund as a deduction for income tax purposes.

C.2.5 The Employer agrees to contribute to the U.A. INTERNATIONAL TRAINING FUND in accordance with this agreement for each hour paid. Each overtime hour shall be counted as one regular hour for which contributions are payable.

C.3 CONTRIBUTIONS

C.3.1 All Contractors shall make fringe benefit contributions for all employees into the appropriate Trust Funds listed in this Agreement.

C.3.2 Overtime hour fringe benefits shall be paid at the straight time rate, except Vacation and Holiday which shall be based on Time and One Half overtime rate.

C.3.3 No Contractor shall avoid the payment of fringe benefits by shortening payroll hours. Legitimate bonuses shall be approved with no fringe benefits due.

C.3.4 TIME OF CONTRIBUTIONS AND MONTHLY REPORTS. Contributions to each of the foregoing funds shall be due and payable on or before the tenth (10th) day of each month covering hours worked by each employee through the last payroll period in the prior calendar month except as specified herein. Each Employer shall file a monthly report with each fund on the form established by the fund and such report shall be filed regardless of whether the Employer has employed any employees in the month covered by the report.

C.3.5 The reporting date for determining delinquency of Contractors for fringe benefit contributions is established as 12:00 midnight on the 15th day of the month, except for those Contractors who have posted special bonds for twenty-fifth (25th) reporting date whose deadline shall be 12:00 midnight on the 25th of the month. Monday following is the closing date of delinquency. All reports to be postmarked by the listed closing date above specified (no metered postage accepted after closing date in determining delinquency). Receipt of hand delivered mail showing time and date of delivery to Union Bank or Trust Fund will be accepted. The Employer agrees to file copies of report with resident Local Union in which the Employer had employees working for the period covered.

C.4 DELINQUENCY OR FAILURE TO MAKE CONTRIBUTIONS OR TO FILE REPORTS

C.4.1 Any Employer who fails to report or to make contributions due to any foregoing Fund before the fifteenth (15th) day of the month in which it is due or who issues a Non-Sufficient Fund check shall be considered delinquent and therefore obligated and liable and subject to the following:

C.4.2 It having been determined that when Contractors are delinquent in reporting and

paying fringe benefit contributions, it imposes a financial burden upon the various Trust Funds, the amounts of which are not readily ascertainable, liquidated damages in the amount as determined by the Trust Fund, shall be paid by the delinquent Contractor in addition to the various fringe benefit contributions required by this Agreement. In addition, Employers who have been found to be delinquent shall be required to make contributions and file reports semimonthly on the first and fifteenth day of each month, and shall be considered delinquent if payments and reports are not mailed within seven (7) days of said reporting date, i.e., first and fifteenth, and they shall continue making such semimonthly reports until there have been twelve (12) consecutive months without any delinquency. An Employer who has been chronically delinquent shall be assessed surcharge liquidated damages, at such rates as shall be determined by the various boards of trustees, or its subcommittee.

C.4.3 The Subcommittee of the Joint Arbitration Board and/or the Subcommittee of the Joint Board of Trustees may determine when legal counsel for the Trust Funds should institute legal proceedings against any Employer who is delinquent in his contributions to the Southern California Pipe Trades Trust Funds. Said suit may, without limitation, either be in the name of the signatory unions hereto or in the form of a petition to confirm the award of the Subcommittee or Joint Arbitration Board. A delinquent employer shall pay all reasonable attorney's fees, court costs, interest, liquidated damages, and other expenses incurred in the enforcing of collections, to the Southern California Pipe Trades Trust Funds, or as specified by the Joint Arbitration Board or its Subcommittee. Notwithstanding the foregoing or any other provision of this Agreement, the Board or Boards of Trustees of the Trust Funds shall have the power in their name or in the name of the Trust Funds or otherwise, as in their discretion may be deemed necessary or desirable, to demand and enforce, by suit in court or otherwise, in whatever form or forms they may choose, the prompt payment of contributions to the Funds including payments due to alleged delinquencies from signatory employers or any other employer, company or individual, without being limited or

restricted by the grievance or arbitration procedures set forth or provided herein.

C.4.4 A delinquent Employer shall be liable to any employee affected by such delinquency for a sum equal to the value of the benefits lost to the employee by reason of delinquency of such Employers. Such sum shall be transmitted to such employee through District Council No. 16. A delinquent Employer shall be liable to reimburse any Fund for the cost or value of any benefits, which may be made available by the Trustees to any employee affected by the failure of the delinquent Employer to contribute or report to the Pipe Trades Trust Fund.

C.4.5 The Unions shall remove employees covered by this Agreement from employment with a delinquent Employer, providing advance notice of not less than twenty-four (24) hours is given of such action to the delinquent Employer. Such removal of employees and cessation of work by employees for such delinquent Employer shall continue until the Administrator of the Fund involved verifies that there is no money owing to the Fund by such Employer. An Employer shall be considered delinquent if he fails to deposit the bond required by Appendix B, Section B.3, Paragraph B.3.3.7.

C.4.6 In the event a Local Union refuses and/or fails to remove employees from a delinquent Employer within forty-eight (48) hours of notice of such delinquency by registered mail (copy to District Council No. 16 office) from the Trust Fund Office, said Local Union shall thereafter be immediately liable for any fringe contributions which are delinquent, make good any Non Sufficient Fund checks and/or pay any Joint Arbitration Board assessment due. All such money paid by a Local Union shall be refunded to that Union when collected from the Contractor.

C.4.6.1 Local Union may be excused from the penalty if it notifies District Council No. 16 within forty-eight (48) hours of

receipt of such notice of their inability to comply and submits satisfactory proof or acceptable reasons therefor. When workmen are removed from an Employer's shop or job because of delinquency in payment of fringe benefits or wages, the Employer shall pay to all such removed workmen sixteen (16) hours, including time worked on the date of removal, if any, at their regular rate of pay plus fringe contributions, in the same manner as if they were employed on the job. When the delinquent wages and/or fringe contributions are paid and the account is cleared in full, and the men notified to return to work prior to said sixteen (16) hours, then and only then the Employer shall be liable only for those hours the Employees were off the job because of such violation of contract, and provided further, that if they were not available to return to work within two (2) hours of such notice, they shall receive pay for only two (2) hours after receipt of such notice by the Union.

C.4.7 Men removed from the job may accept a work order to a different Employer and still be eligible to be transferred back to the Employer from which he was removed, providing the delinquencies were corrected and the transfer effected within sixteen (16) hours of the removal time and provided such men shall not be reimbursed under this Section for the time they were paid while working for another Employer.

C.4.8 The Subcommittee of the Joint Arbitration Board shall be responsible for instructing the Pipe Trades Trust Fund to send notices to the Local Union as set forth in this Section. The Southern California Pipe Trades Funds shall be required to immediately notify the Subcommittee and Local Union when an Employer is no longer delinquent.

C.4.9 Contractors who are found to be delinquent in the payment of fringe contributions or who issue a Non Sufficient Fund check that is not due to an error by the bank, or who fails to comply with a Joint Arbitration Board award, may be required by the Joint Arbitration Board Subcommittee to post a bond of not less than five thousand dollars (\$5,000.00), but not to exceed triple the amount of his average monthly contributions to all Funds for the preceding six (6) months, unless the Contractor can submit an explanation that

is satisfactory to the Subcommittee. Failure to post a bond as required by this Paragraph shall be a violation of this Agreement. The various Boards of Trustees may file a grievance against an Employer through the Joint Arbitration Board to require the Employer to post the required bond.

C.4.9.1 Those Contractors who have posted a bond because of delinquency or who have issued an NSF check, shall keep the bond in force or effect until such time as they have gone twelve (12) consecutive months without issuing an NSF check or being delinquent in the payment of wages or fringes, such months to include carryover into next agreement.

C.5 INCORPORATION OF TRUST AGREEMENTS

C.5.1 To the extent that any provisions of any of the following listed Trust Agreements is inconsistent with any provisions of this collective bargaining Agreement, then the collective bargaining Agreement shall prevail.

C.5.2 The Trust Agreements referred to herein are incorporated herein and made a part of this collective bargaining Agreement and are made counterparts of each other and shall be binding on all Employers employing persons covered by this Agreement: SOUTHERN CALIFORNIA PIPE TRADES HEALTH AND WELFARE TRUST FUND, the SOUTHERN CALIFORNIA PIPE TRADES PENSIONERS AND SURVIVING SPOUSES HEALTH FUND, the SOUTHERN CALIFORNIA PIPE TRADES RETIREMENT TRUST FUND, the SOUTHERN CALIFORNIA PIPE TRADES DEFINED CONTRIBUTION TRUST FUND, the SOUTHERN CALIFORNIA PIPE TRADES VACATION AND HOLIDAY TRUST FUND, the SOUTHERN CALIFORNIA PIPE TRADES CHRISTMAS BONUS FUND, the PIPING INDUSTRY PROGRESS AND EDUCATION LABOR & MANAGEMENT COOPERATION COMMITTEE TRUST FUND and the APPRENTICE AND JOURNEYMAN TRAINING TRUST FUND.

C.5.3 Each Employer, party hereto, expressly acknowledges delivery and receipt of a true copy of each of the Trust

Fund Agreements above mentioned and accepts, assumes and agrees to be bound by all of the obligations imposed upon the individual Employer by said Agreement. Each Employer making contributions to each of said Funds hereby agrees that by so doing and hereby does irrevocably designate and appoint the Employer designated Trustees mentioned in each of said Trust Agreements as Trustees authorized to act in his behalf pursuant to said Trust Agreements and irrevocably ratifies the designation, selection, appointment, removal and substitution of Trustees as provided in each of said Trust Agreements.

C.5.4 Each Employer becoming a party to this Agreement authorizes the Trustees functioning under said Trust Agreements and the parties hereto to obtain rulings before any court or agency concerning any tax or other aspect of this Agreement of any of the foregoing Trust Agreement, and to comply with the filing or reporting requirements of any applicable law, in behalf of all persons covered thereby.

C.5.5 The Trustees of the SOUTHERN CALIFORNIA PIPE TRADES HEALTH AND WELFARE TRUST FUND, the SOUTHERN CALIFORNIA PIPE TRADES PENSIONERS AND SURVIVING SPOUSES HEALTH FUND, the SOUTHERN CALIFORNIA PIPE TRADES DEFINED CONTRIBUTION TRUST FUND, and the SOUTHERN CALIFORNIA PIPE TRADES VACATION AND HOLIDAY TRUST FUND, shall be permitted to make reciprocal agreements with other trusts outside the area of District Council No. 16 for the transfer of funds between trusts which, in their opinion, are in the best interest of the beneficiaries of the Trust providing they are not inconsistent with the terms of the Labor Agreement as approved by the parties.

C.6 "FLEXIBLE" TRUST CONTRIBUTIONS

C.6.1 EXISTING CONTRIBUTION LEVELS. The current contribution levels for all hours worked, required to be contributed to the SOUTHERN CALIFORNIA PIPE TRADES HEALTH AND WELFARE TRUST FUND and the SOUTHERN CALIFORNIA PIPE TRADES PENSIONERS AND SURVIVING SPOUSES HEALTH

FUND; the SOUTHERN CALIFORNIA PIPE TRADES VACATION AND HOLIDAY TRUST FUND and the SOUTHERN CALIFORNIA APPRENTICE AND JOURNEYMAN TRAINING TRUST may be modified during the term of the Master Agreement only in the manner set forth in this Section.

C.6.2 The contribution rate to any of these benefit plans may be increased by action of the District Council in its sole discretion by apportioning all or part of any contractual increase required under the Master Agreement.

C.6.2.1 The participating unions may agree, by a majority ratification vote of the unions, to transfer up to twenty-five percent (25%) of the contribution amount now required to be made to the SOUTHERN CALIFORNIA PIPE TRADES VACATION AND HOLIDAY TRUST FUND to any other of the employee benefit plans covered by this Master Agreement.

C.6.2.2 In addition, during the term of the Master Agreement, District Council No. 16, in its sole discretion, by a majority vote of its Delegates, may transfer up to twenty-five percent (25%) of the contribution amount now required to be made to the SOUTHERN CALIFORNIA PIPE TRADES HEALTH AND WELFARE TRUST FUND and the SOUTHERN CALIFORNIA PIPE TRADES PENSIONERS AND SURVIVING SPOUSES HEALTH FUND to any other of the employee benefit plans covered by the Master Agreement;

C.6.2.3 The District Council may transfer up to twenty-five percent (25%) of the contribution amount now required to be made to the SOUTHERN CALIFORNIA APPRENTICE AND JOURNEYMAN TRAINING TRUST to any other of the employee benefit plans covered by the Master Agreement; and

C.6.2.4 Any such modifications may only be made once in any twelve (12) month period, and such modifications shall be implemented only after ninety (90) days' advance notice of the change has been given.

C.6.2.5 The Wage and Fringe Benefit Schedules show one (1) rate for Health and Welfare Contributions. This rate SHALL

include contributions for both the SOUTHERN CALIFORNIA PIPE TRADES HEALTH AND WELFARE TRUST FUND AND THE SOUTHERN CALIFORNIA PIPE TRADES PENSIONERS AND SURVIVING SPOUSES HEALTH FUND. Periodically C.P.M.C.A. and District Council No. 16 SHALL inform the Trust Funds of the Contribution Allocations between the Trust Funds.

C.7 APPRENTICE & JOURNEYMAN TRAINING

C.7.1 Except as otherwise provided herein, this Board of Trustees shall be charged with the responsibility of approving or disapproving programs and expenses of the various Joint Apprenticeship Committees and disbursing funds for same when approved; initiating programs for all Committees as needed; standardizing the various J. A. C. programs, curriculums and teaching practices, establishing and/or procuring textbooks, training material, visual aids, safety programs, etc. and in general to coordinate all the J.A.C. programs in such a way as to produce better journeymen in the trade. They shall establish a central coordinating office and staff it with employees as needed to accomplish the objectives of the program. The Trustees of the Apprentice and Journeyman Training Fund shall provide training for every employee of the signatory Contractor who desires to attend classes under the Local Joint Apprenticeship Committee, regardless of whether the Contractor for whom he is working, or has worked, is contributing to the Apprentice and Journeyman Training Fund.

C.7.2 Each Local Union shall establish an Apprentice Committee composed of not less than three (3) nor more than five (5) Union Members, and the Employers whose shops are within said Local Union's jurisdiction, shall establish an Apprenticeship Committee composed of not less than three (3) nor more than five (5) Employers signed to a Union Agreement, and who normally employ at least one (1) Apprentice each. The two Committees shall be combined as a Joint Apprenticeship Committee in that area for the classifications for which Apprentices are to be trained.

C.7.3 Except as otherwise provided herein, this Joint Apprenticeship Committee shall, in addition to their duties dealing with the training of Apprentices, be charged with the responsibility of establishing and operating such Journeymen training classes as are required to upgrade the skills of the Journeymen in the area. They shall cooperate with the Trustees and employees of the Trustees employed in the central office to establish and operate training programs.

APPENDIX D SPECIAL AGREEMENTS

D.1 DEPRESSED AREAS

D.1.1 DEPRESSED AREAS COMMITTEE. It is the intention of the parties to this Agreement to review the proper application of the terms and conditions established in this Agreement to particular job sites or geographic locales within Southern California, which job sites or locales present special problems because of their depressed condition—particularly as this depressed condition affects the plumbing and piping industry.

D.1.2 The Union shall establish a Committee which, with the advice of CPMCA, shall determine from time to time what constitutes a depressed area, and the nature and degree of assistance required to alleviate that depression. The Committee shall notify all Contractors of the area targeted for assistance, and the nature and degree of assistance available.

D.2 SERVICE AND REPAIR WORK

D.2.1 The following special working rules and conditions shall be applicable to Service and Repair work.

D.2.2 The Specialty of Service and Repair work is defined as follows:

D.2.2.1 All maintenance, repair and replacement of work stated in Section 3 (Work covered) and installation of appliances.

D.2.2.2 Emergency work may be performed at any time or place under this Section of the Agreement.

D.2.2.3 New additions and remodeling of single family homes, bars, restaurants,

stores and commercial buildings, not to exceed five thousand (5,000) sq. ft. of floor space, is permitted under this Section of the Agreement.

D.2.2.4 New construction work cannot be performed under this Section of the Agreement, however, Service and Repair Journeymen may be used to minimal new construction projects as long as the additional fringe contributions, overtime requirements and work hours are based on the new construction contract.

D.2.3 REGISTRATION AND REFERRAL OF EMPLOYEES. Employees seeking employment under this Section of the Agreement shall register with the Local Union Hiring Hall.

D.2.3.1 Employers may request individuals by name. Employment shall be at the sole discretion of the Employer following an interview in the Contractor's office. The right of the Contractor to interview new employees may be waived at his sole discretion.

D.2.4 CLASSIFICATION OF EMPLOYEES:

D.2.4.1 Building Trades Journeyman doing Service & Repair work.

D.2.4.2 Service and Repair Mechanic Class Four.

D.2.4.3 Service and Repair Mechanic Class Three.

D.2.4.4 Service and Repair Mechanic Class Two.

D.2.4.5 Service and Repair Mechanic Class One.

D.2.5 Every Employer shall employ at least one (1) Journeyman.

D.2.6 Wage rate and fringe contributions shall be listed in Appendix E.

D.2.7 Employers may pay bonuses or commissions to Service and Repair Employees which shall be exempt from payment of fringe benefits.

D.2.8 **WORKING RULES:** The regular work day shall be eight (8) hours per day between the hours of 7:00 A.M. and 6:00 P.M., Monday through Saturday.

Employers may schedule their Employees at their discretion during these six (6) days.

D.2.8.1 Time and one-half shall be paid for all hours worked over eight (8) hours per day or forty (40) hours per week.

D.2.8.2 Double time shall be paid for New Year's Day, Easter Sunday, Labor Day, Thanksgiving and Christmas.

D.2.9 **TRAINING.** A Training Program will be provided by the A & J Trust Fund for Service Mechanics desiring to increase their proficiency to progress to a higher mechanic level, however, promotion to a higher level shall be by mutual agreement between the Business Manager and Employer.

D.3 INDUSTRIAL AND GENERAL PIPEFITTING

D.3.1 **DEFINITION.** The paragraphs under this Section shall apply to Employers and Employees as specified herein to work relating to oil, chemical, Power Generating, and Manufacturing Plants producing a commercial product for sale, and all other Industrial pipe work included in the recognized trade jurisdiction, as granted by the United Association. Rocketdyne and E.S.G. facilities at Santa Susana in Ventura County shall be worked under this Section.

D.3.2 This Section of the Agreement shall supercede any other provision to the contrary. All other provisions of the Agreement shall apply.

D.3.3 **TRANSFER OF MEN.** Contractor shall have the same rights and requirements of transfer per section 5.4 **TRANSFER OF MEN** with ONE (1) exception the Third employee assigned by the Business Manager and the forth by the employer.

D.3.4 **FABRICATION.** The Fabrication Section 7 of this Agreement shall be amended for purpose of this Section to reflect that two inch (2") and under piping and piping formation shall be fabricated on the job site, shop, or fabrication yard, within the Local Union's jurisdiction of the job site. Fabrication yard or shop shall be considered an extension of the job site for purpose of dispatch and monetary benefits. The butt welding of all millrun lengths, regardless of size shall be

fabricated and assembled on the job site unless it becomes a part of a dimensional welding pipe formation.

D.3.5 **INCLEMENT WEATHER.** An employee reporting to work at the regular starting time at a shop or job, and for whom no work is available due to weather conditions, will receive two (2) hours' pay for reporting time. To be eligible to receive such reporting pay, the employee must check in at the job or shop at the regular starting time and remain there for two (2) hours. In order to qualify for the pay provided for in this paragraph, the Employee must remain on the job available for work during the period of time for which he receives pay unless released sooner by the Employer's principal supervisor. After starting to work and work is stopped because of weather conditions the employee shall receive pay for the actual time on the job, but in no event less than two (2) hours. The Employer shall have sole responsibility to determine availability of work due to weather conditions. When the conditions set forth in this Paragraph occur on an overtime day, or on shift work, the premium rate shall be paid.

D.3.6 The following hourly wage rates and fringe contributions shall apply to work performed by employees on all work covered by the terms of this Agreement in the following counties: Kern, Inyo, Mono, Riverside, San Bernardino, Imperial, Ventura, Santa Barbara, San Luis Obispo, Los Angeles, Orange, and San Diego Counties, including all Offshore Islands and Platforms.

D3.5.1 **WELDER CLASSIFICATION.** 10% Base wage rate premium on welders performing work under this section.

D.4 LANDSCAPE / IRRIGATION & LAWN SPRINKLER CONTRACTORS

D.4.1 This Section of the Agreement shall supersede any other provision to the contrary, all other provisions of the Agreement shall apply.

D.4.2 The one (1) member of a signatory firm designated as the owner working with the tools without complying with Appendix D, Paragraph D.4.20 of this Section must comply with the Hiring Hall procedures and pay ten dollars (\$10.00) per week to the Local Union as a Hiring

Hall fee. Such designated individual must own at least twenty percent (20%) of the signatory firm.

WORK COVERED

D.4.3 This Section shall apply to and cover all employees of the Employer employed to perform or performing all work, as listed herein in the area known as Southern California, more particularly described as the Counties of Los Angeles, Orange, Riverside, San Bernardino, Imperial, San Diego, Ventura, Santa Barbara, San Luis Obispo, Kern, Inyo, and Mono.

D.4.3.1 Employers signatory to this Agreement as Landscape, Irrigation and Lawn sprinkler Contractors are therefore bound as such and shall be limited to work covered by this Section of the Agreement including all preparation allied directly thereto, fabrication, replacement, repair and service of such installations.

D.4.3.2 Lawn sprinkler and irrigation work shall include all work incidental to the laying of pipe, the unloading, handling and distribution of all pipe, fittings, tools, materials and equipment and shall be done by the employees under the terms of this Section. Said incidental work shall include the use and operation of all necessary motorized equipment, excluding trenching equipment in excess of thirty (30) horsepower.

D.4.3.3 Work covered hereby shall include the installation of low voltage automatic irrigation and lawn sprinkler systems, including but not limited to, the installation of automatic controllers, valves, sensors, master control panels, display boards, junction boxes and conductors including all components thereof.

D.4.3.4 Work covered hereby shall include the installation of valve boxes, thrust blocks, both precast and poured in place, pipe hangers and supports incidental to the installation of the entire piping system.

D.4.3.5 Startup, testing, flushing, purging, water balancing, placing into operation all piping equipment, fixtures and appurtenances installed under this Section.

D.4.3.6 Said work shall include any lines inside a structure which provide water to work covered by this Section of this

Agreement, including piping for ornamental pools and fountains when done in conjunction with landscaping.

D.4.3.7 All piping, liners, grouting and coating for ornamental stream beds, waterways and swimming pools.

D.4.3.8 All temporary irrigation and lawn sprinkler systems shall be performed under the terms of this Agreement.

D.4.3.9 All erosion control and decorative landscaping, such as decorative pools, ponds, reflecting units. Hand grade of landscape areas, finish grade, spreading of topsoil, build mounds, trenching by normal methods, backfill trenches, seed lawns, lay sod. Installation of ground covers such as flatted plant material, rock, riprap, gravel and crushed rock, pea gravel, hydro seeding/mulching, mitigation native habitat regeneration and or restoration of all native plants and all other landscapable ground covers. Installation of header boards and mowing edges. Soil preparation such as wood shavings, fertilizers, organic, chemical, or synthetic. Top dress ground areas with bark, wood residual or other specified materials. Grub and clear tree trimmings and ground maintenance.

D.4.3.10 Plant establishment shall be work covered by this Agreement. This work may be performed exclusively by Landscape/Irrigation Tradesmen without the supervision of a Journeyman.

D.4.4 It is hereby agreed that the Contractor and the Union have recognized the need for the Contractor to service his client, therefore, the Contractor may utilize other building trades craft unions to perform work covered in Appendix D, Paragraph D.4.3.9 on a project where the total construction cost, as listed on the building permit, is in excess of \$2.3 million (\$2,300,000) and/or projects wherein specifications require the payment of prevailing wages. It is understood that when members of other building trades craft unions are employed, by the Contractor, to perform work covered by Appendix D, Paragraph D.4.3.9 they shall not be subject to the wages and fringe benefits as listed in this Agreement.

D.4.5 Employers shall have freedom of movement of all employees, materials and/or equipment on above work

throughout the area covered by this Section.

D.4.6 Employers signing this Agreement as Landscape/Irrigation and Lawn Sprinkler contractors recognize Appendix A, Paragraphs A.1.9, A.1.10, A.1.11, A.1.12, A.1.13, and A.1.14 as applying to this Section of the Agreement.

D.4.7 JOINT ARBITRATION BOARD. The Contractor, bound to this Section, agrees that the Joint Arbitration Board constituted between District Council No 16 and California Landscape and Irrigation Council, Inc. will be the Joint Arbitration Board with the full authority and jurisdiction to settle dispute and/or grievances and that such Board and or its Subcommittee, shall have the following powers and duties:

D.4.7.1 Full authority to process all grievances, disputes, violations and/or other items as spelled out by the Agreement as being under their jurisdiction and any decision rendered by such Board shall be final and binding on both Employer and Union.

D.4.7.2 To supervise and control the operation of the job referral system for all Contractors under agreement with the Union.

D.4.7.3 To promulgate any and all rules and regulations from time to time that it deems advisable for the operation of the exclusive job referral plan, and to assess damages and/or penalties against Contractors, Local Unions and/or workmen for violation of this Agreement.

D.4.7.4 To supervise the posting by the parties of all rules and regulations relating to the functioning of the referral plan at the Union Dispatch Office and at the Contractor's Office and job site.

D.4.7.5 To hear and determine any and all disputes or grievances arising out of the operation of the job referral system including, but not limited to, grievances arising out of work registrations, work referrals and preparation of the referral registration list. Any applicant or registrant shall have a right of appeal of any dispute or grievance arising out of and relating to the operation or functioning of the job referral plan to the Joint Arbitration Board. If any question arises as to the

qualifications and competence of an applicant, the Joint Arbitration Board shall make the determination. Such determination shall be fair and impartial, without regard to applicant's membership or nonmembership in the Union and shall be final and binding on both parties.

D.4.7.6 To inspect at all times any of the books, records, procedures or operations of any Hiring Hall operated for the procurement of men under the terms of the Agreement. To see that the operation of the Hiring Hall is conducted according to the rules and regulations adopted for such Hall. Any Hiring Hall, denying such rights to the Joint Arbitration Board, shall be subject to immediate suspension of the privilege of dispatching personnel to Employers, and Employers shall be denied the right to procure personnel from such Hiring Hall. During such time as a Hiring Hall is under suspension and until such time as the Joint Arbitration Board clears the Hall of discriminatory practices and approves the necessary methods of correction, the Employers shall procure all Employees from the other approved Hiring Halls covered under the terms of this Agreement. The Employers shall immediately be subject to the reuse of such a Hall on clearance by the Joint Arbitration Board. Prior to action being taken as outlined, the United Association General Offices shall be notified of the violations and given a ten (10) day notice to arrange for inspection of the records and procedure.

D.4.7.7 Upon receipt of complaint filed pursuant to the provisions of Paragraph 7.1.8 to perform all of the functions and duties provided for in Paragraphs 7.1.8.1, 7.1.8.2, 7.1.8.3, and 7.1.8.4.

D.4.7.8 To perform all the functions and duties provided for in Appendix B, Section B.2.

D.4.7.9 The Joint Arbitration Board shall have the right not only to determine whether there has been a violation of this Agreement, but shall also have the right to devise an appropriate remedy including but not limited to, allowance of attorneys' fees, cost of enforcement and interest from the date of decision. In addition, the Joint Arbitration Board and Subcommittee shall have the right to determine whether a party cited before the Joint Arbitration Board or Subcommittee has been properly cited and

whether the provisions for notice have been complied with. The Joint Arbitration Board or Subcommittee shall have the further right to determine whether a party is bound to this Agreement; whether any particular dispute is subject to the grievance procedure of this Agreement and shall have the right to determine any and all defenses or contentions, legal or otherwise, raised by any person. Upon the rendering of the decision by the Joint Arbitration Board, the Chairman and Secretary may execute any written award on behalf of all the members of the Board.

D.4.8 The Joint Arbitration Board shall have the right to assess damages against Contractors, Employees, or the Union for violation of this Agreement, including, but not limited to:

D.4.8.1 The right to hear and determine damages against the Union signatory hereto, including alleged violations of Appendix C, Paragraphs C.4.5 and C.4.6 of this Agreement.

D.4.8.2 The right to remove workmen from the shop or job for a period of one (1) year.

D.4.8.3 The right to deny the use of the Hiring Hall to either the Contractor or workmen.

D.4.8.4 The right to suspend for any period of time, the Contractor's right to call for workmen by name from the Union's out of work list.

D.4.8.5 The right to determine where any assessments or damages are to be paid except as otherwise provided by this Agreement.

D.4.8.6 The right to require a bond for wages, fringe benefit contributions, or other contract violations after one (1) or more offenses or delinquencies.

D.4.8.7 The parties to this Agreement agree that, historically, the problem of repeated contractor violations presents a unique problem, burdensome on both the Employers and the Union so that the true economic impact of said problem is difficult or impossible to determine and therefore, the Joint Arbitration Board shall have the authority to assess damages in an amount not to exceed ten thousand dollars (\$10,000). In the event of repeated contract

violations by an Employer bound by this Agreement, not as a penalty, but as liquidation damages in addition to any compensatory damage, which may be found due. In the event of continuous violations, after imposition of the above stated liquidation damages award, the Joint Arbitration Board shall have authority to impose such additional liquidated damages as deemed appropriate.

D.4.9 The Joint Arbitration Board may delegate any and all of its powers and duties to a Joint Subcommittee which shall consist of no less than one (1) person designated by the Contractor's Association and one (1) person designated by District Council No. 16. Said Subcommittee shall have the authority to hear complaints of contract violations and shall be empowered to determine guilt and assess damages. Any decision of the Subcommittee may be appealed to the Joint Arbitration Board provided said appeal is submitted in writing by Certified Mail, Return Receipt Requested, to both the signatory parties hereto within five (5) days after receiving notice of decision of the Subcommittee. If no appeal is filed within five (5) days, the decision of the Subcommittee shall be final and binding.

D.4.10 In the event the Subcommittee of the Joint Arbitration Board determines by a final and binding decision that an Employer has failed to make the required contributions pursuant to Appendix D, Paragraph D.4.20 of this Agreement, or has issued a Non Sufficient Fund check, the Union shall immediately comply with the provisions of Appendix C, Paragraph C.4.5. The Union shall continue to keep the job shut down until all proper payments to the Trust Fund have been paid and until the required bond and/or bonds have been deposited. Either the Joint Arbitration Board or its Subcommittee shall have the right to request at an appropriate time and place, all records, books of account, copies of Federal and State tax reports and documents relating to fringe benefit contributions reports. Said request may be made by the Joint Arbitration Board or Subcommittee, as directed, together with any complaint filed against the Employer. Failure to produce the aforementioned books and records shall be a violation of this Agreement and subject to remedy by Appendix D, Paragraph D.4.7.6. Such remedies are

cumulative in addition to all other remedies.

D.4.11 The cost of all proceedings under Appendix B, Section B.2, B.3, and Appendix D, Section D.4 shall be equally divided between District Council No. 16 and the Employer or the Employer's Association, if appropriate. These costs shall include, but not be limited to, the cost of meeting room rental; cost of mailing notices and charges; costs of duplicating evidence, documents, notes, minutes; and other similar costs to be determined by the Joint Arbitration Board.

TRADESMEN

D.4.12 Employers employing Tradesmen to do work under this Section of the Agreement may do so under the following conditions:

D.4.12.1 The first employee on the job must be a Journeyman.

D.4.12.2 The second employee must be a Journeyman or an Apprentice.

D.4.12.3 The third and fourth employees may be a Tradesman.

D.4.12.4 The fifth employee will be a Journeyman, thereafter Tradesmen will be referred on a fifty-fifty basis, to journeyman or apprentice.

D.4.12.5 On residential work as defined herein; the first employee on the job will be a Journeyman, thereafter, the makeup of the crew will be at the discretion of the Employer.

D.4.12.6 Residential work for the purpose of this Section is defined to be residential (housing) subdivision, apartments, and condominiums under four (4) stories.

WORK RULES

D.4.13 OVERTIME. All time worked on Sundays and Holidays as listed in 4.8.1, shall be paid at twice the hourly rate. All other overtime work shall be paid at one and one-half times the hourly rate excluding those hours specified in Appendix D, Paragraph D.4.15. Overtime shall be rotated equally among all employees covered by this Section on any given job or in any shop.

D.4.14 FOREMAN. On jobs where the employee is responsible for coordinating or supervising the progress and direction of the work they will be deemed a Foreman and receive not less than one dollar and twenty-five cents (\$1.25) per hour plus fringes, above the regular Journeyman wage rate. No more than one Foreman will be required per job.

D.4.15 INCLEMENT WEATHER. In the event that an Employer's work (as such work is defined herein) on a job is actually shut down for one (1) or more full days during the normal work week by reason of inclement weather, the Employer shall be entitled to employ Journeymen and Apprentices on the succeeding Saturday at straight time wage rates, but solely upon the following conditions:

D.4.15.1 In no event may Saturday straight time work be done if, as a result thereof, any Journeyman or Apprentice would work in excess of forty (40) hours at straight time wage rates during any week.

D.4.15.2 Saturday straight time work may be done only if the Employer gives advance written notice thereof to the Business Manager of the Local Union which notice shall include: The Saturday to be worked, the job and the job location, the day in which work was shut down for inclement weather, and the number of employees involved. Saturday work performed in the absence of such notice shall be deemed to be time and one-half work.

D.4.15.3 Saturday straight time work shall be solely on a voluntary basis, subject to the individual discretion and desire of the Journeyman and/or Apprentice involved. In no case shall a Journeyman or Apprentice be subjected to penalty or discipline for any refusal to do straight time Saturday work under this provision.

D.4.15.4 If any Employer abuses this provision by paying or attempting to pay, straight time wage rates for Saturday work, except in strict compliance with this provision, the Joint Arbitration Board shall deny him the right to do straight time Saturday work during the remaining term of this Agreement.

ZONE CENTERS AND SUBSISTENCE

D.4.16 For purposes of this Section, the Employer's shop or permanent place of business shall be considered that Employer's Zone Center.

D.4.17 Employees, working under this Section and more than seventy (70) road miles from the Contractor's Zone Center, will receive Sixty dollars (\$60.00) per day for subsistence. This provision will not apply to Employees dispatched directly to the job site and who reside in the general area of the project.

RESTRICTIONS OF TRADESMEN

D.4.18 The following work restrictions will apply to all Pipe Tradesmen working under this section of this Agreement, and Tradesmen will be limited to the following work processes:

D.4.18.1 All digging and/or backfilling required by the Contractor with the exception of motorized equipment.

D.4.18.2 All cleanup and sweeping of Contractor's shop, yard or job site.

D.4.18.3 All pipe wrapping and water proofing where tar or similar material is applied for protection.

D.4.18.4 Operation of vibrating machines.

D.4.18.5 Coating and grouting of all pipe joints, holes or chases allied to the piping.

D.4.18.6 Watchman or Flagman.

D.4.18.7 All other unskilled work.

D.4.18.8 Assisting the Journeymen and Apprentices with the wire installation, unloading of materials, distribution of pipe, staking of sprinkler heads, and risers, the setting of valve boxes and the thrust blocks both precast and poured in place.

D.4.19 If any Tradesman employed under this Section is found to be doing work of other classifications of employees of this Section and charges are preferred against the Employer and he is found guilty by the Joint Arbitration Board, damages may be assessed against the Employer for all work lost by such other classifications of Employees and the Employer may be denied the privilege of employing Pipe Tradesman for the life of this Agreement.

D.4.20 WAGE RATES AND BENEFITS.
The wage rates and benefits stipulated as Landscape and Irrigation in Appendix E shall apply to work performed by employees on all work covered by the terms of this Section:

D.5 SEWER & STORM DRAIN

D.5.1 This Section of the Agreement shall supersede any other provision to the contrary for the work listed. All other provisions of the Agreement shall apply when not in conflict.

D.5.2 Employers using this section are restricted to applying this section to sewer, storm drain, and underground piping, as described in section D.5.10 hereto, and all preparation on the job site allied directly thereto including fabrication, replacement, maintenance, repair and service of such installations.

D.5.3 Contractors performing sewer, storm drain, and underground piping shall hire qualified Journeymen, Apprentices, and Pipe Tradesmen by notifying Local Union #345, and the Local Union where work is being performed, either in writing or by telephone, whenever the Employer requires employees on any job, stating the location, starting time, approximate direction of the job, the type of work to be performed, and the number of workmen required, prior to starting the job.

D.5.4 The Employer shall have the freedom of movement of all employees, materials and/or equipment on the above work throughout the area covered by this Agreement.

D.5.5 Wage rates and fringe benefits for Sewer, Storm Drain and Underground Piping Journeymen, Apprentices, and Pipe Tradesmen will be as listed in Appendix E.

D.5.6 In addition to the provisions of Section 5.5, any Employer covered by the provisions of this Section, hereby agrees to deduct from the wages of any employee dispatched from Local 345 doing work covered by this Section, working dues in the sum of 4% of the negotiated hourly wage rate multiplied by the number of hours worked in any given payroll period and will remit such sums to the Southern California Pipe Trades Trust Fund with Southern California Pipe Trades Trust

Fund monthly contribution reporting forms, provided the employees in question have signed a valid authorization card, authorizing such deduction. Employees dispatched from local unions other than Local 345 shall have District Council 16 Administrative Dues deducted from their wages as provided in Sections 5.5.2.1 and 5.5.2.2 of this agreement.

D.5.6.1 The working dues deduction shall be made each month by the remittance of said dues to the Southern California Pipe Trades Trust Fund, as Local Union No. 345's collection agent, not later than the 15th day of the succeeding month.

D.5.7 The work day shall be eight (8) hours, which shall be paid at straight time wage rates. Excluding hours specified in Paragraphs 4.1.1, 4.1.2, and 4.1.4, all other time worked, except Sundays and Holidays, shall be paid at one and one-half (1 1/2) times the hourly wage; Sundays and Holidays shall be paid at double time the hourly rate.

D.5.8 INCLEMENT WEATHER: In the event that an Employer's work, as defined herein, on a job is actually shut down for one (1) or more days during the normal work week by reason of inclement weather, the Employer shall be entitled to employ Journeymen and Helpers on the succeeding Saturday at straight time wage rates, but solely upon the following conditions:

D.5.8.1 In no event may Saturday straight time work be done, if, as a result thereof, any employee would work in excess of forty (40) hours of straight time wage rates during any week.

D.5.8.2 The Employer must give advance notice thereof to the Business Manager of the Local Union, which notice shall include: the day on which work was shut down for inclement weather, and the number of employees involved. Saturday worked in the absence of such notice shall be deemed to be double time work.

D.5.8.3 Saturday straight time work shall be solely on a voluntary basis, subject to the individual discretion and desire of the employees involved. In no case shall an employee be subjected to penalty or discipline for any refusal to do straight time Saturday work.

D.5.8.4 Any Employer abusing this provision by paying, or attempting to pay straight time wage rates for Saturday work, shall lose the right to do straight time Saturday work during the remaining term of this Agreement.

D.5.9 On Sewer and Storm Drain, and Underground Piping work, the Employer shall be permitted to use employees based on the following conditions:

D.5.9.1 The workman in charge of laying the pipe shall be a Journeyman.

D.5.9.2 All other employees may be a Journeymen, Apprentice or Pipe Tradesmen at the option of the Employer. Apprentice hiring shall be covered by the ratios established in 4.10.2 of this agreement.

D.5.9.3 Apprentices and Pipe Tradesmen shall not be permitted on any job that does not have a Journeyman assigned thereto by the Employer.

D.5.9.4 All work incidental to the laying of the pipe, except work requiring operators for motorized equipment shall be done by employees under the terms of this Agreement.

D.5.10 Sewer, Storm Drain and Underground Piping work shall include all Sewer, Storm Drain and Underground piping outside of property lines and all sewer, storm drain, and underground piping inside property lines, but which is outside of the building. No other type of piping installation (i.e water, gas, sanitary plumbing, etc.) shall be performed under this section which is inside or under any buildings.

D.5.11 Any Employer assigning men covered by this Section to work not covered by this Section and/or any employees covered by this Section found to be performing work not covered by this Section shall be subject to such penalties and/or damages as the Joint Arbitration Board may assess.

**APPENDIX E
WAGES & BENEFITS**

E.1 WAGE RATES AND BENEFITS

E.1.1 The hourly wage rates and fringe contributions stipulated in Appendix E.1 of this Agreement, shall apply to work performed by employees on all work covered by the terms of this Agreement in the following counties: Los Angeles, Orange, Riverside, San Bernardino, Imperial, Ventura, Santa Barbara, San Luis Obispo, San Diego, Kern, Mono and Inyo Counties, including all Offshore Islands and Platforms. Increases of Wages and Benefits shall be per the attached Wage Rate sheets. All increases not specifically stipulated shall be allocated at the sole discretion of District Council No. 16 by vote of its affiliate Locals.

E.1.2 The parties agree that in view of the distance of job locations within Military Reservations in Southern California and in view of job hazards and other uncertainties of work on those reservations, all work performed upon Military Reservations will be paid at the zone wage rates and benefits stipulated in Appendix E of this Agreement.

E.1.3 The Base Wage Rate for Apprentices shall be a percentage of the Base Wage Rate of Journeymen. The percentages shall be as follows: 1st Period Apprentice- Forty Five Percent (45%); 2nd Period Apprentice- Fifty Percent (50%); 3rd Period Apprentice –Sixty Percent (60%); 4th Period Apprentice – Seventy Percent (70%); 5th Period Apprentice- Eighty Percent (80%).

E.2 VACATION & HOLIDAY

E.2.1 Vacation and Holiday contributions on all overtime paid at time and one-half.

E.3 NATIONAL PENSION

E.3.1 The Employer agrees to contribute to the U.A. NATIONAL PENSION TRUST FUND in the amount stipulated under Appendix E. Each overtime hour shall be counted as one regular hour for which contributions are payable.

E.4 U.A.INTERNATIONAL TRAINING FUND

E.4.1 Commencing on July 1, 1998 and continuing for the duration of this Collective Bargaining Agreement, the Employer agrees to contribute to the U.A. INTERNATIONAL TRAINING FUND the amount stipulated in this agreement for each hour, or portion thereof, for which an Employee is paid or entitled to payment for performance of duties for the Employer. Each overtime hour shall be counted as one regular hour for which contributions are payable.

E.5 SUBSISTENCE REIMBURSEMENT

E.5.1 ZONES. The Employer shall select as a Local Zone Center, one of the following Zone Centers:

E.5.1.1 Local Union Hall, having jurisdiction over shop location, except the Zone Center for Local No. 78 & 250 shall be in the Los Angeles City Hall.

E.5.1.2 Contractor's shop or permanent place of business.

E.5.1.3 Between July 1 and July 15 of any year in which this Agreement is in effect, each Employer shall notify the Local Union in writing of the Zone Center he desires, with a copy to District Council No. 16; if he fails to so notify the Local Union and the District Council, he shall be deemed to have selected the Union Office. A Zone chosen under these provisions shall not be changed for the remainder of that year.

E.5.1.4 Where an Employer has at least one (1) man operating out of a valid branch operation, with permanent establishment and offices and active listed phone over twenty (20) hours per week for at least six (6) months, the Employer may select a Zone Center for such establishment. Job Site offices will not be considered as Zone Centers.

E.5.1.5 On jobs located in areas outside the Contractor's home area, the Zone Centers shall be the Local Union Hiring Hall having jurisdiction over the job, excluding men transferred under Paragraph 5.4.2.

E.5.2 The Employer shall pay subsistence at the minimum rate of fifty-six dollars (\$56.00) a day on all job sites fifty (50) miles and eighty-four dollars (\$84.00) a day on all jobs 100 or more air miles as listed in Appendix E, Paragraph E.5.4,

from the Contractor's zone center, as specified in Appendix E, Paragraph E.5.1, E.5.1.1 and E.5.2 except for all military reservations covered by this Agreement, (see Appendix E, Paragraphs E.5.1 for zone pay). The Contractor and Local Business Manager may, prior to the start of any project, mutually agree upon a different daily subsistence rate based upon actual reasonable costs supported by original receipts.

E.5.3 On jobs located on Offshore Islands or Platforms, the employees shall travel from the reporting point to the job site on Contractor's time. At the conclusion of the day, the return travel time shall likewise be paid by the Contractor at the applicable straight time rate. Travel time shall not be considered hours worked in computing overtime. If an overnight stay is required, lodging and meals shall be provided by the Employer.

E.5.4 Within the fifty (50) miles zone mentioned in Appendix E, Paragraph E.6.1, E.6.1.1 and E.6.1.2, the Contractor shall reimburse employees for ferry charge or bridge toll incurred daily going to and from the job.

E.5.5 Employees reporting for work for which subsistence is required, shall receive a full day's subsistence allowance at the specified rate for such job, unless they have been notified by the Contractor before the end of the last preceding shift, or the Employer has notified the employee prior to leaving home, not to report for work. Any employee leaving the job or project of his own volition shall have his subsistence prorated on the basis of actual hours worked.

E.5.6 All offshore installation of any kind off the coast of the area covered by this Agreement and outside the limits of the State of California shall be presumed to have been performed in the State of California, and Employer shall be required to make all withholding and wage deductions in accordance with the laws of the State of California.

E.6 SERVICE & REPAIR

E.6.1 If the employer furnishes a truck, \$2.00 per hour to be deducted from the base rate for each hour work.

E.7 FORMS

E.7.1 National Pension and U.A. Pension Training shall be combined and submitted to the U.A. using the proper forms.

E.7.2 National Pension Standard Form
See attached

E.8 DISTRICT COUNCIL 16 AND
LOCAL UNION ADMINISTRATIVE
DUES CHECK-OFF

E.8.1 District Council No. 16 and Local Union Administrative Due Check-Off shall be deducted from the base rate of all employees for each hour worked.

E. 9 RATE SHEETS
See attached.

APPENDIX F
STANDARD FOR EXCELLENCE
See attached.

APPENDIX G
STANDARD FOR SAFETY
See attached.
