

# **AGREEMENT**

by and between

**Designated Subsidiaries of Vigor Industrial, LLC**

and

**Metal Trades Department of the AFL-CIO  
Pacific Coast Metal Trades District Council  
Puget Sound Metal Trades Council  
Metal Trades Council of Portland and Vicinity**

And

**International Brotherhood of Boilermakers, Iron  
Ship Builders, Blacksmiths, Forgers and Helpers,  
AFL-CIO**

August 14, 2012 thru June 1, 2017

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### **Your Industrial Jobs Matter**

Industrial jobs, and the highly skilled people that perform them, are the lifeblood of our communities. At Vigor Industrial, through each of its wholly owned operating entities, we're doing everything we can to build and sustain good jobs at family wages.

Each of our jobs – the people that do them- supports another three or four additional positions in the community for vendors, suppliers, retailers, restaurants, public service providers and the like.

Shipyards have not been immune to the recent recession. But with smart management and exceptionally skilled employees Vigor Industrial companies are forging ahead.

Just how are we succeeding? Through the great industrial workers at Vigor owned operations doing what is needed to get the job done in a careful, smart, productive and considerate way.

Our individual stories are unique, but strengthened by a shared set of values. Each of our companies and communities, each with a proud past, all with a bright future, are pulling ahead together. We earn our wages one day at a time. And in doing so, we strengthen ourselves, our communities and our customers.

Your industrial jobs matter because you matter. These jobs are opportunities to sustain our communities and our families' well-being. **The people that do these jobs, exceptionally well each and every day- secure our future!**

### **This Partnership Matters**

Vigor's partnership with the Union, and this Collective Bargaining Agreement, represents our unwavering commitment to the above values. It reflects mutual commitment and responsibility, a foundation of trust, respect, and understanding of our shared and independent interests.

We have agreed to work through and around obstacles that get in the way of our success. The few times we may not be able to find a solution that meets the interests of both parties, we will quickly put the situation behind us and move on. Together we will take steps to unify the workforces to maximize our capabilities to build a strong future.

Our vision is to build and maintain an exceptionally talented workforce, capitalize on our flexibility, sustain a strong profitable business, and provide a compensation package that rewards outstanding technical skills, quality and productivity. The partnership is the foundation of our relationship. It is our responsibility to create a work environment that allows our Employees to easily turn the vision into reality.

We will continue to change, adapt, and capitalize on industrial opportunities. With a unified and highly skilled workforce, the possibilities for Vigor, our employees, and the communities in which we operate and live, are truly endless.

### **The Vigor Code:**

- **Be Smart** – Do the right thing the first time
- **Be Careful** – Do it safe all the time
- **Be Productive** – Do a full day's work for a full day's pay...every day
- **Be Flexible** – Do what is needed to get the job done
- **Be Considerate** – Treat everyone with dignity and respect

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and

**International Brotherhood of Boilermakers, Iron Ship Builders,  
Blacksmiths, Forgers and Helpers**

August 14, 2012 through June 1, 2017

### **PREAMBLE**

This Collective Bargaining Agreement (hereinafter "Agreement") is made and entered into by Cascade General, Inc., Washington Marine Repair, LLC, Vigor Shipyards, Inc., and Vigor Marine, LLC, hereinafter collectively called the "EMPLOYER" and the Metal Trades Department of the AFL-CIO, the Pacific Coast Metal Trades District Council, the Puget Sound Metal Trades Council, the Metal Trades Council of Portland and Vicinity, and the International Brotherhood of Boilermakers Iron Ship Builders, Blacksmiths, Forgers and Helpers representing UNIONS signatory hereto, hereinafter collectively called the "UNION." Note: where a provision impacts only a specific Employer or Union, such Employer or Union will be called out by name.

Notice to Union: The parties agree that whenever notice is required to be given by the Employer to the "Union" under this Agreement, such notice shall be directed to Boilermakers Local 104 as the designated agent for all union entities covered by this Agreement.

### **ARTICLE 1 SCOPE OF AGREEMENT**

#### **Section 1.1**

This Agreement shall cover all production, repair and maintenance Employees within the bargaining units in the employ of the Employers signatory hereto, and shall apply to all work and activities of the Employer in connection with the conversion, repair or scrapping of any vessel on the Pacific Coast, including but not limited to, dredges, floating dry-docks, offshore drilling vessels, barges, mobile drilling platforms, platforms and all component parts, plant equipment, and all auxiliary equipment used in conjunction therewith, excluding supervisors and security guards as defined under the Act. The parties agree that employees of existing Vigor Industrial subsidiaries not specifically named in the Preamble are not covered by this Agreement and the Union hereby agrees not to file any grievance, unfair labor practice or other claim over the same subject matter covered by the National Settlement and Agency Agreement dated July 12, 2012.

#### Section 1.2 PROJECT AGREEMENTS:

Special agreements will be utilized where necessary to increase market share and work opportunities by mutual consent of the parties. These agreements will be made prior to the commencement of the project. They will be written as "Letters of the Agreement" for each project.

#### Section 1.3 LOCAL AGREEMENTS:

The parties agree that they will enter into Local Agreements for each Employer covered by this Agreement to set forth applicable wage rates, pension contributions, health and welfare contributions, and any other matter as mutually agreed by the parties.

### **ARTICLE 2** **SUBCONTRACTING AND ASSIGNMENT OF WORK**

#### Section 2.1

It is Company's intent to utilize qualified bargaining unit personnel whenever practicable, however, the Employer reserves the right to both assign and subcontract work. The Employer and Union intend to work together to minimize the need to subcontract outside of the Vigor Companies. To that end, upon request of the Union the parties agree to meet and discuss how to increase the amount of available work to be performed by the Bargaining Unit.

#### Section 2.2

The parties agree that the work tenets highlighted in the Vigor Code are essential to the overall success in today's ship repair market. Continuous innovation to improve overall performance is essential for the organization's covered by this Agreement to remain viable.

It is equally essential that both parties work together to develop and promote new cooperative concepts that will facilitate better work practices. In this regard and to this end, it is agreed that when work is assigned to craft personnel employed at the different Vigor Industrial owned companies covered by this Agreement, it shall be assigned on the basis of the Employer's determination of an individual Employee's ability to work to the Code (smart, careful, productive, flexible, considerate) as well as skill, ability, and performance.

It is recognized and understood that inefficiencies and standby time are detrimental and are not desired by either party and are to be eliminated whenever possible.

#### Section 2.3

It is not the intent of the Employer to eliminate any craft being utilized, however, it is recognized that work assignments may overlap among crafts. Issues and disputes regarding traditional Craft jurisdiction between the Unions shall be resolved exclusively through the Metal Trades Department and their designated representatives.

### **ARTICLE 3** **RECOGNITION AND UNION SECURITY**

#### Section 3.1 RECOGNITION:

Cascade General recognizes the Metal Trades Council of Portland and Vicinity as the exclusive bargaining representative for all of its Employees covered by this Agreement, in all of the classifications contained in Schedule "A" of the Local Agreement for Cascade General and employed on work covered by the "Scope of this Agreement" as prescribed in Section 9(a) of the National Labor Relations Act as amended. The Metal Trades Council of Portland and Vicinity hereby designates the Metal Trades Department, AFL-CIO as its agent with

respect to the negotiation and administration of this Agreement.

Washington Marine Repair recognizes the Pacific Coast Metal Trades District Council as the collective bargaining agent for all of its Employees covered by this Agreement, in all of the classifications contained in Schedule "A" of the Local Agreement for Washington Marine Repair and employed on work covered by the "Scope of this Agreement" as prescribed in Section 9(a) of the National Labor Relations Act as amended.

Vigor Shipyards recognizes the Pacific Coast Metal Trades District Council and any individually recognized International unions as the collective bargaining agent for all of its Employees covered by this Agreement, in all of the classifications contained in Schedule "A" of the Local Agreement for Vigor Shipyards and employed on work covered by the "Scope of this Agreement" as prescribed in Section 9(a) of the National Labor Relations Act as amended. The Pacific Coast Metal Trades District Council and individually recognized International unions hereby designate the Metal Trades Department, AFL-CIO as its agent with respect to the negotiation and administration of this Agreement.

Vigor Marine recognizes the International Brotherhood of Boilermakers as the collective bargaining agent for all of its Employees covered by this Agreement, in all of the classifications contained in Schedule "A" of the Local Agreement for Vigor Marine and employed on work covered by the "Scope of this Agreement" as prescribed in Section 9(a) of the National Labor Relations Act as amended. After the expiration of the Vigor Marine collective bargaining agreement in 2015, The International Brotherhood of Boilermakers hereby designates the Metal Trades Department, AFL-CIO as its agent with respect to the negotiation and administration of this Agreement. The parties agree that the agency designation in this paragraph will automatically expire with the expiration of the National Settlement and Agency Agreement entered into by the parties on July 12, 2012.

#### Section 3.2 UNION SECURITY:

- (a) Employees included in the Bargaining Unit covered by this Agreement who are members of the respective Union as of the effective date of this Agreement shall, as a condition of employment, maintain their membership in the Union.
- (b) Employees included in the Bargaining Unit covered by this Agreement who are not members of the respective Union as of the effective date of this Agreement, shall apply for membership in said Union no later than the thirty-first (31st) day after such effective date; and all Employees who are accepted into membership into the Union shall maintain their membership in the Union as a condition of their employment.
- (c) Employees hired after the effective date of this Agreement shall apply for membership in the respective Union no later than the thirty-first (31st) day following the beginning of such employment, and all Employees who are accepted into membership in the Union shall maintain their membership in the Union as a condition of their employment.
- (d) The Employer, upon written request of the Union, shall discharge any Employee within one week after receipt of such notice, who fails to tender the periodic dues and initiation fees uniformly required by the Union as a condition of acquiring or retaining membership in good standing in the Union.
- (e) The parties agree that no employee will be required to change union affiliation already in existence as of the ratification date of this Agreement.

## ARTICLE 4

### UNION DUES CHECK-OFF ASSIGNMENTS

#### Section 4.1

In accordance with the terms of an individual and voluntary written authorization for check-off of membership dues in the form permitted by the provisions of Section 302(c) of the Labor Employer Act, as amended, the Employer agrees to deduct for working dues an amount of wages once each week which has been or will be in the future authorized by the membership. The working dues, which are deducted, shall be paid monthly by the fifteenth (15) day of the month following the month in which they are deducted and shall be submitted to Boilermakers Local 104 as the agent for all union entities covered by this Agreement.

An employee who desires their regular union dues to be deducted from their pay by the Employer and remitted to the Union shall submit a fully executed dues' deduction form referenced in Appendix of this Agreement.

#### Section 4.2

The Employer agrees to deduct from wages and transmit to the Employees Union Political Fund an authorized amount for each hour worked for those employees who have voluntarily authorized such contributions on the forms provided for that purpose by the Union. These transmittals shall occur monthly and shall be accompanied by a list of names of those employees for whom such deduction has been made, and the amount deducted for each such employee.

Each Union agrees to indemnify and hold harmless the Employer from any and all claims, actions, and/or proceedings arising out of said political fund.

## ARTICLE 5

### HIRING

#### Section 5.1

The Employer has the right to determine the competency and qualifications of its employees.

#### Section 5.2

All hiring and selection activities shall assure equal access to employment opportunities. At a location where an Affirmative Action Plan exists, specific hiring goals and objectives shall be factored into recruiting and selection efforts.

#### Section 5.3

When additional Employees are required:

- The Employer may request any previous employee by name and the Union shall refer such worker, if available.
- Whenever practicable, the Union will be given not less than twenty-four (24) hours advance notice so that the Union may have a reasonable opportunity to refer applicants for employment. Such notice shall be provided by the Human Resources Department or other designated representative of the Employer to include the number and specific or unique qualifications of the Employees needed.
- The Employer retains the right to call individuals to work directly when needed without prior notification to the Union where the need of additional personnel is required during after hours, weekends or holidays where the Union is closed.

#### Section 5.4

The Employer retains the right to reject any job applicant referred by the Union. The Employer shall notify the Union within a reasonable time frame following a referral with the reasons for rejecting an applicant.



#### Section 5.5

Both parties agree that pre-employment screening for criminal record and verifiable employment history is the prerogative of the Employer provided such practices will comply with all legal requirements and standards to ensure equal opportunity employment.

#### Section 5.6

The Employer may discharge any Employee for just and sufficient cause.

In addition to discharge for just and sufficient cause, the employer may terminate new hires without cause during the probationary period as described below.

New employees shall complete a 4 month probationary period. Such period shall consist of 4 months of employment with a minimum of 450 actual hours worked. During the probationary period, a newly hired employee may be terminated at any time without cause. During this period newly hired employees may receive corrective action and be given an opportunity for response; however, they shall have no recourse for the corrective action through the appeal or grievance process.

Once an employee has completed the probationary period within a twelve month period of time, he/she shall no longer be subject to this provision. Individuals that have a break in service of more than twelve consecutive months shall be treated as a new hire and therefore will be subject to the 4 month probationary period provision.

The Employer agrees to notify the appropriate Union in writing of the name or names of any former Employee or Employees not eligible for rehire.

#### Section 5.7

The Union agrees that it will not discriminate against non-Union workers in referring applicants to the Employer, and the Employer agrees to not discriminate against Union workers in selecting job applicants referred by the Union.

#### Section 5.8

If the Employer hires persons other than those referred by the Union, it shall advise the Union electronically in writing within two (2) working days after such person is hired as to the name, address, social security number, date of hire, classification, and rate of pay of such Employee. The Employer shall notify the Union of such hiring electronically in writing within two (2) working days as above. The same information shall be furnished by the Employer to the Union within forty-eight (48) hours after the termination of such Employee.

#### Section 5.9

All Employees referred to the Employer by the Union under this Article shall submit to the making of such records as are, or may be required by the Employer for the purpose of identification.

#### Section 5.10

In an effort to preserve a drug free and safe place to work, the Employer will test all new hires, and rehired employees unless such employee has successfully passed an Employer-administered test (of any of the Employers covered by this Agreement) within the last ninety (90) days.

#### Section 5.11

The Union and the Employer agree to hold each other harmless from any monetary damages or penalties assessed against them by any government agency or court of law because of any charge of unfair labor practice or act where such practice or act was proximately or solely caused by the Union or the Employer.

## **ARTICLE 6**

### **SUPERVISION**

#### **Section 6.1**

Supervision shall be selected with both a view to their ability to effectively lead others, and their knowledge and ability to perform the work at hand. Supervisors not in the bargaining unit at the time of their appointment shall join the Union in accordance with the terms of Article 5.8 of the Agreement.

#### **Section 6.2**

Supervisory employees shall be paid at least one dollar (\$1.00) per hour above the journey level rate or as otherwise designated in a Local Area Agreement.

#### **Section 6.3**

All Supervisors, hourly and salaried alike, shall be allowed to work with the tools. However, it is not the intent of the Employer to supplant bargaining unit employees with salaried personnel to perform production work. It is understood that salaried supervisors shall only use tools for work that is incidental and/or emergent in nature.

## **ARTICLE 7**

### **STANDARD WORK WEEK**

#### **Section 7.1**

Employee Work Schedules. Unless otherwise designated, the work week will consist of seven (7) consecutive twenty four (24) hour days. First and Second shift's work week shall commence at 12:01am Monday and end the following Sunday. Third shift's work week shall commence at 5:00 pm Monday and end the following Monday at 4:59 pm. The parties agree that work schedules other than a standard forty-hour Monday through Friday, or weekend based three twelve, work shift shall not be used arbitrarily and only when needed to accommodate specific needs of the Employer or Employees. Employees will be assigned in accordance with the provisions of this Agreement to work one of the following schedules:

(This refers to regular schedules, it does not refer to how overtime is scheduled or assigned)

- (a) Five (5) consecutive days of eight (8) hours followed by two (2) days off. (7/25/12)
- (b) Four (4) consecutive days of ten (10) hours followed by a minimum of two consecutive days off.
- (c) Three (3) consecutive days of twelve (12) hours followed a minimum of three consecutive days off. Completion of 36 hours worked will be compensated as 40 hours straight time pay, and shall also be used for vacation, holiday, and all fringe benefit funds such as health and pension plans. However, failure to work the three consecutive twelve-hour shifts will result in compensation, vacation etc., to be based on actual hours worked.
- (d) Other work schedules as arranged by mutual agreement.

No work schedule is permitted which would result in the payment of overtime for hours worked during the regular work shift.

Start times and lunch for all shifts will be established by the Employer and will be dependent on the nature of the work available.

## ARTICLE 8

### SHIFTS

Shift work shall be permitted in all classifications, without restrictions, on the following basis:

#### Section 8.1

Regular starting times of the day shift shall be between 5:00 AM and 9:00 A.M. An Employee's regular starting time shall remain in effect for the duration of the workweek; however, once during the workweek the Employer may temporarily change the starting time within the 5:00 A.M. to 9:00 A.M. range. Temporary starting times shall apply to all shifts. The Employer will provide as much advance notice of starting time change as feasibly possible.

#### Section 8.2

Employees transferred from one shift to another, unless relieved from work at least a full shift as set forth herein before starting their new shift, shall be paid the overtime rate for the first such shift worked. No Employee shall be transferred from his/her regular assigned shift to another shift more than once a workweek, except however, s/he may be returned to his/her regular assigned shift, except in extreme emergency or shortage of workers.

#### Section 8.3

Employees required to work overtime, unless relieved from work at least a full shift as set forth herein before starting to work on their next regular shift, shall be paid the overtime rate for the next such shift. However, in event an Employee is advised to report to work later than his/her normal starting time for the purpose of allowing him/her at least a full shift relief, s/he shall be paid only for hours worked.

#### Section 8.4 FIRST OR REGULAR DAYLIGHT SHIFT: (TA 7/26/12)

An eight and one half (8-1/2) hour period or ten (10-1/2) hour period less thirty (30) minutes for meals on the Employee's time. Pay for a full shift period shall be a sum equivalent to eight (8) times or ten (10) times the regular hourly rate with no premium.

#### Section 8.5 SECOND SHIFT:

An eight and one-half (8-1/2) hour period or ten (10-1/2) hour period less thirty (30) minutes for meals on Employee's time. Pay for a full second shift period shall be a sum equivalent to eight (8) or ten (10) times the regular hourly rate as set forth in Schedule "A." plus at least twenty-five cents (\$.25) per hour or as otherwise designated in the Local Area Agreement.

#### Section 8.6 THIRD SHIFT:

An eight and one-half (8-1/2) hour period less thirty (30) minutes for meals on Employee's time. Pay for a full third shift period shall be a sum equivalent to eight (8) times the regular hourly rate as set forth in Schedule "A," plus at least fifty cents (\$.50) per hour or as otherwise designated in the Local Area Agreement.

#### Section 8.7 TWELVE- HOUR WORK SHIFTS:

A thirteen (13) hour period less sixty (60) minutes for meals on Employee's time. Two (2) thirty (30) minute lunch periods, every four (4) hours on Employee's time shall be allowed. A lunch period shall be allowed, on the Employer's time, at the end of shift if required to work overtime.

#### Section 8.8

The first shift at the startup of any job may fall outside the regular shift language, since vessel arrival times are outside the control of the Employer. Subsequent shifts, however, will be scheduled to start within the parameters set forth in this Agreement.

## **ARTICLE 9**

### **WAGE SCALES**

#### **Section 9.1**

The Employer agrees to pay to its Employees and the Union agrees that its members employed by the Employer will accept the wage scales for the various classifications set forth and contained in Schedule "A" of the applicable Local Agreement.

#### **Section 9.2**

The wage scales established in Schedule "A" of the applicable Local Agreements shall be considered as minimum wage scales and shall not prevent the Employer from paying higher wages, as they deem appropriate.

## **ARTICLE 10**

### **OVERTIME**

#### **Section 10.1**

All time worked beyond the established work shift i.e., eight (8) hours, ten (10) hours, or twelve (12) hours, or any other mutually agreed to work shift, and/or hours worked beyond 40 in an established work week shall be compensated at the rate of one and a half times (1.5x) the straight time regular hourly rate. Employees working in excess of twelve (12) hours in schedule work shift shall be paid at two times (2x) the straight-time hourly rate. It is the Employer's intent to minimize employees working in excess of twelve hours in a work shift. Only time actually worked will count towards overtime, except as provided in Section 10.4.

#### **Section 10.2**

Employees required to work around the clock (three shifts) and required to continue work through their regular assigned shift, shall continue to receive pay at the applicable overtime rate.

#### **Section 10.3 LUNCH PERIODS:**

##### **(a) MID-SHIFT MEAL PERIOD, NON-OVERTIME SITUATION:**

An Employee required to work through his/her regular mid-shift meal period shall receive the established overtime rate for such meal period and shall thereafter be allowed another meal period to eat his/her meal on the Employer's time. If, for any reason, the Employer is unable to provide the second meal period before the end of the shift, the Employee will be paid a second one half (1/2) hour at the overtime rate.

##### **(b) MEAL PERIODS FOR DAILY OVERTIME SITUATIONS:**

An Employee who works more than two (2) hours past his/her regularly scheduled shift shall be given an additional meal period of thirty (30) minutes on the Employee's time. If the meal period is not given by the end of the third (3rd) hour of continuous overtime, the Employee shall be provided a thirty (30) minute meal period on the Employer's time at the applicable overtime rate. An Employee not given an opportunity to eat his/her lunch on the Employer's time shall be paid an additional one (1) hour overtime. Employee's that continue to work overtime shall be allowed a meal period of thirty (30) minutes on the Employer's time for each additional four (4) hours continuously worked following the aforementioned meal period.

#### **Section 10.4**

Holiday pay shall be treated as time worked for the purposes of calculating overtime. All other forms of paid leave shall not be treated as time worked for purposes of calculating overtime.

## **ARTICLE 11**

### **HOLIDAYS**

#### **Section 11.1**

An Employee who works an eight (8) hour, five (5) day a week shift shall receive eight (8) hours the straight time day shift rate of pay, or an employee who works a ten (10) hour, four (4) day a week shift shall receive ten (10) hours of pay at the straight time day shift rate for the following holidays, provided:

- (a) The Employee has a hire or rehire date, whichever is more current, at least fifteen (15) calendar days immediately prior to the recognized holidays and s/he works the day before and after the designated holiday.

Exception will be made in cases:

- (1) Where absence on the work day prior to or the work day following was due to industrial injury or bona fide illness (documented by a doctor's certificate or other evidence of illness), either of which occurred sometime during the five (5) calendar days prior to the holiday.
- (2) Where the absence is due to an Employer approved time off request. (Request must be submitted in advance of the Holiday, in writing).

#### **Section 11.2**

The following are official paid holidays for all full time employees.

<b>No.</b>	<b>Holiday Observed</b>	<b>Date Recognized</b>
1	New Year's Day	January 1
2	Presidents' Day	Third Monday in February
3	Memorial Day	Last Monday of May
4	Independence Day	July 4 <sup>th</sup>
5	Labor Day	First Monday in September
6	Thanksgiving Day	Fourth Thursday in November
7	Day After Thanksgiving	Fourth Friday in November
8	Christmas Day	December 25 <sup>th</sup>
9	Day Before or After Christmas	*As Designated By Operations
10	Day Before or After New Year's Day	*As Designated By Operations

\*Advance notice shall be provided to employees as to which day will be designated

#### **Section 11.3**

All time worked on the aforesaid holidays shall be compensated for at two times (2x) the regular straight-time hourly day shift rate of pay.

#### **Section 11.4**

Should any of the above holidays fall on Sunday, the day observed by the Nation shall be considered a holiday and compensated accordingly. In cases where the above listed holidays fall on Saturday, the preceding Friday shall be observed as the holiday.

## **ARTICLE 12**

### **VACATIONS**

#### **Section 12.1**

An Employee shall be eligible to accrue vacation pay upon a) working 160+ hours and b) completion of their first six (6) months of employment. Should an employee not achieve 160 hours during this initial six month period then time worked in the following month (7<sup>th</sup>) shall be counted dropping off the first month and so on.

- (a) Upon completion of the eligibility requirement vacation pay shall accumulate at the rate of 5% for each hour worked beginning on the first day worked of the month following their eligibility, unless otherwise designated in the applicable Local Agreement.

#### Section 12.2

Employees are encouraged to take their vacation and may do so at any time of the year. Vacation may not be taken in increments of less than one work shift. Vacation compensation shall not be considered as time worked.

Actual time off requires advance supervisory approval. In no circumstances shall vacation leave be considered as a layoff from employment.

#### Section 12.3

Actual time off requires advance supervisory approval so that arrangements may be made to avoid any inconvenience to the customer. An Employee deciding to take their vacation pay in lieu of time off may do so only one time per month. When an Employee who is currently employed decides to request vacation/vacation pay, the Employee must complete a vacation/vacation pay request form available in the main office and have supervisor approval before vacation can start. When vacation pay is approved, the vacation paycheck will be mailed to the Employee's address on file in the main office unless other previous arrangements have been made with the office. Employee vacation pay requests will be processed once a month.

#### Section 12.4

Vacation not taken during the year will be paid out automatically on an Employee's hire-in anniversary date and mailed to the last known address on file in the office.

#### Section 12.5

It is understood and agreed by the signatory Parties that vacation pay accrued shall be paid to qualified employees upon termination for cause or voluntary quit. Vacation benefits shall immediately cease when an employee is terminated for cause or voluntarily quits.

### **ARTICLE 13** **NO LIMITS ON PRODUCTION**

#### Section 13.1

There shall be no contract, or task work, nor shall there be a limit on, or curtailment of production or any self-imposed restrictions placed or imposed by the Union or the Employer.

### **ARTICLE 14** **DIRTY WORK**

#### Section 14.1

The parties recognize the nature of work within the shipyard industry requires working in conditions more dirty, disagreeable, and unpleasant than in other industries in the trades. Therefore, it is the intent of the parties to limit the applicability of dirty pay to Employee's in situations that are exceptionally dirty, disagreeable, or unpleasant relative to shipyard work. The Employer shall determine in advance what areas warrant dirty pay or human waste pay, but shall not exercise this prerogative arbitrarily.

#### Section 14.2

The Employer shall provide necessary appropriate protection (i.e. clothing, gloves, breather) when working on septic systems. It is not the intent of this provision to discontinue the use of tank cleaning and other cleaning

services. The Employer will implement a policy to flush and sanitize all septic systems prior to beginning repair work. The dirty pay penalty will be paid at the rate of time and one-half (1-1/2) during the regular workweek or at the rate of two (2) times the regular rate during overtime situations. However, when cleaning or working in septic systems containing human waste, double time (2) shall be paid for all classifications.

#### Section 14.3

When an Employee's clothing or body becomes contaminated with human waste, water or oil due to circumstances beyond their control, and when the incident is properly reported, the Employee shall be given a reasonable opportunity, on the Employer's time, to clean up and/or change clothing. When circumstances require the Employee to leave the yard or job site before the end of the shift they shall be compensated (not to exceed two (2) hours). Otherwise they shall be paid at the straight-time rate until the end of the shift. The Employer shall make available at no cost to the Employee(s) proper preventative medical care for blood borne illnesses or other diseases that may be caused by exposure to human waste.

### **ARTICLE 15** **REPORTING PAY AND MINIMUM PAY**

#### Section 15.1

Employees reporting for work that arrive on time or as otherwise scheduled, unless advised by the Employer at least four (4) hours prior to such time to not report for work, shall receive not less than four (4) hours pay. Shift hours shall not be reduced arbitrarily.

#### Section 15.2

Employees required to report for work not continuous with their regular assigned shift hours, or on their scheduled day off and holidays, and that arrive to work as directed, shall receive not less than two (2) hours pay at the applicable overtime rate.

#### Section 15.3

Employees required to report for work and not used shall receive four (4) hours straight time pay. An Employee refusing another assignment of work and electing not to work for the show up hours will not receive show up pay.

#### Section 15.4

The foregoing rules (Sections 15.1, 15.2, and 15.3) shall not apply where an Employee is not put to work because of bad weather, vessel availability or breakdown of machinery, except that this shall not be construed to cover failure to have work.

#### Section 15.5

Employees who fail to report as scheduled, voluntarily quit or are discharged for cause shall be paid only for actual hours worked.

#### Section 15.6

Employees not at work on the day a shutdown or layoff occurs, shall be considered to have received notification of such shutdown or layoff that they would have received if they had been working, however, the Employer shall attempt to contact the absent Employee(s) at the phone number on file.

#### Section 15.7

In the event the supervisor requests the Employee who has reported for work at his/her regular starting time and in unworkable weather to remain on the premises with the expectancy of starting work later if the weather clears, such Employee shall be paid for such waiting time, which in no case shall be less than four (4) hours pay at his/her regular rate of pay.

## **ARTICLE 16**

### **SAFETY AND SUBSTANCE ABUSE PROGRAM**

#### **Section 16.1 SAFETY:**

In the Spirit of Vigor's Code – specifically BE CAREFUL – do it safe all the time – All Employees are dedicated to the concept that all accidents are preventable. Accordingly, all Parties are committed to achieving and sustaining Zero Accident Tolerance through continuous improvement practices. Managers, Supervisors and Employees shall enforce and uphold safety health and sanitation measures as required by law and take appropriate corrective action to eliminate hazardous conditions and practices. All Employees are expected to follow safety rules and policies.

Safety is the responsibility of the Employer by law, and each Employee by Company policy. To that end, Joint Safety Committees shall meet regularly to discuss safety and health issues and shall work toward the intention of the Vigor Code. Each Joint Committee shall work to improve and reduce injuries and incidents that cause harm to the Employer or its Employees. The Union is fully committed to assist in improving overall safety.

#### **Section 16.2**

Prompt ambulance service and first aid to injured workers shall be provided on all shifts. All first aid personnel shall be identified and signs indicating location of first aid stations shall be posted.

#### **Section 16.3**

An Employee suffering an industrial injury who is advised not to resume work by a nurse, first aid attendant or by a physician shall be paid, pursuant to the terms of this Agreement, to the end of the shift on which the injury occurred. In the event an Employee reports an injury immediately following its occurrence to the nurse, first aid attendant, or physician, and had completed working the shift during which they sustained the injury, and the following day after reporting for work, is advised by the nurse, first aid attendant or physician to whom they were referred to by the Employer, not to continue work because of said injury, they shall be paid to the end of said shift.

#### **Section 16.4**

It is understood that matters dealing with safety should be presented first to the Employer and/or the safety committee prior to the matter being referred to governmental agencies.

#### **Section 16.5**

When an Employee is directed by the Employer to undergo a physical exam, the Employer shall pay the exam in full and the Employee shall be paid for his/her time. The Employer shall pay pre-employment physicals in full but the applicant shall not be paid for the time.

#### **Section 16.6 SUBSTANCE ABUSE PROGRAM:**

An Employee who is under the influence of alcohol or drugs is a danger, not only to themselves but all Employees. The parties have agreed to work together to create a work environment free from the effects of Employees impaired by the use of alcohol or drugs, through the use of pre-hire, random, and for cause testing. Further unauthorized possession, manufacture, use, or distribution of alcohol and drugs within the work environment is strictly prohibited. Failure to comply with these expectations can and will result in corrective action up to and including termination of employment and/or employment eligibility.

#### **Section 16.7**

Every Employee shall be subject to the conditions outlined in the Employer's Drug & Alcohol (D&A) Policy.



The Employer also retains the right to amend the terms and conditions of the D& A Policy for the purpose of modifying it due to the changing needs of the Employer's customer or to stay in compliance with legislation. The Employer shall notify the Union within five (5) working days of changes to terms and conditions in the Employer's D&A Policy. This Employer's D&A Policy will have no expiration date and will not be affected by the duration of this contract. This provision shall not be construed as limiting the Union's rights under Article 22, Grievances and Complaints.

#### Section 16.8

When work is assigned to entities or personnel not covered by this Agreement, the Company shall obtain verification that the above safety and drug and alcohol tenets, and other Company safety standards, are complied with.

### **ARTICLE 17** **UNION REPRESENTATIVES**

#### Section 17.1 UNION BUSINESS REPRESENTATIVES:

After informing and receiving permission from a salaried supervisor, the Union representative may visit the work location of employees covered by this Agreement, provided the Union representative adheres to all safety and work rules. Union membership or legal Union activity shall be allowed at the job site when such activities are not carried on during working hours or so as to interfere with production.

The utilized signatory Unions designate Boilermakers Local 104 as their agent for all purposes under this Agreement. The Boilermakers Local 104 Business Representative shall represent those Unions for the purposes of the interpretation of application of any specific provision of this Agreement, and shall be the only Business Representative authorized to represent the Unions in grievances filed under Article 22, Grievances and Complaints.

The Business Representatives shall have access to work areas by carrying the proper credentials and access pass. This access will be authorized only if proof of current automobile insurance, valid driver's license and other proper identification are provided by the Business Representative. When on the premises, the Business Representative will notify the Security Representative. It is the intent of the Union not to interfere or cause employees to neglect their work.

#### Section 17.2 SHOP STEWARD:

It is recognized by the Employer that a Shop Steward is desirable for the proper administration of the terms of this Agreement. The utilized signatory Unions shall appoint one (1) designated Lead Shop Steward at each location for business entities covered by this Agreement for the administration and procedural issues of this Agreement for the bargaining unit Employees in the current employment of the Employer. Such Lead Shop Steward shall be qualified to perform the work available and shall have no noted performance deficiencies. The Employer also recognizes that it is desirable that the person designated as the Lead Shop Steward shall receive his/her fair share of the work that s/he is qualified to perform. When the Employer has advance knowledge of an impending layoff, twelve (12) hours advance notice will be given the Lead Shop Steward when lay off occurs. The Lead Shop Steward shall be the last Employee to be laid off, provided that s/he is qualified to perform the available work.

The Lead stewards shall perform their duties in an efficient and cost effective manner.

In addition, any local affiliated Union may designate a Shop Steward to represent their utilized members. However, for the purpose of administrative and/or procedural issues the individual Shop Steward shall coordinate with the Lead Shop Steward to communicate issues to the Employer.

### Section 17.3

The Employer will not in any way discriminate against the Lead Shop Steward for presenting any complaint, dispute or grievance to their Supervisor or to the Employer in the manner provided for in this Agreement. In no event shall the Employer discriminate against a Steward in the matter of layoffs or rehires or discharge him/her on account of the proper performance of his/her duties.

### Section 17.4

The Union shall advise the Employer of the name of the Shop Steward currently elected or appointed, in writing. The full grievance procedure as set forth herein shall be available to the Union that feels that its Shop Steward has been discriminated against.

## ARTICLE 18

### PAY DAY

#### Section 18.1

Paydays shall be weekly and in no case shall more than seven (7) calendar day's pay be held back.

#### Section 18.2

In case an Employee is laid off quits, or is discharged by the Employer, s/he shall receive their pay in compliance with State Law.

#### Section 18.3

All paychecks will be available at the Employer's office on Friday mornings by noon, regardless of Employee's shift.

#### Section 18.4

Any error in an Employee's pay check which is greater than fifty dollars (\$50.00) shall be corrected by the Employer within three (3) working days from the time the error was brought to the Employer's attention; otherwise the error shall be corrected on the next regular pay day. It is further agreed that when the Employer does not provide the pay correction within three days of being notified of the error, the Employer shall pay a penalty pay of two (2) hours at the employee's straight time rate per day thereafter until the error is corrected.

## ARTICLE 19

### TRAVEL TIME AND OUT OF YARD WORK

#### Section 19.1

If assigned to a job considered to be "out of town" or outside the general commuting area, the Employer may provide a transportation vehicle. The driver of the vehicle shall be selected by Management and shall receive compensation for time spent driving the vehicle. Passengers in the vehicle shall receive compensation equivalent to no less than one (1) hour of overtime in consideration for time spent as a passenger. All such Employees shall report directly to the assigned job site on time as scheduled. Additionally the Employer will pay all related vehicle fees incurred (bridge tolls, ferry fares, parking fees) to travel from the Employer's place of business to the job site. It is the intent that employees traveling and working out of town (a radius of more than 65 miles (meaning outside the Local Commute Area) to be compensated for travel time as required by law.)

The Employer will annually review and update the defined commuting areas for employees. Presently, the general commuting area is considered to be travel radius of 65 miles or less from the Employee's regular place of employment. The Employer, at its discretion, agrees to provide either transportation for Employees (i.e. van or bus) or a daily stipend of no less than \$15 when an Employee is assigned to an operating location that is more than 35 miles one way from their regular place of employment.

#### Section 19.2

Employees sent to work out of town shall be provided with reasonable lodging, which may include sharing a room with another Employee. "Reasonable lodging" will meet or exceed a double star standard as established by travel sites such as Expedia, Orbitz, and/or the American Automobile Association.

At the Employer's discretion reimbursement or a flat daily per diem, for reasonable meal expenses will be provided. The established per diem rates shall be reviewed periodically at the regular Labor Management Meetings. The Employer shall provide transportation or pay mileage allowance not to exceed the IRS recommended guideline. Unusual circumstances will be handled on their individual merits. Reasonable air transportation shall include travel, other than First Class ticketing, and applicable baggage fees. Other airfare premiums shall be paid solely at the Employer's discretion.

Out of town jobs lasting more than one (1) day, shall be considered the "place of employment" for the duration of that assignment and Employees shall be required to report directly to such job location, at their assigned shift starting time, and without travel time.

#### Section 19.3

Alternatively, and at the option of the Employer, Employees who provide their own RV's or wish to secure their own out of town accommodations shall be given \$50 per day. Employee's allowed this option will be required to maintain reasonable communications with the Employer.

#### Section 19.4

There will be no guaranteed minimum number of hours worked per day for out of town work, although the Employer will attempt to maximize the Employee's earning opportunities in such situations. If work is temporarily not available during out of town work situations and Employees are asked to standby, Employees will continue to receive expense allowances as provided in this Article.

#### Section 19.5

Individuals that are selected for out of town travel will be notified of specific conduct expectations prior to leaving town. Employee may be held personally responsible for any damage they have done at a hotel/motel or for any extraordinary cleaning fees incurred. Employees that engaged in conduct (extraordinarily loud, parties etc.) in a hotel room which results in a serious complaint to the Employer and/or being removed from the property will be sent home at their own expense.

### ARTICLE 20

#### WELDING

##### Section 20.1

The parties recognize that certification to specific welding procedures is required to perform work related to ship repair. Active employees when required by the Employer to take a test during their regular shift shall be paid for the time required to take the test for each successfully completed weld test. Active employees when required to take a test outside of their regular shift shall be paid a minimum of four (4) hours straight time day shift rate for each successfully completed weld test. The Employer shall not pay for failed weld tests. Individuals failing to successfully complete a weld test will not be permitted to retest for a minimum of thirty (30) days following the date of the most recent failed exam. Permission to retest within the aforementioned waiting period will be given only at the express written consent of the Employer. Employees shall practice to take tests required for employment on their own time. Reasonable access to welding equipment and materials shall be provided by the Employer or through the Union and their training facility.

## ARTICLE 21

### NO STRIKE, LOCK-OUT OR INTERFERENCE OF WORK

#### Section 21.1

There shall be no lockouts on the part of the Employer, nor suspensions or slow-downs of work, mass sick call ins, or strikes including sympathy strikes on the part of the Employees. This agreement is a guaranty that for its duration there will be no strikes, production slow-downs nor interference, nor lockouts, and that all complaints, grievances or disputes arising under its provisions will be settled pursuant to the grievance procedure outlined in this agreement. If any such activity takes place, the Union will immediately notify all Union agents, officers, representatives and bargaining unit members engaging in such activities to cease and desist, and publically declare that such activity is in violation of this Agreement and is unauthorized. In the event the Union fails to fully and faithfully discharge its duties under this Article, the Employer shall be entitled to recover its losses incurred as a result of activity in violation of this Article. However, the Employer agrees that in consideration of the due performance by the Union of the undertakings herein assumed by it with respect to preventing and terminating violations of this Article, there shall be no liability on the part of the Union, its officers, agents, or on the part of its members as such for damages or otherwise. Employees who refuse to cross a picket line may be immediately terminated from employment and such action shall not be subject to appeal. However, employees that refuse to go through a picket line out of concern for personal safety, as verified by the Union and Employer and/or law enforcement personnel, shall not constitute a violation of this clause of the agreement or be cause for discharge.

#### Section 21.2

Notwithstanding the foregoing, no employee of one of the covered entities will be compelled to perform the "struck work" of employees of another covered entity engaged in a lawful strike. For purposes of this section, "struck work" means the work being performed by the employees engaged in a lawful strike immediately prior to the strike, at the location where the striking employees were working immediately prior to the strike. "Struck work" under this provision does not include the work of any employees who are not on strike, and non-striking employees covered by this Agreement will be required to cross a picket line to continue to perform their own work, in accordance with the Section 21.1.

#### Section 21.3 Language

The parties acknowledge that each Local Agreement is a critical piece of the overall collective bargaining agreement for the employer and the bargaining unit covered by the Local Agreement. Therefore, the parties agree that those portions of the Master Agreement that are not considered part of the *status quo* upon contract expiration -- namely Section 3.2, Union Security, Article 4, Union Dues Check-off Assignments, Article 21, No Strike, Lockout or Interference of Work, and Sections 22.8 and 22.10, Arbitration -- will expire contemporaneously with each Local Agreement, but only for the particular employer and bargaining unit whose Local Agreement has expired. The parties further agree that in the event of a strike, lockout or other interference or stoppage of work upon the expiration of a Local Agreement, the entire Master Agreement shall be considered expired for the employer and bargaining unit covered by the expired Local Agreement.

## ARTICLE 22

### GRIEVANCES AND COMPLAINTS

#### Section 22.1

The purpose of this procedure is to provide an orderly method for resolving grievances. A determined effort shall be made to settle any such differences at the lowest possible level in the grievance procedure; and there shall be no suspension of work or interference with the operations of the Employer.

#### Section 22.2 GRIEVANCES:

A "grievance" means a claim or dispute with respect to the interpretation or application of the provisions of this Agreement. An Employee or group of Employees who feel they have a grievance shall notify the appropriate member of Management as prescribed in this section.

From time to time, the Employer will designate a manager in each business unit and/or regional operation to receive grievance notices. Such designation shall be provided to the Union in writing.

The parties agree that every effort should be made to resolve grievances informally with the first level supervisor or others, as appropriate, and to settle grievances at the lowest possible level. The grievant and/or the Union and the appropriate Employer representative shall meet, if necessary, to attempt to resolve the grievance at any step.

#### Section 22.3

**Step 1.** If unable to resolve the grievance informally with the immediate supervisor, the Lead Shop Steward or Local 104 Business Representative shall present the grievance in writing to his/her immediate supervisor. Copies of the grievance shall be filed with the supervisor. The apparent existence of a grievance should be presented as soon as possible, but not later than five (5) calendar days following the date of the occurrence or circumstances giving rise to the grievance. The written notice shall include:

- (a) The specific facts giving rise to the grievance, including the date the grievance arose;
- (b) The section of the Agreement claimed to be violated;
- (c) The remedy sought;
- (d) The date and signature of the grievant, and/or Union representative;

#### Section 22.4

The parties will meet no later than five (5) calendar days following such notice to resolve the issue. The supervisor will provide a written statement of whether the grievance was resolved at Step One within five (5) calendar days after the termination of such meeting.

#### Section 22.5

**Step 2.** If the grievance is not resolved at Step 1, the Lead Shop Steward or Local 104 Business Representative shall submit the written grievance to the designated Manager within fourteen (14) calendar days, following the supervisor's response. The designated Manager shall respond in writing to this grievance within fourteen (14) calendar days.

#### Section 22.6

**Step 3.** If the grievance is not resolved at Step 2, the Lead Shop Steward or Local 104 Business Representative may submit the written grievance to the Human Resources Department as the Employer's designee for Labor Relations within fourteen (14) calendar days of receipt of the designated Manager's response. The Employer's Representative(s), and Union representative(s) shall meet not later than fourteen (14) calendar days following date of presentation of the written grievance to attempt to settle the dispute. The Human Resources Representative will provide a written decision on the matter to the Union not later than fourteen (14) calendar days following the meeting.

#### Section 22.7

**Step 4.** Not later than fourteen (14) calendar days following the conclusion of Step 3, either party may submit the grievance to the Standing Committee for review. This Committee shall consist of: the International Union Representative or their designated representative, the Local's Business Representative and two members of the Employer's senior management team. The Standing Committee shall meet within twenty (20) business days of

receipt of the request for a Standing Committee hearing. The goal of this meeting is to consider the facts of the grievance, the applicable contract terms, and determine if an acceptable resolution can be reached. If a settlement is reached, it shall be written and signed by the parties and shall be considered final and binding.

#### Section 22.8

Step 5. If a satisfactory resolution is not achieved from Step 4 within twenty (20) working days, then either Party may within ten (10) working days thereafter give written notice of arbitration to the other party. The parties shall first attempt to agree on a mutually acceptable arbitrator. If the parties cannot agree on an arbitrator within fourteen (14) calendar days, the party initiating the grievance will request from the Federal Mediation and Conciliation Service a list of seven arbitrators. The cost of the list will be equally borne by both parties. The arbitrator will be chosen from the list by alternate striking of arbitrator names. When each party has stricken three names, the remaining arbitrator shall be appointed to resolve the grievance. The order of striking names will be determined by the flip of a coin, with the loser going first on striking names from the list.

#### Section 22.9 TIME LIMITS:

**Time Limits.** The time limits set forth in this Article may be extended by mutual written agreement between the Employer and Union. If the Union or the Employer files a grievance and fails to adhere to any of the time limits for processing grievances, the grievance will be deemed abandoned. If the Employer fails to respond to a grievance within the specified timelines, the grievance will be advanced to the next step of the grievance process.

#### Section 22.10 ARBITRATION:

The decision of the arbitrator shall be final and binding upon the parties. The scope of the arbitration shall be limited to the issues of fact and disputed application to this Agreement raised by the aggrieved Employee, Lead Shop Steward or Local 104 Business Representative.

Each party shall bear the costs of presenting its own case, including witness fees, attorney fees, arbitrator expenses, and time lost from work by its witnesses and representative. If either party desires a verbatim transcript of the proceedings, the parties shall split the costs of the court reporter and of the arbitrator's copy of the transcript.

The arbitrator shall have no authority to modify or alter the terms of the Agreement, but shall be limited to interpretation of the Agreement. Only one dispute or grievance shall be the subject of any arbitration unless the parties expressly agree to the contrary. In his/her decision, the arbitrator shall specify whether or not the decision is retroactive and the effective date thereof, providing that in no case shall the finding be retroactive beyond the date the grievance was filed.

#### Section 22.11 INFORMAL DISCUSSION PERMITTED:

Nothing in this Article is intended to preclude or prohibit informal discussion of a potential grievance between an Employee, Lead Shop Steward, Local 104 Business Representative, and the appropriate member of Management, provided that the time limits set forth above are followed.

#### Section 22.12 CONFIDENTIALITY:

All proceedings, meetings, and discussion related to grievances shall be limited in attendance to the parties and their designated representatives. All documents and information relative to the grievance and resolution thereof shall be considered as exempt from public disclosure to the extent allowed by law, until the conclusion of the final proceeding.

#### Section 22.13 EMPLOYER INITIATED GRIEVANCE:

The Employer is entitled to initiate a grievance against the Union. Within fourteen (14) days of the date giving rise to the grievance, the Employer representative shall advise the Lead Shop Steward or Local 104 Business Representative in writing, of the grievance. The Employer and Union representatives shall meet not later than

fourteen (14) calendar days following date of presentation of the written grievance to attempt to settle the dispute. The Union shall respond in writing within seven (7) calendar days. Within fourteen (14) days of receipt of the Union's response, the Employer may submit the grievance to arbitration as provided in Step 4 above.

## **ARTICLE 23**

### **TRAINING**

#### **Section 23.1**

Effective the first payroll following ratification of this Agreement, the Employer shall place \$.05 cents for each hour worked by a bargaining unit Employee into a separate account owned by the Employer but designated solely for training activities. A training advisory committee consisting of an equal number of Union and Company members (not to exceed 10 members) shall be established to determine training priorities and activities supported from this account, but disbursements from the account shall be made only by the Employer's chief financial officer, or that person's designee, consistent with the training activities authorized by the training committee or determined below. In the event the Committee cannot reach consensus in how funds in the account shall be utilized, the Chief Executive Officer or his/her designee shall have the final determination of how such monies are utilized and his/her decision shall not be subject to appeal.

## **ARTICLE 24**

### **HEALTH & WELFARE AND PENSION PLAN**

#### **Section 24.**

The parties agree that Health and Welfare and Retirement plans shall be as specified in the applicable Local Agreement. To the extent feasible, all Health and Welfare and Pension Trust contributions shall be sent to Local 104 as the agent of all signatory unions.

## **ARTICLE 25**

### **TOOLS**

#### **Section 25.1**

Employees will be furnished tools, unless other terms are agreed to in a Local Area Agreement. The Employees shall be responsible for and take all reasonable care and precaution to protect these tools from damage, loss, or theft. The Unions agree to cooperate with the Employer in exercising the intent of this Article toward Employees who are negligent with property supplied to them by the Employer.

#### **Section 25.2**

Employees shall have sufficient time prior to the end of such shift to put away tools on the Employer's time. Determination of sufficient time shall be at the Employer's discretion.

## **ARTICLE 26**

### **LEAVES**

#### **Section 26.1 MILITARY LEAVE:**

Employees enlisting or entering the military or naval service of the United States of America, pursuant to the provisions of USERRA Act of 1994, shall be granted all rights and privileges provided by the Act.

#### **Section 26.2**

All Employees shall be granted a leave of absence in order to fulfill their obligations to serve in the military services of the United States, active or reserve, including any state or federal National Guard.

### Section 26.3

Employees' required to report for: Active Duty Reserve, National Guard Duty, or annual Reserve Duty, after completing 90 days employment from date of hire, shall receive their regular hourly rate of pay not to exceed eighty (80) hours minus military pay in any twelve (12) month period. Evidence of service/pay shall be presented to the Employer.

### Section 26.4 BEREAVEMENT LEAVE:

After working 90 cumulative hours within three (3) calendar months, Employees shall be eligible for up to: five days (5) days of paid bereavement leave due to the death (or imminent death) of a spouse or domestic partner, and up to three (3) days of paid bereavement leave due to the death (or imminent death) of an immediate family member as defined herein: Parent/Parent-in-law, Child/Step-Child, Sibling/Sibling-in-law, Grandparents, Grandchildren, Spouse of a Child, or a relative residing in the same household as the Employee

Bereavement pay is determined by an employee's hourly straight time rate at the time of absence and does not include premium pay such as shift differential. Employees may be asked to verify family relationship and death.

### Section 26.5

To the fullest extent permitted, the parties agree this Collective Bargaining Agreement shall operate to waive any provisions of the San Francisco Paid Sick Leave Ordinance, San Francisco Administrative Code Section 12W, and shall supersede and be considered to have fulfilled all requirements of said Ordinance as presently written, and or amended during the life of the Collective Bargaining Agreement.

### Section 26.6

To the fullest extent permitted, the parties agree the Agreement shall also operate to waive any provisions of the City of Seattle's Sick Leave Ordinance which extends to Safe Leave as well, and shall supersede and be considered to have fulfilled all requirements of said Ordinance as presently written and or amended during the life of the Collective Bargaining Agreement.

## **ARTICLE 27**

### **WARRANTY OF AUTHORITY**

#### Section 27

The officials executing this Agreement on the behalf of the Employer and the Unions signatory hereto hereby warrant and guarantee that they have the authority to act for, bind, and collectively bargain in behalf of the organizations, which they represent.

## **ARTICLE 28**

### **MANAGEMENT RIGHTS**

#### Section 28.1

Subject only to the specific provisions of this Agreement, the management and direction of the working force and the assignment of work shall be the exclusive function of the Employer; provided, however, this shall not be construed as limiting the Union's rights under Article 22, Grievances and Complaints.

## **ARTICLE 29**

### **LABOR MANAGEMENT MEETINGS**

#### Section 29.1

In the spirit of collaboration, Labor-Management meetings will be held regularly; ideally no less than once a quarter. To provide for productive sessions, agendas will be established in advance of the meetings and shared with those scheduled to attend. Periodically summaries of the meeting discussion points and action items will be



distributed to employees and managers of the various locations. The parties agree that it is important to have strong Labor-Management relations at each location covered by this Agreement.

### **ARTICLE 30**

#### **NO DISCRIMINATION**

##### **Section 30.1**

The provisions of this Agreement will be applied equally to all employees. The Employer and Union agree that there will be no discrimination in employment because of race, color, national origin, age, sex, veteran status, union affiliation, sexual orientation, or mental, physical or sensory disability, as defined by Federal and State Laws or any other legally protected status. Compliance with State and/or Federal laws shall not be considered discrimination.

### **ARTICLE 31**

#### **SAVING CLAUSE**

##### **Section 31.1**

Should any part hereof or any provision herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation, or by any decree of a court of competent jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions hereof; provided, however, upon such invalidation the parties agree immediately to meet and negotiate such parts or provisions affected. The remaining parts or provisions shall remain in full force and effect.

##### **Section 31.2 SPECIAL CONDITIONS:**

Both parties recognized that there may be extenuating circumstances when it is to the mutual interest of both parties to modify the terms of this Agreement. In that event, it will not be a violation of this Agreement for the parties to meet and mutually agree to make such modifications to meet a specific need on a specific project. In order to maximize the effect of this provision, all crafts will be requested to act uniformly. Employees of a craft should be treated equally under this provision.

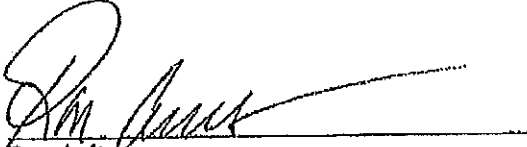
### **ARTICLE 32**


#### **EFFECTIVE DATE AND DURATION OF AGREEMENT**

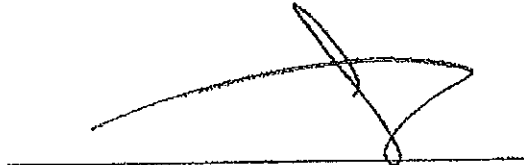
##### **Section 32.1**

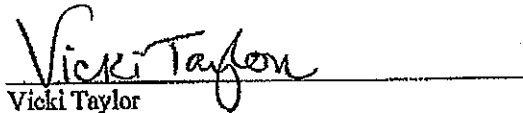
This Agreement will become effective the day after ratification of this agreement, unless otherwise provided herein, and shall remain in full force and effect until June 1, 2017 and from year to year thereafter, unless either party, shall serve written notice by certified mail at least sixty (60) days, but not more than ninety (90) days prior to [insert date] of any subsequent year to change, modify or terminate the Agreement.

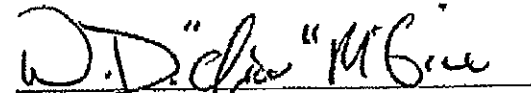
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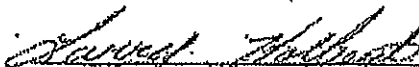
  
Ron Ault  
President, Metal Trades Department

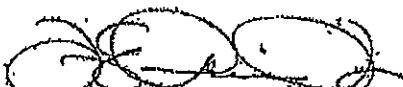
  
Gary Powers  
International Representative  
Assistant to the Director – Industrial Sector  
International Brotherhood of Boilermakers, Iron  
Ship Builders, Blacksmiths, Forgers and Helpers


  
Frank Foti  
CEO  
Vigor Industrial, LLC

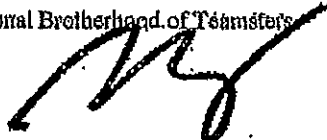
  
Vicki Taylor  
VP of Production Support/Services  
Vigor Industrial, LLC

  
W.B. "Chico" McMill  
Director, Government Employees  
International Brotherhood of Electrical Workers

  
Larry Holbert  
Director of Railroad and Shipyard Workers  
Sheet Metal Workers' International Union

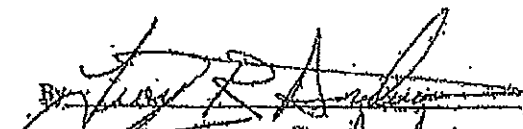
  
James E. Price Jr.  
Coordinator, Collective Bargaining Department  
International Association of Machinists and  
Aerospace Workers

  
James Hart  
Director of Metal Trades  
United Association of Plumbers and Pipefitters

International Brotherhood of Teamsters  
  
By \_\_\_\_\_


Print Name Marion Davis  
Director of Construction Division  
International Brotherhood of Teamsters

Laborers International Union of North America

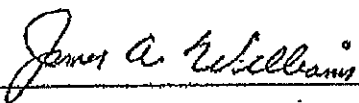
  
By \_\_\_\_\_  
Print Name Troy R. Andrews

AGREEMENT - Tentative Agreement August 14 2012 thru June 1 2017

International Union of Operating Engineers

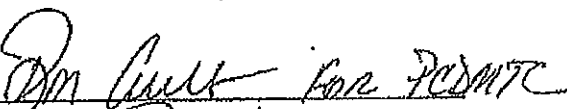
By   
Print Name RICK POUND

International Union of Painters and Allied Trades

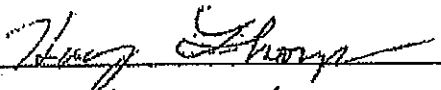
By   
Print Name James A. Williams, General President

August 14, 2012

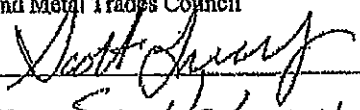
Pacific Coast Metal Trades Council

By   
Print Name DON AUER

Puget Sound Metal Trades Council

By   
Print Name HARRY THOMPSON

Portland Metal Trades Council

By   
Print Name SCOTT LEROY

## SCHEDULE "B" FLEXIBLE SHIFTS

This language modifies the Contract terms that apply to this agreement, only as set forth in the following provisions:

Alternative Workweek Schedules may be established for designated projects or time periods as follows:

As per the terms of the collective bargaining agreement, and as indicated herein an optional workweek schedule can be comprised of either ten (10) hour shifts or twelve (12) hour shifts. When working one of these schedules:

- 1) The alternative work week schedule shall be comprised of either ten hour shifts Tuesdays through Fridays, in conjunction with twelve (12) hour shifts Saturdays through Mondays or any four continuous ten hour shifts, Monday through Friday.
- 2) The regular starting time of the day shift shall be 4:00 AM and 7:00 AM.
- 3) Employees working the twelve-hour shift schedule will receive forty (40) hours pay after working thirty-six (36) straight-time hours. Forty (40) hours will also be used for all other benefits described in Article 7.1(c) of the Agreement. Pro-rated payments shall be made for hours not worked during to short weeks due to hire in, layoff and shift transfer, and when absences are due to industrial injury, bona fide illness covered by a doctor's certificate, approved leave of absence or other reason approved by supervisory staff. Unauthorized absences shall be compensated based on actual hours worked.
- 4) Employees shall not be transferred from their regular assigned shift to another shift more than once a week, however they may be returned to their regular shift. This shall not apply in an extreme emergency.
- 5) All work performed outside or in excess of an employee's shift hours or workweek hours or on holidays shall constitute overtime work and shall be paid at the applicable overtime rate.
- 6) Employees assigned to a ten hour four day or twelve hour three day work week will receive ten or twelve hours their regular straight-time hourly shift rate of pay for holidays that fall within their scheduled work week.
- 7) When a recognized holiday falls outside a normal workday, that shift will be given holiday pay at the regular straight time rate, and such time shall be in addition to compensation received for time actually worked.
- 8) Except as otherwise provided in this agreement, Employees shall receive no less than two consecutive days off when assigned to an alternative work schedule.

## Appendix A – Union Dues Deduction Form

I hereby authorize [insert Employer name] to deduct regular union dues from wages earned by me while in the bargaining unit represented by the Unions listed in the Agreement. I understand that the deduction amount to be withheld will be provided by the Unions directly to [insert Employer name] on an annual basis, or more often as dues rates change.

I understand that such deductions are to be made weekly, starting on the first regularly scheduled payday following the month in which this authorization is received by the Human Resource Office of the Employer. This authorization and assignment shall remain in effect until canceled by written notice of the Union or the Employee.

The dues deducted shall be paid monthly by the fifteenth (15) day of the month following the month in which they are deducted and shall be submitted to Boilermakers Local 104 as the agent for all union entities covered by the Agreement.

Employee Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

The Union and the Employee shall hold the Employer harmless against any claim that might arise out of or by reason of action taken or not taken by the Employer in a good faith effort in complying with this Dues Deduction Form.