

AGREEMENT
BETWEEN
PENNSYLVANIA HEAVY AND HIGHWAY
CONTRACTORS BARGAINING ASSOCIATION

AND

**UNITED STEEL, PAPER AND FORESTRY,
RUBBER, MANUFACTURING, ENERGY, ALLIED
INDUSTRIAL AND SERVICE WORKERS
INTERNATIONAL UNION, AFL-CIO-CLC**

Expiration Date: December 31, 2021

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AGREEMENT

THIS AGREEMENT made and entered into as of January 1, 2019, by and between the **PENNSYLVANIA HEAVY AND HIGHWAY CONTRACTORS BARGAINING ASSOCIATION**, party of the first part,

AND

UNITED STEEL, PAPER AND FORESTRY, RUBBER, MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND SERVICE WORKERS INTERNATIONAL UNION, AFL-CIO-CLC, on behalf of its signatory local unions who are parties to this contract, exclusive collective bargaining agent for those employees of the Company designated in Article I hereafter, hereinafter referred to as the Union, party of the second part.

Wherever the term "Company" appears, such shall be deemed to refer to any of the employer companies represented by the Association party to this Agreement.

WITNESSETH: That in consideration of the mutual and reciprocal promises of the parties hereto, the parties covenant and agree as follows:

ARTICLE I **SCOPE**

Section 1. That this Agreement is for the exclusive, joint use and benefit of the contracting parties, and the provisions herein defined and set forth shall be construed as binding upon and effective in determining the relations between the parties signatory hereto. It is the intent and purpose of the parties herein to promote and improve industrial and economic relationships in the highway and heavy construction industry and to set forth herein the rates of pay, hours of work, and conditions of employment to be observed by the parties hereto.

Section 1(a). It is agreed by the parties that crew leaders do not have the authority to hire, transfer, suspend, lay off, recall, promote, discharge, reward or discipline employees, or to adjust grievances or effectively recommend such action, except where the exercise of such authority is of a merely routine or clerical nature. It is further agreed that during the term of this Agreement the employer will not authorize or direct crew leader to engage in such activities. In view of the agreement between the parties that the crew leaders do not possess any of the authority set forth above, the exercise of such authority may lead with prior notification to the affected individual crew leader having his alleged supervisory authority removed. The intent of crew leaders classification (due to economic conditions in the current construction industry) is that this classification enables such bargaining unit employee, employed as such, to direct the work force, make individual work assignments and to personally participate in the performance of the work. The Union acknowledges that the seniority of an individual member has no bearing in the selection of crew leaders. Such selection and requirement shall be made by the Company in writing solely by the experience, ability and qualifications of the employee(s). Crew leaders shall be paid in accordance with the practice of each individual Company but in no event less than Three Dollars (\$3.00) over the rate for the classification that said crew leader regularly works for all jobs bid after January 1, 2019.

Section 2. This Agreement shall not cover the engineering staff, clerical employees, watchmen, timekeepers, superintendents, assistant superintendents, general foremen, foremen, or any other supervisors having the right to hire or fire or effectively recommend same and in charge of classes of labor, but shall cover all other persons employed by the contractor in the performance of the work herein covered.

Section 3. When the Company, signatory to this Agreement, subcontracts any of its work, covered by this Agreement, it shall, so far as feasible to do so, be subcontracted subject to all terms and conditions of this Agreement to contractors in agreement with the Union. The Company agrees that when it subcontracts any work to contractors who are not members of the Association, the Company will make an effort to discuss membership with the subcontractor. In addition, the Company will advise the Union of the name and address of such subcontractor. The Company shall notify the Union when work is subcontracted as soon as the subcontract agreement has been executed by both parties and such notice shall be submitted on a form acceptable to the Company and Union. The provisions of this paragraph shall apply also when a Company, signatory to this Agreement, contractually assigns all of its rights and obligations under a construction contract for work covered by this Agreement to another construction contractor who is not a member of the Association.

The Bargaining Association will publish a list of names, addresses, telephone numbers and work classifications of all members of the Association for distribution to the Union.

Section 4. This contract shall not apply to any employee of an independent contractor which the Company might hire or engage for constructing, repairing, replacing, remodeling, improving or dismantling any part of the plant or equipment of the Company.

Section 5. It is mutually understood that the following terms and conditions relating to the employment of workers covered by this Agreement have been decided upon by means of collective bargaining and that the following provisions will be binding upon the Company and the Union during the term of this Agreement and any renewal thereof. This Agreement during its life may be modified only by mutual written consent of the parties hereto. The provisions of this Agreement shall be subject to any changes made necessary by reason of Federal and State legislation, regulations or specifications.

Section 6. This Agreement applies only to heavy and highway construction which shall be deemed to include all types of utility work performed within the States of Pennsylvania, Ohio and New York and on all jobs in those states let by an agency or Department of the United States or one of the above noted states authorized to award contracts; i.e., mine flushing--mine fire control, etc.

The Union and the Association are opposed to project labor agreements on heavy and highway projects in Pennsylvania that do not include the Union, as such agreements may exclude contractor members of the Association and/or members of the Union from working on the covered projects, causing significant economic harm and harm to the public interest. The Union and the Association agree to exercise their best efforts to gain participation in any project labor agreements under consideration on heavy and highway projects in Pennsylvania or otherwise to ensure that project labor agreements excluding the Union are not put in place.

If any project labor agreements excluding the Union are mandated on heavy and highway projects in Pennsylvania, either party may provide written notice to the other requesting to meet and

discuss possible means to allow the contractors to bid and perform work on any such projects and to employ as many members of the Union as possible. The Union and the Association would also continue to exercise best efforts to gain full participation in any such project labor agreement and/or to ensure that project labor agreements excluding the Unions are not put in place.

Section 7. Where any of the contractors who are parties to the subject agreement which is geographically limited to the States of Pennsylvania, Ohio and New York, elect to bid for, solicit or enter into contracts for work of the type covered by the subject agreement in the States of Delaware, Maryland, New Jersey, North Carolina, South Carolina, Tennessee, Virginia and West Virginia in circumstances where such contractor has no contractual relationship with any organized labor union, the United Steelworkers, as a party to the subject Agreement, do hereby consent and approve the contractors in such circumstances covering any of their employees on Delaware - Maryland - New Jersey - North Carolina - South Carolina - Tennessee - Virginia - West Virginia based work with the health and welfare, pension plans and Apprentice Training and Education Funds provided for in the subject agreement so long as coverage for such employees for work in Delaware, Maryland, New Jersey, North Carolina, South Carolina, Tennessee, Virginia and West Virginia is subject to the same contributory payments, terms and conditions as to eligibility, benefits, and any other matters as would be applicable in Pennsylvania, Ohio and New York on work in those states by reference to the terms of the subject agreement and the related health and welfare, pension plan and Apprentice Training and Education trust agreements and collateral documents.

Section 8. Any and all references in this Agreement to the masculine gender shall apply equally to the feminine gender.

Section 9. Workers shall be free to accept employment in any occupational classification which they have the ability and the training to perform, providing there is a vacancy and they shall be paid the scale of wages applicable to the work performed.

Section 10. Notwithstanding any other provisions of this Agreement, the jurisdictional scope of this Agreement with respect to any employer that joins the Association for the first time on or after January 1, 2004 shall be limited to the State of Pennsylvania, and the Harmony Agreement (as negotiated between the United Steelworkers and the Construction Trades unions) shall only apply to such employers.

ARTICLE II **MANAGEMENT**

Section 1. The management of the work, the direction of the working force, assignment of workers to specific projects and the right to hire and discharge for just cause are vested exclusively in the Company, and the Union shall not abridge this right. It is not the intention of this provision to encourage the discharge of employees.

Section 2. The number of workers to be employed, and the number and classification of workers required to operate any piece of equipment shall be at the sole discretion of the employer. The fact that certain classifications and rates are established does not mean that the employer must employ workers for any one or all such classifications or to man any particular piece of equipment that happens to be on the project unless the employer has need for such workers.

Section 3. The Company shall not be hindered in or prevented from using any type or quality machinery, tools, and appliances, and may secure materials or equipment from any market or sources it deems fit without interference of any kind. The Company recognizes its obligation to provide a safe working environment in accordance with applicable state and federal safety standards.

Section 4. Employees in the excluded category (see Article I, Section 2) shall not perform any work normally performed by workers under their supervision, except in cases of operating difficulties, or to instruct workers, or to assure the proper performance of work or work of an experimental nature providing regular employees are not thereby replaced.

A penalty as set forth below will be paid into the Health & Welfare Fund when any excluded employee violates the above and such violation is determined through the grievance procedure. The penalty shall be equivalent to the amount of time which the excluded employee works in violation of the above at the classification's rate of pay. The Health & Welfare Fund shall acknowledge receipt of the payment of the penalty, and the Fund's Administrator shall mail a copy of Fund receipt to Pennsylvania Heavy and Highway Staff Representative, United Steelworkers, 1945 Lincoln Highway, North Versailles, PA 15137. However, where a clear determination can be made that a specific person has been deprived of a specific sum of money by reference to the foregoing, then that person shall be paid such sum instead of a payment into the Fund.

Section 5. All the provisions of this Article shall be subject to all the other provisions of this Agreement.

Section 6. Pinpointing. The Union agrees to give good faith consideration to "pinpointing" particular projects that come up for bid where there are competitive issues (such as the presence of non-union bidders and/or AFL-CIO bidders with concessions from the Trades) when asked by an Association contractor at least three (3) days before a bid is due with a view toward enabling the Association's contractors' bids to be competitive and/or enabling the Association contractor to self-perform as much work as feasible. The concessions, if agreed to, will take place in time to provide all Association contractors bidding on the project the results of the concessions at least 24 hours before the bid is due. Concessions, if agreed to, shall take place when the project begins and will end upon project completion. There will be no carryover.

As a pre-condition to any pinpointing discussion, the Company must give the Union a list of all anticipated bidders and must provide as much information as possible to establish that pinpointing is needed in order to be competitive and/or to self-perform a specific aspect of the work on the project. The Union agrees to give good faith consideration to any proposed pinpointing but is under no obligation to grant any such concessions. The Local Union President having jurisdiction shall have the Authority to agree to any pinpointing.

Such pinpointing discussions are limited to such cost factors as rates held for the life of the job, the start day of the work week, overtime premiums, holiday pay, weekend premiums, and the like and such discussions are not a basis for negotiating changes in other portions of the Agreement.

During these discussions the Union shall have the right to submit issues that the competitive contractor may be governed by.

ARTICLE III UNION REPRESENTATIVES

Section 1. Upon notice at the project site to the representatives of the Company in charge of the project, authorized representatives of the Union may visit any of the jobs covered by this Agreement during working hours, provided that the progress of the work is not interfered with or hindered. Such Union representatives must comply with all safety regulations in effect on the project.

Section 2. The Union shall have the right to name a steward from among the employees on each project. The steward shall be the last employee laid off and the first employee called back on that project provided that he/she is fully qualified to perform any remaining work. Whenever overtime is assigned to the crew of which the steward is a member the steward shall be given the opportunity to work the overtime hours, provided that he/she is qualified to perform the overtime work. The steward shall be notified of members being laid off and hired on.

Section 3. The Union shall have the right to transfer an existing selected steward on a project for a certain company to be steward on a new project for the same company as its steward, provided there is a classification for such an employee on a new project and, provided further, that the Company shall have the right to require a discussion with the Union staff representative, Local Union President, before it transfers a non-"grandfathered" or non-long term (has worked for the Company for less than twelve (12) months) steward. Any objections by the Company to the naming of a steward (whether grandfathered, long term or not) shall be considered in good faith by the Union and not unreasonably rejected by the Union.

ARTICLE IV HOURS OF WORK, HOLIDAY AND PREMIUM PAY

Section 1. The regular work day is intended to consist of eight (8) hours per day. The intention is to work an eight (8) hour day but in no way is this to be construed as a guarantee of either eight (8) hours of work or payment for eight (8) hours of work on any given day. The regular work week for all employees shall start with the first shift on Monday and shall consist of forty (40) hours which shall be recognized as regular time, and each employee shall be paid for any of these hours he works at the regular rates of pay specified in this Agreement. Hours worked beyond forty (40) in a week shall be paid for at one and one-half (1 ½) times the regular rate of pay with no pyramiding of overtime. Time and one-half shall be paid for work performed over eight (8) hours per day only as required by the terms of a contract in effect between the contractor and the awarding agency. Time and one-half the regular rate shall be paid for all work performed on Saturday except where, due to conditions on a job arising out of inclement weather, where the project is required to work Saturday by the awarding agency, or where the contractor does not have access to the roadway or worksite for at least eight (8) continuous daylight hours during each weekday, Saturday will be a straight time day if the employee has not worked more than five (5) days or forty (40) hours in the week prior to Saturday. In the event that regular Saturday overtime is scheduled for the project (in the case of a regular six day work week), but forty (40) hours have not been worked in a work week prior to Saturday due to inclement weather, any Saturday time worked in such situations will be paid at a rate of time and one-half the regular rate as planned. In the event make-up time is to be worked on Saturday, not less than a four (4) hour day shall be scheduled. Double time the regular rate shall be paid for all work performed on the

seventh consecutive day of work whether or not such is required by the terms of a contract in effect between the contractor and the awarding agency.

Section 2. Holidays. Memorial Day, Independence Day, Labor Day and Thanksgiving Day shall be paid holidays, although idle, at eight (8) (or the employee's regularly scheduled hours if over 8) times the employee's regular hourly rate provided the employee worked his last scheduled work day before and the first scheduled work day after the holiday within the week prior to the holiday, the week of the holiday, or the week after the holiday occurred. Moreover, double time the employee's regular rate shall be paid for all work performed on the following legal holidays: New Year's Day and Christmas Day. In the case of the aforementioned holidays, they shall be considered, although not worked, as the equivalent of eight (8) hours' time worked for the purpose of computing any premium overtime required by law or by contract. If work is performed on Memorial Day, Independence Day, Labor Day or Thanksgiving Day, the employee shall be paid his or her regular rate plus the double time referred to above. An employee, upon furnishing a request for the time off during the preceding calendar week, may be granted time off without pay during the three (3) days of deer season; such days, if not worked, shall not be counted as hours worked for the purpose of computing overtime.

If an employee works during the existing window period prior to Thanksgiving but is prevented from working during the existing window period following Thanksgiving solely because the contractor has not scheduled work, then such employee shall be paid for Thanksgiving.

Except as provided herein, the cost of providing paid time off for holidays in accordance with this section will not be credited against the prevailing fringe benefit rate on prevailing wage jobs. Neshaminy Constructors, Inc. and Alex Paris Contracting have previously credited the cost of providing holiday pay against the prevailing fringe benefit rate on prevailing wage jobs and may continue to do so.

Section 3. Absence due to an injury received on the job which is compensable will be counted as time worked for the purpose of computing holiday pay, and in no case will this absence disqualify the employee for holiday pay, provided such absence does not exceed thirty (30) days.

Section 4. No employee shall be laid off during his or her regular work week for the purpose of avoiding payment of premium time or payment for the seventh (7th) consecutive day worked, Sunday, or paid holidays.

Section 5. For all jobs bid after January 1, 2019, if the operation is put on more than one (1) shift, a shift premium of one dollar (\$1.00) per hour for the second and third shifts shall be added to the regular rate of pay for hours worked on the second and third shifts respectively. In the event that the jobsite is working only one shift and employees work second shift or third shift hours, a premium of fifty (50¢) per hour shall be added to the regular rate of pay for hours worked on the second and third shifts.

For the purposes of this Agreement, an employee who starts work on or after 12:00 Noon but before 8:00 P.M. shall have his/her working hours considered second-shift hours, and an employee who starts work on or after 8:00 P.M. but before 4:00 A.M. shall have his or her working hours considered third-shift hours.

Any shift premium paid under this section shall be included in the basic hourly rates for purposes of overtime in this Agreement.

Section 6. In case an employee is injured on the job, the employee will be paid his/her applicable rate for time spent at the medical treatment site, including travel time, up to a total equal to the employee's regular shift for that day. If the doctor does not return the employee to work that day, the employee shall receive his applicable rate for the balance of his/her regular shift.

Section 7. A Union official who is prevented from working his or her scheduled day before or after a holiday because of Union business will still be eligible to receive payment for the holiday, provided that the Company receives written notice of the official union business at least one week prior to the absence.

ARTICLE V **CALL-IN PAY**

Section 1. For all jobs bid after January 1, 2019, an employee who has been scheduled or notified to report for work and reports at the proper time shall be paid for one hour (but in no event less than Sixty-Five (\$65.00) Dollars) at the regular scale of wages and shall be required, in consideration of receiving such call-in pay, to wait a minimum of one hour until it can be determined whether the employee can go to work. For all jobs bid after January 1, 2021, the call-in pay shall not be less than Seventy (\$70) Dollars. It is understood that the Company shall pay fringe benefits out of call-in pay. Call-in pay shall not be credited for purposes of computing overtime pay but shall be credited toward the eligibility for holiday pay. From the time such employee commences work he shall be paid for all actual working time according to the following examples:

(a) If the employee reports for work and waits for one-half ($\frac{1}{2}$) hour before commencing work and then works for 7½ hours, he/she shall be paid for eight (8) hours.

(b) If the employee reports for work and waits for one (1) hour before commencing work and then works for seven (7) hours, he/she shall be paid for eight (8) hours.

If an employee reports for work and starts to work, he/she will be guaranteed two hours' pay; if an employee reports for work and waits for one hour and then starts to work, he/she will be guaranteed two hours' pay; if an employee reports for work and waits for one hour but does not start to work, he/she will be paid no less than the applicable call-in rate for the one-hour waiting period.

Section 2. At the end of the mandatory one-hour waiting period set forth above, the employer shall either put the employee to work, send him or her home or request the employee to wait for additional time. For all jobs bid after January 1, 2019, the employee shall be paid no less than Thirty (\$30) Dollars for any additional waiting time requested of him/her by the Company for the length of such waiting period in addition to the initial one hour. For all jobs bid after January 1, 2021, the employee shall be paid no less than Thirty-Five (\$35) Dollars for any additional waiting time. Fringe benefits will be paid in addition to the additional waiting time payment.

ARTICLE VI

HIRING HALL

Section 1. For the duration of this Agreement, the Union agrees to furnish, upon request by the Employer, workers in numbers sufficient to execute the work contracted for by the Employer in the manner and under the conditions specified in this Agreement. The Employer agrees that all employees required for all work within the scope of this Agreement shall be hired only through the Union.

Section 2. Each Employer shall have the right to request an employee or employees by name who worked on a project which had been shut down in whole or in part, provided that the Employer does not bypass said employee or employees when requesting additional referrals to do the work of said employee or employees.

Section 3. Each Employer shall have the right to request any employee by name who has been on layoff from that Employer for 365 days or less.

Section 4. Referrals will be on a non-discriminatory basis and will not be affected in any way by Union membership, bylaws, rules, regulations, constitutional provisions or other aspects of Union membership, policies or requirements, except to the extent that these may not be in violation of applicable law.

Section 5. Each Employer shall have the right to reject any applicant referred for employment provided the rejection is not based on any reason identified in Section 9(d) of this Article or to "cherry pick" the list. The Union shall have the burden of proving that the purpose was to "cherry pick."

Section 6. Each Employer shall have the right at any time to lay off any employee for any reason not prohibited by law or identified in Section 9(d) of this Article.

Section 7. The work rules of each individual Employer shall not be affected by this Hiring Hall Agreement. For example, individual Employer rules as to drug testing or safety shall not be affected.

Section 8. If the Union is unable to fill an Employer's request for employees within forty-eight (48) hours, the Employer shall be free to hire from the outside, provided said employees are hired pursuant to the Union Security and Check-Off Article of this Agreement. In the event of an emergency need for employees, the Employer shall first notify the Union, and if the Union cannot supply employees in sufficient numbers on an emergency basis, the Employer shall be free to fill the need on a temporary basis. Such temporary workers shall be replaced by the Employer with employees supplied by the Union.

Section 9(a). If during the term of this Agreement the Labor Management Relations Act of 1947, as amended, shall be further amended to so permit or the decision of a court of competent jurisdiction so permits, then the restrictive provisions of this Article, by which the Union may be required to refer non-members to employment, shall be immediately ineffective.

(b) The Union agrees that it shall be the sole administrator of the Hiring Hall arrangement and shall not be considered to act as the agent of the Employer, and, thereby, the Union assumes

responsibility for any violations of the law committed by it in connection with its administration of the Hiring Hall arrangement.

(c) The Employer assumes responsibility for any violations of the law committed by the Employer in connection with hiring or severance of employment.

(d) The parties to this Agreement agree that they will not discriminate against any applicant for employment or any employee because of race, creed, color, national origin, sex or occupationally irrelevant physical requirements or handicaps, age, exercising any rights under the National Labor Relations Act, or Union membership.

(e) All employees must put their name on the out-of-work list no later than forty-eight (48) hours after their last day of work with the Employer unless they are on leave such as FMLA, disability, Union, or any contractual leave. In applying this subsection (e), an employee who fails to place his/her name on the out-of-work list shall cease to receive welfare benefits.

(f) The Union hereby agrees to indemnify and hold harmless the Employer from and against any and all costs, expenses (including attorneys' fees), and damages that may be incurred in connection with any action, suit, claim or proceeding that may be brought against the Employer which arises from or relates to its obligations or responsibilities set forth in this Article.

Section 10. At all times, any conflict between this Hiring Hall Agreement and federal or state laws or contractual requirements shall be resolved in favor of such requirements.

Section 11. The Union agrees to provide the Association with copies of all rules, procedures and policies used by it in administering this Hiring Hall Agreement. Current copies of these documents shall at all times be provided.

Section 12. At all times the employee must leave with the project bookkeeping department a telephone number and his/her home mailing address at which the employer can immediately contact the employee for the purpose of notifying him or her of available work.

Section 13. The Company agrees to notify the Local Union Office of the Union having jurisdiction over any of its projects under this Agreement of the following:

(a) The location of the specific project.

(b) Job classifications of work available and the number of employees desired for each classification.

(c) All new jobs. Failure to so notify shall make the employer subject to a penalty payment of \$500 into the Health & Welfare Fund. The Health & Welfare Fund shall acknowledge receipt of the payment of the penalty, and the Fund's Administrator shall mail a copy of the Fund receipt to the Union. The above-referenced notification is to be sent to Pennsylvania Heavy and Highway Staff Representatives, United Steelworkers, 1945 Lincoln Highway, North Versailles, PA 15137.

(d) The Company shall also notify the Union by telephone of all new projects.

Section 14. To enhance the USW's ability to refer qualified applicants to the Company, the Union agrees to personally interview each new applicant to the Hiring Hall prior to referring him/her to the Company.

The Union agrees to develop with the Association a skills assessment document for contractors to complete regarding workers referred by the Hiring Hall. The Union will control this document. The Company agrees to complete the Union's assessment document.

The Union agrees to supply qualified minority and female workers, if required by the contract or governmental regulations and when requested by the Company. The Union understands that a qualified minority and female applicant may have priority over others based on the governmental regulations.

The Union agrees that they will not refer applicants who are already working for another PHHCBA contractor, nor will they present another assignment to a worker who is already working for a PHHCBA contractor in order to fulfill the needs of another PHHCBA contractor.

The Company shall have the right to provide the Union with the names and qualifications of any employee from another state or otherwise. The Union may or may not verify said qualifications of said employee. The Union agrees to place the name of that person on its out-of-work list, provided that said person(s) meet all requirements of the Hiring Hall. The Union will send such person before sending any other person from its "D" list.

ARTICLE VII **GRIEVANCES**

Section 1. Should differences arise as to the meaning and application of the provisions of this Agreement, or should differences arise about matters not specifically mentioned in this Agreement, or should any local trouble of any kind arise on the project, an earnest effort will be made to settle such differences, immediately in the following manner, during which time there shall be no suspensions, lockouts, interruptions, or impeding of work, concerted work stoppages, strikes or other interferences with efficient production and plant maintenance.

FIRST: Between the aggrieved party who may be accompanied by the Job Steward, if the employee desires his or her presence, and the Company supervisor within seven (7) calendar days from the day the aggrieved party knew or reasonably should have known of the grievance. If this time limit is not met, the grievance shall be deemed to have been waived.

SECOND: Should agreement not be reached between the Job Steward and the Company supervisor, the grievance must be reduced to writing and referred to the staff representatives of the Union or designee and representatives of the Company within ten (10) calendar days from completion of the First Step. The contractor shall respond to second step grievances by reducing their response to writing, after conferring with the Union representative in an attempt to resolve the grievance, within ten (10) calendar days of the receipt of same.

THIRD: Should agreement not be reached in the Second Step, a Union Committee shall be convened by the Union to review the grievance and determine if the grievance shall be processed to the Fourth Step. This Third Step must be completed no later than fifteen (15) days following the Second Step.

FOURTH: Should this procedure fail, the matter shall, within the next thirty (30) days, be jointly and simultaneously reported in writing by either party to the Chairman of the Bargaining Committee for the Association and the Chairman of the Negotiating Committee for the United Steelworkers, and these two or their representative nominee shall attempt to resolve the matter. This Fourth Step shall take no longer than thirty (30) days. In the event that the grievance is not resolved within 30 days after conclusion of the Third Step, then the Fourth Step shall be deemed concluded.

FIFTH: Should this procedure fail, either party, after notifying the other party of its intention to proceed, shall do so pursuant to the procedures of the American Arbitration Association. The decision of the arbitrator shall be final and binding. The fees and expenses of the arbitrator so selected shall be borne equally by the Company and the Union. This action must take place within fifteen (15) days of the failure to resolve in the Fourth Step.

The failure of either party to meet these time limits specified in the SECOND, THIRD, FOURTH and FIFTH steps shall result in a default. A condition precedent to extending any of these time limits shall be a mutual written agreement of the parties.

The arbitrator shall not have the authority to add to, detract from or otherwise modify the terms and conditions of this Agreement.

Section 2. A decision reached at any stage of the proceedings above outlined shall be binding upon both parties hereto and shall not be subject to reopening by any other party except by mutual agreement.

Section 3. On a case-by-case basis, each Employer and the Union may agree upon mediation rather than arbitration of any grievance.

Section 4. In the event the Union initiates the grievance at the Second Step rather than the First Step, the written grievance shall be filed with the contractor within seven (7) calendar days from the day the aggrieved party knew or reasonably should have known of the grievance.

Section 5. The Company is authorized to use said grievance procedure should differences arise which may result in the Company wishing to initiate a grievance against the Union. Any such grievance shall start at the level of the local union president.

ARTICLE VIII

UNION SECURITY AND CHECK-OFF, CREDIT UNION, USW PAF

Section 1. It shall be a condition of employment that all employees of the employer covered by this Agreement who are members of the Union in good standing on the effective or execution date of this Agreement, whichever is the later, shall remain members in good standing, and those who are not members on the effective or execution date of this Agreement, whichever is later, shall on the eighth (8th) day following the effective or execution date of this Agreement, whichever is the later, become and remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after this effective or execution date, whichever is the later, shall on the eighth (8th) day following the beginning of such employment become and remain members in good standing in the Union.

Section 2(a). The membership dues, including initiation fees and assessments of United Steelworkers, as authorized and approved by the International Officers of the Union shall be checked off the wages of such employees as file proper assignments with the Company to United Steelworkers, Box 644485, Pittsburgh, PA 15264-4485. In the case of the Union's prescribed initiation fee, the employer shall deduct fifty percent (50%) during the first week of employment and fifty percent (50%) during the second week of employment.

In addition, each employer shall send two copies of its monthly dues check-off report to the Union at the following address: one to Pennsylvania Heavy and Highway Staff Representative, United Steelworkers, 1945 Lincoln Highway, North Versailles, PA 15137, and the other to the local union that has jurisdiction over the project where the work is being performed.

Section 2(b). Each Employer shall, by payroll deduction, deliver and pay over to the local Union an amount of not less than ten cents (10¢) for all hours worked during the previous calendar month by all persons employed in the bargaining unit. Such payment shall be made by each Employer to the local Union office having jurisdiction on or before the tenth (10th) day of the month covering all such hours for all pay periods in the previous calendar month.

Section 3. Such remittance shall be accompanied by an itemized statement showing the name of each employee and the amount checked off for dues, initiation fees or assessment, together with a list of employees from whom dues, initiation fees or assessments have not been collected.

Section 4. In the event of an overcharge for dues or assessments collected by the Company, the Union shall be responsible for adjustment of such claim with the member. In the event of an undercharge and upon proper notification by the Union, the Company shall make further deduction for this purpose on the next succeeding payday.

Section 5. Pursuant to the rules and regulations of the United Steelworkers, no assessments may be levied by any local Union against its members without the approval of the International officers of the Union.

Section 6. The Company shall deduct, on behalf of the employee, credit union contributions in the case of any employee who supplies to his or her employer an individual signed authorization in support of such deduction. Each individual employee's contribution shall be uniform for any calendar year and not subject to change during such year.

Section 7. The Company shall deduct on behalf of the employee, USW PAF voluntary contributions based upon forms supplied by the Union.

Section 7(a). The signing of such USW PAF check-off form and the making of such voluntary contributions are not conditions of membership in the Union or of employment with the Employer.

Section 7(b). The Union shall indemnify, defend and hold the Employer harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken or not taken by the Employer for the purpose of complying with any of the provisions of this Article.

Section 7(c). The United Steelworkers' Political Action Fund supports various candidates for federal and other elective office, is connected with the United Steelworkers of America, a labor

organization, and solicits and accepts only voluntary contributions, which are deposited in an account separate and segregated from the dues fund of the Union, in its own fund-raising efforts and in joint fund raising efforts with the AFL-CIO and its Committee on Political Education.

ARTICLE IX **WAGE SCALE**

Section 1. On any heavy and highway work where minimum wage rates are predetermined by the United States or Pennsylvania Department of Labor such wage rates shall prevail on such work.

Section 2. Wage rates in effect at the advertising date of a specific project will establish the wage scale for the entire duration of that project regardless of the termination date of this Agreement and are not to be subject to renegotiation for the duration of that project.

Section 3. For all projects on which rates have not been predetermined by either the Commonwealth of Pennsylvania or an agency of the United States government and which involve highway maintenance and purchase orders let by PennDOT, Counties, Townships and Municipalities within the Commonwealth, and utility work, the rates applicable on such work shall be the rates set forth in the Second Tier Wage Schedule.

Section 4. Any employee assigned to work on a project covered by second tier wage rates shall be free to refuse the work assignment if the work assignment is located outside a sixty (60) mile radius from the home of the employee.

Section 5. Second tier wage rates shall be increased by 3% in all groups effective January 1, 2019. Second tier wage rates shall be increased by 3% in all groups effective January 1, 2020 and 3% January 1, 2021.

In addition to the above increases, the Group 7 wage rates will be increased by an additional 20¢ effective January 1, 2019, and 20¢ effective January 1, 2021. For second tier wages only, there shall be a flag person rate of Fifty Cents (50¢) per hour below the laborer. If an employee performs laborer work within the shift and is moved to flagger, the employee will be paid as a laborer for the shift.

The Contractor will pay the required pension contribution on 2d Tier work. The employer's share of the H&W contribution rate will be \$10.10 effective April 1, 2019, and the contractors will pay up to 50¢ toward any increase in the hourly contribution rates effective April 1, 2020 and up to 50¢ toward any increase in the hourly contribution rates effective April 1, 2021.

On second tier jobs, if the appropriate health and welfare fund contributions made on behalf of any employee are less than those called for in the 2d Tier wage schedule due to election of less costly plan options, the difference between the required health and welfare contribution and the actual contribution will be paid to the employee as wages.

ARTICLE X **HEALTH AND WELFARE**

Section 1. The Association and the Union shall continue to maintain, during the life of this Agreement, a Welfare Fund to be known and designated as the "United Steelworkers District 10

and Pennsylvania Heavy & Highway Contractors Welfare Fund." It shall be the duty of the Trustees, comprised of members of the Union and the Company, to administer the said Welfare Fund and to promulgate such rules and regulations as may be necessary for the efficient administration of said Welfare Fund, all in accordance with and not inconsistent with the provisions of this Agreement. The purpose of the said Welfare Fund shall be to secure and provide certain insurance benefits as hereinafter set forth for the employees of the Company represented by the Union, together with their dependents. The liability of each Company to make the prescribed health and welfare contributions shall be several and not joint.

Section 2. Effective January 1, 2019, each company represented by the Association shall deliver and pay over to the Administrator of said welfare fund an hourly contribution on all hours actually worked for each employee which corresponds to the type and level of benefit chosen by the employee from among the options determined by the Trustees, at such time and in such manner as the Trustees shall establish. Hours worked does not include paid time off for holidays pursuant to Article IV, Section 2 and fund contributions are not due on holiday pay.

The current "credit bank" maximum under the Welfare Fund is 23,250 credits. The credit bank maximum will increase by an additional 2,000 credits on April 1, 2019 and will increase by an additional 1,500 credits on April 1, 2020 and April 1, 2021, with the timing of such increases to be determined by the Trustees.

Once each year, normally in April, and at such other times as appropriate within the Trustees' sole discretion, the Trustees shall review the contribution rates established herein and the benefits provided by the Welfare Plan and shall adjust contribution rates as appropriate to reflect changes in the cost of the administration and benefits. The Trustees shall also retain the authority to adjust benefits (and benefits eligibility). The Trustees generally shall maintain the Plan on the basis of a target fund asset reserve level of approximately six (6) months, with a minimum reserve of approximately three (3) months of costs.

All payments made by each company to the Welfare Fund shall be made on or before the twentieth (20th) of the following month covering all such hours for all pay periods in the previous calendar month. If the reports and payments are not then in, the delinquent contractors should be subject to a penalty of three percent (3%) of that amount that is delinquent and an additional three percent (3%) for each succeeding thirty (30) days of delinquency.

Section 2(a). Each Company represented by the Association as well as affiliate members of the Association shall have the option at its plan year end or the calendar year to participate in the Health and Welfare Fund for the balance of the contract term for its employees who are not in the bargaining unit. Such participation shall be on the basis of forty (40) hours per week times the then current hourly contribution rate for bargaining unit employees.

Section 3. A new employee, as defined herein, shall become eligible in accordance with policies determined by the Trustees for the health and welfare benefits herein provided.

Section 4. The Union and the Association shall provide through the agency of the said Welfare Fund for all eligible employees, and their dependents, a schedule of health and welfare benefits as determined by the Trustees of the Health and Welfare Fund.

Section 5. The Trustees shall be ordered to provide the Union each month during the life of this Agreement, with a list of Employees together with the amounts paid into the Fund for each

employee by employing companies, who are covered by the said health and welfare benefits during the month, together with a list of employees who have been paid benefits and the amount received by each such employee during that month.

Section 6. The Trustees shall be ordered to furnish to the Union, as of June 30th and December 31st of each year, a financial statement of the said Welfare Fund including receipts and disbursements and such pertinent information necessary to reveal the operations and conditions of the said Welfare Fund.

Section 7. At appropriate times, the Trustees of the aforesaid Welfare Fund shall review the operation of the said Fund and plan to determine what, if any, changes in eligibility, benefits or other Plan features are justified. The Trustees will consider a possible lower hour plan option and explore possible lower cost plans. Any lack of agreement as the result of such meeting shall not otherwise affect the status of this contract.

Section 8. The Health and Welfare provisions of this Agreement apply to all heavy and highway construction work, including all types of utility work performed by all contractors bound by this Agreement in the states of Delaware, Maryland, New Jersey, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia and West Virginia and any other state in which such contractors may perform work covered by this Agreement. The above also applies on all jobs in the States of Pennsylvania, Ohio and New York let by any agency of the United States or Pennsylvania, Ohio or New York Departments authorized to award contracts, i.e., mine flushing--mine-fire control, etc.

Section 9. The employee and/or the employee's dependents shall promptly notify the plan administrators of any change in home mailing address and/or change in dependent eligibility. The plan administrator may be contacted at the following address: United Steelworkers, District 10 and Pennsylvania Heavy & Highway Contractors Bargaining Association Welfare Fund, c/o the Fund's third party administrator, whose name, address and telephone number shall be furnished to the employees and their dependents by the Fund's Trustees.

Section 10. The parties agree that any contractor who performs work within the scope of this Agreement may participate in its benefit funds provided such contractor is a member of the Association and fully complies with the entire collective bargaining agreement. The parties further agree that employers who perform work outside the scope of this Agreement may participate in its benefit funds provided such employer becomes an affiliate member of the Association and is in signed relations with a local union which is a party to this collective bargaining agreement.

Section 11. Failure to comply with the provisions of this Agreement related to payment of benefit contributions shall be considered as, and shall constitute, a violation of this Agreement of an especially serious nature. Therefore, special provisions are provided herein to address such violation as follows:

(a) If reports and/or contributions remain unpaid on or after the 25th of the month following a delinquency of two (2) consecutive months and a certified demand letter by the Trustees or their designees, the Union may withdraw employees from the employment of the employer, upon forty-eight (48) hours' written notice. Should the Union withdraw employees for this reason, the employer agrees to pay each and every employee withdrawn for this reason full wages and expenses for each hour of wages lost, until all reports and all payments, contributions and premiums due are made, but in any event not for more than twenty-four (24) hours of wages. It

is expressly understood that the employer's liability for payment hereunder shall not be subject to the grievance or arbitration procedures set forth in this Agreement and that the no strike clause, if any, shall not prohibit such otherwise lawful action the Union chooses to compel payment of delinquent contributions to the Fund.

(b) Should the Trustees and/or the Union commence suit in a court of law to enforce compliance with the provisions and requirements of this Agreement related to reports and payments or contributions to the Welfare Fund, the employer agrees to pay the costs, including counsel fees and the cost of any audit of such employer's records, required or requested by the Trustees and all interest and liquidated damages demanded by the Trustees.

(c) The employer agrees to provide to the Fund and the Union an indemnity bond guaranteeing that the employees and the Funds will be paid amounts due the employees and the Funds in the event that the employer fails to meet and comply with the provisions and requirements of this Agreement related to wages and benefit contributions. In the event an indemnity bond is not obtainable by the employer, the employer may provide an irrevocable letter of credit. Such a letter of credit shall be canceled only upon sixty (60) days' notice to the Fund and the Union.

The bond or irrevocable letter of credit shall be reasonably acceptable to the Fund and the Union and shall, at all times, meet the requirements of the following formula:

If ten (10) weeks average Funds contributions ("Funds contributions" shall mean the sum of contributions to the Welfare Fund, Pension Fund, Apprentice Fund and Annuity Fund, all as provided in this Agreement) equals \$5,000 or less, then the bond shall be for \$5,000. If greater than \$5,000 but less than \$10,001, then the bond shall be for \$10,000, and so on in increasing amounts until, if ten (10) weeks' average Funds contributions is greater than \$100,001, then the bond shall be for \$100,000.

Bonds shall be provided for a period of not less than one (1) year, and may be renewable or continuous, until revision of the amount necessary to satisfy the schedule stated herein, at which time the new bond shall be furnished for the same period.

The amount of the bond shall be determined by reference to annual payments made or due for the one year period ending December 31 of any year. Where a change in the bond amount is required, the change shall take place immediately.

Where the employer has no record of prior contributions, the bond shall be in an amount not less than \$20,000, or such other amount reasonably required by the Trustees to cover payments expected or estimated to be required.

Bonds shall be written to provide for payments first covering any unpaid wages (including Union dues and any other unpaid checkoffs or assessments), and thereafter covering: first, the Annuity Fund, second the Welfare Fund, third the Pension Fund and fourth, the Apprentice Fund.

The posting of a required bond shall not exempt the employer from liability to make required reports and payments.

The employer agrees to have the required bond, in duplicate, in the possession of the Trustees of the Fund within forty-five (45) days after the effective date of this Agreement.

(d) Should the employer fail to produce the required bond, the employer shall be required to make all reports and payments on a weekly basis. Reports and payments shall be paid on the same day that wages are paid, and shall cover the same payroll period. Employers that must report and contribute on a weekly basis, and fail to do so, shall be assessed liquidated damages in the amount of .75% of the amount due for each week, or part of a week, that a contribution is late, up to a maximum of twenty percent (20%).

(e) The parties agree that the bonding and other provisions described in this Section shall not apply to those companies with a record of consistent, reliable payments as determined by the Trustees.

Section 12. The undersigned hereby agree to accept and confirm five (5) or more representatives of each party as members of the Board of Trustees. These representatives, together with their successors selected in the manner provided in said Trust Agreement, are hereby authorized to and shall represent the Union and the employer and other employers, that are or become party to this or similar agreements in the administration of the Welfare Fund.

Section 13. If it is determined that the healthcare reform legislation will result in excise taxes which would apply to the Fund, or would allow a more cost effective alternative, the parties will promptly meet in good faith to discuss whether health insurance changes are warranted.

ARTICLE XI PENSION PLAN

Section 1. The Union and the Association shall continue to maintain the "The United Steelworkers, District 10 and Pennsylvania Heavy and Highway Contractors Bargaining Association Pension Plan" and the Trust established thereunder. The Union and the Association will continue each to appoint 5 trustees to the joint board of trustees that sponsor the Plan.

The Plan will be amended by the Trustees to reflect changes in the contribution rates and Plan funding goals as set forth herein, and generally as discussed by the Benefits Subcommittee. The purposes of the Pension Plan shall be to secure and provide certain pension benefits. It shall be the duty of the Trustees, comprised of members of the Union and the Company, to administer the Pension Plan and to promulgate such rules and regulations as may be necessary for the efficient administration of the Pension Plan, in accord with applicable law.

Trustee action shall be in accordance with and not inconsistent with the provisions and requirements of the Employee Retirement Income Security Act of 1974. The liability of each Company to make the prescribed pension contribution shall be several and not joint.

Section 2. Effective January 1, 2019, each Company represented by the Association shall deliver and pay over to the administrator selected by the Trustees an hourly contribution amount based upon the location and type of work performed as follows:

2 nd Tier	Prevailing 29 County Carpenters, Laborers and Truck Drivers	Prevailing Non-5 County	Prevailing 5-County
\$7.25	\$6.70	\$7.10	\$8.85

Effective January 1, 2020, the contribution rates above will decrease in all tiers by One Dollar (\$1.00), and the contractors will contribute One Dollar (\$1.00) per hour on all hours worked to the Annuity/Savings Plan called for in Article XIX.

The appropriate contribution shall be paid for each hour worked during the previous calendar months by all persons employed in the bargaining unit as provided by this Agreement. All such payments shall be made by such company to the Administrator on or before the twentieth (20th) day of the following month covering all such hours for all pay periods in the previous calendar month. If the reports and payments are not then in, the delinquent contractors should be subject to a penalty of 3% of that amount that is delinquent and an additional 3% for each succeeding thirty (30) days of delinquency. Hours worked does not include paid time off for holidays pursuant to Article IV, Section 2 and contributions are not due on holiday pay.

Section 3. Effective January 1, 2019, the benefit accrual rate will increase to 1.25% for contributions made thereafter and will not exceed 1.25% for the life of this agreement. The Trustees of the Plan may reduce the accrual rate as of January 1, 2020 or January 1, 2021, if the plan does not meet actuarial projections.

Section 4. The Trustees shall be ordered to provide the Union, each month during the life of this Agreement, with a list of employees, together with the amount paid into the Fund for each employee by employing companies who are covered by the said Pension Plan during the month.

Section 5. The Trustees shall be ordered to furnish to the Union, as of June 30 of each year, a financial statement of the said Pension Trust showing all pertinent information as is necessary to reveal the operations and conditions of the said Pension Trust for the prior calendar year.

Section 6. At appropriate times, the Trustees of the aforesaid Pension Trust shall review the operation of the said Fund and Plan to determine what, if any, changes in Plan features are justified; and lack of agreement as the result of such meeting shall not otherwise affect the status of this contract.

Section 7. The Pension Plan provisions of this Agreement apply to all heavy and highway construction work including all types of utility work performed by all contractors bound by this Agreement in the states of Delaware, Maryland, New Jersey, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia and West Virginia and any other state in which such contractors may perform work covered by this Agreement. The above also applies on all jobs in the States of Pennsylvania, Ohio and New York let by any agency of the United States or Pennsylvania, Ohio or New York Departments authorized to award contracts, *i.e.*, mine flushing--mine-fire control, etc.

Section 8. The employee and/or the employee's dependents shall promptly notify the plan administrators of any change in home mailing address and/or change in dependent eligibility. The plan administrator may be contacted at the following address: United Steelworkers, District 10 and Pennsylvania Heavy & Highway Contractors Bargaining Association Pension Plan, c/o the Fund's third party administrator, whose name, address and telephone number shall be furnished to the employees and their dependents by the Fund's Trustees.

Section 9. Failure to comply with the provisions of this Agreement related to a payment of benefit contributions shall be considered as, and shall constitute, a violation of this Agreement of an especially serious nature. Therefore, special provisions are provided herein to address such violation as follows:

(a) If reports and/or contributions remain unpaid on or after the 25th of the month following a delinquency of two (2) consecutive months and a certified demand letter by the Trustees or their designees, the Union may withdraw employees from the employment of the employer, upon forty-eight (48) hours' written notice. Should the Union withdraw employees for this reason, the employer agrees to pay each and every employee withdrawn for this reason full wages and expenses for each hour of wages lost, until all reports and all payments, contributions and premiums due are made, but in any event not for more than twenty-four (24) hours of wages. It is expressly understood that the employer's liability for payment hereunder shall not be subject to the grievance or arbitration procedures set forth in this Agreement and that the no strike clause, if any, shall not prohibit such otherwise lawful action the Union chooses to compel payment of delinquent contributions to the Fund.

(b) Should the Trustees and/or the Union commence suit in a court of law to enforce compliance with the provisions and requirements of this Agreement related to reports and payments or contributions to the Pension Fund, the employer agrees to pay the costs, including counsel fees and the cost of any audit of such employer's records, required or requested by the Trustees and all interest and liquidated damages demanded by the Trustees.

(c) The employer agrees to provide to the Fund and the Union an indemnity bond guaranteeing that the employees and the Funds will be paid amounts due the employees and the Funds in the event that the employer fails to meet and comply with the provisions and requirements of this Agreement related to wages and benefit contributions. In the event an indemnity bond is not obtainable by the employer, the employer may provide an irrevocable letter of credit. Such a letter of credit shall be canceled only upon sixty (60) days' notice to the Fund and the Union.

The bond or irrevocable letter of credit shall be reasonably acceptable to the Fund and the Union and shall, at all times, meet the requirements of the following formula:

If ten (10) weeks average Funds contributions ("Funds contributions" shall mean the sum of contributions to the Welfare Fund, Pension Fund, Apprentice Fund and Annuity Fund, all as provided in this Agreement) equals \$5,000 or less, then the bond shall be for \$5,000. If greater than \$5,000 but less than \$10,001, then the bond shall be for \$10,000, and so on in increasing amounts until, if ten (10) weeks' average Funds contributions is greater than \$100,001, then the bond shall be for \$100,000.

Bonds shall be provided for a period of not less than one (1) year, and may be renewable or continuous, until revision of the amount necessary to satisfy the schedule stated herein, at which time the new bond shall be furnished for the same period.

The amount of the bond shall be determined by reference to annual payments made or due for the one year period ending December 31 of any year. Where a change in the bond amount is required, the change shall take place immediately.

Where the employer has no record of prior contributions, the bond shall be in an amount not less than \$20,000, or such other amount reasonably required by the Trustees to cover payments expected or estimated to be required.

Bonds shall be written to provide for payments first covering any unpaid wages (including Union dues and any other unpaid checkoffs or assessments), and thereafter covering: first, the Annuity Fund, second the Welfare Fund, third the Pension Fund and fourth, the Apprentice Fund.

The posting of a required bond shall not exempt the employer from liability to make required reports and payments.

The employer agrees to have the required bond, in duplicate, in the possession of the Trustees of the Fund within forty-five (45) days after the effective date of this Agreement.

(d) Should the employer fail to produce the required bond, the employer shall be required to make all reports and payments on a weekly basis. Reports and payments shall be paid on the same day that wages are paid, and shall cover the same payroll period. Employers that must report and contribute on a weekly basis, and fail to do so, shall be assessed liquidated damages in the amount of .75% of the amount due for each week, or part of a week, that a contribution is late, up to a maximum of twenty percent (20%).

(e) The parties agree that the bonding and other provisions described in this Section shall not apply to those companies with a record of consistent, reliable payments as determined by the Trustees.

Section 10. The undersigned hereby agree to accept and confirm five (5) or more representatives of each party as members of the Board of Trustees. These representatives, together with their successors selected in the manner provided in said Trust Agreement, are hereby authorized to and shall represent the Union and the employer and other employers, that are or become party to this or similar agreements in the administration of the Pension Fund.

ARTICLE XII

APPRENTICE TRAINING AND EDUCATION

Section 1. Each contractor shall deliver and pay over to the Administrator of the Apprentice Training and Education Fund Fifteen Cents (15¢) on all hours worked during the previous calendar month by all persons employed in the bargaining unit as provided in this Agreement. Effective January 1, 2020, the contribution shall increase to Twenty Cents (20¢). All such payments shall be made by such company to the said administrator on or before the twentieth (20th) day of the following month covering all such hours for all pay periods in the previous calendar month. If the reports and payments are not then in, the delinquent contractors should be subject to a penalty of 3% of that amount that is delinquent and an additional 3% for each succeeding thirty (30) days

of delinquency. Hours worked does not include paid time off for holidays pursuant to Article IV, Section 2 and fund contributions are not due on holiday pay.

Section 2. The Trustees shall be ordered to provide the Union, each month during the life of this Agreement, with a list of employees, together with the amount paid into the Fund for each employee by employing companies who are covered by the said Apprentice Training and Education Fund during the month.

Section 3. The Trustees shall be ordered to furnish to the Union, as of June 30 of each year, a financial statement of the said Apprentice Training and Education Fund showing all pertinent information as is necessary to reveal the operations and conditions of the said Apprentice Training and Education Fund for the prior calendar year.

Section 4. At appropriate times, the Trustees of the aforesaid Apprentice Training and Education Fund shall review together the operation of the said Fund and Plan to determine what, if any, changes in Plan features are justified; and lack of agreement as the result of such meeting shall not otherwise affect the status of this contract.

Section 5. The Apprentice Training and Education Fund provisions of this Agreement apply to all heavy and highway construction work including all types of utility work performed by all contractors bound by this Agreement in the states of Delaware, Maryland, New Jersey, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia and West Virginia and any other state in which such contractors may perform work covered by this Agreement. The above also applies on all jobs in the States of Pennsylvania, Ohio and New York let by any agency of the United States or Pennsylvania, Ohio or New York Departments authorized to award contracts, i.e., mine flushing-mine-fire control, etc.

Section 6. The provisions of Articles X and XI respecting delinquent to the Welfare and Pension Funds shall apply to the Apprentice Training and Education Fund as well.

Section 7. The parties to this Agreement are committed to working together to ensure that a well-qualified and productive workforce is available to meet the personnel needs of the contractors, to facilitate their competitiveness, and maximize the amount of work available to the employees. The parties encourage the use of apprentices and will work together toward greater utilization of the apprenticeship program. The hiring of Apprentices will be consistent with the Apprenticeship and Training Standards. All Apprentices shall be hired under an Apprenticeship Agreement and will be subject to all provisions of this Agreement that do not conflict with the Apprenticeship Agreement.

ARTICLE XIII **NON-DISCRIMINATION CLAUSE**

Section 1. The Union and the Company agree that they will not discriminate against any employee because of race, color, religion, sex, national origin, age, or because of a physical or mental handicap, membership or non-membership in the Union.

ARTICLE XIV
WAIVER OF RECOURSE TO LEGAL REMEDIES

Section 1. In further consideration of the mutual promises contained herein, the parties hereto expressly agree that neither party shall bring or cause to be brought any court or other legal or administrative action against the other until the dispute, claim or grievance or complaint shall have been brought to the attention of the party against whom it shall be made and the said party, after actual notice of same, shall fail within a reasonable time to take steps to correct the cause or circumstances giving rise to such dispute, claim, grievance or complaint.

ARTICLE XV
SAFETY

Section 1. The parties hereto shall establish a joint (three representatives from each party) Safety Committee to evaluate all present and future standards and guidelines for on-the-job safety in the heavy and highway industry as may from time to time be promulgated by Federal, State or Insurance Industry representatives. When the Committee unanimously adopts certain safety standards, it shall recommend to all contractors covered by this contract that they adopt such recommendations within sixty (60) days thereafter.

Section 2. The parties agree that the Union shall be entitled to designate a qualified safety person on each project to voice Union concern over safety on the project.

ARTICLE XVI
FUNERAL LEAVE

Section 1. Each and every eligible member of the bargaining unit shall be entitled to three days of funeral leave per calendar year computed at eight times his or her regular hourly rate for each day but funeral leave shall not be considered as time worked for the purpose of computing any premium overtime due by law or by contract provisions. This leave cannot be accrued from year to year and will be confined to the members of the immediate family consisting of the following: husband/wife, son/daughter, step-son/step-daughter, brother/sister, father/mother, grandfather/grandmother and current mother-in-law/father-in-law. The Employer shall have the right to request verification of the death. If the employee is eligible for funeral leave and needs an additional day off, a fourth day off will be granted, but the day off will be without pay.

ARTICLE XVII
TERMINATION

Section 1. This Agreement becomes effective as of January 1, 2019 and will continue up to and including December 31, 2021, but either party may serve written notice on the other party between October 1 and November 1, 2021 that it desires to reopen the contract as to any subjects and the failure to furnish any such written notice shall cause the terms and provisions of this contract automatically to go into effect for another year subject to all the same terms and provisions including this Article on termination.

Section 2. This Agreement has been negotiated by the duly designated Pennsylvania Heavy & Highway Contractors Bargaining Association representing the companies, and by a duly designated Negotiating Committee representing United Steelworkers, AFL-CIO-CLC and is

hereby executed by the proper designated representatives of the Bargaining Association and by a representative of United Steelworkers, AFL-CIO-CLC.

ARTICLE XVIII **STEEL ERECTION**

All steel erection rates must be negotiated individually for each contract and include health and welfare benefits.

ARTICLE XIX **FRINGE BENEFITS**

Section 1. Contributions to be made to the administrator of the Health and Welfare Fund and the Pension Fund as provided above.

Section 2. On prevailing wage jobs where the prevailing fringes exceed the fringe benefits provided to the employee under this Agreement, the contractor may participate in the Steelworker Supplemental Retirement Annuity Plan which was approved by the Internal Revenue Service in June 1990 (also referred to as the "Annuity Plan"). Effective January 1, 2020, all contractors covered by this Agreement will participate in the Annuity Plan.

Section 3. "Grandfathered" contractors ("grandfathered" contractors are identified as: Neshaminy Constructors) may contribute the difference between the prevailing fringe and the fringe benefits provided to the employee under this Agreement, up to the maximum allowed by law. For non-grandfathered contractors, the contributions to the Annuity Plan shall not exceed the following hourly rates:

Non-grandfathered contractors bidding in the five (5) county area shall have the option to contribute a total of up to \$5.75 to the Annuity Plan in the five (5) county area. The Union and a contractor may agree to additional contributions where excess prevailing fringe benefits remain above the cap.

Non-grandfathered contractors bidding on projects outside the five (5) county area shall have the option to contribute a total of up to \$3.75 to the Annuity Plan outside of the five (5) county area.

In addition, the contractor(s) and the Union may "pinpoint" a particular project prior to the submission of bids for deductions exceeding those allowed above, for the purpose of making the contractor(s) more competitive. The Union agrees that if the majority of employees of a particular contractor agree to allow deductions exceeding those allowed above on all appropriate jobs, the contractor shall be entitled to make such additional deductions on all appropriate jobs bid after that date.

Section 4. Effective January 1, 2020, each contractor shall deliver and pay over to the Annuity Plan \$1.00 on all hours worked during the previous calendar month by all persons employed in the bargaining unit as provided in this Agreement. This \$1.00 per hour contribution is in addition to any contributions made on prevailing wage jobs where the prevailing fringes exceed the fringe benefits provided to the employee under this Agreement, as permitted under Sections 2 and 3 above. Hours worked does not include paid time off for holidays pursuant to Article IV, Section 2 and fund contributions are not due on holiday pay.

Section 5. Contractors will remit the appropriate payment to the Annuity Plan together with a report explaining the contributions on a monthly basis, on or before the twentieth (20th) day of the following month covering all such hours for all pay periods in the previous calendar month. If the report and payment are not then submitted, the delinquent contractor will be subject to liquidated damages of three percent (3%) of that amount that is delinquent and an additional three percent (3%) for each succeeding thirty (30) days of delinquency. Such liquidated damages are in addition to any other rights available under the laws to collect delinquencies, including but not limited to rights under the prevailing wage laws and the wage payment and collection laws.

Section 6. In addition, the Union shall have the right to withdraw employees from the employment of the employer if Annuity Plan contributions have been deducted from the prevailing fringe benefit rate, but remain unpaid after the 25th of the month following a delinquency of two (2) consecutive months, pursuant to the procedural requirements set forth in Article X, Section 11(a) and Article XI, Section 8(a). It is further understood that any delinquencies owed by contractors to the Annuity Plan will be collected promptly and that any monies received from such delinquent contractors will be applied to the outstanding Annuity Plan obligations before being applied to any delinquencies to the other funds established under the CBA.

Section 7. All expenses of the Annuity Plan (administrative, actuarial, accounting, legal, etc.) shall be paid from the assets of the Plan and there shall be no per capita charge.