



Expo

Exposition Metro Line
Construction Authority

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DATE: MARCH 18, 2011

TO: BOARD OF DIRECTORS

**FROM: RICHARD D. THORPE
CHIEF EXECUTIVE OFFICER**

**ACTION: AWARD OF THE PHASE 2 DESIGN-BUILD CORRIDOR
CONTRACT TO SKANSKA/RADOS EXPO 2 JOINT VENTURE**

RECOMMENDATION

Authorize the Chief Executive Officer (CEO):

1. a) To execute a Project Labor Agreement (PLA) with the Los Angeles/Orange Counties Building and Construction Trades Council, substantially the same as shown in Attachment A, and incorporate it into the Expo Phase 2 Design-Build Corridor Contract.

b) To request the Los Angeles Unified School District (LAUSD) to allow the Authority Phase 2 Small Business Enterprises (SBE) Contractors to attend the LAUSD SBE "Boot Camp".
2. Issue a Notice of Award for the Expo Phase 2 Design-Build Corridor Contract to the Skanska/Rados Expo 2 Joint Venture, in an amount not-to-exceed \$541,730,625.
3. Execute a Limited Notice-to-Proceed with the Skanska/Rados Expo 2 Joint Venture, in an amount not-to-exceed \$127,000,000 for work shown in Attachment B.
4. Depending on Board direction, incorporate into the Expo Phase 2 Design-Build Corridor Contract, Option D-1 Differential for Sepulveda Boulevard Bridge and Aerial Station, in an amount not-to-exceed \$5,278,935,

contingent on a funding commitment of the same amount by the City of Los Angeles.

5. Depending on Board direction, incorporate Option D-2 Differential to delete Westwood Station Parking Lot for a credit amount of (\$79,360).

SUMMARY

At the February, 2011 Expo Board meeting, the Board approved the Skanska/Rados, Joint Venture (JV) as providing the Best Value to the Authority and authorized the CEO to enter into scope, cost and Project Labor Agreement negotiations with them. The CEO has completed these negotiations.

The CEO has finalized negotiations with the Los Angeles/Orange Counties Building and Constructions Trade Council and Skanska/Rados Expo 2, JV, on a PLA for the project. The tentative Agreement is included as Attachment A.

Negotiations with Skanska/Rados also included Special Oversight Provisions that have been recommended by Counsel and the Inspector General's office to address concerns that resulted from the Inspector General's investigations. These Special Oversight Provisions are discussed in further detail later in this report. These will be incorporated into the Contract. They provide for a more stringent code of conduct and SBE compliance than the original language in the Contract.

The final negotiated Contract Price for the Design-Build Corridor Contract is \$541,730,625, which includes a Lump Sum Fixed Price (LSFP) of \$526,730,625, plus \$15,000,000 in Provisional Costs. The Provisional costs are those costs that are anticipated, but the exact amount is unknown at this time. Use of those funds must be authorized by the Authority prior to expenditure.

The Skanska/Rados, JV, bid proposal included costs for incorporating four (4) options into the Project. The option cost of \$589,709 to administer Jurisdictional Disputes has been incorporated in the LSFP for the Design-Build Contract. Metro declined exercising the \$1,508,200 option to provide an additional one year warranty. If the Board authorizes incorporating the Sepulveda Bridge and Aerial Station, the LSFP will be increased by \$5,278,935. The Contract would be reduced by \$79,360 for the elimination of the Westwood Station parking lot, should the Board approve that action.

Finally, the CEO has negotiated a Limited Notice-to-Proceed (LNTP) that will cover the activities of the Contractor over the first year of the Contract, as generally described in Attachment B. The estimate for this initial work is \$127,000,000.

DISCUSSION

At the February, 2011 Expo Board meeting, the Board approved the Skanska/Rados Expo 2 JV as providing the Best Value to the Authority and authorized the CEO to enter into scope, cost and the PLA negotiations. The CEO has completed the negotiations and is recommending the Board approve the PLA and enter into a contract with the Skanska/Rados, JV as follows:

Project Labor Agreement (PLA)

In December, 2010, the Board authorized the CEO to incorporate a PLA into the Contract for the Phase 2 Corridor project. At the February, 2011 Board meeting, staff was further directed to amend Article VII, Section 7.1 of the December, 2010 agreement pertaining to the exemption for SBE Contractors/Employers.

Also, at the February, 2011 Board meeting, the CEO was directed to undertake a legal review of the proposed PLA and work with the BTC to resolve any remaining issues. Staff subsequently enlisted the services of counsel specializing in Labor issues. Counsel has reviewed the proposed PLA and has determined it conforms to all applicable laws and regulations. Staff has also met with the Contractor and BTC to resolve final language changes to the PLA requested by the parties. The changes have been successfully negotiated and accepted by staff, the BTC and the Contractor. The final agreement is included as Attachment A to this report.

Finally, the CEO was instructed at the February, 2011 Board meeting, to determine what elements of the Los Angeles Unified School District (LAUSD) Small Business Enterprise "Boot Camp" should be incorporated into the Expo Phase 2 SBE Program. Staff has reviewed and discussed the benefits of the LAUSD "Boot Camp" with LAUSD management. Staff believes that it would be beneficial to give the Expo Phase 2 SBEs the opportunity to attend the LAUSD' "Boot Camp". LAUSD seems amenable to this idea. The Authority would likely have to pay a pro rata share of LAUSD' expense for our SBEs attendance. Terms and costs would have to be negotiated with LAUSD, as well as with the Contractor, should the Board entertain this concept. Staff would bring back a recommendation for implementation, should the Board decide to pursue this concept further.

Contract Award

Total Contract Price

The cost proposal submitted by Skanska/Rados as part of their Best and Final Offer (BAFO) included four (4) cost schedules:

Schedule A - \$516,166,960

Included all Project Baseline elements of work defined in the Contract Documents.

Schedule B - \$9,973,956

Included all insurance required as part of the Contract.

Schedule D - \$7,456,484

Included pricing for four (4) options: Differential for Sepulveda Boulevard Bridge and Aerial Station; Differential to delete Westwood Station Parking Lot; Optional Additional one year Warranty; and administration of Jurisdictional Disputes outlined in the PLA.

Schedule F - \$35,523,050

Included Project Provisional Sums to the extent that the identified potential work would be required. Funds for this Schedule would only be used if necessary and all remaining unused funds would be retained by the Authority.

After negotiations with Skanska/Rados, a Lump Sum Fixed Price (LSFP) of \$526,730,625 was established, which includes the costs for Schedules A and B, and incorporation of the \$589,709 in costs associated with administering the Jurisdictional Disputes portion of the PLA.

In addition, a Schedule F Provisional Sum cost of \$15,000,000 was established for the Contract. The reduction in the Provisional Sum amount from the original bid was a result of moving a portion of the prices established for Miscellaneous Other Utilities from the Provisional Sum to Allocated Contingency.

Based on the above, the overall value of the Skanska/Rados Expo 2 JV Contract for the baseline Phase 2 Scope of Work is \$541,730,625.

Options

As mentioned above, Skanska/Rados Expo 2 JV provided costs for four (4) options. The PLA Jurisdictional Disputes option has been incorporated into the LSFP contract. Metro has declined to exercise the option on the additional one year warranty. Skanska/Rados, JV submitted a cost of \$5,278,935 for the cost differential to install an aerial station and bridge over Sepulveda Boulevard in lieu of the baseline at-grade alternative. They also submitted a differential credit of (\$79,360) to delete the Westwood Parking Lot.

If the Board approves the addition of either of these remaining options, the Skanska/Rados Expo 2 JV Contract Scope of Work will be modified accordingly and the contract price will be increased by \$5,278,935 for incorporation of the Sepulveda Bridge and Aerial Station and reduced by \$79,360 for elimination of

the Westwood Station Parking Lot.

Special Oversight Provisions

The CEO and Skanska/Rados have negotiated Special Oversight Provisions that will be incorporated as part of the Phase 2 Contract. These Special Oversight Provisions require the Contractor to:

- A. Certify that none of the Key Personnel or other senior management on the Project have been arrested, charged or indicted in connection with acts arising from an Identified Project; have been found by a court or administrative body to have engaged in criminal, fraudulent, illegal or unethical activity in connection with an identified Project; or been determined to be directly and personally liable for a Federal OSHA or Cal OSHA safety violation that resulted in a fatality on any project within a ten year period preceding the date of the execution of the contract.
- B. Submit a Code of Ethics for each Joint Venture member that addresses conflicts of interest; confidentiality; compliance with legal requirements, business gifts, entertainment and donations; financial integrity and responsibility; environmental responsibilities; corporate records; internal reporting and enforcement; EEO and non-discrimination; and workplace practices.
- C. Monitoring of SBE compliance in accordance with the Authority's SBE Program and to be bound to any enforcement mechanisms, sanctions, or remedies applicable to any finding of non-compliance with the SBE Program. The Contractor agrees to maintain an effective compliance and ethics program that meets the requirements set forth in Section 8B2.1 of the 2010 edition of the United States Sentencing Manual and to implement that program in connection with its performance of Work on the Project and to conduct its own review of the Project to ensure compliance with all applicable rules and regulations pertaining to SBEs.
- D. All key personnel of the Contractor and all other senior project management personnel designated by the Authority shall participate in ethics and corporate responsibility training conducted by the Authority.
- E. Any material violation of the certifications provided by the Contractor shall constitute an event of default as defined in the Contract and may be grounds for termination; subject to the rights of the Contractor to cure as set forth in the Contract.

Limited Notice-to-Proceed

The CEO is finalizing an LNTP that will authorize the activities required over the first twelve months of the Contract and as generally summarized in Attachment B. The work that is anticipated to take place over the first twelve months consists of mobilizing the design and field offices, and the initiation of material procurements; initiating the final design; providing the submittals defined in the contract documents and the activities described in the General Requirements; provides the Contractor Controlled Insurance Program; surveying; utility potholing, analysis of impacts to the Kenter Canyon Storm Drain; soil sampling and remediation; and securing any necessary permits; clearing and grubbing the right-of-way, pre-construction surveying, utility relocations and other early work elements. The estimate for this initial work is \$127,000,000.

FINANCIAL IMPACT

Authorizing Items 1 through 3 above and 5 have no net financial impact to the project budget and are consistent with Expo 2 Life of the Project budget. Item 4 would be paid by the City of Los Angeles and would therefore not impact the overall Expo Phase 2 project budget.

NEXT STEPS

The Authority will issue a Notice of Award (NOA) to the Skanska/Rados Expo 2 JV. Within 30 days of receipt of NOA, the Contractor will submit Payment and Performance Bonds and required Certificates of Insurance and Special Oversight Provisions. Once the Contractor has submitted the necessary documents, the CEO will issue the LNTP with conditions as defined in the Contract.

ATTACHMENT(S)

- A. Project Labor Agreement
- B. Limited Notice-to-Proceed

**FINANCIAL ACCOUNTABILITY
AND CONSTRUCTION CAREERS
PROJECT LABOR AGREEMENT**

EXPOSITION METRO LINE CONSTRUCTION AUTHORITY

AND

**LOS ANGELES/ORANGE COUNTIES
BUILDING AND CONSTRUCTION
TRADES COUNCIL
Affiliated with the Building &
Construction Trades Department (AFL/CIO)
and Signatory Craft Councils and Local Unions**

For the

**Design-Build Contract of the Phase 2 Expo Metro Line Light
Rail Transit Project**

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NOW, THEREFORE, IT IS AGREED BETWEEN AND AMONG THE PARTIES HERETO, AS FOLLOWS:

PURPOSE

The purpose of this Project Labor Agreement (“Agreement”) is to promote efficiency of construction operations during the construction of the Exposition Light Rail Transit Project from Culver City to Santa Monica (Project) within the County of Los Angeles and provide for the orderly settlement of labor disputes and grievances without strikes or lockouts, thereby promoting the public interest in assuring timely and economical completion of this Project.

WHEREAS, the Exposition Metro Line Construction Authority (Authority) is responsible for the design and construction of the Project; and

WHEREAS, the successful completion of this Project is of utmost importance to the Authority, the general public of the County; and

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

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

WHEREAS, the interests of the general public, the Authority, the Unions, contractors, subcontractors, employers and workers would be best served if the construction work proceeded in an orderly manner free of disruption because of strikes, sympathy strikes, work stoppages, picketing, lockout, slowdowns or other interferences with work; and

WHEREAS, large numbers of workers or various skills will be required in the performance of the construction work, including those to be represented by the unions affiliated with the Los Angeles/Orange Counties Building and Construction Trades Council and any other craft labor organization which are signatory to this Agreement employed by contractors and subcontractors who are signatory to agreements with said labor organizations, and

WHEREAS, the Contractors/Employers and the Unions desire to mutually establish and stabilize wages, hours and working conditions for the workers employed on this Project, by the Contractors/Employers, and further, to encourage close cooperation among the Contractors/Employers, and the Unions to the end that a

satisfactory, continuous and harmonious relationship will exist among the parties to this Agreement; and

WHEREAS, this Agreement is not intended to replace, interfere with, abrogate, diminish, or modify existing local or national collective bargaining agreements in effect during the duration of this Agreement, insofar as a legally binding agreement exists between the Contractors/Employers and the affected Unions, except to the extent that the provisions of this Agreement are inconsistent with said collective bargaining agreements, in which event, the provisions of this Agreement shall prevail; and further, it is understood that Contractors/Employers are bound and shall remain bound, for the duration of this Agreement by the terms of this Agreement and applicable local and national collective bargaining agreements for the craft work performed, established between the signatory Unions and Contractors/Employers, in effect and covering the area of this Project; and

WHEREAS, this Agreement is not intended to have an adverse impact on the policy of the Authority to maximize business opportunities for minority, women and other small business enterprises in Authority contracts; and

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

WHEREAS, the Authority has adopted an Agreement which will provide construction employment and training opportunities in ways calculated to mitigate the harms caused by geographically concentrated poverty, unemployment and underemployment in concentrated poverty neighborhoods and other areas adjacent to the Project; and

WHEREAS, the contractors for the construction of the Project will be awarded in accordance with the applicable provisions of the Authority's Administrative Policies and Procedures; and

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

ARTICLE I

DEFINITIONS

- 1.1 "Agreement" means this Project Labor Agreement.
- 1.2 "Authority" means the Exposition Metro Line Construction Authority.

1.3 "Apprenticeship" as used in this Agreement shall be those registered and participating in Joint Labor/Management Apprenticeship Programs approved by the State of California Department of Industrial Relations, Division of Apprenticeship Standards.

1.4 "Community Area Resident" means an individual whose primary place of residence is the County of Los Angeles and is within the Authority determined project impact area, bound by a 5-mile radius from Downtown Los Angeles to Santa Monica.

1.5 "Construction Careers Policy" means the policy and accompanying program approved by the Authority's Board of Directors on September 20, 2010, which is incorporated hereto into this Project Labor Agreement.

1.6 "Construction Contract" means the Design-Build contract entered into by the Authority for the Exposition Phase 2 Light Rail.

1.7 "Contractor/Employer" or "Contractors/Employers" means any individual firm, partnership or corporation, or combination thereof, including joint ventures, which is an independent business enterprise and which has entered into the Construction Contract with the Authority or any of its contractors or subcontractors of any tier, with respect to the construction Project under contract terms and conditions approved by the Authority and which incorporate this Agreement.

1.8 "Core Worker" for the Design-Builders and subcontractors means a member of a Contractor's/Employer's core workforce who's name appears on the Contractor's/Employer's active payroll for 50 of the 100 working days before award of the Design Build Contract; must be properly licensed to perform the work; and must be capable of safely performing the work.

1.9 "Disadvantaged Worker" means an individual whose primary place of residence is within the County and who, prior to commencing work on the Prime Contract, either (a) has a household income of less than 50% of the AMI or (b) faces at least one of the following barriers to employment: being homeless; being a custodial single parent; receiving public assistance; lacking a GED or high school diploma; having a criminal record or other involvement with the criminal justice system; or suffering from chronic unemployment.

1.10 "Inspector" or "Inspectors" means the classifications of Building/Construction Inspector and Field Soils and Material Testers performing work on the Project including work as defined in the State of California Prevailing Wage Determination scope of work for said craft(s) whether the work is performed under these classifications pursuant to a professional services agreement or a Construction Contract.

1.11 "Letter of Assent" means the document that each Contractor/Employer (of any tier) must sign and submit to the Authority, prior to beginning any work covered by this Agreement, which formally binds them to adherence to all the forms, requirements and conditions of this Agreement.

1.12 "Local Resident" means an individual whose primary place of residence is within the County and is within the zip code containing at least part of one census tract with a rate of unemployment in excess of 150% of the Los Angeles County unemployment rate, as reported by the State of California Department of Industrial Relations, as determined and provided by the Authority.

1.13 "Material Supplier" or "Material Suppliers" means a manufacturer, fabricator, supplier, distributor, or vendor having a direct contract with the Contractor/Employer or any subcontractor to furnish materials or equipment to be used on or incorporated in the Project work by the Contractor/Employer or any subcontractor.

1.14 "Project" or "Authority Project" means the Design-Build Construction Contract entered into by the Authority for the construction of the Exposition Light Rail Transit Project- Phase 2 (Culver City to Santa Monica).

1.15 "Union" or "Unions" or "Signatory Unions" means the Los Angeles/Orange Counties Building and Construction Trades Council affiliated with the Building & Construction Trades Department (AFL/CIO), Craft International Unions and any other labor organization signatory to this Agreement, acting in their own behalf and on behalf of their respective affiliates and member organizations whose names are subscribed hereto and who have through their officers executed this Agreement.

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

ARTICLE II

SCOPE OF AGREEMENT

2.1 Parties: Unless otherwise provided or limited herein, this Agreement shall apply to the Authority's Contractor/Employer entering into a Construction Contract for the Project, Contractors/Employers performing work or agreeing to perform work as subcontractors or otherwise in regards to the Construction Contract and the Los Angeles/Orange Counties Building and Construction Trades Council affiliated with the Building & Construction Trades Department (AFL/CIO), Craft Council and Local Unions and any other labor organization signatory to this Agreement, acting in their own behalf and on behalf of their respective affiliates and member organizations whose names are subscribed hereto and who have through their officers executed this Agreement ("Signatory Unions").

2.2 Project Description: This Agreement shall apply to the Design-Build Construction Contract as defined in Article 1, Section 1.7 above unless specifically excluded or limited in Article II, Section 2.4 below. This Agreement shall in no way limit the Authority's right to terminate, modify or rescind a Construction Contract and the Authority has the sole discretion and right to combine, consolidate, cancel, terminate or take other action regarding the Construction Contract or portions of the Construction Contract identified as part of this Agreement. Should the Authority remove or terminate

any contract or agreement for construction that does not fall within the scope of this Agreement and thereafter authorize that work be commenced on any contract for the construction, the contract for construction may, at the sole election of the Authority, be performed under the terms of this Agreement.

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

2.4 Exclusions:

(1) This Agreement shall only apply to the following:

(a) The Construction Contract as defined in Article I, Section 1.7 above. Should the Authority remove or terminate any contract for construction that does not fall within the scope of this Agreement and thereafter authorize that work be commenced on the Project for construction, the contract for construction may, at the sole election of the Authority, be performed under the terms of this Agreement.

(2) This Agreement shall not apply to or govern the award of Authority contracts which are outside the approved scope of the Authority.

(3) This Agreement shall not apply to or impact in any way service contracts or operation, inspection or maintenance contracts entered into by the Authority including, but not limited to the project, services provided at any Authority facility, building or the operation or maintenance of any Authority owned and operated facilities.

(4) This Agreement shall not apply to work performed by Inspectors, as defined by this agreement, directly contracted by the Authority.

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

(6) The Agreement shall not apply to Material Suppliers raw materials, manufactured products, offsite hauling or delivery by any means of material, supplies, or equipment required to any point of delivery.

(7) This Agreement shall not apply to officers and employees of the Authority.

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

(9) This Agreement shall not apply to the common division of work recognized through local practice for systems integration and testing, as-built documentation, including, but not limited to, those items excluded by the National Electrical Code (NFPA70) identified projects as "Not Covered" under Article 90.

(10) This Agreement shall not apply to any Project or Construction Contract that receives funding or assistance from any federal, state, local or other public entity if a requirement, condition or other term of receiving said funding or assistance is that the Authority not require, bidders, contractors, subcontractors or other persons or entities to: enter into an agreement with one or more labor organizations; or enter into an agreement that contains any of the terms set forth herein.

ARTICLE III

EFFECT OF AGREEMENT

3.1 By executing the Agreement, the Unions and the Agency agree to be bound by each and all of the provisions of the Agreement. This Agreement is not intended to supersede collective bargaining agreements between any of the Employers performing construction work on the Project and union signatory thereto except to the extent the provisions of this Agreement are inconsistent with such collective bargaining agreement, in which event the provisions of this Agreement shall apply. However, such does not apply to work performed under the NTL Articles of Agreement, the National Cooling Tower Agreement, the National Stack Agreement, the National Transit Division Agreement (NTD), or the National Agreement of the International Unions of Elevator Constructors and all instrument calibration work and loop checking shall be performed under the terms of the UA/IBEW Joint National Agreement for Instrument and Control Systems Technicians, however, provisions of this Agreement dealing with Work Stoppages and Lock-Outs, Work Assignments and Jurisdictional Disputes, and Settlement of Grievances and Disputes shall apply to such work. It is specifically agreed that no later agreement shall be deemed to have precedence over this Agreement unless signed by all parties signatory hereto who are then currently employed or represented at the Project.

3.2 By accepting the award of the Construction Contract or entering into a contract to perform work pursuant to the Construction Contract whether as a contractor or subcontractor, the Contractor/Employer agrees to sign the letter of assent as shown in Attachment A and be bound by each and every provision of the Agreement.

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

3.4 At the time that any Contractor/Employer enters into a subcontract with any subcontractor providing for the performance of the Construction Contract, the Contractor/Employer shall provide a copy of this Agreement to said subcontractor and shall require the subcontractor as a part of accepting the award of a construction or Inspection Services subcontract to agree in writing in the form of a Letter of Assent, see attachment A, to be bound by each and every provision of this Agreement prior to the commencement of any work on the Project, to the extent provided herein.

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

3.6 This Agreement shall be included as a general condition of the Construction Contract for which the Authority requests bids or proposals.

ARTICLE IV

WORK STOPPAGES AND LOCKOUTS

4.1 During the term of this Agreement there shall be no strikes, picketing, work stoppages, slow downs or other disruptive activity for any reason by the Union, its applicable Local Union or by any employee, and there shall be no lockout by the Contractor. Failure of any Union, Local Union or employee to cross any picket line established at the Project site is a violation of this Article. Any damages resulting from any violation of this Agreement will be paid by the violating party.

4.2 The Union and its applicable Local Union shall not sanction, aid or abet, encourage or continue any work stoppage, strike, picketing or other disruptive activity at the Contractor's project site and shall undertake all reasonable means to prevent or to terminate any such activity. No employee shall engage in activities which violate this Article. Any employee who participates in or encourages any activities which interfere with the normal operation of the Project shall be subject to disciplinary action, including discharge, and if justifiably discharged for the above reasons, shall not be eligible for rehire on the Project for a period of not less than ninety (90) days.

4.3 Neither the Union nor its applicable Local Union shall be liable for independent acts of employees for whom it has no responsibility. The International Union General President or Presidents will immediately instruct, order and use the best efforts of his office to cause the Local Union or Unions to cease any violations of this Article. An International Union complying with this obligation shall not be liable for unauthorized acts of its Local Union. The principal officer or officers of a Local Union will immediately instruct, order and use the best efforts of his office to cause the employees the Local Union represents to cease any violations of this Article. A Local Union

complying with this obligation within two business days shall not be liable for unauthorized acts of employees it represents. The failure of the Contractor to exercise its right in any instance shall not be deemed a waiver of its right in any other instance.

4.4 Expiration of Local Agreements. If local, regional, and other applicable labor agreements expire during the term of this Agreement, it is specifically agreed that there shall be no strike, sympathy strike, picketing, lockout, slowdown, withholding of work, refusal to work, walk-off, sick-out, sit-down, stand-in, wobble, boycott or other work stoppage, disruption, advising of the public that a labor dispute exists, or other impairment of any kind as a result of the expiration of any local, regional or other applicable labor agreement having application at any Authority Project and/or failure of the parties to that agreement to reach a new contract. Terms and conditions of employment established and set for purposes of prevailing wage requirements under the labor agreement or as required by law at the time of bid or thereafter shall remain established and set. Otherwise to the extent that such a local, regional, or other applicable labor agreement does expire and the parties to that agreement have failed to reach agreement on a new contract, work will continue on all Authority Projects on one of the following two basis, both of which will be offered by the Unions involved to the Contractors/Employers affected:

- 1) Each of the Unions with a contract expiring must offer to continue working on all Authority Projects under interim agreements that retain all the terms of the expiring contract, except that the Unions involved in such expiring contracts may each propose wage rates and employer contribution rates to employee benefit funds under the prior contract different from what those wage rates and employer contributions rates were under the expiring contracts provided, however, that the proposal does not violate state and/or federal prevailing wage laws required to be paid on public works projects. The terms of the Union's interim agreement offered to Contractors/Employers will be no less favorable than the terms offered by the Union to any other employer or group of employers covering the same type of construction work in Los Angeles County.
- 2) Each of the Unions with a contract expiring must offer to continue working on all Authority Projects under all the terms of the expiring contract, including the wage rates and employer contribution rates to the employee benefit funds, provided that said wage rates comply with state and/or federal prevailing wage laws, if the Contractors affected by that contract agree to the following retroactivity provisions: if a new local, regional or other applicable labor agreement for the industry having application at Authority Projects is ratified and signed during the term of this Agreement and if such new labor agreement provides for retroactive wage increases, then each affected Contractor shall pay to its employees who performed work covered by the Agreement at Authority Projects during the hiatus between the effective dates of such labor agreements, an amount equal to any such retroactive wage increase established by such new labor agreement, retroactive to whatever date is provided by the new local, regional or other applicable agreement for such increase to go into

effect, for each employee's hours worked on all Authority Projects during the retroactive period. An agreed labor agreement must not violate any requirements of state and/or federal prevailing wage laws. All parties agree that such affected Contractor/Employer shall be solely responsible for any retroactive payment to its employees and that neither the Authority nor any other Contractor has any obligation, responsibility or liability whatsoever for any such retroactive payments or collection of any such retroactive payments, from any such Contractor.

- 3) Some Contractors may elect to continue to work on the Project under the terms of the interim agreement option offered under Paragraph 1 above and other Contractors may elect to continue to work on the Project under the retroactivity option offered under Paragraph 2 above. To decide between the two options, Contractors will be given one (1) week after the particular labor agreement has expired or one week after the Union has personally delivered to the Contractor in writing its specific offer of terms of the interim agreement pursuant to Paragraph 1 above, whichever is the later date.

4.5 Contractor/Employer's shall:

- (1) Timely pay its weekly payroll,
- (2) Make timely payments to the Union's Labor/Management Trust Funds in accordance with the provisions of the applicable Schedule A Agreements.
- (3) Should a Contractor/Employer fail to timely pay its weekly payroll or fail to make timely payments to the Union's Labor/Management Trust Funds, as set forth above, upon written notice from the involved Union or District Council of a request to meet regarding such failure, representatives from the Authority, Prime Contractor and the affected (delinquent) Contractor/Employer shall meet on the Project with the involved Union or District Council to resolve such delinquency and affect immediate payment of such wages and/or fringe benefits due and owing.

ARTICLE V

NO DISCRIMINATION

5.1 The Contractor/Employers and Unions agree not to engage in any form of discrimination on the ground of, or because of, race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, marital status or medical condition.

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

ARTICLE VI

UNION SECURITY

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

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

ARTICLE VII

REFERRAL

7.1 The Contractors/Employers recognize that the Unions shall be the primary source of all craft labor employed on Authority Projects. In the event that a Contractor/Employer has his/her own core workforce, said Contractor/Employer shall follow the procedures outlined below:

The Contractor/Employer worker shall be considered a member of a Contractor's/Employer's core workforce for the purposes of this Article if the employee's name appears on the Contractor's/Employer's active payroll for 50 of the 100 working days before award of the Design Build Contract; must be properly licensed to perform the work; and must be capable of safely performing the work.

A subcontractor's worker shall be considered a member of a Contractor's/Employer's core workforce for the purposes of this Article if the employee's name appears on the Contractor's/Employer's active payroll for 50 of the 100 working days before award of the subcontract; must be properly licensed to perform the work; and must be capable of safely performing the work.

The Contractor/Employer shall identify Core Workers in their Employment Hiring Plan and shall provide payroll records evidencing the worker's qualification as a Core Worker. The number of Core Workers on Projects for all but SBE Contractor/Employers covered by this Agreement shall be governed by the following procedure: one Core Worker shall be selected and one worker from the hiring hall of the affected trade or craft and this process shall repeat until such Contractor/ Employer's requirements are met or until such Contractor/Employer has hired five (5) such Core

Workers for that craft, whichever occurs first. Thereafter, all additional employees in the affected trade or craft shall be hired exclusively from the hiring hall list. In the event of a reduction-in-force or layoff, such will take place in a manner to assure that the number of remaining “core” employees in the affected craft does not exceed, at any time, the number of others working in that craft who were employed pursuant to other procedures available to the Contractor/Employer under this Agreement. This provision applies only to employees not currently working under a current master labor agreement and is not intended to limit transfer provisions of current master labor agreements of any trade. As part of this process, and in order to facilitate the contract administration procedures, as well as appropriate benefit fund coverage, all contractors shall require their “Core Work Force” and any other persons employed other than through the referral process, to register with the appropriate hiring hall, if any, prior to their first day of employment at the project site.

SBE Contractor/Employers shall be governed by the following procedure: one (1) “Core Worker” shall be selected and one (1) employee from the hiring hall of the affected trade or craft shall be selected and this process shall repeat until such SBE Contractor/Employer’s requirements are met or until such SBE Contractor/Employer has hired ten (10) such Core Workers for that craft, and ten (10) employees from the hiring hall, whichever occurs first. Thereafter, all additional employees in the affected trade or craft shall be hired exclusively from the hiring hall list.

7.2 Contractors/Employers shall be bound by and utilize the registration facilities and referral systems established or authorized by this Agreement and the signatory Unions when such procedures are not in violation of state or federal law.

7.3 In the event that referral facilities maintained by the Unions are unable to fill the requisition of a Contractor/Employer for qualified employees in accordance with the Craft Request Form in Exhibit D attached. Within a forty eight (48) hour period after such requisition is made by the Contractor/Employer, the Contractor/ Employer shall be free to obtain work persons from any source.

7.4 Unions will be required to recruit sufficient numbers of skilled craft persons to fulfill the requirements of the Contractors/Employers. In recognition of the fact that the communities closest to the Project will be impacted by the construction of these Projects, the parties agree to support the development of increased numbers of construction workers from residents of these communities in accordance with the Authority’s Construction Career’s Policy (CCP), as shown in “Exhibit B” and hereto incorporated into this Agreement. Toward that end, the Unions agree to make every effort to recruit Targeted Workers and to refer and utilize Targeted Workers on this Project. The Unions shall submit written documentation to the Authority on an annual basis or as required by the Authority which sets forth the steps taken by the Unions to recruit, refer and utilize qualified Targeted Workers recruited by the Unions and referred to or utilized on the Project in recognition of the Authority mission to utilized Targeted Workers, the Unions and Contractors/ Employers agree that as long as they possess the requisite skills and qualifications, Community Area Residents and Local Area Residents, with priority given to Community Area Residents, shall be first referred for Project work, including journeypersons and apprentices. The purpose of this section is to provide employment opportunities for those residents, which live in communities adjacent to the Project.

7.5 The Contractors/Employers and Unions are responsible for ensuring that the following Local and Apprentice Hiring Requirements are met.

- (1) Local Hiring Requirements: The following Local Hiring Requirements shall be attained for the Project Work.
 - (a) 30% of total work hours by Community Area and Local Residents. A minimum of 30% of all craft hours of Project Work shall be performed by Community Area Residents and Local Residents, with priority given to Community Area Residents. This Policy shall govern only construction work performed specifically for Project Work.
 - (b) 10% of the total Community Area and Local Residents work hours by Disadvantaged Workers. A minimum of 10% or one-third (1/3) of the 30% referenced in 1(a) above of all craft hours required for Community and Local Resident shall be Disadvantaged Workers. This Policy shall govern only construction work performed specifically for Project Work.
- (2) Apprentice Hiring Requirements. The following Apprentice Hiring Requirements shall be attained for the Project Work.
 - (a) All Contractors performing Project Work will make every effort to employ the maximum number of Apprentices allowed by State Law.
 - (b) The Authority will seek to make available through a Project Labor Agreement or other means, significant apprenticeship opportunities for Targeted Workers, consistent with Section 7.5(1) above.
 - (c) Any apprentice must come from an approved Apprenticeship Program, such as the California Department of Industrial Relations Division of Apprenticeship Standards.
 - (d) Contractors/Employers shall track retention of Apprentices hired under this Policy through completion of the Project Work.
 - (e) The Prime Contractor/Employer shall act as employer-sponsor for at least 5 Targeted Workers, consistent with Section 7.5(1), hired as new Apprentices on the Project and cover 25% of sponsorship fees for any new Apprentice hired. The amount covered by the Prime Contractor/Employer may be paid to the new Apprentice over the first three (3) paychecks.

- (f) The Prime Contractor/Employer shall provide to the Authority, information regarding any reasons given by apprenticeship programs for not accepting Contractor-referred Local and Community Area Residents into apprenticeship programs.
- (g) All apprentices shall work under the direct supervision of a journeyman from the trade in which the apprentice is indentured. A journeyman shall be defined as set forth in the California Code of Regulations, Title 8 [apprenticeship] section 205, which defines a journeyman as a person who has either completed an accredited apprenticeship in his or her craft, or has completed the equivalent of an apprenticeship in length and content of work experience and all other requirements in the craft which has workers classified as journeyman in the apprenticeable occupation. Should a question arise as to a journeyman's qualification under this subsection, the Contractor/Employer shall provide adequate proof evidencing the worker's qualification as a journeyman.

7.6 The Employer shall be the sole judge of the qualifications of any employee including those referred to the Employer by any source.

7.7 There shall be no limitation or restriction upon the choice of materials or upon the full use and installation of equipment, machinery, package units, factory precast, prefabrication or preassembled materials, tools or other labor saving device.

7.8 Helmets to Hardhats:

1. The Employers and the Unions recognize a desire to facilitate the entry into the building and construction trades of veterans who are interested in careers in the building and construction trades industry. The employers and unions agree to utilize the services of the Center for Military Recruitment, Assessment and Veterans Employment (hereinafter "Center") and the Center's "Helmets to Hardhats" Program to serve as a resource for preliminary orientation, assessment of the construction aptitude, referral to apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as identified by the parties.

2. The Unions and Employers agree to coordinate with the Center to reach out to veterans interested in entering into a construction career.

ARTICLE VIII

WAGES & BENEFITS

8.1 All employees covered by this Agreement shall be classified in accordance with work performed and paid by the Contractors/Employers the hourly wage rates for those classifications in compliance with the applicable prevailing wage rate determination established pursuant to applicable law. If a prevailing rate increases under law, the contractor shall pay that rate as of its effective date under the law. This Agreement does not relieve Contractors/Employers from any independent contractual or other obligation they may have to pay wages in excess of the prevailing wage rate as required.

8.2 Contractors/Employers shall pay contributions to the established employee benefit funds in the amounts designated by the Unions and make all employee-authorized deductions in the amounts designated by the Unions; provided, however, that the Contractor/Employer and Union agree that only such bona fide employee benefits as accrue to the direct benefit of the employees (such as pension and annuity, health and welfare, vacation, apprenticeship, training funds, etc.) shall be included in this requirement and required to be paid by the Contractor/Employer on the Project; and provided further, however, that such contributions shall not exceed the contribution amounts set forth in the applicable prevailing wage determination. This Agreement does not relieve a Contractor/Employer from any independent contractual or other obligation they may have to make contributions, deductions or payments for benefits. The determination of appropriate contributions, deductions or payments for benefits is the sole obligation of the Contractor/Employer and/or Unions and all parties agree that the Authority shall not be liable for determining the level of contributions, deductions or payments for benefits and the Authority shall not be liable for or required to make contributions, deductions or payments for benefits.

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

ARTICLE IX

COMPLIANCE

9.1 It shall be the responsibility of the Contractors/Employers and Unions to investigate and monitor compliance with the provisions of the Agreement contained in Article VIII. The Authority may designate a representative to monitor and investigate

issues related to this Agreement including, but not limited to, the prevailing wage requirements, Construction Careers Policy.

ARTICLE X

DISPUTE RESOLUTION PROCEDURE

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

10.2 The Contractors, Unions, and the employees, collectively and individually, realize the importance to all parties to maintain continuous and uninterrupted performance of the work of the Project, and agree to resolve disputes in accordance with the grievance-arbitration provisions set forth in this Article.

10.3 Any question or dispute arising out of and during the term of this Project Labor Agreement (other than trade Jurisdictional Disputes) shall be considered a grievance and subject to resolution under the following procedures:

Step 1: Within three (3) business days after the receipt of the written notice of the dispute, the Business Representative of the involved Local Union or District Council, or his/her designee, and the representative of the involved Contractor/Employer shall meet and attempt to resolve the dispute.

Step 2: In the event that the representatives are unable to resolve the dispute within five (5) business days (or such longer time as mutually agreed) after the Step 1 meeting, either party to the dispute may submit the dispute to Step 3.

Step 3: In the event a dispute cannot be satisfactorily resolved within the time limits established above in Step 2, either party may submit the dispute to arbitration by written notice to the other party of their intent to submit the dispute to arbitration. An arbitrator shall be selected by the parties to the grievance from the following list of permanent arbitrators: (1) Joseph Gentile; (2) Michael Rappaport; (3) Walter Daugherty; (4) Paul Greenberg; and, (5) William Rule. The grieving party shall strike one of the arbitrators from the list, and the responding party shall strike the next arbitrator from the list, until one arbitrator is left, who shall hear the case. The arbitrator shall convene a hearing within twenty-four (24) hours and render a written decision, within three (3) hours of the close of the hearing, which shall last no longer than one (1) day, if possible. Should the selected arbitrator not be available within the twenty four (24) hour period, the first available arbitrator of the remaining four arbitrator's shall hear the case. Should none of the five (5) arbitrator's be available within the twenty four (24) hour period the arbitrator that can hear the case the soonest shall be selected. The arbitrator's decision shall be final and binding upon

the parties. The arbitrator's decision shall not alter the language of this Project Agreement.

10.4 The Authority shall be notified of all actions at Steps 2 and 3 and shall, upon its request, be permitted to participate in all proceedings at these steps.

10.5 The time limits specified in any step of the Dispute Resolution Procedure set forth in Section 10.3 may be extended by mutual agreement of the parties initiated by the written request of one party to the other, at the appropriate step of the dispute procedure. However, failure to process a dispute, or failure to respond in writing within the time limits provided above, without a request for an extension of time, shall be deemed a waiver of such dispute without prejudice, or without precedent to the processing and/or resolution of like or similar disputes.

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

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

ARTICLE XI

JURISDICTIONAL DISPUTES

11.1 The assignment of work will be solely the responsibility of the Contractor/Employer performing the work involved; and such work assignments will be in accordance with the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (the Plan) or any successor Plan.

11.2 All Jurisdictional Disputes on this Project, between or among Building and Construction Trades Unions and Contractors/Employers shall be settled and adjusted according to the present Plan established by the Building and Construction Trades Department. Decisions rendered shall be final, binding, and conclusive on the Contractors/Employers and Unions.

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

11.4 Each Contractor/Employer will conduct a pre-job conference with the appropriate Building and Construction Trades Council prior to commencing work. Agency will be advised in advance of all such conferences and may participate if they wish.

ARTICLE XII

MANAGEMENT RIGHTS

12.1 The Contractor/Employers retain full and exclusive authority for the management of their operations. This includes, but is not limited to, the right to direct their working force and to establish coordinated working hours and starting times, which shall not be in conflict with the Collective Bargaining Agreements of the Unions if applicable.

12.2 There shall be no limit on production by workers or restrictions on the full use of tools or equipment. Craftsmen using tools shall perform any of the work of the trades and shall work under the direction of the craft foremen. There shall be no restrictions on efficient use of manpower other than as may be required by safety regulations. The Contractors/Employers may utilize the most efficient methods or techniques of construction, tools or other labor-saving devices to accomplish the work. Restrictive practices not a part of the terms and conditions of the Agreement will not be recognized.

12.3 The Contractor/Employer shall be the sole judge of the number and classifications of employees required to perform work subject to this Agreement. The Contractor/Employer shall have the absolute right to hire, promote, suspend, discharge or lay off employees at their discretion and to reject any applicant for employment, subject to the provisions of the respective craft collective bargaining agreement between the particular Contractor/Employer and Union and pursuant to this Agreement.

12.4 Nothing in this Agreement shall be construed to limit the right of any of the Contractors/Employers to select the lowest bidder he deems qualified for the award of contracts or subcontracts or material, supplies, or equipment purchase orders on the Project. The right of ultimate selection remains solely with the Contractor/Employer in accordance with the Construction Contract or Inspection Services Contract.

12.5 It is recognized that certain materials, equipment and systems of a highly technical or technological and specialized nature will have to be installed at the Project. The nature of the materials or the nature of the equipment and systems, together with requirements of manufacturer's warranty, dictate that it be prefabricated, pre-piped, prewired and/or installed under the supervision and direction of the Authority's , Contractor's/Employer's and/or manufacturer's personnel. The Unions agree that such materials, equipment and systems may be installed under the supervision and direction of the Authority representative, the Contractor's/Employer's or the manufacturer's personnel. The unions agree that such materials, equipment and systems shall be installed without the occurrence of any conduct described in Sections 4.1 and 4.2.

ARTICLE XIII

SAFETY, PROTECTION OF PERSON AND PROPERTY

13.1 It shall be the responsibility of each Contractor/Employer to ensure safe working conditions and employee compliance with any safety rules contained herein or

established by the Authority, the state and the Contractor/Employer. It is understood that the employees have an individual obligation to use diligent care to perform their work in a safe manner and to protect themselves and the property of the Contractor/Employer and the Authority.

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

13.3 The parties acknowledge that the Authority and Contractor/Employer have a policy, which prohibits the use, sale, transfer, purchase and/or possession of a controlled substance, alcohol and/or firearms while on the Authority's premises. Additionally, the Contractor/Employer has a "drug free" work place policy, which prohibits those working on the Project from having a level of alcohol in their system, which could indicate impairment, and/or any level of controlled substances (i.e., illegal drugs) in their system.

13.4 To that end, the parties agree that the Labor/Management memorandum of Understanding (MOU) on Drug Abuse Prevention and Detection negotiated with the various General Contractor Associations and the Basic Trades' Unions shall be the policy and procedure utilized under this agreement.

ARTICLE XIV

SAVINGS CLAUSE

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

14.2 The parties also agree that in the event that a decision of a court of competent jurisdiction materially alters the terms of the Agreement such that the intent of the parties is defeated, then the entire Agreement shall be null and void.

14.3 If a court of competent jurisdiction determines that all or part of the Agreement is invalid and/or enjoins the Authority from complying with all or part of its provisions no Contractor/Employer, or Union would be bound by the provisions of Article IV. The Unions and their members shall remain bound to Article IV with respect to all Contractor/Employers who remain bound to this Agreement, and no action taken by the Unions or their members shall disrupt the work of such Contractor/Employer.

ARTICLE XV

PRE-JOB CONFERENCE

15.1 A pre-job conference shall be held prior to the start of work by the Prime Contractor for the Project covered by this Agreement. The purpose of the conference will be to, among other things, determine craft manpower needs, schedule of work for the contract and Project work rules/owner rules.

ARTICLE XVI

STEWARD

16.1 Each Union shall have the right to designate one working craft employee as steward for each Contractor/Employer employing such craft on the Project. Such designated steward shall be a qualified workman assigned to a crew and shall perform the work of the craft. The steward shall not perform supervisory duties. Under no circumstances shall there be nonworking stewards. Stewards shall be permitted a reasonable amount of time during working hours to perform applicable Union duties related to the work being performed by the craft employees of his Contractor/Employer and not to the work being performed by other Contractors/Employers or their employees.

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

ARTICLE XVII

TERM

17.1 This Project Labor Agreement shall be effective on _____ and shall continue in full force and effect until all work under Article II of the Agreement has been completed. This Agreement may be extended by mutual consent of the Authority and the Unions for any further construction initiated by the Authority.

17.2 Final termination of all obligations, rights and liabilities and disagreements shall occur upon Revenue Operations of the Project.

ARTICLE XVIII

INDEMNITY

18.1 The Authority and the Unions shall each be responsible for any legal costs (including all attorneys' fees and associated disbursements) that might accrue with regard to any legal challenge over the adoption by the Authority of this Agreement, and related to claims directly challenging the legality of this Agreement, or a particular

section of language that has been adopted herein.

ARTICLE XIX

MISCELLANEOUS PROVISIONS

19.1 This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county.

19.2 Any notice, demand, request, document, consent, approval, or communication required by or to be given to Authority shall be sent to the Authority at its administration offices.

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

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

19.5 Any modification to this Agreement must be in writing and executed by all parties hereto.

[SIGNATURES ON FOLLOWING PAGE]

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

THE UNION OFFICIALS signing this Agreement warrant and represent that they are authorized to collectively bargain on behalf of the organizations whom they represent and the members of such organizations.

Exposition Metro Line Construction Authority

Dated: _____

By:

By:

Los Angeles/Orange Counties
Building and Construction Council

Dated: _____

By:

EXPOSITION METRO LINE CONSTRUCTION AUTHORITY

PROJECT LABOR AGREEMENT

CRAFT UNIONS' SIGNATURE PAGE

COMPANY LETTERHEAD

Mr. Richard D. Thorpe
Chief Executive officer
Exposition Metro Line Construction Authority
707 Wilshire Boulevard, 34th Floor
Los Angeles, CA 90017

SUBJECT: EXPOSITON METRO LINE CONSTRUCTION AUTHORITY
PHASE 2 DESIGN-BUILD CONTRACT FOR THE EXPO METRO LIGHT
RAIL PROJECT LABOR AGREEMENT

Dear Mr. Thorpe:

This is to certify that the undersigned Contractor/Employer has examined a copy of the subject Project Labor Agreement entered into by and between the Exposition Metro Line Construction Authority and the Los Angeles/Orange Counties Building and Construction Trades Council and Signatory Craft Councils and Local Unions for the Exposition Light Rail Transit Project- Phase 2 (Culver City to Santa Monica). The undersigned Contractor/Employer hereby agrees to comply with all of the terms and conditions of the aforementioned Project Labor Agreement as such labor Agreement may, from time to time, be amended by the parties or interpreted pursuant to its terms.

It is understood that the signing of the letter of Assent shall be as binding on the undersigned Contractor/Employer as though the Contractor/Employer had signed the above referred Agreement and shall require all its subcontractors, of whatever tier, to become similarly bound for all work within the scope of this Agreement.

This Letter of Assent shall become effective and binding upon the undersigned Contractor/Employer the _____ day of _____, and shall remain in full force and effect until the completion of the above stated project.

Sincerely,
(Name of Construction Company)

By:
(Name and Title of Authorized Executive)

cc:

EXPOSITION LIGHT RAIL TRANSIT PROJECT – PHASE 2

CONSTRUCTION CAREERS POLICY

**LOCAL AREA AND COMMUNITY AREA RESIDENT
ZIP CODES**

CRAFT REQUEST FORM

ATTACHMENT B

LIMITED NOTICE TO PROCEED ACTIVITIES

1) <u>Mobilization - Design Services</u>	\$6,000,000
A. Mobilize Design Office	
B. Mobilize Design Team	
C. Material Procurement (Long Lead Time)	
i. Special Trackwork	
ii. 115 LB Running Rail	
iii. Concrete Ties	
iv. OCS Systems	
2) <u>Design Work</u>	\$25,000,000
A. Design Drawings and Specifications	
B. Geotech Investigation	
C. Traffic Management Plans	
3) <u>General Requirements</u>	\$50,000,000
A. Payment Bonds	
B. Performance Bonds	
C. Project Offices	
D. Contractual Submittals	
E. Implement and Administer PLA, Careers and SBE Programs	
F. Scheduling/Costing/Invoicing	
4) <u>Insurance</u>	\$10,000,000
A. CCIP	
B. Professional Liability	
5) <u>Surveying</u>	\$1,000,000
A. Design	
B. Record of Survey	
C. Right of Way Engineering	
6) <u>Utility</u>	\$20,000,000
A. Potholing	
B. Detours as Required in Traffic Control Plans	
C. Utility Relocation - Wet Relocations	
D. Pre-Construction Storm Drain and Sewer Video Inspection	
E. Kenter Canyon Investigation and Protection in Place	
7) <u>Environmental</u>	\$5,000,000
A. Additional Sampling and Remediation	
B. Noise and Vibration Control Monitoring	
C. Environmental Permits	
D. Shrub and Tree Protection	
8) <u>Other</u>	\$10,000,000
A. Pre-Construction Survey (Private Property)	
B. Obtain Permits	
B. Signage Installation	
C. Clear and Grub	
D. Track Removal	
E. Demolition	
F. Traffic Control Plans and Implementation	
G. Guideway Grading	
H. Drainage	

TOTAL AMOUNT LNTP (320 CD)

\$127,000,000