

## NATIONAL PIPE LINE AGREEMENT

AGREEMENT made by and between the PIPE LINE CONTRACTORS ASSOCIATION and those of its contractor members and such other Main Line Pipe Line Contractors who execute an acceptance of the terms and provisions of this Agreement, hereinafter referred to as the "Employer," and the LABORERS' INTERNATIONAL UNION OF NORTH AMERICA, hereinafter referred to as the "Union,"

### WITNESSETH:

That, WHEREAS, the parties hereto desire to stabilize employment in the Main Line Pipe Line Industry, agree upon wage rates, hours and conditions of employment;

NOW, THEREFORE, the undersigned Employer and the Union, in consideration of the mutual promises and covenants herein contained agree as follows:

### I. COVERAGE

(A) This Agreement and the attachment covering Small Diameter Pipe (16" and under) shall apply to and cover all transportation main line pipe line and underground cable work coming within the jurisdiction of Union, contracted for or performed by Employer within the United States, as such work is more fully described in paragraphs (B) and (C) and (D) below. Before any such work is done in the States of Alaska and Hawaii, the Pipe Line Contractors Association and Union shall meet to agree upon the wage rates and any special conditions which may be necessary in those states. By mutual agreement, this contract may be extended to cover other territory.

(B) Transportation main line pipe lines coming under this Agreement are those defined as follows:

The construction, installation, double-jointing, rebeveling, treating, insulating, reconditioning, testing, taking-up, re-laying or relocation of cross-country pipe lines or any segments thereof transporting CO<sub>2</sub>, coal, gas, oil, water lines associated with the production of oil and natural gas or other transportable materials, vapors or liquids or hydrocarbons including portions of such pipe lines within private property boundaries, up to the final metering station or connection.

The phrase "final metering station or connection" means that point where a valve, consumer connection, or town border station divides main line transmission lines or higher pressure lateral and branch lines from lower pressure distribution systems. If a metering station or connection is located on such main line transmission line or higher pressure lateral or branch line or between two or more main line transmission lines or higher pressure lateral or branch lines then such work is covered by this Agreement.

(C) Gathering lines which connect directly from the wells to the main line pipe lines, gathering lines, to or from gas extraction or gas dehydration plants, and gathering lines to or from gas storage fields are included.

(D) All new marine pipe line work, including push-jobs in-shore and work done from barges in-shore and off-shore is covered by this Agreement.

(E) Such pipe line construction, installation, repair, maintenance, replacement or reconditioning as may be combined with or associated or comprising an integral part of other work more particularly and usually defined as engineering or building construction, or work covering pumping stations, tank farms, refineries, plant-to-plant connection lines within city limits and city distribution lines are not covered by this Agreement.

(F) If and when Employer shall perform work covered by this Agreement under its own name, under the name of another, as a corporation, company, partnership, enterprise, or any combination, including a joint venture, this Agreement shall be applicable to all such work performed under the name of Employer or the name of any other corporation, company, partnership, enterprise, combination or joint venture.

(G) It is the intent of the Union to have uniform wages and working conditions in the industry. However, the parties recognize that in connection with the Union's organizing efforts to increase the market share of the union industry, it may be necessary to permit newly organized Employers to complete existing projects or projects where bids have been accepted under the conditions which the Employer bid the work except for the first 12 months of multi-year maintenance agreements and the first 12 months of any pipeline project extending more than one year. The Union also agrees that Employers granted any concessions under this paragraph will be obligated to sign the current National Pipe Line Agreement for future covered work. It is further agreed that the Union and the Association will meet on a regular basis (minimum two times annually) to review progress in planning under this Article. Absent the above exception, the following continues to apply: In no event shall Employer be required to pay higher rates of wages, or be subject to more unfavorable working rules than those established by Union for any other employer engaged in similar work.

(H) Wherever in this Agreement a gender pronoun or the singular or plural form of a gender is used, it is understood that such references are meant to have equal application to all persons covered by this Agreement, male or female.

(I) This Agreement shall supersede all other agreements between the parties or between Employer and any local of the Union for any work covered herein and described above.

(J) The work coming under the jurisdiction of the Union and covered by terms of this Agreement includes but is not limited to, the Laborers' work, for the clearance of right-of-way preparatory to the installation of the pipe line, the demolition

and removal of fences, the digging and trimming of trenches and ditches for pipe lines; work in connection with the bending of pipe except the mechanical work involved; Laborers' work in connection with the distribution of pipe and skids and pipe over the trench; the cleaning, scaling, etc., of pipe; all Laborers' work in connection with the lineup crew; the cleaning, wrapping and doping of the pipe as well as the covering of pipe for any and all purposes before lowering after the welding of joints has been made; the cleaning, wrapping and doping of the pipe in all yards; the work in connection with the lowering of the pipe and the removal of the skids; in connection with the backfilling of trenches after the pipe has been laid; all work in connection with clean-up after the pipe has been laid and the trenches backfilled; demolition, take-up and reconditioning of old pipe; Laborers' work on barges and floating equipment; hooking and unhooking of pipe, and all other general and miscellaneous Laborers' work in connection with the entire operation, falling within the jurisdiction of the Union.

## **II. SAVINGS CLAUSE**

If any provision of this Agreement is in conflict with the laws or regulations of the United States or of the State in which the work is to be performed, such provision shall be superseded by such law or regulation, but all other provisions of this Agreement shall continue in full force and effect; provided that in no case shall wage rates be paid which are lower than those set out in this Agreement.

## **III. NOTIFICATION OF PRE-JOB CONFERENCE AND ENFORCEMENT**

(A) Employer agrees to immediately notify the \*Union of jobs obtained by Employer, including unloading, racking and stringing of pipe. Such notification shall include the size and length of the proposed job, the states and counties and the proposed starting date. The Union agrees to notify the Employer of its Regional Office which shall participate in the pre-job conference. It is a violation of this Agreement to start a job without prior notification and a pre-job conference. If an Employer fails to notify the Union in accordance with the procedure above, the Union shall retain the right to pursue a grievance in accordance with Article XVII, Procedure for Settlement of Grievances and Disputes.

(B) The Employer and representatives of the International Union, Local Union or Local Unions involved shall hold a pre-job conference so that the start and continuation of the work may progress without interruption, and the Union representatives at such conference shall be authorized by the Union to represent Union for the entire area covered by the job. It shall be the purpose of the pre-job conference to

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\* For Purpose of notification, Union office to be contacted shall be the Laborers' International Union of North America, 905-16<sup>th</sup> Street, N.W., Washington, D.C. 20006.

notify the Union of the tentative number of warehouses to be used and the location of each, to agree upon such matters as the length of the work-week, the approximate number of employees to be employed, including the number of Key Employees, the method of referral, the check-off of Union initiation fees, dues or agency shop fees, the applicable wage rates in accordance with the contract and any other matters, not including interpretation of the clauses of this Agreement, it being agreed that interpretation of this Agreement should be made between the Pipe Line Contractors Association and the Laborers' International Union of North America, so that proper application thereof may be made on the jobs.

(C) If any individual Employer pays any wages in excess of the wages negotiated in the National Pipe Line Agreement in the form of extra money, extra hours, extra travel or stand-by time or in the form of a bonus by any subterfuge, and if the Pipe Line Contractors Association and the Laborers' International Union of North America shall jointly determine that such bonus is for the purpose of pirating employees from other individual employers or results in conditions injurious to the pipe line construction industry, then such individual Employer shall be required to pay a proportionate additional compensation to all employees covered by this Agreement and such requirement shall continue until that particular job is completed. It is understood and agreed, however, that any profit-sharing, retirement or pension plan which an individual Employer may have in effect which has not been set up for that particular job shall not be considered a bonus. This paragraph does not apply regarding fringe benefits of Key Employees.

(D) The Union and the Pipe Line Contractors Association agree to send a copy of this Agreement to all of their affiliates so that the work covered by this Agreement may be performed in an effective and peaceful manner and the Union agrees that the terms of this Agreement shall be recognized by its affiliated Local Unions. The individual Employer agrees as well to furnish its supervisory personnel copies of this Agreement so that they may be familiar with the terms.

#### **IV. MANAGEMENT RIGHTS**

(A) Employer shall have the right to make and revise from time to time safety and working rules which are not inconsistent with the above or any other of the terms of this Agreement or with existing laws. Union agrees to cooperate in the enforcement of safety and working rules.

(B) Nothing in this Agreement shall affect the Employer's inherent right to determine the competency and qualifications of any applicant or employee and his right to reject and discharge applicants or employees accordingly.

(C) There shall be no inequitable minimum or maximum amount of work which an employee may be required to perform during the working day, and there shall be no restriction imposed against the use of any type of machinery, tools, or labor saving

devices. At the discretion of Employer, employees may be changed from one classification to another within the jurisdiction of the Union. During emergencies, any employee of Employer may be assigned to any work; provided, however, that no employee's hourly rate shall be lowered under this provision, and provided further that in the event an employee is assigned to work calling for a higher rate of pay, he shall receive such higher rate for the entire day.

**V.  
UNION RECOGNITION,  
UNION SECURITY AND EMPLOYMENT**

(A) The Employer hereby recognizes and acknowledges that the Union is the exclusive representative of all employees in the classifications of work covered by this Agreement for the purpose of collective bargaining as provided by the Labor Management Relations Act of 1947.

(B) All employees covered by this Agreement, as a condition of continued employment, shall, commencing on the 8th day following the beginning of such employment or the effective date of this Agreement, whichever is later, acquire and, for the duration of this Agreement, maintain membership in the Union. This provision shall not apply in any state where such a requirement for continued employment is prohibited by law; provided, however, that where an Agency Shop is lawful in any such state, conformity therewith shall be a condition of employment on the 8th day following the beginning of such employment or the effective date of the Agreement, whichever is the later period.

(C) Upon request of the Local Union or District Council having jurisdiction of the job, and upon presentation of the proper authorization form executed by the individual employee, the Employer agrees to deduct from the wages of such employee Union fees, dues or agency shop fees and remit in accordance with Article XVIII, Fringe Benefit Fund Contributions.

**VI.  
KEY EMPLOYEES/HIRING PROCEDURE**

(A) It is recognized that because of the special nature of pipe line construction work, it is necessary that Employers have available experienced and qualified employees, and that both parties shall cooperate to the end that all of the employees hired hereunder shall be capable of performing pipe line construction work in an experienced manner.

(B) The Employer shall have the right to hire directly fifty percent (50 %) of all employees hired depending upon the type of work, the location of the job and the existence of an exclusive referral procedure. Employer hired employees shall be known as "Key Employees." If the local union is unable to provide qualified skilled pipe line employees then the Employer shall immediately notify the International Union. The words "Key Employees" shall mean those who are regularly and customarily employed

by the individual Employer whenever he has work or who, because of their special knowledge, skill and experience in pipe line construction work, are considered necessary by Employer to the efficient performance of the work to be done under this Agreement. Straws are subject to the same rules and fees of the Local Union and if salaried, fringes shall be capped at 60 hours per week.

(C) At the pre-job conference Employer shall notify the Union of the number and classifications of Key Employees. At any time during the job, Employer shall have the right to replace Key Employees whose employment may have been terminated by employing other Key Employees, it being the intention of both Employer and Union that the ratio of Key Employees to those hired locally or dispatched by Union shall remain substantially the same as that agreed upon at the start of the job.

All employees in addition to Key Employees shall be hired in accordance with the provisions of Paragraph (D) as set out below.

(D) The hiring of employees in addition to Employer's Key Employees, either at the start of the job, or later, shall be conducted in the following manner.

(1) Employer and Union agree that neither of them shall take any action or refuse to take any action which shall discriminate against any individual with respect to his compensation, terms, conditions, or privileges of employment because of such individual's race, color, religion, sex, national origin or disability.

(2) In the event a valid non-discriminatory exclusive referral procedure has been established by collective bargaining between a local of the Union and an association of highway and heavy contractors in the area in which the job is to be performed, Union shall notify the Association from time to time as to the existence of such exclusive referral procedure, and Employer agrees to utilize such referral procedures upon the following conditions:

(a) The selection of applicants for referral to jobs shall be on a non-discriminatory basis and shall not be based on or in any way affected by race, color, religion, sex, national origin, disability or union membership, by-laws, regulations, constitutional provisions, or any other aspect or obligation of union membership, policy or requirement.

(b) Qualified applicants required by Employer at the start of the job must be referred by a local referral office within 48 hours of the receipt of Employer's request; those required by Employer after a job has started must be referred by a local referral office within 24 hours of the receipt of Employer's request. If the local referral office fails to comply with this condition, Employer may secure qualified applicants from any other source.

(3) In the event there is no valid exclusive referral procedure established in the area where the particular job is to be done or the proper conditions set out hereinabove have not been met by the referral procedure which has been established, Employer will at the pre-job conference notify Union, as one of the sources from which laborers are to be recruited, as to the number of laborers who will be needed in addition to his Key Employees. It is understood that Employer shall also recruit laborers from other sources, will hire all employees at the job site in a non-discriminatory manner, and shall have the absolute right to determine the competency and qualification of applicants and employees and to reject and discharge accordingly.

(4) Once the original crew has been employed, Employer shall have the right to keep such crew on all the work throughout the territory covered by the particular job for which the pre-job conference was held, regardless of local union jurisdiction.

(E) Applicants for employment will not be dispatched to jobs by Local Unions unless the applicant has completed at least 200 hours of pipeline work in the pipeline industry (pipeline work as defined by the National Pipe Line Agreement) within the last 24 months or 400 hours of pipeline work in the pipeline industry (pipeline work as defined by the National Pipe Line Agreement) in the past 4 years; the parties agree to review the 200 and 400 hour requirements periodically. Members who successfully complete approved training as specified in Article XII will be eligible for dispatch.

(F) The Pipe Line Contractors Association and Laborers International Union will cooperate to implement a program so dispatched Laborers are Operator Qualified for the specific tasks called for on the job.

(G) The Union shall post in places where notices to employees and applicants for employment are customarily posted all provisions relating to the functioning of this hiring arrangement, including the provisions herein set forth. The Employer shall similarly post in places where notices to employees and applicants for employment are customarily posted all provisions relating to the functioning and operation of the hiring arrangements, including these provisions.

(H) The business representative of the Union shall have access to any job at any time subject to owner safety and security rules and federal and state regulations, and shall notify the field office of his presence on the job prior to entering the job site. The representative of the Union shall use best efforts not to hinder production.

## **VII. STEWARDS**

The Union may select one of its members who shall be recognized as job steward. The Union will attempt to notify the Employer of its steward selection before the pre-job. If the steward selected by the Union is objected to by Employer for just cause, the Union shall select another steward. The steward shall perform his duties the same as any other

worker and shall not be discharged for union activities. The steward shall be allowed a reasonable time during the working hours to perform the work of the Union, but shall not abuse this privilege. A steward may not be discharged without forty-eight (48) hours previous notice to the Union. The steward shall not be laid off for any reason other than just cause. The steward shall cooperate with the Employer in the communication of all owner, state and federal health and safety regulations applicable to the work covered by this Agreement.

## **VIII. SUBCONTRACTORS**

The Employer agrees to make the terms and conditions of this Agreement a part of all subcontracts let on covered work except where the International Union and PLCA have determined that there are no qualified or competitive union subcontractors available. The names and business addresses of all subcontractors on work covered by this Agreement shall be transmitted to the Union by the Employer; provided, however, that the Employer will not be held responsible for the labor policies of stringing contractors where such contractors are employed directly by the owner; further provided, that where heavy specialized marine equipment not customarily used by Employer in the performance of the work herein defined, is leased, rented or borrowed and the labor to operate such equipment is wholly or partially to be furnished by the owners of such equipment, or the work to be done by said equipment is subcontracted the provisions of this paragraph shall be inoperative as to the labor furnished; but any labor furnished by Employer in the operation of said equipment shall be covered by the terms of this Agreement. In regard to suppliers and vendors who furnish and/or deliver finished goods and materials to the Employer the terms and conditions of this Agreement shall not apply and the Employer signatory to this Agreement shall have no obligation to see that the terms and conditions of this Agreement apply to any equipment or employees of such vendor or supplier.

## **IX. WORKING RULES**

(A) The Employer shall select a warehouse in or near a city, town or community where living accommodations are available. Employer shall make suitable and prompt transportation available from the warehouse to the work site and back to the warehouse. The time of the employees shall start when the employees leave the warehouse for the job site and shall end at quitting time on the job site; however, the lunch period shall be excluded. Employer shall return the employees to the warehouse in the shortest possible time.

(B) The pay day shall be once each week, unless the Employer agrees to allow employees to draw on money earned; under such conditions, pay day may be once every two weeks. All employees shall be given the option to be paid by (1) check, or by (2) direct deposit of wages or cash/debit card on a weekly basis to the bank or financial

institution of the employee's choice, in which case pay stubs will be provided to the Employees. Employees are to be paid at the end of their regular shift whether working in Employer's yard or in the field. When employees are laid off or discharged they must be paid wages due them at the time of the layoff or discharge. If payment is not made as provided herein, the employees shall be paid for four (4) hours' pay per day at applicable rate. Deductions from employee's pay will be itemized on all checks.

(C) Employer shall make arrangements in remote localities where employees are employed to enable such employees to cash their pay checks or use their cash/debit card at no cost to the employees. Determination of "remote localities" will be determined at the pre-job. If no agreement can be reached at pre-job it shall be referred to the International Union and the PLCA.

(D) The furnishing of tools or equipment shall not be a condition of employment. Where special safety equipment is required by the circumstances under which the employee is working, it shall be the responsibility of the Employer to furnish such equipment at no cost to the employee.

## **X. WAGE RATES AND CLASSIFICATIONS**

(A) The classifications and wages to be paid for all work covered by this Agreement are set out in Appendix "A".

(1) In those States or Zones marked by a "PL", the wages and fringe contributions are negotiated by the Pipe Line Contractors Association and the Laborers' International Union of North America, and shall become effective on work in such areas and on the dates indicated in Appendix "A".

(2) In all other States or Zones effective January 1, and June 1, each year, the Employer will initially recognize and put into effect highway construction wages (including welfare, pension and other fringe benefits) which have been negotiated during the 6-month periods immediately preceding January 1, and June 1, each year, provided copies of such highway construction agreements are furnished to the Association office in Dallas in accordance with the following provisions and conditions:

(a) The highway construction agreements furnished to the Association office must be negotiated between a local of the Laborers' International Union of North America and a recognized Employer's Association.

(b) Said highway agreements must be furnished to the Association office on or before January 1 and June 1 of each year in order to be recognized; or the Union may notify the Association prior to January 1 and June 1 of each year that a particular local is still in negotiations, and that copies of the completed highway agreements will be sent to the Association office within thirty (30) days after the applicable January 1 or June 1 date.

(c) In the event no current or recognized highway agreements have been furnished to the Association office in accordance with the provisions of Paragraphs (a) and (b) above, then the last published or recognized wages (including welfare, pension and other fringe benefits) will be published and recognized until the next applicable January 1 or June 1 date.

(d) After initial recognition on January 1 or June 1, subsequent increases in wages and fringes called for and set out in such local highway agreements will be put into effect in accordance with the dates negotiated locally.

(e) It is understood that Employer will not be required to recognize or put into effect any highway construction wages (including welfare, pension, and other fringe benefits) received in the Association office after January 1, or 30 days after January 1, if applicable, of each year until the following June 1 of that year, nor those received after June 1, or 30 days after June 1, if applicable, of each year until the following January 1.

(f) The parties to this Agreement specifically recognize that only the wages and fringe benefits from the applicable highway agreements will be recognized for inclusion in this National Pipe Line Agreement. All other terms and conditions of the National Pipe Line Agreement will remain in effect for covered work.

(B) The rates to be paid for intermediate classifications shall be as set out below and the amount indicated shall be the amount per hour to be paid over and above the basic wage rate set out in the Appendix to this Agreement, and is payable only for the days that employee is performing the work covered by the intermediate classification.

Buffing Machine Man	.60
Dope Pot Firemen (hot or cold, nonmechanical)	.75
Drillers	1.25
*EM Scope/EM Scope for Directional Drill	2.00
*(Laborers entitled to the premium only when a Laborer is assigned to operate the EM Scope. Contact PLCA or LIUNA for Guidelines)	
Form Builder/Concrete Finisher	1.00
Hazardous Waste Specialist/Asbestos Abatement (employee must be certified under applicable state regulations at dispatch)	1.00
*Hot Dope Man	.75
*(main dope crew only—contact PLCA or LIUNA for Guidelines)	
Hot Pay	.75
(where employee required to be in the area of danger and there is the possibility of fire or explosion because of a cut or weld being made)	

Jackhammermen	2.00
Loaders and Tampers	1.25
Nozzleman on Sandblasting	2.00
(sandblasting for Laborers will include all sandblasting except that which is done in preparation of the welding or completing the welding process which is the jurisdiction of the UA)	
Powdermen, Blasters	1.75
Power Saw Operators	2.00
Skid Truck (When Laborer assigned on permanent basis)	.75
Steward	2.00
(Steward premium is above his assigned base rate)	
Swamper (tractor, pipe gang and bending crew)	1.00

**XI.  
WORKERS COMPENSATION COOPERATION**

In an effort to enhance the competitive position of the signatory Employers and to provide greater work opportunities for the members of the signatory Union, it is hereby agreed that the parties may negotiate and implement alternative dispute resolution (ADR) procedures to resolve workers' compensation claims disputes when and where permissible and/or legal.

Such alternative dispute resolution procedures shall be final and binding on the parties and shall be made a part of this Agreement to the extent permitted by law.

**XII.  
TRAINING**

(A) Training and certification procedures concerning all work and safety factors involved on the job will be instituted for all laborers by the Local Union or the Laborers International Union of North America. Union will work to develop a certification program to show dispatched employees are trained and qualified to work in the pipeline industry.

(B) A Union and PLCA appointed Steering Committee will develop and implement with approval by the Union and PLCA a curriculum for pipeline training to be administered by the Laborers National Training Fund and Local Union Training Centers upon the execution of this Agreement. The Laborers National Training Fund will pay costs of developing training and curriculum.

**XIII.  
OVERTIME AND HOLIDAY PAY**

(A) In all states, the work-week shall begin on Monday and end on Sunday, and all hours worked by an employee in excess of eight hours per day and in excess of forty straight time hours per week and all hours worked on Sunday shall be paid for at the

rate of time-and-one-half the straight time rate. In all states after an employee has worked eight hours, he will be on overtime until he is relieved. Converting back to straight time at midnight, under above circumstances, shall not be recognized.

(B) In all states, work performed on Christmas, Thanksgiving, Labor Day, New Year's Day and July Fourth shall be paid for at double the straight time hourly rate; provided, however, that in the event one of the holidays named hereinabove occurs during the first forty hours of any work-week, hours worked on such holidays shall not be counted in computing the forty hours after which the employee is entitled to a rate of time-and-one-half the straight time rate.

(C) If one of the holidays named in Paragraph (B) above falls on Sunday, it shall be observed on Monday. Accordingly, if such an event occurs, work performed on Sunday shall be paid for at the regular rate for that day; work performed on Monday shall be paid for at double the straight time hourly rate. If no work is performed on Monday, no pay shall be required.

#### **XIV. REPORTING TIME PAY**

(A) After a person has been hired and ordered to report for work at the regular starting time, and no work is provided for him on that day he has so reported, he shall receive pay equivalent to four (4) hours at the rate applicable for that day. This pay shall be provided, although the person has not been ordered to report for work on that particular day if the person has been working regularly and the Employer fails to give sufficient notification. Sufficient notification shall mean notice that there will be no work performed on a particular day to the steward during working hours, and he is afforded a reasonable opportunity to notify the employees involved during working hours, or the Employer notifies the employees involved not to report to work at or before 8:00 P.M. the preceding day. No fringe benefit contributions will be paid on the four (4) hours reporting time pay and such hours will not be used in computing the forty hours after which overtime is payable. Per diem in "PL" states will be paid for the number of days in the work week set out on the pre-job form and will be paid on days when Reporting Time under this section is paid.

(B) Any employee who reports to work and is transported to the job site or for whom any work is provided, regardless of the time that he works, shall receive the equivalent of not less than four hours' pay at the rate applicable for that day. Fringe benefit contributions shall be paid on such hours and they will be used in computing the forty hours after which overtime is payable.

(C) Any person who reports to work and who works more than four (4) hours in any one day shall receive the equivalent of not less than eight hours' pay at the rate applicable for that day. Fringe benefit contributions shall be paid on such hours and they will be used in computing the forty hours after which overtime is payable.

(D) It is expressly provided, however, that when a person refuses to work or to continue to work or work stoppage conditions brought about by a third party or third parties prevent or make ill-advised in the opinion of the Employer the performance of any work or the continuance of work once started, no pay for time not worked shall be required under any of the above enumerated conditions.

## **XV. JURISDICTIONAL DISPUTES**

The Pipe Line Contractors Association and the four International Unions with which National Pipe Line Agreements have been negotiated have established a Policy Committee, for the purpose of hearing and considering matters of concern to the pipe line construction industry, such as jurisdictional disputes and any other matters affecting the welfare of the industry.

Whenever a jurisdictional dispute arises between Union and any other union over proper jurisdiction of work assigned by an individual contractor, no work stoppage shall occur, and the individual signatories hereto agree to abide by any decision reached by the Policy Committee.

The Policy Committee decisions are incorporated and made a part of this Agreement and should be referred to specifically as if set out herein. The Policy Committee decisions may be obtained by contacting the Union or the Pipe Line Contractors Association.

## **XVI. WORK STOPPAGES**

(A) No local union nor the International Union, nor any representative of either, shall cause or promote a strike, slowdown, stoppage of work or any interference, directly or indirectly, with the operation and progress of the work; nor shall any Employer or the Pipe Line Contractors Association engage in any lockout during the life of this Agreement, it being the good faith intention of the parties hereto that by the execution of this Agreement industrial peace shall be maintained. All grievances, disputes, differences of opinion and other questions concerning this Agreement shall be settled in accordance with the procedure for settlement of grievances and disputes set out in Article XVII below. Any settlement where hours of pay are involved shall be retroactive.

(B) If the local union or any representative thereof causes or promotes a strike, slowdown, stoppage of work or any interference with the operation or progress of the work, or if the Employer breaches this Agreement, then the Employer (where the local union interfered with the work) or the local union (where Employer has breached the Agreement) may at its option declare the provisions of Article XVII inoperative and seek whatever remedy may be available from the National Labor Relations Board or any Federal or State court having jurisdiction of the matter.

(C) If the International Union or any representative thereof causes or promotes a strike, slowdown, stoppage of work or any interference with the operation or progress of the work, or if the Employer breaches this Agreement, then the Employer (where the International Union interfered with the work) or the International Union (where Employer has breached the Agreement) may at its own option declare the provisions of Article XVII inoperative and seek whatever remedy may be available from the National Labor Relations Board or any Federal or State court having jurisdiction of the matter.

(D) It shall not be a violation of this Agreement or of the no-strike clause if members of the Laborers' International Union refuse to cross a picket line established by another craft union within the pipe line industry.

**XVII.  
PROCEDURE FOR SETTLEMENT  
OF GRIEVANCES AND DISPUTES**

(A) Any grievances, disputes or differences of opinion which arise between the contractors' supervisory personnel and Union representatives in the field shall be settled on the job whenever possible; provided that such settlements shall not vary any of the wages, terms or conditions of this Agreement.

(B) If a grievance, dispute or difference of opinion cannot be settled on the job within forty-eight (48) hours, then such matter must be referred within ten (10) days by the Union representative in the field to the appropriate International Union representative, and the contractors' supervisory personnel must within the same time period refer the matter to the contractors' executive personnel and, if necessary to the Managing Director or Executive Director of the Pipe Line Contractors Association. These parties shall immediately make every effort to settle the grievance, dispute or difference of opinion.

(C) Any grievance, dispute, difference of opinion or controversy of any kind or character between the Union and the Association and/or individual Employer signatory hereto involving or relating to the interpretation, construction or application of the terms of this Agreement, and the relations between the parties arising during the term of this Agreement, which cannot be settled by the parties, shall be settled by the arbitration procedure which is set out below.

(D) If, within forty-eight (48) hours no adjustment or settlement is reached by the procedure set out above, the matter shall immediately be referred in writing to an Arbitration Board consisting of six (6) members, all of whom shall be familiar with the mainline, cross-country pipe line construction industry, three (3) to be appointed by the International Union, and three (3) by the Pipe Line Contractors Association. These six (6) individuals shall constitute the Arbitration Board.

(E) The Members of the Arbitration Board shall not have the power to amend or alter the provisions of this Agreement but shall within fourteen (14) days of their

appointment determine the procedure that they will use in considering the evidence and render a decision based on the evidence submitted by the parties, such decision to be consistent with the terms and provisions of this Agreement. The decision of the Arbitration Board shall be binding upon both parties.

(F) In the Unlikely Event that the six (6) member Arbitration Board is unable to reach a decision, then either party may institute the following procedure:

(1) Within seven (7) days after notification by the Arbitration Board that it is unable to reach a decision, the Pipe Line Contractors Association and the International Union shall attempt to mutually agree upon one (1) person to whom the matter shall be referred.

(2) If within forty-eight (48) hours no mutual agreement has been reached by the procedure set out above, the Association will immediately contact the Federal Mediation & Conciliation Service to obtain a list of three (3) individuals with as much experience and knowledge as possible in the pipe line construction industry. A copy of this list will be furnished to the Union, and thereafter, the Association and Union shall attempt to mutually agree upon one (1) of the individuals listed. If no agreement can be reached, the Union and the Association will each strike one (1) name from the list and the remaining individual will be the Arbitrator.

(3) A statement of the facts shall be presented to the Arbitrator within forty-eight (48) hours after his selection either:

(a) Jointly, if the Union and the Association (or nonmember contractor) mutually agree; or

(b) Separately, if no mutual agreement, and the Association (or nonmember contractor) will submit a written statement setting out the Employer's position and the Union will submit a written statement setting out the Union's position.

(4) All information submitted to the Arbitrator will be in writing. No personal appearances or oral testimony will be allowed. The Arbitrator will then issue, within five (5) days, a decision based upon the evidence submitted.

(G) The Union and Employer involved shall bear the expense of their appointed Arbitrators. In the event an Arbitrator from the Federal Mediation & Conciliation Service is selected, then the Union and the Employer shall be jointly responsible for that person's expenses.

(H) In the event Employer fails or refuses to comply with the grievance procedure set out hereinabove, the provisions of Article XVI shall not be binding upon Union. If Union fails or refuses to comply with the grievance procedure set out hereinabove, then Employer shall have the right to declare this entire Agreement null and void.

**XVIII.**  
**FRINGE BENEFIT FUND CONTRIBUTIONS**

(A) All Fringe Benefit Fund Contributions and authorized dues deductions as set out in Appendix "A" shall be submitted to the Laborers-Employers Benefit Plan Collection Trust. Fringe benefit contributions shall be made for each hour worked by each employee covered by this Agreement. (Refer to Article VI (B) for Straws)

(B) Enforcement:

(1) All contributions due and owing to any of the fringe benefit funds mentioned in this Article are deemed, and are considered to be, trust funds.

(2) In order that Employer may legally contribute to the Fringe Funds called for in Appendix "A" of this Agreement and in order that employees may legally participate as beneficiaries of such Fringe Funds, The National Participation Agreement, a copy of which is set out in Appendix "B", shall be signed by each individual Employer and filed with Union in Washington, D.C. By signing The National Participation Agreement, Employer will not be required to sign any local Participation Agreement.

(3) In the event any individual Employer is delinquent in his payment for any Health and Welfare, Pension or other fringe benefit contribution as set out in Appendix "A" of this Agreement for more than thirty days, it is agreed that the principal officer of that particular Employer, the Laborers' International Union of North America and the Pipe Line Contractors Association shall be notified as to such delinquency. If after five days from such notice all delinquencies have not been paid up in full, it is agreed that the Union may take any appropriate action it deems necessary in order to collect such delinquent contributions, and will not be considered in violation of Article XII of this Agreement should a work stoppage occur.

(4) If, in the opinion of the Board of Trustees of any of the Funds for which contributions are due under this Agreement, any individual Employer has had a record of delinquent contributions to such an extent that it is necessary for the protection of the beneficiaries of the Funds that some security for the contributions be obtained, said Board of Trustees is authorized to require such individual Employer to deposit the sum of \$300 per employee in an escrow account designated by the Director of the Funds. Upon completion of the job, any amounts in excess of the contributions due shall be refunded to the individual Employer.

**XIX.**  
**CODE OF PERFORMANCE**

(A) To implement the LIUNA Code of Performance adopted by LIUNA, the Employer agrees to designate discharges "for cause," when appropriate, as described in

the attached Notification of Termination clause and to substantiate such cause if necessary in proceedings under the Code of Performance.

(B) This clause is intended only to assist the Union in implementing its Code of Performance, and a worker's only rights there under are in connection with future referrals under the Union's hiring hall procedures. This clause does not create any new or additional rights whatsoever for workers under this Agreement, including not creating any now or additional rights to reinstatement with or back pay from the Employer.

## **XX.**

### **MARSH AND MARINE OPERATIONS**

(A) In marsh or marine pipe laying operations, in the event the employees are required to live on quarter boats, room and board shall be furnished at no cost to the employees.

(B) Employer shall make suitable marine transportation available to and from the landing dock location. The time of the employees shall start when they leave this dock site and shall end when they are returned to the dock site.

## **XXI.**

### **SPECIAL AMENDMENTS**

In order to be more competitive in certain areas of the country, the Pipe Line Contractors Association and the Union may mutually agree to put into effect special wages and conditions for specific areas or projects. These special wages and conditions will apply to the areas or projects involved for the period of time to be established by the principal parties. Please contact the designated representatives of the Pipe Line Contractors Association and the Laborers' International Union of North America for further information.

## **XXII.**

### **DRUG AND ALCOHOL TESTING**

Substance and Alcohol Abuse Policies have been negotiated by the Pipe Line Contractors Association and the Laborers' International Union of North America and is attached hereto and made a part of this Agreement as Appendix "C".

In the event that a drug or alcohol test taken by an Employee upon his hire is returned with a positive result, his pay for the days from hire to the test result will be limited to ninety dollars (\$90.00) per day, subject to any federal or state minimum wage requirement. If subsequent testing reveals a false positive, the Employee will be entitled to full compensation for the period he worked, and will be reinstated.

**XXIII.**  
**INDIAN PREFERENCE IN EMPLOYMENT**

The hiring procedures contained in this Agreement shall not apply in the "territorial jurisdiction" of any Indian Nation which has adopted an Indian Preference in Employment Law, provided that those persons covered by the law and seeking covered employment under this Agreement possess the "necessary qualifications" which are essential to the performance of that specific job.

**XXIV.**  
**HISTORICAL PRECEDENT**

Since the inception of the National Pipe Line Agreements, which cover all mainline, cross-country pipe line construction, only four (4) Unions have been recognized, and all work relating to such pipe line construction has been performed by these four (4) Unions. They are: The International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, The United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada, The International Union of Operating Engineers, and The Laborers' International Union of North America. The recognition of only these four (4) Unions on such work is hereby reaffirmed.

**XXV.**  
**EFFECTIVE DATE, TERMINATION AND RENEWAL**

(A) This Agreement shall become effective May 1, 2011, for all work bid or let on or after May 1, 2011, when signed by the parties hereto and shall remain in full force and effect until its termination as provided below.

(B) The provisions of this Agreement shall continue in full force and effect until January 31, 2014, and thereafter from year to year unless terminated at the option of either party after sixty (60) days' notice in writing to the other.

**XXVI.**  
**LIABILITY**

(A) It is further understood that no liability shall arise on the part of the International Union herein by reason of any unauthorized act by any employee of the said Employers or any Local Union or official thereof affiliated with the International Union unless and until such unauthorized act is brought to the attention of the International Union and a reasonable opportunity given to the Union to correct such act or ratify same.

(B) It is understood that the Pipe Line Contractors Association is acting merely as collective bargaining agent in the negotiation of this Agreement and that it is agent only for those of its members, and none other, who accept and sign this Agreement,

and in no event shall it be bound as principal or be held liable in any manner for any breach of this contract by any of the Employers signing the same.

IN WITNESS WHEREOF the parties hereto have executed this Agreement this 27th day of April, 2011.

LABORERS' INTERNATIONAL UNION OF NORTH AMERICA

By: Terry O'Sullivan

Terry O'Sullivan, President

PIPE LINE CONTRACTORS ASSOCIATION

By: Chris T Leines

Christopher T. Leines, President

By: J. Patrick Tielborg

J. Patrick Tielborg, Managing Director  
and General Counsel

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