

ARTICLES OF CONSTRUCTION

MAY 1, 2002 THROUGH APRIL 30, 2006

Between

**ILLINOIS CONFERENCE OF TEAMSTERS
Affiliated With The
International Brotherhood of Teamsters**

And

**Covering Construction in Jurisdiction
Of Local 525 and Local 50**

AGREEMENT

This Agreement made and entered into as of this First day of May, 2002, between

hereinafter called “Employer”, and the ILLINOIS CONFERENCE OF TEAMSTERS, hereinafter referred to as “Conference”, and LOCAL 50 and LOCAL 525, INTERNATIONAL BROTHERHOOD OF TEAMSTERS, hereinafter referred to as “Union” or jointly as “Local Unions”.

ARTICLE 1

RECOGNITION

1.1 The Employer agrees to recognize the Illinois Conference of Teamsters which is party to this Agreement as the exclusive collection bargaining representative for the employees of the Employer, as defined hereinafter, working in the jurisdictional area of each of the Unions.

1.2 Employees of the Employer are defined as those employees driving trucks, as classified and described in the Wage Schedule attached hereto and made a part hereof, but specifically excluding all employees of the Employer for whom the Employer recognizes other craft unions, technical engineers, guards, office, clerical, and supervisory employees.

1.3 The Employer will neither negotiate nor make collective bargaining agreements for any of its employees in the bargaining unit covered hereby, unless it be through duly authorized representatives of the Conference.

1.4 The Company agrees that it will not sponsor or promote, financially or otherwise, any group or lab or organization, for the purpose of undermining the Union; nor will it interfere with, restrain, coerce, or discriminate against any of its employees in connection with their membership in the Union.

ARTICLE 2

SCOPE

2.1 It is hereby understood and agreed that this Agreement shall cover construction work performed by the Employer within the geographical jurisdictions of the Local Unions 50 and 525. The Conference and the Local Unions agree to furnish the Employer a detailed map or other suitable description of the current geographical jurisdiction of each of the Local Unions.

ARTICLE 3

UNION SECURITY

3.1 It is understood and agreed by and between the parties hereto that as a condition of continued employment and effective after the seventh day following the beginning of employment or the execution date of this Agreement, whichever is the later, all persons hereafter employed to work within the bargaining unit which is the subject of the Agreement, as well as all persons presently so working but who are not members of one of the Local Unions referred to herein, shall become members of the particular Local Union having jurisdiction for representation purposes over the geographical area within which such persons then work. It is further understood and agreed that, as a condition of continued employment, all persons who are presently members in good standing of one of the Local Unions referred to herein or who hereafter become such shall be required to pay the periodic dues of the Local Union having jurisdiction for representation purposes over the geographical area within which such persons work a majority of the time, figured on a month-by-month basis.

3.2 The obligation of persons to become Union members shall be construed to consist of their obligation to pay or offer to pay the applicable union initiation fee and periodic dues. Their obligation to pay periodic dues shall not be construed so as to require such payments to more than one Local Union in any one month.

3.3 The failure of any person to become a member of a Local Union in the manner and within the time above provided shall obligate his Employer, upon written notice from the Union to such effect and to the further effect that union membership was available to such person on the same terms and conditions generally available to other members, to forthwith discharge such person. Further, the failure of any person to pay the monthly periodic dues required shall, upon written notice from the Union to his Employer to such effect, obligate his Employer to discharge him forthwith.

3.4 In the event an Employer having received proper written notice, fails to discharge an employee for failure to become or remain a member as herein provided, the Employer shall be considered in direct violation of this Agreement. If the Employer has reason to believe that the Union has not complied with this Article, the Employer shall, within seventy-two (72) hours after receiving notice, excluding Sundays and holidays,

investigate and meet with the Union to adjust or comply with the requirements. If an agreement or settlement is not reached, the Union shall have the express right to resort to full economic recourse in support of its demands, notwithstanding anything elsewhere contained in this Agreement. In case the employee is discharged at the written request of the Union and the National Labor Relations Board finds discrimination, the Union agrees to assume financial responsibility for loss of wages resulting from the employee's discharge.

ARTICLE 4

PROCUREMENT OF LABOR

4.1 The Union and the Employer recognize the fact that the Union's knowledge and experience within the industry here involved, together with the sources of competent manpower available to it, can aid the Employer in recruiting needed employees who can meet the standards of the trade and who can promote the efficiency of the operation of the Employer. Because of the fact that there are several Local Unions bound by the terms of this Agreement, the Employer agrees that, when going from one referral area to another referral area, it will notify the Local Union before the start of any work within the geographical area of that particular Local Union.

4.2 The Employer and the Union agree that:

- (a) The Union will maintain a list of persons available for employment. The rules and regulations for the maintenance of such list are as set forth below:
- (b) The Employer, shall request the Referral Office serving the area in which the job is located to refer applicants, and the Referral Office shall make such referral promptly but within at least twenty-four (24) hours.
- (c) The Employer, in requesting referral of applicants, shall specify to the Referral Office:
 - (1) The number of applicants to be employed;
 - (2) The work to be performed;
 - (3) The location of the project;
 - (4) The nature of the construction project;
 - (5) Such additional information as is deemed pertinent by the Employer in order to enable the Union to make proper referral of applicants;

- (6) The names of the employee members of the bargaining unit who have worked for the Employer during the past 360 days whom the Employer desires to employ.
- (d) The Referral Office shall refer to the Employer such applicants as are competent and qualified to fulfill the requirements of the positions sought to be filled commensurate with the rotation of registration and who have acquired experience and possess the required skills for the fulfillment of the vacant position as specified by the Employer. The Local Union shall be obligated to see that those referred to a job have the proper license to perform the work for which they have been referred.
- (e) An Employer may transfer employees presently employed from the area of one Local Union to another Local Union in whose area such Employer has a construction job or project, provided no more than twenty percent (20%) of the working force consists of transferred employees, unless mutually agreed to otherwise between the Local Union where the work is to be performed and the Employer; said twenty percent (20%) will not be allowed to transfer until the Local Union where the transfer is taking place has the first eighty percent (80%). The mechanic shall be permitted to transfer irrespective of the proration of employees at that time. Before so doing, the Employer shall notify and have a pre-job conference with the Union of the area in which the employees are to work and furnish, in advance, the number, names and addresses of employees the Employer desires to transfer, together with the number of other persons to be employed for like work. It is further provided that only persons working under this Agreement may be so transferred. On a job taking two (2) days or less the Employer may transfer employees from another Local Union's jurisdiction, provided the Employer notifies and receives permission of the Local Union where the job is to be performed.
- (f) Only transfers made in accordance with the provisions of this Section of this Agreement may be accepted; all other workmen must be procured in accordance with other provisions of this Agreement and these rules.
- (g) Qualified applicants for referral who are registered at one Local Union may be referred by request from another Local Union only when there are no qualified registrants at the former office available for referral. Such applicants, if employed as a result of a referral, shall have the status of temporary employees, and be subject to displacement by regular registrants at that Referral Office when they become unemployed if the regular registrants are qualified to perform the work.
- (h) If for any reason the Referral Office is unable to furnish qualified and competent applicants within twenty-four (24) hours of the time that the request is made of the Referral Office, the Employer may procure applicants from any other source of sources. If men are so employed, the Employer will, within

twenty-four hours of such employment, furnish to the Referral Office serving the area the names of such new employees.

- (i) The provisions of this Article shall be posted by the Union at its offices where notices to applicants for referral are customarily posted.
- (j) The registration of and selection of applicants for referral shall not be based on or in any way affected by union membership, by union by-laws, rules and regulations, constitutional provisions, or any other aspect or obligation of union membership; nor shall any supervisor in the employ of any Employer who holds union membership be bound or, in any way, affected in the performance of his duty for the Employer by any obligation of union membership, by-laws, rules and regulations or constitution of the Union. It is agreed that neither the Employer nor the Union shall engage in or encourage employment practices which discriminate against applicants or employees on the basis of race, age, color, creed, sex, religion or national origin.
- (k) The Employer reserves and shall have the right to accept or reject, to employ or not to employ, any person furnished by the Referral Office. Further, the Employer may discharge, for just cause, any employee who has been accepted but who subsequently proves unsatisfactory to the Employer, subject to the grievance procedure. Prior to hiring any person, the Employer shall have the right to require the person to take a physical examination by a doctor specified by the Employer at the sole expense of the Employer. However, the Employer's right to reject the person based on such physical examination shall be limited to objections which indicate the person is not capable of doing the work to which he would be assigned, that he could be dangerous to himself and to others because of such objections, or that he could reasonably be expected to aggravate an existing physical impairment condition by performing the work to which he is to be assigned.
- (l) The Employer shall be the sole judge of, and have the right to determine the number of employees required on any job, or any portion of the work being done by the Employer. There shall be no restriction as to the use of machinery, tools or appliances.
- (m) Employees working under this Agreement shall have seniority rights with individual Employers only as has been agreed upon by the Local Union and the affected Employer. In completing any given job, termination of employment shall be in reverse order of hiring, providing employees shall have the ability and qualifications. This is not intended to restrict or expand company seniority practices in effect.
- (n) An applicant for employment, who is aggrieved by an action of the Union with respect to registration or referral under this provision or, who is aggrieved by action of the Employer in connection with hire hereunder, may, within ten (10)

days of the occurrence of the event which constitutes the basis for the grievance, file a written statement of the grievance with the Union and the Employer. Upon such filing, the grievance shall be considered and disposition thereof made within ten (10) days by a Board consisting of a representative of the Union, a representative of the Employer, and an impartial Chairman appointed jointly by the Employer and the Union. Such Board shall consider the grievance and render a decision, which shall be final and binding. The Board is authorized to issue procedure rules for the conduct of its business, but is not authorized to add to, subtract from, or modify any of the provisions relating to the referral arrangement. The cost of the third party shall be borne equally by all parties involved.

- (o) In the event the rules and regulations set forth herein are not adhered to by the Local Union Referral Office, or in the event that a Local Union Referral Office operates in any manner in contradiction to the laws of the State of Illinois and the United States, or in the event the Local Union Referral Office uses the Referral Hall as a method of attempting to coerce employees or Employers in any manner in violation of the spirit of the Article or by furnishing employees on a discriminatory basis, then the Employer may file a written complaint with the Union, which complaint shall be subject to the Grievances and Arbitration Procedure as set forth in Article 19 of this Agreement. In the event an Arbitration Board, as set out in Article 19, finds that the Local Union involved was in violation of this Section with any one Employer, thereafter, that Employer may resort to any source that he may choose for the recruitment of needed employees, and that Local Union shall not have preferential rights for the referral of employees to this Employer throughout the remaining time of this Agreement or during the time the Employer remains in the area of the Local Union involved.
- (p) The Illinois Conference of Teamsters and its affiliated Locals agree that they will indemnify and save the Employer harmless against all claims, demands, actions, damages, orders and decrees for the payment of penalties and back wages, or either of them or other forms of liability whatsoever that may arise out of or by reason of action taken, or the failure to act when obligated to do so, by the Illinois Conference of Teamsters, its affiliated Local Unions and its representatives, in connection with the operation of the nondiscriminatory provisions governing the operation of the Referral Office.
- (q) If an Employer takes over the activities of another Employer at a particular job site, the employees of the latter may continue to operate at the job site for the Employer taking over, without further registration or referral if the Employer so desires and, if he does not, he may apply to the Referral Office for new employees. In either case, the Referral Office shall be notified of the change.
- (r) If any applicant has been referred to an Employer and is hired, that Employer may continue the employee in his employment by transferring him to a

different job site, even though the said job to which he is transferred is operated by a Joint Venture of which the Employer is a member, or if the job is operated under a different corporation or partnership name but involves the same principals, provided the job is in the same local area.

RULES AND REGULATIONS OF REFERRAL OFFICES

1. The following procedures shall govern the operation of Referral Offices of Local Unions of the Illinois Conference of Teamsters. Before these rules shall be modified, changed or amended, the Employer and the Union agree that they shall mutually agree to such changes or procedure. Referral Officers or other agents of the Union shall have no authority to change any of these procedures. When the masculine pronoun appears in this Agreement it shall be deemed to refer to both male and female employees.
2. Each local referral office shall maintain a single list of applicants for regular employment and a separate single list for Owner-Drivers.
3. When an applicant desires to place his/her name on the referral list he/she shall fill out an application for employment, which among other things shall show his/her previous employment experiences and the names of the Employers and the job for which he/she is competent. The information shall be available to the Employer.
4. An applicant may place his/her name upon the registration list providing he/she is unemployed. Applicants shall be placed upon a list serially by the date and time of their application. Upon taking a job and actually working five (5) days or more with one (1) Employer, the Union shall strike their name from list and it shall remain off the said list until said applicant re-registers. The applicant will notify the Union where and when he/she is working.
5. No work permit, fee, clearance or temporary permit card shall be required as a condition of registering or referral notwithstanding any union constitution, by-laws, or provisions for the same. Registration shall be on a non-discriminatory basis and shall not be affected by race, age, creed, sex, color or national origin.
6. Local Union Referral Offices shall be opened for the registering of applicants at least two (2) hours during each normal working day.
7. When requested by an applicant, Referral Officers shall notify any applicant as to his/her serial standing in the registration list of applicants. Referral Officers shall refer applicants to jobs from the top of said list in accordance with their qualifications and competence to fill the request of the Employer unless, however, the Employer has called for an applicant by name or by other terms as set forth in the basic work agreement.

8. "Available for Work" shall mean that the registrant is ready, able and willing to go to the job site at the time requested and perform work for which he/she is being referred. It is the responsibility of the registrant at the time of registering, to give the Referral Office instructions as to how the registrant can be contacted for referral. Registrant shall give clear instructions as to telephone number, address or other means of communication, because Employers frequently need workers on short notice. Any registrant who is sent out to fill a request for men/women and who refuses employment shall be placed at the bottom of the registration list as of the date he/she refuses hire or quits.
9. The Referral Office shall keep records as to the jobs each registrant is sent showing the job and classification to which he/she is referred or if he/she has not been referred even though he/she is at the top of said list, the reason he/she is not being referred.
10. If any registrant questions the application of these rules to his/her case, he/she will be referred to the Local Union business agent or Referral Officer and given the address and telephone number where he/she can obtain a prompt review of the matter. A copy of these rules and regulations shall be posted at the place of registration and the application list shall be available to Employers as well as notations concerning each applicant. Each applicant shall have a right to file a grievance when aggrieved pursuant to the basic labor agreement between the parties. Qualified applicants for referral who are registered at one referral office may be referred by request from another office only when there are no qualified registrants at the latter office available for referral for the work. Such applicants, if employed as a result of referral, shall have the status of temporary employees and be subject to displacement by regular registrants at that referral office when they become unemployed if the regular registrants are qualified to perform the work.
11. If any applicant has been referred to an Employer and is hired, that Employer may continue the employee in his/her employment by transferring him/her to a different job site. Even though the said job to which he/she is transferred is operated under a joint venture agreement which the Employer is a member, or if the job is operated under a different corporation or partnership name but involves the same principals, provided the job is in the same local area.
12. If an Employer takes over the activities of another Employer at a particular job site the employee of the latter may continue to operate at that job site for the Employer taking over without further registration or referral if the Employer so desires and if he/she does not, he/she may refer to the Referral Office for new employees. In either case, the Referral Office shall be notified of the change.

ARTICLE 5

MANAGEMENT'S RIGHTS

5.1 The management of the business of the Employer shall vest exclusively with the Employer and shall include the right to hire, suspend, transfer or discharge for just cause, and the right to direct, plan, and maintain full control of all its operations and services.

5.2 Any right of management, which this Agreement does not specifically take away from Management is specifically reserved for the management of the Employer.

ARTICLE 6

BUSINESS REPRESENTATIVE

6.1 The Business Representative shall have the privilege to visit any jobs to enforce the provisions of this Agreement. The Business Representative shall use precaution to avoid delays in the progress of the job.

ARTICLE 7

STEWARDS

7.1 The Employer recognizes the right of the Union to designate Job Stewards from among an Employer's bargaining unit employees. The Steward shall be required to perform work and be subject to the same degree of direction and control by Management as any other employee. If requested in writing by the Local Union, the Steward shall have preference for Saturday, Sunday and holiday work and shall be the last man laid off at the conclusion of a project, if it is germane to his duties as Steward and provided the Steward is qualified to perform the work available. There shall be no discrimination in any aspect of employment against a Steward because of his legitimate activities as Steward. The authority of Job Stewards so designated by the Union shall be limited to, and shall not exceed, the following duties and activities.

- (a) The investigation and presentation of grievances with his Employer or the designated Company representative, in accordance with the provisions of the Collective Bargaining Agreement.
- (b) The transmission of such messages and information which shall originate with and are authorized by the Local Union or its officers, provided such messages and information:
 - (1) have been reduced to writing, or,

- (2) if not reduced to writing, are of a routine nature and do not involve work stoppages, slowdown, refusal to handle goods or any other interference with the Employer's business.
- (c) Job Stewards have no authority to take strike action, or any other action interrupting the Employer's business, or to leave his area of work during scheduled working hours without Employer's authorization.
- (d) The Employer recognizes these limitations upon the authority of Job Stewards and shall not hold the Union liable for any unauthorized acts. The Employer, in so recognizing such limitations, shall have the authority to impose proper discipline, including discharge, in the event the Steward has taken unauthorized strike action, slowdown, or work stoppage in violation of this Agreement.
- (e) New hires will report to the Steward within twenty-four (24) hours of reporting to the job or as soon as reasonably possible.
- (f) Job Stewards shall have the right to use the Employer's telephone on the job site for Union business, providing that the Employer shall not be required to pay for toll charges.

ARTICLE 8

SUB-CONTRACTING

8.1 In order to assure that fair wages and fringe benefits will be paid to all Teamsters on construction work, the Employer shall request the Local Union to furnish, in writing, a list of all those contractors who have Labor Agreements with the Union covering work on construction sites in their jurisdiction area. The Union shall not be financially liable to the Contractor, should any name be omitted because of clerical errors. The Employer shall not be liable for any sums of money to the Union or to the Trustees of any benefit plan for wages or fringe benefits when the Employer employs Contractors as sub-contractors who are on the furnished list or other Contractors who enter into Construction Labor Agreements with the Local Union on or before the pre-job conference. The employment as a sub-contractor on the construction job site of any Contractor who is not on the approved list or is not approved at the pre-job conference may make the Employer financially responsible (but not primarily) for any dues or fringe benefits due and unpaid from such sub-contractors.

8.2 All trucking work covered by this Agreement performed on the site of construction shall be subcontracted only to an Employer who is a party to a current written collective bargaining agreement with the Local Unions providing for wages and economics not less favorable to the Employee than those established herein. Alleged violations of this clause shall not be subject to strike action.

8.3 All trucking work covered by this Agreement, if not performed on the job site, shall be subcontracted only to an Employer who observes the standard of wages and fringe benefits or overall economic package established herein.

8.4 All agreements for the subcontracting of work covered by this Agreement shall provide that they are made subject to the requirements of this Article. When necessary to the administration and enforcement of this Agreement, the Union and the parties involved shall be entitled to examine payroll and other documents relevant and material to any bona fide issue in an alleged violation of this Agreement.

8.5 For the purposes of this Article 8, a subcontractor shall be any person, firm or corporation, which performs work covered by this Agreement for a contractor or a subcontractor.

8.6 The Contractor may hire or contract for the use of operated trucks, be they from a fleet owner, another Contractor or an owner-drive; provide that either (1) they do not replace the Employer's regular employees where he has the necessary equipment available, or (2) provided they do not replace his regular employees. The use of (1) or (2) shall depend on the past practice or on the pre-job conference decision. For the purpose of this Article, a regular employee shall be defined as one who has been in the employment of the Employer for ninety (90) days. The provision of (1) above is not intended to permit a Contractor to make equipment unavailable as a subterfuge to discriminate against his drivers.

ARTICLE 9

PRE-JOB CONFERENCE

9.1 There shall be a pre-job conference between the Contractor and the Business Representative of the Local Union in whose territory the work is to be performed. Such conference may be by telephone or other informal means. Questions concerning the application of this Agreement shall be resolved at this meeting. It is the responsibility of the Contractor to notify the Union when he has a job in its jurisdictional area.

9.2 When a project is within the territory of more than one Local Union, the determination of the division of employees for representation purpose shall be made by an agreement between the Local Unions and the Employer or Employers involved. In the event the Local Unions and the Employers are unable to reach such an agreement, the issue shall be referred, within five (5) days, to the Illinois Conference of Teamsters. The Illinois Conference of Teamsters shall meet with the Employer or Employers involved to settle the dispute, and their joint decision shall be final and binding on all parties concerned.

9.3 If a contractor evades a Pre-Job Conference, he automatically forfeits his right to the grievance procedure, and the Union shall have the right to economic recourse.

In emergency situations, such as fire, blow-ups and the like, this requirement shall be waived.

ARTICLE 10

WAGES

SECTION A

Classification Group I

10.1 Drivers on 2-axle trucks hauling less than 9 ton. Air compressor and welding machines and brooms, including those pulled by separate units, truck driver helpers, warehousemen, mechanic helpers, greasers and tiremen, pick-up trucks when hauling material, tools, or men to and from and on the job site, and fork lifts up to 6,000 lb. Capacity.

The wage scale shall be as follows:

Rate per hour effective:

Classification Group I

5/1/02

\$23.795

The following future increases to be distributed to wages and/or health and welfare:

| | |
|--------|----------|
| 5/1/03 | \$ 1.045 |
| 5/1/04 | \$ 1.045 |
| 5/1/05 | \$ 1.02 |

Classification Group II

2- or 3-axle trucks hauling more than 9 ton but hauling less than 16 ton. A-frame winch trucks, hydrolift trucks, vector trucks, or similar equipment when used for transportation purposes. Fork lifts over 6,000 lb. Capacity, winch trucks, and 4-axle combination units.

In the event the Employer desires to use ticket writers, that classification shall come under Group II.

The wage scale shall be as follows:

Rate per hour effective:

5/1/02 \$24.195

The following future increases to be distributed to wages and/or health and welfare:

5/1/03 \$ 1.045
5/1/04 \$ 1.045
5/1/05 \$ 1.02

Classification Group III

2-, 3- or 4-axle trucks hauling 16 ton or more. Water pulls, articulated dump trucks, mechanics and working foremen selected mutually by the Employer and the Local Union, subject to layoff as outlined in Article 4, Section (m), will be used when there are orders to be issued by other than the Company Supervisor. Five-axle or more combination units.

In the event the Employer desires to use dispatchers, that classifications shall come under Group III.

The wage scale shall be as follows:

Rate per hour effective:

5/1/02 \$24.395

The following future increases to be distributed to wages and/or health and welfare:

5/1/03 \$ 1.045
5/1/04 \$ 1.045
5/1/05 \$ 1.02

Classification Group IV

Drivers on oil distributors and drivers on semi-lowboys when moving equipment.

The wage scale shall be as follows:

Rate per hour effective:

5/1/02 \$24.645

The following future increases to be distributed to wages and/or health and welfare:

| | |
|--------|----------|
| 5/1/03 | \$ 1.045 |
| 5/1/04 | \$ 1.045 |
| 5/1/05 | \$ 1.02 |

Classification Group V

Drivers who require special protective clothing while employed on hazardous waste work.

The wage rate shall be as follows:

Rate per hour effective:

| | |
|---------------|----------|
| <u>5/1/02</u> | \$25.395 |
|---------------|----------|

The following future increases to be distributed to wages and/or health and welfare:

| | |
|--------|----------|
| 5/1/03 | \$ 1.045 |
| 5/1/04 | \$ 1.045 |
| 5/1/05 | \$ 1.02 |

SECTION B – Pick-up Trucks

Drivers of Contractor-owned, leased or hired pick-up trucks shall be Teamsters, when hauling tools, materials, supplies, parts and equipment to and from and on the job site, except when used by Contractor’s supervisory personnel for their own transportation, or the transportation of a workman and his tools on the job site, or for the use of a mechanic for the transportation of himself, his tools and repair parts to a repair job and except survey trucks hauling surveyor and his tools and one (1) additional workman. Pick-up trucks owned by anyone other than the Contractors will not be used for anything other than transportation of the owner.

SECTION C – Work Classifications

This Agreement covers drivers on the following equipment:

Dumpcretes, scoopmobiles, mixer trucks, dumpsters or similar equipment, fork lift, koehring or similar dumpsters, euclids, huggbottom dumps, tournapulls, tournatrailers, tournarockers, or similar equipment when used for transportation purposes, A-frame trucks when used for transportation purposes, winch trucks, pavement breakers, batch trucks – wet or dry, track trucks, and hydrolift trucks, pole trailers, pilot vehicles,

articulated dump truck, vector trucks, or similar equipment when used for transportation purposes.

The Employer agrees to notify the Union Representative when using new types of equipment not covered by this Agreement and they shall immediately negotiate the wage scale of same.

ALLOCATION OF WAGES:

Should the Union desire to distribute any part of the above-negotiated wage increase to the negotiated funds in different amounts than specified above, it may do so upon sixty (60) days written notice, prior to the effective date of the increase on May 1 of each year of the agreement, provided that at no time will the wage rate or the rate of any fringe benefits decrease as such is prohibited by the Illinois Department of Labor.

ARTICLE 11

HEALTH AND WELFARE

11.1 The Employer agrees to contribute to the "Illinois Conference of Teamsters and Employers Welfare Fund", effective May 1, 2002, the rate of Five Dollars (\$5.00) for each hour worked by each employee covered by this Agreement. Effective May 1, 2003 the rate shall be increased to the amount determined by the Trustees to maintain insurance. Effective May 1, 2004 the rate shall be increased to the amount determined by the Trustees to maintain insurance. Effective May 1, 2005 the rate shall be increased to the amount determined by the Trustees to maintain insurance.

11.2 There shall be no deduction from equipment rental of owner-drivers by virtue of the contributions made to the Welfare Fund, regardless of whether the equipment rental is at the minimum rate or more and regardless of the manner of computation of the Owner-Driver compensation.

11.3 Contributions to the Welfare Fund must be made in accordance with the "Agreement and Declaration of Trust" executed May 18, 1967, on each regular or extra employee, even though such employee may work only part-time under the provisions of this Agreement.

11.4 Notwithstanding anything herein contained, it is agreed that in the event any Employer is delinquent at the end of a period in the payment of his contributions to the Welfare Fund created under this Agreement, in accordance with the rules and regulations of the Trustees of such Funds, the Local Union or the Illinois Conference of Teamsters, after the proper official of a Local Union shall have given seventy-two (72) hours' notice to the Employer of such delinquency in Welfare payments, shall have the right to take such action as they deem necessary until such delinquent payments are made, and it is further agreed that in the event such action is taken, the Employer shall be

responsible to the employees for losses resulting therefrom. Employers who are delinquent must also pay all attorney fees and costs of collections.

If an employee is injured on the job, the Employer shall continue to pay the required contributions based on a twenty-five (25) hour week; however, such contributions shall not be paid for a period of more than twelve (12) months.

ARTICLE 12

PENSION

12.1 Effective May 1, 2002, the Employer shall contribute to the Central States Southeast and Southwest Areas Pension Fund the sum of Eighteen Dollars and Eighty Cents (\$18.80) per day. An employee must actually begin to work to receive the pension contribution for that day. Effective May 1, 2003 the daily pension contribution rate shall increase to Twenty Dollars and Sixty Cents (\$20.60) per day. Effective May 1, 2004, the daily pension contribution rate shall be Twenty-Two Dollars and Eighty Cents (\$22.80) per day and effective May 1, 2005 the daily pension contribution rate shall be Twenty-Five Dollars and Sixty Cents (\$25.60) per day.

12.2 This fund shall be the Central States, Southeast and Southwest Areas Pension Fund. There shall be no other pension fund under this Agreement for operations under this Agreement or for operations under the Southeast and Southwest Areas Agreements to which Employers who are party to this Agreement are also parties.

12.3 If an employee is injured on the job, the Employer shall continue to pay the required contributions during the time the employee would have normally worked had he not been injured computed on the basis of the average of his work hours during previous two (2) weeks prior to his injury. In no event shall he be paid for a period longer than six (6) months. If an employee is granted a leave of absence, the Employer shall collect from said employee, prior to the leave of absence being effective, sufficient monies to pay the required contributions into the Pension Fund during the period of absence.

12.4 There shall be no deduction from equipment rental of Owner-Drivers by virtue of the contributions made to the Pension Fund or new pension plan, regardless of whether the equipment rental is at the minimum rate or for more, and regardless of the manner of computation of Owner-Driver compensation. Contributions to Pension Fund must be made for each regular or extra employee.

12.5 Notwithstanding anything herein contained, it is agreed that in the event any Employer is delinquent at the end of a period in the payment of his contributions to the Pension Fund or new pension plan, in accordance with the rules and regulations of the Trustees of such Fund or Plan, the Local Union or the Illinois Conference of Teamsters, after the proper official of the Local Union shall have given seventy-two (72) hours' notice to the Employer of such delinquency in pension payments, shall have the right to

take such action as they deem necessary until such delinquent payments are made, and it is further agreed that in the event such action is taken the Employer shall be responsible to the employees for losses resulting therefrom. Employers who are delinquent must also pay all attorney fees and costs of collections. It is understood that the Employer's liability to the Central States Fund or new pension plan shall be limited to the terms of this Agreement.

ARTICLE 13

BOND REQUIREMENTS

13.1 The Union or the Trustees of any employee benefit for which contributions are required hereunder may require, for good cause, that any particular Employer maintain, during the terms of this Agreement, a surety bond in the amount of Ten Thousand Dollars (\$10,000.00) to guarantee the payment of such contributions.

13.2 In the event of failure, default or refusal of the Employer to meet his obligations to his employees or the Pension Fund and Welfare Fund when due, the Union, aggrieved employees or the Trustees of the Pension Fund and Welfare Fund may, after written notice to the Employer, file claim to obtain payment, costs and reasonable attorney fees therefrom of the applicable surety bond.

13.3 Failure of an Employer to obtain and maintain an effective surety bond as required herein, or failure and default by an Employer of payment or obligations covered by this Agreement in excess of the amount of the surety bond may, at the option of the Union, be declared by the Union a gross breach of this Agreement in consequence of which the Union shall have the right to resort to economic and other sanctions against the said Employer.

ARTICLE 14

WORKING HOURS, OVERTIME AND SHIFT WORK

14.1 Eight (8) hours shall constitute a day's work, with starting time for all Teamsters between 7:00 A.M. and 8:00 A.M. unless agreed to otherwise between the Local Union and the Employer, with a scheduled one-half (1/2) hour lunch period between the fourth and fifth hours of work. If required to work during lunch period, employees shall be paid for that lunch period at the overtime rate; and forty (40) hours shall constitute a week's work, Monday through Friday. All work done after eight (8) hours per day, before 7:00 A.M. or after 4:30 P.M. Monday through Friday, or work done on Saturday, shall be paid at the rate of time and one-half. All work performed on Sunday shall be paid for at double the straight-time rate. The transportation of construction equipment to and from job sites shall be paid for at the rate of time and one-half for overtime.

14.2 The employee's listed phone shall be called at least one (1) hour before starting time by the Foreman or whoever is in charge, unless a shorter period of time is mutually agreed to between the Local Union and the Contractor, if there is to be no work that day. The employees covered by this Agreement will cooperate with the Contractor by giving him a telephone number and, in turn, the Contractor will call at least one (1) hour before starting time unless a shorter period of time is mutually agreed to between the Local Union and the Contractor, if there is not work. Those who have no phone will either contact an employee working on the same project who has a phone or call the Contractor (collect) when weather conditions are unfavorable, as the Contractor will not be held responsible for those which have no way of contact, in regard to show-up time on account of weather conditions or breakdown of equipment. Otherwise they shall report for work and receive two (2) hours pay for reporting. If the employees start to work, they shall be paid for not less than four (4) hours. If they work over four (4) hours or from A.M. into P.M., they shall be paid for not less than eight (8) hours, except when work is stopped because of inclement weather in the second four (4) hours when they shall be paid for actual time worked. All employees covered by this Agreement shall remain one-half (1/2) hour after regular starting time to allow Contractor or Project Engineer time for decision on eventual starting of work for that day, if employee is entitled to show-up time for that day.

14.3 Work may be performed in shifts at the election of the individual Contractor, but in no case for less than three (3) consecutive days; however, a Contractor may work shifts for two (2) days if four (4) twelve (12) hour shifts are scheduled. The starting time, for a two-shift job may be designated by the Contractor and the regular rates shall prevail. The starting time on a three-shift job shall be 8:00 a.m., which shall be regarded as the first shift on the calendar day. Where two or more shifts are worked, five (5) days of seven and one-half (7-1/2) hour shifts from Sunday midnight to Friday midnight, shall constitute a regular week's work, any time worked in excess of regular shift hours shall be paid for at one and one-half (1-1/2) times or the appropriate overtime basic hourly rate of wages.

ARTICLE 15

HOLIDAYS

15.1 Work done on holidays shall be paid at the rate of double the regular rate of pay. The following days shall be recognized as regular holidays: New Year's Day, Decoration Day, Fourth of July, Labor Day, Veteran's Day, Thanksgiving Day, and Christmas Day. No work shall be done on Labor Day except to protect life or property. The day after Thanksgiving may be exchanged as a holiday for Veteran's Day, if other crafts do not observe Veteran's Day or if the Union agrees.

15.2 All holidays set forth in this Article shall be on the date observed by the Federal Government unless mutually agreed otherwise.

ARTICLE 16

GENERAL CONDITIONS

16.1 With the exception of the Employer's regular semi-lowboy drivers, when assigned to the Employer's semi-lowboy, all equipment moved from the job site to another location should be moved by the drivers on the previous job.

16.2 The Employer may use his regular semi-lowboy drivers, when assigned to the Employer's semi-lowboys, to move the equipment to and from another Local's jurisdiction. If moving from one project to another project in the same Local, drivers shall be determined in a conference with the Local Union prior to move. When a Contractor's lowboys are used for hauling within the contract limits of a project, the drivers shall be determined at the pre-job conference. Except in the above cases, the drivers on the previous job shall move the equipment.

16.3 Upon request of the Employer and approval of the Union, the Employer shall be allowed to haul material on the lowboy to or from the job site.

16.4 In the event an employee works in more than one classification in either the first four (4) hour period or the second four (4) hour period, such employee shall receive the highest rate for that four (4) hour period.

16.5 Any employee being assigned to work which necessitates his being away from his home terminal or garage, or garage at the job site overnight, shall be compensated for all necessary and reasonable meals and lodging monies spent while on such assignment.

16.6 When an employee does not remain overnight, he shall be reimbursed only for reasonable expenses incurred, such as tolls, gas, and any other necessary expenditure in connection with such assignment.

16.7 The Employer shall maintain time and pay records at the Employer's place of business showing compliance with terms of this Agreement.

ARTICLE 17

INSURANCE AND SAFETY

17.1 The Contractors agree that they will carry Workmen's Compensation and Public Liability Insurance covering all equipment. Contractors shall also pay the Old Age and Survivors Insurance premium as required by law, and shall, if not required to by law, voluntarily elect to contribute to the Unemployment Compensation fund of the State to the end that the employees may be covered by this law.

17.2 No employees covered by this Agreement shall work for any Employer who does not comply with this Section, and all Contractors and employees shall be required to observe safety rules and regulations as a condition of employment, subject to the grievance procedure.

17.3 All trucks, which have heaters and windows as standard equipment, shall be maintained in good working order during inclement weather, except when trucks are used for emergency purposes.

17.4 The Union further agrees that it will not be a party to establishing a slowdown of transportation equipment and, should such conditions arise, it will do everything possible to eliminate same. The Union further agrees that the employees shall cooperate with the Contractors in keeping the equipment operating in an efficient manner.

17.5 No employee shall be required to operate or work upon a vehicle which the Employer knows or has reason to know is overloaded, or to operate at an excessive speed schedule, or in violation of any law or ordinance. Refusal on the part of an employee to operate such vehicle shall not be considered a violation of this Agreement.

17.6 The Employer shall not require any employees to use equipment that is in an unsafe operating condition. Refusal by an employee to operate such equipment shall not be considered a violation of this Agreement.

17.7 The Employer shall pay the fines for overloaded vehicles provided that the employee shall pay the overload fine and not be paid for time lost when the load was weighed on a legal scale before the employee started on the trip, unless the employee was directed to proceed by the Employer with an over-loaded vehicle.

ARTICLE 18

PAYMENT OF WAGES

18.1 The Contractor shall pay the employees once each week. Pay day to be chosen by the Contractor and shall be within five (5) days from the end of the fiscal week. The pay shall be in cash or check and shall be in full up to the regular quitting time at the end of the fiscal week. If, at the termination of employment or on the scheduled pay day, pay is not available, the employee or employees will be allowed up to eight (8) hours at the overtime rate. At the end of the eight (8) hour period, eight (8) straight-time hours pay will be allowed in each additional twenty-four (24) hour period starting at the end of the first eight (8) hours, except as otherwise mutually agreed to between the Local Union and the Employer. This will be in addition to any monies earned.

18.2 The Contractor shall furnish, with each payroll check or currency payment, a full statement of hours worked, both regular and overtime, and all deductions made.

ARTICLE 19

COMPLETENESS OF AGREEMENT

19.1 it is further agreed that the Employer, the Conference, or the Union, shall not make any agreements that in any way alter or conflict with any of the Articles of this Agreement (except as provided in Article 27) unless such agreements are reduced into writing and signed by the parties hereto. The parties agree that the total results of their bargaining are embodied in this Agreement and any supplemental agreement and neither party is required to render any performance not set forth specifically herein.

ARTICLE 20

GRIEVANCE PROCEDURE AND ARBITRATION CLAUSE

20.1 The Union and the Employer agree that there shall be no strikes, lockout, or legal proceedings without first using all possible means of settlement as provided for in this Agreement, of any controversy which might arise.

20.2 A grievance shall include any difference of opinion or dispute between the parties to the contract. A grievance must be filed with the Employer in writing, as hereinafter provided, within fifteen (15) working days after the occurrence of the act, which resulted in the grievance, or within fifteen (15) days after its discovery. Failure to file a grievance in writing, as provided, will relieve the Employer of all financial obligations and shall not be binding on such Employer.

20.3 Should a grievance arise, an attempt will be made to settle such dispute between the Employer, the Steward, and any employee involved. If a satisfactory solution is not reached by these parties within three (3) working days, then the Business Representative of the Union and a representative of the Contractor will attempt to adjust the grievance. They shall have three (3) working days to reach a decision unless by mutual consent a longer period is decided upon.

20.4 It is agreed that all matters pertaining to the interpretation of any provisions of this contract may be referred at the written request of any party at any time, to the Illinois Department of Labor, who shall promptly appoint an Arbitrator to hear the dispute and decide the grievance. Grievances shall be heard at the Office of the Local Union where the grievance occurred or where the Arbitrator determines.

20.5 The Local Union shall have the right to examine time sheets and any other records pertaining to the computations of compensation of any individual or individuals whose pay is in dispute.

20.6 The appointed Arbitrator shall promptly hear the case. His decision shall be final and binding on all parties. The Arbitrator shall not be empowered to add to or detract from, or to alter the terms of this Agreement.

20.7 All jurisdictional disputes between or among building and construction trades Unions and Employers shall be settled and adjusted according to the present plan established by the Building and Construction Trades Department or any other plan or method of procedure that may be adopted in the future by the Building and Construction Trades Department. Decisions rendered shall be final, binding, and conclusive on the Employer and Unions.

ARTICLE 21

UNAUTHORIZED ACTIVITY

21.1 it is further mutually agreed that the Local Union will, upon request, within two (2) weeks of the date of the signing of this Agreement, serve upon the Employer a written notice, which notice will list the Union's authorized representatives who will deal with the Contractor, make commitments for the Union generally and, in particular, have the sole authority to act for the Union in calling or instituting strikes or any stoppages of work, and the Union shall not be liable for any activities unless so authorized.

21.2 It is further agreed that, in all cases of an unauthorized strike, slowdown, walkout, or any unauthorized cessation of work in violation of this Agreement, the Union shall not be liable for damages resulting from such unauthorized acts of its members or employees covered by this Agreement if the Union delivers to the Contractor, within twelve (12) hours after the Contractor notifies the Union of the unauthorized activity, two (2) notices which the Contractor may post, advising all employees that the activity is unauthorized.

21.3 While the Union shall undertake every reasonable means to induce such employees to return to their jobs during any such period of unauthorized stoppage of work mentioned above, it is specifically understood and agreed that the Contractor, during the first twenty-four (24) hour period of such unauthorized work stoppage, shall have the sole and complete right of reasonable discipline short of discharge, and such employees shall not be entitled to or have any recourse to any other provisions of this Agreement. After the first twenty-four (24) hour period of such stoppage, and if such stoppage continues, the Contractor shall have the sole and complete right of reasonable discipline up to and including discharge and/or refusal of re-employment to any union member or employee participating in an unauthorized strike, slowdown, walkout, or any other cessation of work.

ARTICLE 22

SAVINGS CLAUSE

22.1 It is the intention of the parties hereto to comply with all applicable provisions of state or federal law, and they believe that each and every part of this contract is lawful. All provisions of this contract shall be complied with unless any of such provisions shall be declared invalid or inoperative by final order of any court of competent jurisdiction. In such event, the Union or the Contractor may, at its option, require renegotiation of such individual provisions for the purpose of adequate legal replacement thereof, each reserving the right of economic recourse in the event agreement cannot be reached in such negotiation, and such action shall not constitute a violation of this Agreement.

22.2 In the event of the invalidation of any section, sentence, or article of this Agreement by any court or board of competent jurisdiction, all remaining provisions of this Agreement shall remain in full force and effect.

ARTICLE 23

PROTECTION OF RIGHTS

23.1 It shall not be a violation of this Agreement and it shall not be cause for discharge or discipline if any employee or employees refuse to go through a duly authorized, lawful, primary picket line of any union, nor shall the exercise of any rights permitted by law be a violation of this Agreement.

ARTICLE 24

OWNER-DRIVER

24.1 The term "Owner-Driver" means an individual who, in addition to being employed to perform services covered by this Agreement, is also the owner and operator of the equipment. Legal or equitable title must be in the name of the driver. The following provisions shall apply to all owner-drivers engaged to perform work.

24.2 The owner-driver shall be carried on the payroll of the Employer as an employee and, as such, all the terms and conditions of this Agreement, including Article 4, Procurement of Labor, shall be applicable to him. A separate referral list will be kept for owners-drivers.

24.3 Separate checks shall be issued by the Employer for driver's wages and equipment. The amount of the check for the driver's wages shall not reduce the amount received for equipment compensation.

24.4 The Employer expressly reserves the right to control the manner, time, means and details of any by which the owner-driver performs his services, as well as the ends to be accomplished, and shall be the sole judge of the capability of the owner-driver's equipment to perform the work required to be performed.

24.5 The terms and provisions of this Article are to apply only to single trucks owned and operated by an employee covered by this Agreement and shall not apply to a situation in which an employee covered by this Agreement or any other person rents a truck which is not to be operated by the owner of such truck.

ARTICLE 25

CONDITIONS AND COMPENSATION FOR

OWNER-DRIVER EQUIPMENT

25.1 The owner-driver shall provide and shall have sole responsibility for gasoline, oil, grease, tires, tubes, repairs, insurance and any other items necessary to operate his equipment. He shall have complete freedom to purchase any such items at any place where efficient service and satisfactory products can be obtained at the most favorable prices.

25.2 Whenever a Contractor rents owner-driver equipment, the Contractor shall, wholly independent of the wages and fringe benefits of said owner-driver and in addition thereto, compensate the owner-driver as rental of said equipment at fair and reasonable rates as set forth on Exhibit "A" attached hereto and made a part hereof. Payment for equipment rental to owner-driver may be made on a ton-mile or yard-mile basis, providing such method of payment yields to the owner-driver all wages and fringe benefit items set forth in the contract for drivers.

25.3 Because weather may affect the work of the Contractor on which the truck is to be used, the owner-driver, when inclement weather is imminent, shall ascertain by telephone at least one (1) hour before starting time whether said truck will be required. The Contractor shall notify the owner-driver by telephone, at least one (1) hour before starting time, if the truck is not needed for reasons other than weather.

ARTICLE 26

HAULING AND STOCKPILING

26.1 The provisions of this Article shall govern the hauling and stockpiling of materials, including:

- (a) Hauling fly ash, or agricultural products;
- (b) Hauling to residential building sites;

- (c) Hauling from quarry to stockpile;
- (d) Hauling from stockpile to stockpile;
- (e) Driving on a maintenance chipping and hauling project.

Starting May 1, 1995, the wage rates for hauling and stockpiling shall be eighty percent (80%) of the rates set forth in Article 10.

26.2 All the terms, fringe benefits and conditions of "Articles of Construction" shall apply to hauling and stockpiling except the wage differential expressed in this Article.

26.3 It is mutually understood and agreed that this Article shall cover and apply to all employees of the Company within the geographical jurisdiction of the Illinois Conference of Teamsters, and within the craft jurisdiction of the Union. When the aggregate material is being transported from the geographical jurisdiction of the one local union to the geographical jurisdiction of another Local Union, there shall be a 50-50 split of drivers between the two affected Locals.

26.4 This article shall not apply to on site construction work nor to office personnel and superintendents.

ARTICLE 27

MARKET RECOVERY

27.1 Upon request by the Employer, the Local Union in the jurisdiction in which the work is to be performed may, as appropriate, grant concessions and modifications to this Agreement necessary to assure continued work opportunities for the Employer and employees.

27.2 No wage concessions shall be granted on projects on which State or Federal law requires that a prevailing wage be paid.

ARTICLE 28

TERMINATION OF AGREEMENT

28.1 This Agreement shall become effective as of the 1st day of May, 2002 and shall remain in full force and effect until the 30th day of April, 2006 and each year thereafter unless written notice of termination or desired modifications is given at least sixty (60) days up to one hundred twenty (120) days prior to the expiration date of the contract by the parties hereto.

IN WITNESS WHEREOF, the parties have executed this Agreement as the day and year first above set forth.

UNION:

EMPLOYER:

ILLINOIS CONFERENCE OF TEAMSTERS

By: _____

By: _____

LOCAL UNION

By: _____

ADDENDUM

| <u>Article 10</u> | <u>05-01-02</u> | <u>05-01-03</u> | <u>05-01-04</u> | <u>05-01-05</u> |
|-------------------|-----------------|-----------------|-----------------|-----------------|
| Asphalt Rate | \$18.00 | \$18.00 | \$18.00 | \$18.00 |
| Material Rate | \$15.50 | \$15.50 | \$15.50 | \$15.50 |

Article 11

11.5 If an employee is injured on the job, the Employer shall continue to pay the required contributions based on a twenty-five (25) hour, however, such contributions shall not be paid for more than six (6) months or until the employee would be laid off based on seniority.

Article 12

12.3 If an employee is injured on the job the Employer shall continue to pay the required contributions during the time the employee would have normally worked had he not been injured computed on the basis of the average of his work hours during the previous two (2) weeks prior to his injury. In no event shall he be paid for a period longer than three (3) months or until the employee would be laid off based on their seniority. If an employee is granted a leave of absence, the Employer will attempt to collect from said employee, prior to the leave of absence being effective, sufficient monies to pay the required contributions into the Pension Fund during the period of absence.

UNIONS

EMPLOYER

Teamsters Local Union No. 50

Friederich Construction & Trucking Co.

By: _____

By: _____

Teamsters Local Union No. 525

By: _____