

K 8508
1,000 workers

9/1/2002 - 8/31/2004

23 pgs

NEW CONSTRUCTION AGREEMENT

BETWEEN

PIPEFITTERS LOCAL UNION NO.195

AND

SABINE AREA CONTRACTORS

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ATTACHMENT

- Addendum to Agreement
- Working Assessment Check-Off Signature Page

- Plumbers and Pipefitters National Pension Fund
- Revised Standard Form of Participation Agreement
- Form #66 Signature Page

AGREEMENT

THIS AGREEMENT entered into by and between the SABINE AREA CONTRACTOR, who is engaged in the Pipe Fabricating and Erecting Industries, hereinafter designated as "Employer" and PIPEFITTERS LOCAL UNION NO.195 OF THE UNITED ASSOCIATION OF JOURNEYMEN AND APPRENTICES OF THE PLUMBING AND PIPE FITTING INDUSTRY OF THE UNITED STATES AND CANADA, affiliated with AFL-CIO hereinafter designated as "Union", which Agreement shall be in full force and effect from year to year thereafter until a new Agreement is reached unless sixty (60) days prior to the August 31, 2004 anniversary date, written notice is given by one Party to the other Party of intentions to terminate this Agreement, but both Parties may mutually agree to change or amend any of this Agreement at any time.

The Employer and the Union agree further that thirty (30) days prior to the expiration of the contract period, August 31, 2004, either Party shall have the right to give written notice to the other Party for modification or amendment. Upon the giving of such notice of request to reopen the wage rate, the Parties hereby agree to bargain collectively the subject of such request modification. In the event of such a request pursuant to the wage opener, the wages herein negotiated and stated in Article IV, shall remain in effect until the Parties agree to modify said wage rates pursuant to this wage re-opener provision, by modification or amendment to the Agreement.

ARTICLE I **RECOGNITION AND PURPOSE OF AGREEMENT**

Employer is engaged in pipe fabricating and erecting work throughout the territorial area defined in Article III hereof. Employer recognizes Union as the sole collective bargaining representative of all employees of Employer in said territorial area whose work comes within the craft represented by the Union. In order to encourage closer cooperation and better understanding between Employer and employee and client, and to the end that a satisfactory, continuous and harmonious labor relationship will exist between both Parties, this Agreement is entered into for the purpose of establishing wages, fringe benefits, hours and working conditions of such employees in such territorial area.

NOW, THEREFORE, it is agreed between both Parties hereto as follows:

ARTICLE II **SCOPE**

Wages, working conditions and fringe benefits set forth hereunder will apply on work conducted for by the Employer, within the jurisdiction of the Union. It is the duty of the Parties to this Agreement to enforce the conditions set forth hereunder, and any violations will be subject to the discipline through the Joint Arbitration Board or the Umpire hereinafter provided for.

ARTICLE III
GEOGRAPHICAL JURISDICTION

The territory area of Local Union No. 195, which is the area covered by this Agreement, shall be comprised of the following counties: Walker, Chambers, Liberty, Orange, Jefferson, Hardin, Jasper, Tyler, San Augustine, Sabine, Nacogdoches, Angelina, Polk, Trinity and Houston of the State of Texas.

ARTICLE IV
ECONOMIC PACKAGE

Section 4.1

JOURNEYMEN

09/01/02 through 08/31/03

Journeyman	\$20.97
Health & Welfare	2.25
National Pension Fund	2.65
Annuity	.35
Apprentice Fund	.25
International Training Fund	<u>.05</u>
	<u>\$26.52</u>

SUPERVISION

09/01/02 through 08/31/03

General Foreman	\$22.72
Foreman	\$22.22

Working Assessment Check-off - See New Article XVIII

Section 4.2

APPRENTICES

Contributions to the National Pension Fund will be made for all Indentured Apprentices (Second Year through Fifth Year) at the rate of \$2.65 per hour.

Apprentices shall be paid on a percentage of the wages and pension contributions paid to and in behalf of Journeymen as follows:

YEAR	%	PAY RATE	H&W	NATIONAL PENSION	ANNUITY	APPR FUND	ITF	TOTAL PACKAGE
1 st	70%	\$14.68	2.25	- 0 -	-0-	.25	.05	\$17.23
2 nd	75%	\$15.73	2.25	2.65	.35	.25	.05	\$21.28
3 rd	80%	\$16.78	2.25	2.65	.35	.25	.05	\$22.33
4 th	85%	\$17.82	2.25	2.65	.35	.25	.05	\$23.37
5 th	95%	\$19.92	2.25	2.65	.35	.25	.05	\$25.47

Pre-Apprentices \$10.49

OVERTIME

Overtime rate of time and one half (1 ½) Monday through Saturday. All work performed on Sundays and Holidays shall be paid the double time rate.

Section 4.3

HOLIDAYS

For the specific provisions governing holidays, refer to Article IX.

For the specific provisions governing the economic package, refer to Article VIII, X, XI, XII, XIII, XIV, XVIII.

ARTICLE V
TRADE OR WORK JURISDICTION

Section 5.1 - This Agreement covers the rate of pay, all rules and all working conditions of all employees engaged in the installation of all plumbing and/or pipe fitting systems and component parts thereof, including fabricating, assembling, erection, installation, dismantling, repairing, testing, reconditioning, adjusting, altering, servicing and handling unloading, distributing, reloading, tying-on and hoisting of all piping materials, appurtenances and equipment, by all method including the use and operation of all tools and equipment of the trade such as welding machines, test pumps, etc., in accordance with the jurisdiction of the United Association.

Section 5.2 - In recognition of the above work jurisdiction, it is understood that the assignment of work and the settlement of jurisdictional disputes with other Building Trades organizations shall be adjusted in accordance with the procedure established by the National Joint Board or any successor agency of the Building Trades Department.

ARTICLE VI
SETTLEMENT OF DISPUTES

Section 6.1 - All grievances shall be filed within ten (10) calendar days after the complained of event arises. Grievances shall be appealed to the next higher step within ten (10) calendar days after the meeting in the lower step if no resolution is achieved.

All grievances pertaining to work covered by this Agreement shall be handled in the following manner:

- Step 1: Between the Contractor's Supervisor and the Local Union Steward at the job site.
- Step 2: Between the Business Representative of the Local Union and the Contractor's Supervisor at the job site.
- Step 3: Between the Business Representative of the Local Union and the designated labor relations for the Contractor.
- Step 4: If the parties are unable to reach a satisfactory resolution to the grievance, such grievance shall be submitted to the local Labor/Management Committee consisting of a minimum of two (2) local members and two (2) management members, which will hear each side of the grievance and reach a consensus agreement of resolution, which shall be binding on both parties.

Step 5: If the Labor/Management Committee does not reach a consensus decision, either party may appeal to an impartial mediator, by applying to the Federal Mediation and Conciliation Services or the American Arbitration Association for the service of an Arbitrator.

The Impartial Arbitrator shall only have jurisdiction and authority to determine the meaning, application of, or compliance with the provisions of this Agreement and shall not have jurisdiction or authority to add to, or detract from, or alter in any way such provision.

Section 6.2 - During the life of this Agreement, there shall be no slowdowns, or stoppage of work, strikes or lockouts until the above procedure has been complied with in its entirety.

Section 6.3 - All grievance committee joint meetings for the purpose of interpreting Articles, Sections, etc., when reduced to writing and signed Parties of this Agreement after submission to their respective bodies, shall become a part of the Contract.

Section 6.4 - It is agreed by the Parties to this Agreement that jurisdictional disputes shall be voluntarily adjusted in accordance with the Procedural Rules and Regulations of the National Adjustment Plan for the Settlement of Jurisdictional Disputes in the Building and Construction Industry.

There shall be no sit-down or work stoppage of employees because of jurisdictional disputes.

ARTICLE VII HIRING AND ASSIGNMENT OF MEN

Section 7.1 - The Union agrees that the Employer shall be the sole judge of the applicant's qualifications. However, in hiring new employees, the Employer shall consider only whether or not an applicant is qualified to perform the job to which he may be engaged. The Employer shall retain the right to reject for just cause any applicant referred by the Union.

Section 7.2 - The Union agrees that the Employer may request the first four applicants by name, the fifth applicant will be determined by the Union. Each applicant thereafter will be on a fifty-fifty basis. The Union will assign the steward before or with the first four applicants. A transferred employee will be considered a request.

Section 7.3 - A steward shall be a working Journeyman appointed by the Business Manager of the Local Union who, in addition to his work as a Journeyman, be permitted to perform during work hours such of his union duties as cannot be performed at other times. The Union agrees that such duties shall be performed as expeditiously as possible, and the Employer agrees to allow the steward a reasonable amount of time for the performance of such duties.

1. The first part of the document discusses the importance of maintaining accurate records of all transactions.

2. It also emphasizes the need for regular audits to ensure the integrity of the financial data.

3. The document further outlines the procedures for handling discrepancies and resolving them promptly.

4. In addition, it provides guidelines for the proper use of company funds and the avoidance of conflicts of interest.

5. The document also addresses the issue of confidentiality and the protection of sensitive information.

6. Furthermore, it discusses the importance of maintaining up-to-date financial statements and reports.

7. The document concludes by reiterating the commitment to transparency and accountability in all financial matters.

8. Finally, it provides contact information for the finance department for any inquiries or concerns.

9. The document is intended to serve as a guide for all employees involved in financial operations.

10. It is the policy of the company to adhere to the highest standards of financial integrity.

11. The document is subject to periodic review and updates as necessary.

12. All employees are required to read and understand the contents of this document.

13. The document is effective as of the date of its issuance.

ARTICLE VIII
WAGES

Section 8.1 - Effective the first full payroll period on or after September 1, 2002, the wage rate for Journeymen covered by this Agreement shall be \$20.97 plus \$5.55 in benefits with a total of \$26.52.

Section 8.2 - Foreman shall be paid One Dollar and Twenty-Five cents (\$1.25) per hour above the rate of Journeymen; and General Foreman shall be paid One Dollar and Seventy-Five cents (\$1.75) above the rate of Journeymen.

Section 8.3 - Further wage adjustments, for September 2, 2003 of \$.70 per hour and March 1, 2004 of \$.30 per hour may in whole or part be applied to additional benefit contributions. The disbursement of these increases will be determined before September 2, 2003.

ARTICLE IX
HOURS OF WORK, OVERTIME, AND SHIFT

Section 9.1 - Eight (8) hours shall constitute a day's work between the hours of 7:00am and ending at 4:00pm, where one hour is given for lunch; and begins at 7:00am and ends at 3:30 pm, where one-half hour is given for lunch. The work week shall be forty (40) hours beginning at 7:00am Monday and ending at 4:00pm Friday. A day shall constitute twenty-four (24) hours beginning at 7:00am and ending the following morning.

Section 9.2 - The Employer, may at his option, establish a 4-10 hour work week on specific projects, which will, for these jobs, constitute a standard work week. The work day shall be an established consecutive ten (10) hour period between the hours of 7:00am and 7:00pm, exclusive of thirty (30) minute lunch period. These hours may be changed by mutual consent of the Employer and the Union. Forty (40) hours per week shall constitute a week's work Monday through Thursday inclusive. In the event the job is down four (4) production hours or more during the work week at the job site, then Friday can at the option of the Employer be worked as a make-up day at straight time not to exceed ten (10) hours or forty (40) hours per week. The make-up day will be scheduled a minimum of eight (8) hours per day. Any employee who elects not to work the make-up day shall not be discriminated against for such choice. Make-up days will not be scheduled for lost time occasioned by a Holiday.

If a second 4-10 hour shift is established, the shift differentials of this Agreement shall apply in addition to the above provision.

The one (1) four (4) and eight (8) provisions of Article XV - Reporting time, will remain on these projects.

In the event an Employer shuts down the job because of inclement weather, such termination of work must include all of his employees on the project as a condition of implementing of the make-up day.

On a Friday scheduled make-up all employees will receive the same amount of straight time and overtime hours. The exception shall be for those employees having worked beyond forty (40) hours who would then receive the applicable overtime rate for work on the make-up day.

The time and one-half (1 ½) overtime rate will be paid for all hours worked in excess of ten (10) hours including the make-up day. All work performed on a Friday (non-makeup day) will be paid the time and one-half (1 ½) overtime rate.

New hires will be paid the same hours as the majority of the job force on the make-up day.

The scheduling of a make-up day on a particular project will be the option of each individual Employer engaged on such project.

Overtime rate is time and one-half (1 ½) Monday through Saturday. All work performed on Sundays and Holidays shall be paid the double time rate.

Section 9.3 - Minimum straight time and overtime pay shall be in fifteen (15) minute increments. Work performed during lunch period shall be paid at the double time rate not to exceed the scheduled lunch period.

Section 9.4 - The following Holidays named, if worked, shall be paid at the double time the hourly scale and are as follows:

New Year's Day	Labor Day	Christmas Day
Memorial Day	Thanksgiving Day	
July 4 th	Friday after Thanksgiving	

If above named holidays fall on Sunday, they will be observed on the Monday following.

It shall not be a violation of this Agreement for the Employer to close the project on Friday following a Holiday or for recognized plant Holidays as directed by the owner, provided notification is given prior to end of preceding shift.

Section 9.5 - SHIFT WORK:

- a) Shift work may be performed at the option of the Employer and may begin with the first, or day shift, on any day of the week, but having once begun it must continue for three (3) consecutive work days. When two (2) or three (3) shifts are worked, the second (2nd) shift shall be established on a seven and one-half (7 ½) hours worked basis; and the third (3rd) shift shall be established on a seven (7) hours worked basis. The pay for the second (2nd) and third (3rd) shifts shall be equivalent of eight (8) hours pay at the straight time rate.
- b) In the event the Contractor fails to work the job the required consecutive work days, the employees working any shift other than the day shift shall be entitled to the applicable overtime rate.

- c) In the event the Contractor fails to work the job the required consecutive work days, unless agreement has been reached in a pre-job conference, the employees working any shift other than the day shift shall be entitled to overtime rate.
- d) "Typical Shift Work" Schedules A, B, C, and D are attached hereto and made a part of this Agreement. Shifts shall be worked and paid for as shown in Scheduled A, B, C, and D. To meet the needs of a specific job it may be necessary to change the 6:30 - 8:00 o'clock starting time. This may be done by mutual agreement between the Union and the Employer at a timely pre-job conference. In this case the entire schedule will be moved forward a like amount of time and all the principles regarding straight time and premium pay for time worked as outlined in the schedules shall apply.

It may be necessary to work two (2) nine (9) hour, or two (2) eleven (11) hour shifts in each twenty-four (24) hour period. When this occurs, the "end of shift", as outlined in Schedule "B" will be changed.

- e) It is agreed that when such shifts are set up no employees will be allowed to work more than eight (8) hours straight time rate of pay in any one shift, in one twenty-four (24) period.

**TYPICAL SHIFT WORK - SCHEDULE A
TWO - TWELVE HOUR SHIFTS**

FIRST SHIFT

From 8:00am to 12:00 Noon	4 hours pay at the straight time rate. Lunch period, employee furnished on employee's time.
From 12:30pm to 4:30pm	4 hours pay at the straight time rate. Lunch period on employer's time.
To 8:00pm end of shift	4 hours pay at one and one-half (1 ½) time rate.

SECOND SHIFT

From 8:00pm to 12:00 Midnight	4 hours pay at the straight time rate plus thirty-seven and one-half (\$.375) cents per hour. Lunch period, employee furnished on employee's time.
From 12:30am to 4:30am	4 hours pay at the straight time rate plus thirty-seven and one-half (\$.375) cents per hour.

Lunch period on employer's time.

To 8:00am to end of shift

4 hours pay at basic rate plus thirty-seven and one-half (\$.375) cents per hour at one and one-half (1 ½) rate.

TYPICAL SHIFT WORK - SCHEDULE B
TWO - TEN HOUR SHIFTS

FIRST SHIFT

From 8:00am to 12:00 Noon

4 hours pay at the straight time rate.

Lunch period, employee furnished on employee's time.

From 12:30pm to 4:30pm

4 hours pay at straight time.

From 4:30pm to 6:30pm end of the shift

2 hours pay at one and one-half (1 ½) time rate.

SECOND SHIFT

From 8:00pm to 12:00 Midnight

4 hours pay at the straight time rate plus thirty-seven and one-half (\$.375) cents per hour.

Lunch period, employee furnished on employee's time.

From 12:30am to 4:30 am

4 hours pay at the straight time rate plus thirty-seven and one-half (\$.375) cents per hour.

From 4:30am to 6:30am end of shift

2 hours pay at basic rate plus thirty-seven and one-half (\$.375) cents per hour at one and one-half (1 ½) time rate.

TYPICAL SHIFT WORK - SCHEDULE C
THREE - EIGHT HOUR SHIFTS

FIRST SHIFT:

From 8:00am to 12:00 Noon

4 hours pay at the straight time rate.

Lunch period, employee furnished on employee's time.

From 12:30pm to 4:30 pm end of shift 4 hours pay at the straight time rate.

SECOND SHIFT:

From 4:30pm to 8:30pm 4 hours pay at the straight time rate.

Lunch period, employee furnished on employee's time.

From 9:00pm to 12:30am end of shift 4 hours pay at the straight time rate.

THIRD SHIFT:

From 12:30am to 4:30am 4 hours pay at the straight time rate.

Lunch period, employee furnished on employee's time.

From 5:00am to 8:00am end of shift 4 hours pay at the straight time rate.

TYPICAL SHIFT WORK - SCHEDULE D
TWO - EIGHT HOUR SHIFTS

FIRST SHIFT:

From 8:00am to 12:00 Noon 4 hours pay at the straight time rate.

Lunch period, employee furnished on employee's time.

From 12:30pm to 4:30 pm end of shift 4 hours pay at the straight time rate.

SECOND SHIFT:

From 5:00pm to 9:00pm 4 hours pay at the straight time rate.

Lunch period, employee furnished on employee's time.

From 9:30pm to 1:00am end of shift 4 hours pay at the straight time rate.

ROLLING 4 - 10's

The Employer may utilize a four (4) 10 hour shift operation. Under this operation the day shift

manual work force is organized into two teams. The "A" team works 4 consecutive 10 hour days. On the fifth day, the "B" team continues the work activities for 4 consecutive 10 hour days. On the ninth day, the "A" team returns to work to continue the construction activities. The 4 day alternating "A" and "B" team operation can continue on a year-round basis. The same pattern applies for a second shift. If two shifts are established, they shall be consecutive.

In this arrangement the normal work day for all employees shall be ten (10) consecutive hours of week, plus a one-half (½) hour non-paid meal period.

The work day for each employee shall be defined as the twenty-four (24) hour period which begins with regular starting time of the employee's shift and ends with the regular starting time of the employee's shift the following day. In this arrangement the day shift shall be worked between the hours of 6:00am and 6:00pm, as described above.

All hours worked in excess of ten (10) hours in any day and all hours worked in excess of forty (40) hours in a week will be paid for at the prevailing overtime rate.

Section 9.6 - The work day may start one hour earlier and end a like amount of time earlier or start one hour later and end a like amount later, than in the work day as defined in Section 9.1 above, without the payment of overtime so long as not more than eight (8) hours have been worked by any Journeymen in any one day. The feature of earlier or later time is subject to the agreement of the Employer and the employees on a particular project which agreement must be reached with full knowledge and consent of the Business Manager.

ARTICLE X PAYDAY, ACCOUNTABILITY, AND TERMINATION

The payday shall be once each week. Employees are to be paid on company time, whether working in a shop, contractor's yard, or in the field. All check stubs shall show all of the withholdings. When men are laid off or discharged, they must be paid wages due them at the time of lay-off or discharge. Employees who deliberately force a discharge through willful misconduct on the night shift may be paid off within the first two (2) hours of the following work day. Employees laid off shall be furnished termination slips at the time of the lay-off or discharge. If any employee covered hereby fails to receive all wages dues on pay day or at the time of the discharge, he shall then receive waiting time until he is properly paid. Such waiting time shall be paid at the employee's straight time rate of wages.

Minor discrepancies and normal payroll errors shall be excused. This waiting time is not to apply in cases wherein wages due are in dispute and subject to the grievance procedure.

The exception to the above shall be that if any employee is terminated after having worked the end of the normal working day and after the employer's office hours, Employer shall have the right to pay the employee at his option the following work day without penalty at the Employer's office, or if requested by the employee, by mailing the check or presenting it at the local union office the next work day.

ARTICLE XI
SUPERVISION

The Employer shall determine the need for Foreman and the number of Foremen. The Contractor may require the Foreman to work with his tools when in the Contractor's opinion this is advisable. This is not to mean that the Contractor will have an inadequate amount of supervision on the job.

ARTICLE XII
NATIONAL PENSION FUND, WELFARE TRUST FUND,
AND DEFINED CONTRIBUTION FUND

The Employer agrees to make contributions to the Plumbers and Pipefitters National Pension Fund in accordance with the Standard Form of Participation Agreement attached to and made part of this agreement.

The Employer agrees to pay funds to the Sabine Area Pipefitters Local No.195 Welfare Trust Fund for use and expenditures by such Fund for Employees or his dependents, and the expenditures from said Trust Funds to be made at the time, in the amounts and for the purpose established in said Trust Agreement.

The Employer agrees to pay contributions to the Pipefitters Local Union 195 Defined Contribution Trust Fund. (Annuity)

Effective the first full pay period on or after September 1, 2002, the sum to be contributed by the Employer to said trust funds shall be determined by computing an amount equal to Two Dollars and Twenty Five cents (\$2.25) to the Health & Welfare Fund and Thirty Five cents (\$.35) to the Defined Contribution Fund for each hour worked by each employee, including Apprentices, whose wages and working conditions are established by the terms of this Agreement.

The Trustee shall have the power to demand, collect, and receive individual Employer contributions to the above funds.

Failure by an individual Employer to pay the amount due from him hereunder to these Funds shall be deemed a breach of this Agreement, as well as the Trust Agreement by the individual Employer.

A cash bond up to ten thousand (\$10,000.00) dollars may be required to insure payment of fringe benefits from Employers who have been delinquent in payments to the Health and Welfare, Pension Fund, Apprentice Fund, or who have not previously employed employees covered by this Agreement. The determination of the need for posting such a bond or the continuation thereof, shall be subject to the judgement of the Trustees of the local funds. Said bonds shall be maintained in the office of the Funds Administrator.

The Union shall have the right to enforce payment thereof against the individual Employer. No employee shall have vested rights to benefits therefrom. Said funds so contributed to such Funds

shall not be considered wages for purposes of withholding tax, social security, or for any other purposes.

It is agreed that all Employer contributions to the Pension, Apprenticeship, Welfare and other Trust Fund covered by this Agreement shall be paid monthly, by the twentieth (20th) of the month following the closing of the month for which payments are due. It is agreed that the delinquent Employer shall pay a fifteen (15%) per cent penalty for each additional month that such payment is delinquent.

A copy of fringe benefit reporting forms shall be sent to the Local Union by the contributing Employer every thirty (30) days.

It is further agreed if it becomes necessary to sue any Employer to collect contributions due hereunder, said delinquent Employer shall be responsible for payment of necessary court costs, reasonable attorney's fees, and all other expenses incurred in connection with the collection of such contributions, as well as the above mentioned penalty.

ARTICLE XIII APPRENTICES

"Apprentices" shall mean a person who is enrolled under the Beaumont Area Pipe Fitters Joint Apprenticeship Committee and engaged in learning to fabricate, erect, and install all parts of a pipefitting job coming under the working jurisdiction of the Union.

Two (2) Apprentices may be employed with the first five (5) Journeymen; when five (5) Journeymen are employed, one (1) Apprentice must be employed; three (3) Apprentices may be employed when six (6) to ten (10) Journeymen are employed; when the tenth (10th) Journeyman is employed three (3) Apprentices must be employed; however, when ten (10) Journeymen are employed four (4) Apprentices may be employed. This ratio shall be applicable when Apprentices are available or if practical.

The responsibility of determining the requires ratio and number of Apprentices and adopting and administering of the "National Apprentice Standards" to meet local need shall be vested in the Beaumont Area Pipe Fitters Joint Apprenticeship Committee.

It shall be the intent and purpose of the Parties to this Agreement to provide full opportunity to former service men to become Apprentices under the provisions of this Agreement.

The Employers agree to pay funds into the Beaumont Area Pipe Fitters Joint Educational Trust Fund, the use and expenditure by such Fund in the training and education of Apprentices and Journeymen, the expenditures from said Trust Funds to be made at the time, in the manner, in the amount, and for the purposes established in said Trust Agreement. The sums to be contributed by the Employers to said Trust Funds shall be determined by computing an equal amount to Twenty Five cents (\$.25) per hour for each and every hour worked by Foreman, Journeymen, Apprentices and Pre-Apprentices on such Employer's payroll.

There shall be an additional Five (\$.05) cents contributed by the Employer to the International Training Fund. This contribution shall be paid monthly on the National Pension Fund reporting form.

The Trustees shall have the power to demand, collect, and receive individual Employer contributions to the Fund. Failure by an individual Employer to pay the amounts due from his hereunder to the Fund shall be deemed a breach of this Agreement as well as the Trust Agreement by the individual Employer. The Union shall have the right to enforce payment thereof against the individual Employer. No Apprentice shall have any vested right to benefits therefrom. Said Funds so contributed to such Fund shall not be considered wages for the purposes of overtime compensation, withholding tax, social security tax, or any other purpose.

PRE-APPRENTICES

The Union agrees to furnish Pre-Apprentices as deemed necessary by the Employer. Pre-Apprentices will perform any function that they are capable of performing. The Employer and the Union agree to an employment ratio of up to 40% of the work force for Apprentices and Pre-Apprentices. Wage rates to be determined by the Employer based on skill, productivity, and experience, but no less than a starting rate of \$10.49 effective the first full payroll beginning on or after September 1, 2002. The use of Pre-Apprentices will not replace the employment and training of indentured Apprentices.

ARTICLE XIV WORK RULES AND MISCELLANEOUS PROVISIONS

Section 14.1 - There shall be no limitation as to the amount of work an employee shall perform during his working day.

Section 14.2 - There shall be no restrictions on the use of machinery, tools, or appliances used in connection with fabricating or erecting of work coming under the jurisdiction of the Union.

Section 14.3 - The Employee shall not be required to furnish any tools. Welding gloves shall be furnished by the Employer except that in the case of welding gloves, these shall be furnished for Pipe Fitter Journeymen employed as welders only and subject to the following:

- (a) Pipe Fitter Journeymen employed as welders must have been in the employ of Employer for thirty (30) days before he is eligible for gloves hereunder and
- (b) That the Pipe Fitter Journeymen employed as welders shall not be entitled to such gloves more often than every three (3) months and then only if needed.

Section 14.4 - Rules shall also be furnished by the Employer, except that in the case of rules, these shall be furnished subject to the following:

- (a) That the Employee must have been in the employ of the Employer for thirty (30) days before he is eligible for a rule hereunder and
- (b) That the employee shall not be entitled to such rule, more often than every three (3) months, and then only if needed and

1. Introduction

The purpose of this study is to investigate the effects of the proposed system on the performance of the participants.

The study was conducted in a laboratory setting. The participants were divided into two groups: the control group and the experimental group. The control group used the standard system, while the experimental group used the proposed system. The performance of the participants was measured using a series of tasks. The results of the study are presented in the following sections.

The results of the study show that the proposed system significantly improved the performance of the participants compared to the control group. The improvement was observed in all the tasks measured. The results are statistically significant at the 0.05 level.

The study has several limitations. First, the sample size was small. Second, the study was conducted in a laboratory setting, which may not reflect real-world conditions.

Future research should investigate the effects of the proposed system in a real-world setting.

- (c) That the employee shall exchange his old rule for the new rule regardless of the condition.

Section 14.5 - The Employer shall not be required to furnish any other gloves, sleeves, aprons, trousers, or any other type of wearing apparel or attire other than rain gear. Rain gear must be furnished by the Employer, without cost to those Employees who are required to work in the rain. Employees shall return all such rain gear before leaving the job.

Section 14.6 - The Employer must provide adequate protection from the elements for welders engaged in making welding tests.

Section 14.7 - Employees required to complete a welder certification examination, as a condition of employment, shall be compensated for time spent testing only upon successful completion of the procedures.

Section 14.8 - Employees will not be required to punch any time clock or card; however, similar devices may be used. Checking in and out will be on employee's time. Employees will be allowed a reasonable amount of time to put up tools, change clothes and return to designated starting time place of work by quitting time. The Employer will make effort to facilitate the employee's leaving the plant property after quitting time as quickly as possible by attempting to get adequate parking areas, suitable roads, and improved traffic controls. Employees should be ready to work at the place designated for work or for transportation to work at starting time, and shall not be ganged up at change shack or other places at starting time.

Section 14.9 - All employees who are working more than three (3) hours of unscheduled or emergency overtime and four (4) hours thereafter, a paper bag or box lunch with coffee shall be furnished by the Employer on the Employer's time not to exceed thirty (30) minutes. If the Employer does not furnish a lunch, the employee shall be paid a minimum of \$8.00 in lieu of a lunch being furnished. No lunch for less than three (3) hours, but where a cafeteria is within the job area, employees will be allowed and furnished the privilege of eating in the cafeteria, up to thirty (30) minutes of paid time.

"Example"

- (a) Assuming that a man starts to work at 8:00am, has a thirty (30) minute lunch period, and would normally quit at 4:30pm:
- (1) If quitting time is 7:30pm, no meal is allowed.
 - (2) If quitting time is between 7:30pm and 11:00pm, he must be supplied with a meal and given thirty (30) minutes off to eat it at 7:30pm.
 - (3) If quitting time is between 12:00pm and 4:30am, he must be supplied with a meal and given thirty (30) minutes off to eat it at 7:30pm.
 - (4) If quitting time is between 4:30am and 8:00am, he must be supplied with a meal and given thirty (30) minutes off to eat it at 4:30am.

Section 14.10 - When employees are injured and returned to the job by the Doctor's orders, but have written authority from the Doctor to report back to his office periodically, they are to be paid for the time, including going to and coming from the Doctor's office to the job. In no event shall the time worked on the job and the time spent for Doctor visits exceed the employee's normal shift time. Transportation to and from the Doctor's office from job site is to be furnished by the Employer. The Employer and Insurance Company shall make every effort to secure treatment for men during work hours.

Section 14.11 - If an employee is injured on the job, his Employer shall furnish transportation on the first day of injury to his local residence, if the injured employee returns to the job site after quitting time and does not have transportation available. It is understood that when transportation is furnished, such time spent in connection with travel shall not be considered time worked and employee will not be compensated beyond the employee's normal shift time, nor shall any other Contract provision be applicable.

Section 14.12 - It is agreed by the Employer that employees will not be required to take a physical examination or fill out a medical questionnaire as requirement of employment.

Section 14.13 - It is agreed by the Employer that when employees are required to do such work that their clothes are damaged beyond ordinary wear due to the nature of the work, the Employer will pay for such damaged work clothes. This does not constitute agreement for Employer to pay for normal wear and tear of clothes.

Section 14.14 - The Employer agrees that he will furnish and maintain sanitary toilet facilities. If chemical - type toilets are provided, they shall be fly tight, have covered seats and shall have urinals. Toilets shall be protected from the weather and shall be provided with adequate light, ventilation, a door, and be cleaned at least once a day.

Employer shall also furnish drinking fountain with running ice water. Each job shall be provided with weatherproof shed or room for the employees to change their clothes. This room will be sufficiently ventilated by fans when electricity is available and heated.

Section 14.15 - Safety Committee: A Committee of two (2) individuals, one (1) from each party shall be created for the purpose of recommending to both parties corrective measures to be taken for the improvement of safety conditions.

Section 14.16 - The Employer and the Union agree to abide by the Safety Program as set up by the Joint Safety Committee.

Section 14.17 - No employee shall be discharged or disciplined for refusing to work on a job if his refusal is based upon the fact that said job is not safe, or might unduly endanger his health until it has been determined that the job is or has been made safe or will not unduly endanger his health. An employee may be discharged or disciplined for violation of safety rules or instructions. Wherever possible, a plant, or professional, safety representative shall be called to determine the safety claim.

ARTICLE XV
REPORTING TIME

Section 15.1 - It is agreed that whenever the Employer makes requests for men prior to 3:00pm for work on the next work day, then men shall report at the designated work time and shall be paid for actual hours from time of reporting to construction gate or job site.

Section 15.2 - When a request is made for an employee to report on the same day, or when such a request is made after 3:00pm for employees to report on the following day, the employee shall be out to work and will be paid for actual hours worked, provided the employee reports within the two (2) hours of starting time.

Section 15.3 - Employees reporting later than designated lunch hour will not be considered for employment except in emergency or like conditions.

Section 15.4 - The above paragraphs relate only to show-up time for hiring in at Employer's shop, yard, or warehouse on the first (1st) day that the employee reports. It is the intent of this paragraph to provide sufficient time for the employee to get to the point of hire without loss of pay. In any case wherein it is agreed by both the Employer and the Union that a person has abused the intent hereof, such person shall not then be entitled to the provisions of this paragraph.

Section 15.5 - Any employee who reports to work at a shop or job and for whom no work is provided due to weather conditions, will receive two (2) hours pay for show-up time. If Journeymen or Apprentices are working on a second (2nd) or third (3rd) shift, they shall also receive their premium pay for the shift work. Journeymen and Apprentices who are turned back at the gate, due to weather conditions, shall receive two (2) hours pay. Journeymen and Apprentices may be held on the job during weather conditions for two (2) hours, but if kept longer than two (2) hours due to weather, they shall receive pay for actual hours worked. If employee leaves job of his own accord or is discharged for just cause, he shall be paid for actual time worked.

Section 15.6 - If weather conditions permit and no work is provided, he shall receive four (4) hours pay unless he is notified before the end of the last preceding shift not to report for work, and if work is begun after lunch hour in any one day, he shall receive eight (8) hours minimum pay. If employee leaves job of his own accord or is discharged for just cause, he shall be paid for actual time worked.

However, when an employer considers it necessary to shut down a job to avoid the possible loss of human life, because of an emergency situation that could endanger the life and safety of an employee, in such cases, employees will be compensated for the actual time worked, but in the event less than two (2) hours, provided the employee remains available for work in a designated safe area.

Section 15.7 - Regardless of weather conditions, if any employee is called out to work outside of his established normal shift on Saturday, he shall receive at least two (2) hours pay at the time and one-half (1 ½) rate, and if more than two (2) hours are worked, he shall receive pay for the actual hours worked.

Employees called out to work outside of their established normal shift on Sunday or Holidays, shall receive at least two (2) hours pay at the double time (2) rate.

Section 15.8 - Any employee who is called out to work outside of his established normal work period shall receive not less than two (2) hours wages at the appropriate overtime rate, unless he continues into his regular work period in which event he shall receive the appropriate rate for actual hours worked before the normal work period.

ARTICLE XVI **INSURANCE**

The Employer hereby agrees to carry the following insurance to fully protect their employees and the Employer shall file with the Union a certificate of such insurance containing a ten-day of cancellation.

Section 16.1 - Liability Insurance under Workmen's Compensation Act: The Employer agrees to carry liability insurance under the Workmen's Compensation Act on each employee who is employed on his job.

Section 16.2 - Coverage under State and Federal Unemployment Compensation Act: In order to insure all employees covered by this Agreement against the hazards of unemployment resulting through no fault of their own, it is agreed by and between both Parties hereto, that the Employer not already required to pay contributions under the State Unemployment Act, shall voluntarily elect to become subject hereto and liable for payment of contributions promulgated pursuant thereto, said election to become effective as of date of signing this Agreement locally.

ARTICLE XVII **SAFETY AND DRUG FREE WORK FORCE**

Completion of generic safety training, as required by plant rules and regulations, will be attended on the employee's own time. Those who successfully finish the training course will be issued a certificate of completion which will be valid for a one (1) year period. Efforts will be made to conduct generic safety training programs at the local union halls. These programs will not become effective until area industrial plants develop a standard training program which will be accepted and recognized on a reciprocal basis.

Pre-employment drug testing will be performed on the employee's own time and a certification of drug free status will be issued for a one year duration. The cost of random drug testing at the job site shall be borne by the Employer. The implementation of the drug testing program will be dependent on the development of standard programs with area wide owner recognition.

ARTICLE XVIII
WORKING ASSESSMENT CHECK-OFF

The Union maintains the right to establish a working assessment check-off upon thirty day notification and the employer shall deduct from the weekly gross paycheck of all employees covered by this Agreement, two (2%) per cent in payment of Working Assessment. Each employee must authorize said Working Assessment in writing. The Employer shall be held harmless for any deductions made in good faith after having received the above authorization. The Working Assessment shall be remitted monthly on forms submitted by Local Union 195. Payments will be deposited in the Pipefitters Local 195 Plan Account established in Community Bank, no later than the twentieth (20th) day of the month following the month of deductions.

ARTICLE XIX
VALIDITY

It is the intention of both Parties to this contract not to violate any State or Federal Law, and if any provisions, Article, or Section of this Contract shall or has become invalid or illegal by reason of any now existing or hereafter enacted Statute or Law of the State of Texas or Federal Government, such invalid Article, Section, or Provision shall be deemed to be deleted herefrom, but the legality and validity of the other provision hereof shall not be affected thereby, and shall continue in full force and effect.

In the event that any labor law or any Statute of the State of Texas governing organized labor is ruled unconstitutional by the Supreme Court of the State of Texas, or is repealed by the Legislature of Texas during the term hereof, then and in the event both Parties agree to meet together promptly to amend or revise the Collective Bargaining Agreement accordingly so that effect may be given to said opinion or ruling during the remainder of the term hereof.

ARTICLE XX
BARGAINING AGENT

It is further agreed between both Parties that Pipefitters Local Union No. 195 is recognized as the sole bargaining agent for members of the Employer for the duration of this Agreement.

Should any Contractor or Association be granted more favorable wage rates, working conditions or terms under this contract, all Contractors signatory to this Agreement shall be entitled to the same.

Employer agrees that employees will not be engaged by Employer as subcontractors, equipment lessor, equipment vendor, or in any combination thereof, so long as said employees are employed under the terms of this Agreement, to perform any heating, piping, plumbing or air-conditioning work.

This Joint Collective Bargaining Agreement by and between Employer and Union, when executed and duly signed, does supersede any previous Joint Collective Bargaining Agreement between the Parties, and is effective the first day of September, 2002 at Beaumont, Texas.

Executed and Signed this ⁽³⁸⁾ 20th Day of September, 20 02, at Beaumont, Texas.

Union:

Pipefitters Local Union No. 195 of the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States & Canada, Affiliated, AFL-CIO.

By: Anthony Volante
Anthony "Val" Volante, Business Manager

Employer:

L A Resources Inc.
P O Box 1031
Orange, TX 77631
409-792-0033

By: Greg Scott President
Contractor Signature, Title

ADDENDUM
WORK RULES

The following principles are a Statement of the Building and Construction Trades Department, AFL-CIO, which has been ratified by all of its International Presidents and shall be considered to be a part of this Agreement:

1. The selection of craft Foreman and General Foreman shall be entirely the responsibility of the Employer, it being understood that in the selection of such Foreman, the Employer will give primary consideration to the qualified men available in the local area. After giving such consideration, the Employer may select such men from other areas. Foreman and General Foreman shall take orders from individuals designated by the Employer.
2. The welding torch and chain falls are tools of the trade having jurisdiction over the work being performed. Craftsmen using these tools shall perform any of the work of the trade and shall work under the supervision of the craft Foremen.
3. Workmen shall be at their place of work at the starting time and shall remain at their place of work until quitting time.
4. There shall be no limit on production by workmen nor restrictions on the full use of tools or equipment. There shall be no restrictions, other than may be required by safety regulations, on the number of men assigned to any crew or to any service.
5. Practices not a part of terms and conditions of collective bargaining agreements will not be recognized.
6. Slowdowns, standby crews and featherbedding practices will not be tolerated.
7. A steward shall be a qualified workmen performing the work of his craft and shall exercise no supervisory functions. There shall be no non-working stewards.
8. There shall be no illegal strikes, work stoppages or lockouts.
9. When a local union does not furnish qualified workmen within forty-eight (48) hours (Saturdays, Sundays, and Holidays excluded), the contractor shall be free to obtain workmen from any source.
10. It is agreed that overtime is undesirable and not in the best interest of the industry or the craftsman. Therefore, except in unusual circumstances, overtime will not be worked. Where unusual circumstances demand overtime, such overtime will be kept at a minimum.
11. If the contractor so elects, he may work shift work at a rate negotiated in the applicable agreements. If the agreements do not contain rates pertaining to shift work, the parties should establish such shift rates by negotiations for a specific project. The Employer shall determine the crafts and number of men to be assigned to each of the shifts so established.

ADDENDUM TO AGREEMENT

**ARTICLE XVIII
WORKING ASSESSMENT CHECK-OFF**

The Union maintains the right to establish a working assessment check-off upon thirty (30) day notification and the Employer shall deduct from the weekly gross paycheck of all employees covered by this Agreement, two percent (2%) in payment of Working Assessment. Each employee must authorize said Working Assessment in writing. The Employer shall be held harmless for any deduction made in good faith after having received the above authorization.

The Working Assessment shall be remitted monthly on forms submitted by Local Union 195. Payments will be deposited in the Pipefitters Local 195 Plan Account established in Community Bank, no later than the twentieth (20th) day of the month following the month of deductions.

Executed and Signed this ^{OWP} 20th Day of September, 20 02 at Beaumont, Texas.

Union:

Pipefitters Local Union No. 195 of the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States & Canada, Affiliated, AFL-CIO.

By: Anthony Volentini
Anthony "Val" Volentini, Business Manager

Employer:

L A Resources Inc.
P O Box 1031
Orange, TX 77631
409-792-0033

By: Henry Scott President
Contractor Signature, Title

09/01/02

PLUMBERS AND PIPEFITTERS NATIONAL PENSION FUND
Revised Standard Form of Participation Agreement

Form #66

The undersigned Employer and Union agree that the Employer shall make pension contributions to the National Pension Fund in accordance with the terms of this agreement on behalf of those Employees who are covered by the National Pension Fund pursuant to the Collective Bargaining Agreement.

1. a) Commencing with the first day of September, 2002, and for the duration of the current Collective Bargaining Agreement between the parties, and any renewals or extensions thereof, the Employer agrees to make payments to the Plumbers and Pipefitters National Pension Fund for each Employee who is in each classification listed below in accordance with the Collective Bargaining Agreement, as follows:

<u>CLASSIFICATION</u>	<u>AMOUNT</u>	<u>EFFECTIVE DATE</u>
Journeyman	2 .65 per hour	<u>09/01/02</u>
Apprentice	2 .65 per hour	<u>09/01/02</u>
_____	_____ per hour	_____
Other - specify		

Any classification of Employees who are excluded from the Plan pursuant to good faith bargaining and for whom contributions are not required shall not participate in the Plan. Persons in such excluded classifications shall not be considered "Employees" for purposes of the Plan and this Standard Form of Participation Agreement.

- b) The Employer shall make the contributions set out in subparagraph 1(a) for each hour or portion thereof, for which an Employee is paid or entitled to payment for performance of duties for the Employer. (Each overtime hour shall be counted as one regular hour for which contributions are payable.)
- c) Contributions set out in subparagraph 1(a) above shall be paid starting with the Employee's first day of employment in a job classification covered by the Collective Bargaining Agreement.
- d) The Employer shall continue contributions to the Fund for any compensated Employees who were previously covered by the Fund as members of the bargaining unit and who are continuing to perform work of the type covered by the Collective Bargaining Agreement for at least half of their hours with the Employer. It is understood that the Employer may not make contributions on behalf of an Employee who owns, or whose spouse owns, 10% or more of the corporation unless it signs and abides by a participation agreement covering such owner Employees. It is also agreed that the Employer shall not make contributions to the Fund on behalf of any Employees other than those specified herein or in a separate participation agreement.
2. The payments to the Pension Fund required above shall be made to the "Plumbers and Pipefitters National Pension Fund" which was established under an Agreement and Declaration of Trust, dated July 23, 1968 and restated December 13, 1978. The Employer, by signing this Standard Form of Participation Agreement, or by signing a Collective Bargaining Agreement providing for participation in the Plumbers and Pipefitters National Pension Fund, agrees to be bound by all of the terms and conditions of the Restated Agreement and Declaration of Trust. Any Employer so adopting the Restated Agreement and Declaration of Trust thereby ratifies, accepts and designates as its representatives the Employer Trustees then serving as such and authorizes said Employer Trustees to designate additional Employer Trustees and successor Employer Trustees in accordance with the terms and conditions thereof, and authorizes the Trustees to adopt amendments to the Restated Agreement and Declaration of Trust. The Employer hereby acknowledges receipt of a copy of the Restated Agreement and Declaration of Trust in effect when this Agreement is signed.

3. It is agreed that the Pension Plan adopted by the Trustees of the said Pension Fund shall at all times conform with the requirements of the Internal Revenue Code so as to enable the Employer at all times to treat contributions to the Pension Fund as a deduction for income tax purposes.
4. It is agreed that all contributions shall be made at such time and in such manner as the Trustees require, and the Trustees shall have the authority to retain an accountant or accounting firm to perform payroll audits of the Employer to determine whether the correct amount of contributions have been made or to determine whether contributions have been made on behalf of all Employees covered by the Plan.
5. If an Employer fails to make contributions to the Pension Fund within 20 days of the end of the month during which the work was performed, the Union shall have the right to take whatever steps are necessary to secure compliance, any provision of the Collective Bargaining Agreement to the contrary notwithstanding, and the Employer shall be liable for all costs and expenses for collecting the payments due, together with attorneys' fees, interest on the unpaid contributions of 12% per annum, and liquidated damages of 10% of the unpaid contributions. The Employer's liability for payment hereunder shall not be subject to the grievance or arbitration procedure or the "no-strike" clause provided under the Collective Bargaining Agreement.
6. The parties agree that this Participation Agreement shall be considered a part of the Collective Bargaining Agreement between the undersigned parties.
7. The expiration date of the present Collective Bargaining Agreement between the undersigned parties is August 31, 2004. Copies of the Collective Bargaining Agreements and all renewal or extension agreements will be furnished promptly to the Pension Fund office and, if not consistent with this Participation Agreement, can be used by the Trustees as the basis for termination of participation of the Employer.

FOR LOCAL UNION NO. 195, UNITED ASSOCIATION

BY Anthony Volente Business Manager/Financial Sec.
Anthony Volente (Authorized Union Officer)

FOR THE EMPLOYER*

L A Resources Inc.

(Insert Name of Employer)

Address P O Box 1031 Orange, TX 77631
409-792-0033

By Nancy Scott
(Authorized Officer of Employer)

Date September, 2002.

* If Employer Association, attach a list of the names and addresses of the Employers represented by Association.

NOTE: This form should be attached to the Collective Bargaining Agreement. It is not necessary to repeat the clause in the Collective Bargaining Agreement. You may refer to it in your Collective Bargaining Agreement by stating therein: "The Employer agrees to make contributions to the Plumbers and Pipefitters National Pension Fund in accordance with the Standard Form of Participation Agreement attached to and made part of this Agreement." If you want to include the language of this form in the body of a Collective Bargaining Agreement that may be done and the signature of the parties at the end of that agreement will be sufficient.

(Revised May, 2001)