

May 1, 2026 - April 30, 2029

DISTRIBUTION AND COMMUNICATIONS  
AGREEMENT

INTERNATIONAL UNION OF OPERATING ENGINEERS  
Local No. 324– AFL - CIO

500 Hulet Dr.  
Bloomfield Twp., Michigan 48302

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## **DISTRIBUTION AND COMMUNICATIONS AGREEMENT**

THIS AGREEMENT shall become effective on the first day of May, 2026, between the Employer and the INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL No. 324 - AFL-CIO, hereinafter called the Union, as party of the second part.

### **WITNESSETH**

WHEREAS, the parties hereto desire to stabilize employment in Distribution and Communications by agreeing upon wage rates, hours and conditions of employment;

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

### **ARTICLE I**

#### **COVERAGE**

A. This Agreement shall apply to and cover all distribution pipeline, cable and communication lines, construction and maintenance as such work is more fully described in paragraphs B and C below.

B. Distribution work coming under this Agreement is defined as follows:

"This Agreement shall apply to and cover the repair, maintenance, construction, installation, treating and reconditioning of pipeline systems transporting coal, gas, oil or other similar materials, vapors or liquids (except sewer and water lines) as well as cable, conduit, telephone lines, power lines and maintenance of steam lines within cities, towns or subdivisions, suburban areas, or within private property boundaries, more commonly referred to as "distribution or utility work".

A Distribution Pipeline is defined to include the following:

1. A pipeline with an actual operating pressure of 150 psi or lower, regardless of diameter.
2. A pipeline that is (i) 16” in diameter or less and (ii) has an actual operating pressure of 199 psi or less.

A Transmission Pipeline is defined to include the following:

1. A pipeline with an actual operating pressure of 200 psi or greater, regardless of diameter.
2. A pipeline that is (i) greater than 16” in diameter and (ii) has an actual operating pressure of 151 psi or greater.
3. Includes (i) all gathering lines, (ii) all pipelines within, to, and from storage fields and (iii) all service lines to large volume customers such as factories, power plants, and institutional users of gas.

Any addendum to or changes made to the language in the Demarcation will be adopted as part of this Agreement.

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

D. All of the work covered by this Agreement shall be done under and in accordance with the terms and conditions of this Agreement, whether done by the Employer or any subcontractor of said Employer. The temporary use of rented, fully-operated equipment shall be in no way used to circumvent the intent and provisions of this Agreement. It is further understood owner/operator shall be on the Employer's payroll the same as any other operator and shall be paid by separate check. It is recognized and understood that certain equipment used in the performance of distribution work may be subject to a maintenance, repair or service warranty or contract. Under such conditions, the Employer shall not be required to have the work performed under this Agreement.

E. In no event shall Employer be required to pay higher wages, or be subject to more favorable working rules, than those established by the Union for any other

Employer engaged in work covered by this Agreement or any other Employer not signatory to this Agreement who has negotiated a more favorable separate Agreement with the Union, or who is working within the Union's jurisdiction with the knowledge or tacit approval of the Union.

F. In the event that any State or Federal statute or regulation shall supersede, invalidate, or be in conflict with any clause in this Agreement such statute or regulation shall prevail over any such clause; however, the other provisions of this Agreement shall be valid and remain in full force and effect.

## ARTICLE II

### **UNION RECOGNITION AND UNION SECURITY RECOGNITION OF EMPLOYER RIGHTS NOTIFICATION AND PRE-JOB CONFERENCES**

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

B. The Union recognizes that Employer shall have sole jurisdiction of the management and operation of its business, the direction of its working force, the right to maintain efficiency on its jobs by the use of any machines, tools or labor-saving devices, and the right of Employer to determine the number of Employees required for each job and to hire and discharge Employees, subject to the provisions of this Agreement. It is agreed that the rights enumerated above shall not be deemed to exclude other pre-existing rights of Employer not enumerated which do not conflict with other provisions of this Agreement.

C. All Employees covered by this Agreement, as a condition of the continued employment, shall, commencing on the eighth day following the beginning of their employment, or the effective date of this Agreement or signing of this Agreement, whichever is the latter, acquire and, for the duration of their employment, maintain membership in the Union. This provision shall not apply in any state where such a requirement for continued employment is prohibited by law.

D. Employer agrees to notify Union of jobs obtained by the individual Employer, describing the location, size and extent of distribution, or maintenance work, and the proposed starting date, subject to the exceptions set forth in paragraph F below.

Employer and representatives of the Local Union having jurisdiction involved shall set a mutually agreed upon location and shall hold a pre-job conference so that the start and continuation of work may progress without interruption. It shall be the purpose of the pre-job conference for the Employer and the Union to agree on such matters as length of work week, the number of key employees to be brought in, the number of men to be employed, the applicable wage rates in accordance with the contract, and any other matters not including any interpretation of the clauses of this Agreement, it being agreed that any interpretation of the Agreement should be made between the principal parties hereto, so that proper application thereof may be made on the jobs. However, it is recognized that many distribution pipeline construction jobs are awarded on relatively short notice and are of relatively short duration. Therefore, to make notification and to hold a conference prior to commencing each job and segment or segments of work would be unduly burdensome and would serve no practical purpose for either the individual Employer or the Local Union. Normally, therefore, only one notification and one pre-job conference will be required where additional work is expected from the same owning company or municipality during the course of the working season. Such pre-job conference between any individual Employer and the Local Union involved shall be considered as having satisfactorily established the basic conditions under which any subsequent work shall be performed by such Employer in the Local Union's jurisdiction during the balance of the working season. The Employer shall notify the Local Union by telephone or other mutually acceptable method of the award of such additional work prior to starting.

E. It is recognized that because of the special nature of distribution pipeline or cable construction work, it is necessary that Employer have available experienced and qualified Employees, and that both parties shall cooperate to the end that all of the Employees hired hereunder shall be capable of performing such distribution pipeline construction work in an experienced manner.

F. At the pre-job conference, Employer shall notify the Union of the number of classifications of "key men" and working foremen whom he desires to bring into the job. Key men will be men who are regularly employed by the Employer. It is anticipated that the number of regular employees shall not be more than a majority of the total required. The Employer shall make fringe benefit contributions for the Employer's "key men" to the Trust Funds designated by the keyman as his home trust fund. The hiring of additional men shall be as set out in paragraph G herein below.

1. Keyman Agreements must be requested by the Employer and executed by both Local 324 (jurisdictional local) and the Key Man's home local.

G. When the Employer performs the work covered by this Agreement, in the area covered by this Agreement, the following shall apply:

1. The Employer will obtain all employees used in the performance of such work through the referral office of the Union in accordance with the nondiscrimination provisions governing the operation of the Union's referral offices set out in Appendix D of this Agreement as if set forth in full herein.
2. Nothing in this Agreement shall affect the Employer's inherent right to determine the competency and qualification of his Employees, and his right to reject and discharge men accordingly.
3. The selection of applicants for referral to jobs shall be on a non-discriminatory basis and shall not be based on or in any way affected by Union membership, bylaws, regulations, constitutional provisions, or any other aspect or obligation of Union membership, policy or requirement.
4. Qualified applicants required by Employer must be referred by a Local referral office within forty-eight (48) hours of the receipt of the Employer's request. If the Local referral office fails to comply with these conditions, the Employer may secure qualified applicants from any other source.
  - i. Once the original crew has been employed, Employer shall have the right to keep such crew on all work throughout the territory covered by the particular job or jobs for which job notification was given or the pre-job conference was held, regardless of local Union jurisdiction. Where a job involves the jurisdiction of two or more Local Unions, manning and appropriate wages shall be determined at the pre-job conference.

H. In the event a master mechanic or craft foreman is employed, he shall be in charge of all equipment on the job and shall not normally have any supervision over Employees. In the event, however, a master mechanic is to be employed in a supervisory capacity, his selection shall be discussed at the pre-job conference. Such a master mechanic shall be paid at least two dollars (\$2.00) per hour above top rate for operators.

## ARTICLE III

### WORKING RULES

A. The time of men shall start at the job site and shall end at quitting time on the job site; however, the lunch period shall be excluded.

B. The pay day shall be once a week. Employees are to be paid at the end of their regular shift, whether working in Employer's yard or in the field. When the services of an employee are no longer required, he shall receive a full day's pay for the day he is terminated and receive all of his wages before his quitting time or by mail postmarked within twenty-four (24) hours after his quitting time. If not paid within said twenty-four hours, the Employer shall pay penalty of four (4) hours of pay to such employee at the straight time rate of pay for such succeeding twenty-four (24) hours of delay. It is understood that said twenty-four (24) hour periods shall not include Sundays or Holidays. Employees shall not be called at home and terminated. If an Employee is discharged/fired for cause, he shall be paid wages due at the time of discharge. However, if an employee is receiving wages by direct deposit, payment of any wages for the week due at the time of termination shall be satisfied by direct deposit.

C. The Union shall place no limitation upon the amount of work which an Employee shall perform or the types of equipment to which he is assigned during the working day, and there shall be no restrictions imposed against the use of any type of machinery, tools or labor-saving devices. At the discretion of Employer, men may be changed from one machine to another without restriction, provided they are paid the higher rate, if applicable, so long as such action is not used for reduction of agreed upon work force.

D. In the operation, care and maintenance of welding machines, pumps, air compressors, concrete mixers and small secondary equipment, a man or men will be employed at the appropriate rate to perform such work, such rate to be decided upon at the pre-job conference, and in no case will there be any limitation upon the number of such machines placed under the operation, care and maintenance of any one or more men. It is the intention of the parties hereto that there shall be no abuse by either party of this condition. It is not the meaning of this paragraph to require the Employer to hire or use an Employee exclusively for the performance of this work.

E. PAY STUBS and/or other forms in writing must contain the following information and will be given to the employee WEEKLY:

- (1) Regular hours worked and hourly rate of pay.
- (2) Overtime hours worked.
- (3) Vacation and holiday pay.
- (4) All authorized deductions will be titled and listed where applicable.

#### **ARTICLE IV**

### **WORKERS' COMPENSATION INSURANCE AND UNEMPLOYMENT COMPENSATION INSURANCE**

Each Employer shall be required to protect his employees by the Employer's proper payment to provide coverage of Workers' Compensation Insurance and Unemployment Compensation Insurance benefits for each employee.

#### **ARTICLE V**

### **STEWARDS**

A. There shall be no non-working steward or stewards. Unions may select an Employee of Employer who shall act as steward for the Union. Such man shall perform his work for Employer the same as any other worker and shall not be entitled to any extra pay merely because he is acting as a steward. Steward may not be discharged without previous notice to Union. Although it is agreed that there will be no non-working stewards, it is also recognized by both parties that the steward has an important function in maintaining harmony and cooperation on the job and therefore his job assignment should not be such as to prevent his normal function as a steward. Therefore, the parties agree that his job assignment will be a subject to be decided at the pre-job conference.

B. It is agreed that the steward has no authority from Union to cause a work stoppage, and if a work stoppage is brought about by any action of the steward or lack of action on his part, then he may be discharged without notice to Union.

C. Where the steward has been regularly working on a job and for some unanticipated reason does not show up for work on a particular day, the Employees shall start and continue to work, and the superintendent shall notify the Local Union office of the steward's absence.



The work coming under the jurisdiction of the Union and covered by the terms of this contract includes the operation and maintenance and repair of the following equipment: all cranes, trenching machines, backhoes, draglines, bulldozers, boom cats, angle dozers, back fillers, cleaning machines, wrapping machines, tow tractors, bending machines, welding machines, pumps, forklifts, boring machines, straightening machines, directional drilling, skid steer loaders, vac trucks or hydro excavation, camera trucks, plow machine and any other power operated or autonomous equipment. Any new power operated or autonomous equipment shall be referred to DLMC for discussion.

## **ARTICLE VIII**

### **FRINGE BENEFITS**

The Agreements and Declarations of Trust establishing the Funds and Committee set forth below are made a part of this Agreement by reference, and the Employer agrees to be bound by and comply with said Trust Agreements, any Amendments thereto, all related agreements, rules, regulations, reporting forms and other requirements lawfully established by the Trustees of said Funds and Committee, not in conflict with the terms of this Collective Bargaining Agreement.

Operating Engineers' Local 324 Health Care Plan

Operating Engineers' Local 324 Pension Fund

Operating Engineers' Local 324 Defined Contribution Pension Plan

Operating Engineers' Local 324 Vacation and Holiday Fund

Operating Engineers' Local 324 Retiree Benefit Fund

Operating Engineers' Local 324 Labor Management Education Committee

Operating Engineers' Local 324 Journeyman and Apprentice Training Fund, Inc.

IUOE National Training Fund

Operating Engineers' Local 324 Distribution Labor Management

The Employer agrees to pay into the various Funds outlined in this collective bargaining agreement (CBA) the sum in accordance with the Wage and Fringe Benefit Rates listed in Appendices A & B for all hours paid each employee covered by this agreement in accordance with the terms and conditions of this agreement unless that work is specifically covered by; another Master Agreement or applicable National Agreement to either of which the Employer is signatory with Operating Engineers Local 324 (Union), or; another written agreement between the Employer and the Union,

or, by extension; an agreement between the Employer and the Union through an Association. All hours paid to such employee for work not covered by this agreement or any other agreement between the Employer and the Union as outlined above, shall be paid the wage rate and fringe benefits under the terms and conditions within this agreement which is typically paid such employee. These contributions are payable by the 15th day of the succeeding month in the amount and manner provided herein or at such other regular intervals as may be determined by the Trustees of each individual Fund, to such depository as may be designated by the Trustees. If these contributions are not made as stated herein, it shall constitute a status of delinquency and a violation of this Agreement. **Effective May 2026, May 2027, and May 2028**, contributions are to be allocated to the various Funds at that time.

With the exception of the portion of the Vacation and Holiday Fund contribution which is the sum of fifteen percent (15%) calculation of the applicable wage rates, all hours paid to the various Funds shall be paid at the straight time rate regardless of whether or not the hours are overtime hours.

### **Conditions unique to specific Funds:**

#### **Retiree Benefit Fund:**

Contributions to the Retiree Benefit Fund shall be contingent upon and subject to obtaining and retaining such approval of the Internal Revenue Service as may be necessary to establish the deductibility for income tax purposes of any and all contributions made by the Employers as being qualified for tax exemption under applicable provisions of the Internal Revenue Code.

#### **Contributions and Inquiries shall be sent to:**

Operating Engineers Local 324 Fringe Benefit Funds  
550 Hulet Dr., Suite 103  
Bloomfield Twp., MI 48302  
Phone: (248) 836-2765

#### **Vacation and Holiday Fund:**

A. The Employer agrees to pay into the Operating Engineers' Local 324 Vacation and Holiday Fund the sum of fifteen percent (15%) of the gross wages earned by each employee working under the terms of this Agreement.

B. The payment into the Vacation and Holiday Fund shall be part of, and shall be included in, the employee's earnings for the purpose of computing all payroll withholdings such as income taxes, social security and other required deductions, and then shall be subtracted from the employee's weekly earnings and transmitted

by the Employer to such bank as shall be designated by the Trustees of the Vacation and Holiday Pay Fund. Each Employee shall be paid his Vacation and Holiday monies in accordance with the terms of the Plan. The Employer shall show on each Employee's paycheck stub, the amount of Vacation and Holiday Pay deducted.

**Contributions shall be sent to:**

Operating Engineers Local 324 Fringe Benefit Funds  
550 Hulet Dr., Ste. 103  
Bloomfield Twp., MI 48302

**Inquiries:**

Operating Engineers Local 324 Vacation and Holiday Trust Fund  
550 Hulet Dr., Ste. 103  
Bloomfield Twp., MI 48302  
Phone: (248) 836-2765  
Fax: (248) 253-1786

**Journeyman and Apprentice Training Fund, Inc:**

Contributions to the Journeyman and Apprentice Training Fund, Inc. are not due on behalf of Oilers and Apprentices covered by this agreement.

A. The parties agree that it is in their mutual interest and in the interest of the construction industry that new employees be trained in the operation of equipment covered by this Agreement. In furtherance of an Apprenticeship Training Program, the Employers agree that in addition to all other employees otherwise provided for in the Agreement, on all jobs where there are five (5) or more Engineers employed on one (1) job by the Employer, the Employer shall also employ one (1) Apprentice Engineer. The Apprentice Engineer shall be assigned to work with the various Engineers and to do other work as directed. The Apprentice Engineer's starting rate shall be seventy percent (70%) of the Class I hourly rate, and then increased five percent (5%) every six (6) months during his three (3) year training period.

B. The parties also agree that it is in their mutual interest and in the interest of the construction industry that all operators be trained in the knowledge and experience of first aid.

C. The Employers agree to abide by all conditions established by the Operating Engineers' Local 324 Journeyman and Apprentice Training Trust Fund with respect to the conduct of the training program, provided the same are not in conflict with the terms of this Agreement.

**Contributions shall be sent to:**

Operating Engineers Local 324 Fringe Benefit Funds  
550 Hulet Dr., Suite 103  
Bloomfield Twp., MI 48302  
(248) 836-2765

**Inquiries shall be sent to:**

Operating Engineers Local 324 JATF, Inc.  
275 E. Highland Rd.  
Howell, MI 48843  
(517) 546-9610

**Operating Engineers Local 324 Distribution Labor Management Committee**

Effective the first full pay period commencing on or after May 1, 2026, the Employer agrees to pay the Distribution Labor Management Committee, for each employee covered by this Agreement the sum of five (\$0.05) cents employer funded and five (\$0.05) funded through the 2026 wage allocation.

All Operating Engineers Local 324 Distribution Labor Management Committee contributions shall be computed on actual hours paid without regard to whether the employee was working on straight time or overtime. These contributions shall be deposited each month by the 15<sup>th</sup> day of the succeeding month in the amount and manner provided herein or at such other regular intervals as may be determined by the Trustees of the Operating Engineers Local 324 Distribution Labor Management Committee, to such depository as may be designed by said Trustees. If these contributions are not made as stated herein, it shall constitute a status of delinquency and a violation of this Agreement.

**Contributions shall be sent to:**

Operating Engineers Local 324 Fringe Benefit Funds  
550 Hulet Dr., Ste. 103  
Bloomfield Twp., MI 48302

**Inquiries:**

Operating Engineers Local 324 Distribution Labor Management Committee  
550 Hulet Dr., Ste. 103  
Bloomfield Twp., MI 48302  
Phone: (248) 836-2765  
Fax: (248) 253-1786

**ARTICLE IX**

**OVERTIME AND HOLIDAY PAY**

The work week shall begin on Monday and shall end on Sunday.

Eight (8) hours of work shall constitute a day's work. All hours worked by an Employee in excess of eight (8) hours of work on any regular work day shall be paid for at the rate of time and one-half the straight time hourly rate, except as otherwise

provided for in Appendix B. At the pre-job conference a four-tens work week may be established for the duration of the project. Under the four-ten hour week, there will be 2-5-10 show up time concept. When working a four-ten hour schedule, Friday may be used as a make-up day due to inclement weather.

All hours worked on Saturday and all hours worked on Sunday shall be paid for at the rate of time and one-half the straight time hourly rate. If any other craft receives double time, it will also apply to Operating Engineers.

Work performed on Christmas Day, Thanksgiving Day, Labor Day, New Year's Day, Memorial Day and Independence Day shall be paid for at double the straight time hourly rate.

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

## **ARTICLE X**

### **REPORTING PAY**

A. After a person has been hired and ordered to report to work at the regular starting time, and no work is provided for him on the day that he has so reported, he shall receive pay equivalent to two (2) hours at the rate applicable for that day. This pay shall not be provided if he has subsequently been ordered not to report for work on that particular day. If the person has been working regularly, and the Employer has failed to notify him not to report for work before leaving his residence, he shall be entitled to two (2) hour reporting time at the applicable rate for the day.

B. Employees shall furnish Employer with current telephone or other contact at the start of each job, and advise Employer of any subsequent change or changes in such contact during the course of the job.

C. Any person who reports to work and for whom any work is provided, regardless of the time that he works, shall receive the equivalent of not less than four (4) hours for said day.

D. Any person who reports to work and who works more than four (4) hours in any one day shall receive the equivalent of not less than eight (8) hours pay for said day.

E. It is expressly provided, however, that if the Employee leaves the job site without permission of Employer, or when a person refuses to work or continue to work, or work stoppage conditions brought about by a third party or parties prevents or makes ill-advised, in the opinion of the Employer, the performance of any work or the continuance of work once started, no pay for time not actually worked shall be required under any of the above enumerated conditions.

F. Where notification of the men is required under this Agreement to the effect that work shall not be performed on a particular day, notification of such fact to the steward shall be sufficient notification to the men, provided the steward is permitted enough time during working hours to notify the men.

## **ARTICLE XI**

### **PROCEDURE FOR SETTLEMENT OF GRIEVANCES AND DISPUTES**

1.

- A. During the life of this Agreement the Employer shall not engage in any lockout and the Union and the employees shall not cause, participate in, or approve any strike or work stoppage of any sort. Except as herein otherwise provided the violation of payment of rates of pay, overtime work, vacation and holiday, health care, pension, retiree benefit, labor management education committee, national training fund or apprenticeship fund contributions, as provided in this Agreement, shall not be considered as subject to arbitration, and the Union may take economic action for violation of such payments, provided it gives seventy-two (72) hours written or electronic notice to the Employer concerned prior to taking such economic action.
- B. The Parties to this CBA agree that in the event of a grievance against the Employer, the Employer shall have 15 days to resolve the grievance or dispute. If not resolved by the 16th day, it shall be sent to the Distribution Labor Management Committee (DLMC), consisting of 4 appointed OE 324 members and 4 appointed contractor representatives. If the matter is still not resolved within 30 days by the DLMC, the matter may be moved by either party to a jointly acceptable Arbitrator. The Arbitrator's decision shall be rendered within 30 days of his appointment. The Arbitrator shall have no authority to amend, modify or ignore the plain language of the CBA. All costs of the Arbitrator and of the hearing shall be borne by each Party. No attorney fees or costs can be awarded. The Decision will be considered final and binding.

2. It is mutually agreed that the provisions of this Article shall not apply if the dispute arises over failure or refusal of an Employer to pay the wage rates, overtime, vacation and holiday, supplemental vacations, health care, pension, retiree benefit, labor management education committee, or apprenticeship fund payments provided for in this Agreement; provided, however, that any dispute concerning an employee's proper wage rate, classification or eligibility for any of the payments herein provided for shall be subject to arbitration.
3. Wage and overtime claims will not be considered after thirty (30) days following the pay period for which said claims are made.

## **ARTICLE XII**

### **JURISDICTIONAL DISPUTES**

The parties hereto agree that in the event of a jurisdictional dispute with any other Union or Unions, the dispute shall be submitted to the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry for settlement in accord with the plan adopted by the Building Trades Department of the AFL-CIO. The parties hereto further agree that they will be bound by any decision or award of the Disputes Board. There shall be no stoppage of work or slowdown arising out of any such dispute, nor shall either party resort to proceedings before the National Labor Relations Board, State Boards, or State or Federal Courts before a decision is rendered by the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry.

A. In the event of a jurisdictional dispute involving the Union, the parties shall request the other Union or Unions involved to send representatives to meet with representatives of the Union and Employer to settle the dispute. If a settlement is not reached at that meeting the Union shall request that its International Union assign a representative who shall make arrangements to meet representatives of the other International Union of Unions involved and representatives of the Employer to seek settlement of the dispute. The Employer shall also request the International Union involved to assign representatives to seek settlement of the dispute.

## ARTICLE XIII

### SAFETY

A. The Employer shall have the right to make and revise from time to time safety and working rules which are not inconsistent with any of the terms of this Agreement. The Union agrees to cooperate with the enforcement of such safety and work rules. Provisions for first-aid will be made available on each job. An anti-drug policy is agreed to and is attached as part of this Agreement and is referred to herein as Appendix E.

B. In the event any Employee is sued for any act performed or any failure to act at the express direction of the individual Employer, the Union and the Employer shall meet for the purpose of determining whether the individual Employer will be required to hold such Employees harmless from any loss sustained by said Employee including but not limited to attorney's fee, court cost, and any other costs arising out of such litigation. In no event shall an individual Employer be required to indemnify or hold an Employee harmless with respect to any loss sustained as a result of willful misconduct, gross negligence, criminal conduct, or actions otherwise contrary to the instructions of the individual Employer.

#### C. Hazardous Pay

Where Environmental Protection Agency (EPA) rates have been established or the owner requires a Hazmat Certification, the following premiums will apply, effective the first full pay period beginning on or after May 1, 2026:

#### **EPA level “A” protection.....\$3.00 per hour while protection is required**

Level A protection is required when the greatest potential for exposure to hazards exists, and when the greatest level of skin, respiratory, and eye protection is required.

Examples of Level A clothing and equipment include:

- positive pressure, full face-piece self-contained breathing apparatus (SCBA) or positive pressure supplied air respirator with escape SCBA;
- totally encapsulated chemical- and vapor-protective suit;
- inner and outer chemical-resistant gloves; and
- disposable protective suit, gloves, and boots.

## **EPA level “B” protection.....\$2.00 per hour while protection is required**

Level B protection is required under circumstances requiring the highest level of respiratory protection, with lesser level of skin protection. At most abandoned outdoor hazardous waste sites, ambient atmospheric vapors or gas levels have not approached sufficiently high concentrations to warrant level A protection.

Examples of Level B protection include:

- positive pressure, full face-piece self-contained breathing apparatus (SCBA) or positive pressure supplied air respirator with escape SCBA;
- inner and outer chemical-resistant gloves;
- face shield;
- hooded chemical resistant clothing;
- coveralls; and outer chemical-resistant boots.

## **EPA level “C” protection.....\$1.00 per hour while protection is required**

Level C protection is required when the concentration and type of airborne substances is known and the criteria for using air purifying respirators is met.

Typical Level C equipment includes:

- full-face air purifying respirators;
- inner and outer chemical-resistant gloves;
- hard hat;
- escape mask; and
- disposable chemical-resistant outer boots.

D. The Employer will be responsible for supplying all PPE, including but not limited to fire retardant clothing.

E. Boot Pay – If steel toe boots are required, employees will be reimbursed one (1) time annually with a receipt up to one hundred dollars (\$100.00).

## **ARTICLE XIV**

### **SPECIAL CONDITIONS IN LIMITED AREAS**

In order to preserve work for the members of the International Union of Operating Engineers Local 324 and make the Employers' who become a party to this Agreement more competitive in certain areas in the country, the International Union of Operating Engineers Local 324 and the Employer may mutually agree to put into effect special wages and conditions for specific areas or projects. These special wages and conditions will apply to the areas or projects involved for the period of time established by the International Union of Operating Engineers Local 324 and the Employer.

## **ARTICLE XV**

### **SUPERVISORY PERSONNEL**

Any Operating Engineer regularly assigned to a piece of equipment covered under this Agreement, or who has operated same during his regular workday, shall perform any overtime work when overtime is assigned such machine.

## **ARTICLE XVI**

### **COLLECTION CHARGES & VIOLATIONS OF PAYMENTS**

The Employers agree to pay all the costs of collection charges resulting from late payments of delinquent contributions and further agree to abide by the rules and regulations promulgated by the Trustees of the Fringe Benefit Funds. This applies to all work done under this Agreement in the entire State of Michigan.

If the Employer fails to pay fringes and the employees are removed from the project, the Employer agrees to continue to pay the wages based on the employee's applicable rate for eight (8) hours (at straight time) per day not to exceed five (5) working days.

## **ARTICLE XVII**

### **EFFECTIVE DATE, TERMINATION AND RENEWAL**

A. This Agreement shall become effective May 1, 2026, when signed by the parties hereto, and shall remain in full force and effect until its termination, as provided herein below.

B. The provision of this Agreement shall continue in full force and effect until April 30, 2029, and thereafter from year to year until terminated at the option of either party after sixty (60) days' notice before annual date in writing to the other.

## **ARTICLE XVIII**

### **PICKET LINE PROTECTION**

It shall not be a violation of this Agreement and it shall not be cause for discharge or disciplinary action in the event an employee refuses to enter upon any property involved in a legitimate labor dispute or refuses to go through or work behind any picket line, including the picket line of the Union party to this Agreement and including picket lines at the Employer's place or places of business. Furthermore, an employee may refuse to cross any picket line when he fears [*sic*] bodily harm may be done to him.

## Appendix A

### **Equipment Classification**

#### **Group 1**

Rubber Tire Backhoe  
Ditching Machine  
Directional Drill Machine  
Directional Drill Locator  
Dragline  
Crane  
Clamshell  
Side Boom  
Dozer  
Back Filler  
Motor Grader  
End Loader  
Bending Machine  
Mechanic  
Gin Pole Truck  
Conventional Boring Machine  
Mechanical-Greaser (large grease trucks)  
Excavator  
Hydro Excavator  
Plow  
All other tractor types are principal rates  
Power seat or Platform  
Vac Truck

#### **Group II**

Air Compressor  
Camera Truck  
Chain Type Ditcher  
Hydro-Excavator – Bumper Pull Type  
Concrete Saw  
Gravelly (Walking) Tractor  
Mechanic Helper  
Oil-Greaser  
Pot Fireman (engine operated above 3bbl.)  
Pump  
Service Plow  
Tamper  
Tractor  
Truck Driver  
Welding Machine  
Farm Tractor - Such as 580 CASE and smaller,  
with:  
Front End Loader  
Springtooth  
Landscape Rig Mold Boards  
Broom  
Grease Man  
Hydrostatic Testing Operator  
Oiler  
Skidsteer (All types)

## APPENDIX B

### Wage and Fringe Benefit Rates

| <b><u>Group I</u></b>                | <u>5/1/2026</u> | <u>5/1/2027</u> | <u>5/1/2028</u> |
|--------------------------------------|-----------------|-----------------|-----------------|
| *Base Wage Per Hour                  | \$35.90         | \$2.75          | \$2.50          |
| *Vacation & Holiday (15% Funded)     | \$5.38          | to              | to              |
| Insurance Fund                       | \$9.05          | be              | be              |
| Pension Fund                         | \$13.95         | allocated       | allocated       |
| Retiree Benefit Fund                 | \$0.45          |                 |                 |
| Apprenticeship Fund                  | \$1.70          |                 |                 |
| IUOE National Training Fund          | \$0.10          |                 |                 |
| Labor Management Education Committee | \$0.14          |                 |                 |
| DLMC                                 | \$0.05          |                 |                 |
| DC Plan                              | <u>\$1.45</u>   |                 |                 |
| Gross Wage                           | \$68.17         | \$70.92         | \$73.42         |
| DLMC                                 | <u>\$0.05</u>   | <u>\$0.05</u>   | <u>\$0.05</u>   |
| Total                                | \$68.22         | \$70.97         | \$73.47         |
|                                      |                 |                 |                 |
| <b><u>Group II</u></b>               | <u>5/1/2026</u> | <u>5/1/2027</u> | <u>5/1/2028</u> |
| *Base Wage Per Hour                  | \$32.65         | \$2.75          | \$2.50          |
| *Vacation & Holiday (15% Funded)     | \$4.90          | to              | to              |
| Insurance Fund                       | \$9.05          | be              | be              |
| Pension Fund                         | \$13.95         | allocated       | allocated       |
| Retiree Benefit Fund                 | \$0.45          |                 |                 |
| Apprenticeship Fund                  | \$1.70          |                 |                 |
| IUOE National Training Fund          | \$0.10          |                 |                 |
| Labor Management Education Committee | \$0.14          |                 |                 |
| DLMC                                 | \$0.05          |                 |                 |
| DC Plan                              | <u>\$1.45</u>   |                 |                 |
| Gross Wage                           | \$64.44         | \$67.19         | \$69.69         |
| DLMC                                 | \$0.05          | <u>\$0.05</u>   | <u>\$0.05</u>   |
| Total                                | \$64.49         | \$67.24         | \$69.74         |

For the purpose of training, a Group II Operator can operate equipment listed under Group I for up to two hours a day without moving to Group I pay.

## APPENDIX C

### CABLE/COMMUNICATION

May perform the following duties: uses locating beacon and receiver to accurately locate position of bore rod head. Use radio to communicate location of bore rod head to bore machine operator. Uses shovel and other digging equipment to expose bore rod head or other existing underground obstacles, transport, setup, and operate directional boring machine, include back reaming, uses shovel and other digging equipment to expose bore rod head or other existing underground obstacles occasionally operate other equipment as necessary, transport, setup, and operate vibratory plow machine. Uses shovel and other digging equipment to start plowing procedure expose underground obstacles. Occasionally operate other equipment as necessary.

| <b><u>Group I - Power I Operator</u></b> | <b><u>5/1/2026</u></b> | <b><u>5/1/2027</u></b> | <b><u>5/1/2028</u></b> |
|--|------------------------|------------------------|------------------------|
| *Base Wage Per Hour                      | \$25.22                | \$1.50                 | \$2.00                 |
| *Vacation & Holiday (15% Funded)         | \$3.78                 | to                     | to                     |
| Insurance Fund                           | \$6.50                 | be                     | be                     |
| Pension Fund                             | \$3.00                 | allocated              | allocated              |
| Apprenticeship Fund                      | \$0.25                 |                        |                        |
| IUOE National Training Fund              | \$0.10                 |                        |                        |
| DC Plan                                  | <u>\$1.00</u>          |                        |                        |
| Gross Wage                               | \$39.85                | \$41.35                | \$43.35                |
| DMLC                                     | <u>\$0.05</u>          | <u>\$0.05</u>          | <u>\$0.05</u>          |
| Total                                    | \$39.90                | \$41.40                | \$43.40                |

## UTILITY ENGINEER

May perform the following duties: uses shovels, picks, spud bars and various other tools to hand dig inspection holes, hand holes, bore pits, etc. Expose bore rod head and other existing underground obstacles, hand holes, HDPE pipe, lubricants equipment, set up barricades, barrels, cones, etc. Perform any other Utility Engineer task as determined by the directional boring machine operator and/or vibratory plow operator, handles fiber optic cable, installs cable in conduit bank or other pathway. Uses various types equipment to aid in installation, prepares low voltage and fiber optic cables for splicing and termination. Install spruce cases and enclosures, rack mount equipment, telecommunications, back board equipment, hulk connectors, low voltage (communications), connector and punch down panels/blocks etc. Uses various test equipment to ensure cable and connector integrity. Install labels, and document network.

| <u>Group I</u>                   | <u>5/1/2026</u> | <u>5/1/2027</u> | <u>5/1/2028</u> |
|----------------------------------|-----------------|-----------------|-----------------|
| *Base Wage Per Hour              | \$17.22         | \$1.50          | \$2.00          |
| *Vacation & Holiday (15% Funded) | \$2.58          | to              | to              |
| Insurance Fund                   | \$6.50          | be              | be              |
| Pension Fund                     | \$3.00          | allocated       | allocated       |
| Apprenticeship Fund              | \$0.25          |                 |                 |
| National Training Fund           | \$0.10          |                 |                 |
| DC Plan                          | <u>\$1.00</u>   |                 |                 |
| Gross Wage                       | \$30.65         | \$32.15         | \$34.15         |
| DMLC                             | <u>\$0.05</u>   | <u>\$0.05</u>   | <u>\$0.05</u>   |
| Total                            | \$32.20         | \$34.20         | \$36.20         |

## APPENDIX D

### HIRING HALL AGREEMENT for EMPLOYMENT REFERRALS

**Preface-** In an effort to better match an available Skilled Workforce with the opportunities provided by the Employer Community, the Operating Engineers Local 324 has set forth the following Hiring Hall Agreement. It is the intent of this Agreement to both offer the Participant better employment opportunities and offer the Employers better access to our Skilled Workforce. The articles herein shall establish the policies governing the implementation of the Union Referral Office. Participants and Employers are encouraged to know and understand these policies so that they may be better served by this Hiring Hall Agreement.

**Article 1-** As set forth herein, Employers shall give the Union Referral Office the first opportunity to provide operators needed by the Employer in any of the classifications covered by the applicable Collective Bargaining Agreement(s). The Employer shall inform the Union Referral Office of the location, starting time, approximate duration of the job, type of work to be performed, and the number of Applicants required. Requests must be made to the Union Referral Office between the hours of 8:00 a.m. and 2:00 p.m. Monday through Friday (except holidays). The Employer shall allow forty-eight (48) hours for the Union referral of the prospective Employees(s). Requests may be made outside the above-mentioned window, however, for the purpose of calculating the forty-eight (48) hour allowance, requests made after 2:00 p.m. shall be considered to have been made at the beginning of the following business day.

**Article 2-** Except as specifically limited by the Collective Bargaining Agreement(s), the Union Referral Office shall be the sole and exclusive source of referrals of Applicants for employment. The Union Referral Office shall establish, maintain and keep current a nondiscriminatory Open Referral List of Applicants for the work classifications covered by the applicable Collective Bargaining Agreement(s). Placement on such Open Referral List shall not be based on, nor shall referrals be in any way affected by Union Membership, or membership provisions in the Union Constitution, Union By-Laws, rules or regulations, or by any other aspect or obligation of Union Membership policies or requirements, other than as set forth in this Agreement or in the Union's rules and procedures for administration of the Open Referral List. Any Employee who is hired in violation of this Agreement shall be discharged by the Employer when the violation has been brought to his attention in writing by the Business Representative.

**Article 3-** Registration or renewal of Applicants for referral from the Open Referral List shall be accepted at the Union Referral Office at any time between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday (holidays excepted). All Applicants shall be registered in order of the time and date of registration. In order to maintain an up-to-date source of experienced Applicants, an Applicant for referral must renew their registration not later than **thirty (30) days** from the date of their last registration or renewal in order to

remain on the Open Referral List. Upon their initial registration, each Applicant for referral shall be required to submit a work card of experience and qualifications, and such other data as may be pertinent. Upon renewal, such Applicant shall furnish such additional information as may be required to keep the employment data current and accurate. Applicants who do not timely renew their registration will be assumed to have found employment outside of the Union's craft jurisdiction or, for other reasons, to no longer desire to be dispatched. Applicants who timely renew their registration will not lose their place on the Open Referral List. Late Applicants will be placed at the bottom of their appropriate group. A confirmation number will be generated for every registration or renewal. This confirmation number will be given to the Applicant at the time of each transaction.

Upon layoff, Applicants must reregister with the Union Referral Office if they wish to again be referred. An Applicant/Employee who has been temporarily laid off and expects to return to work **within fourteen (14) calendar days** to the same Employer does not need to reregister, and the former Employer does not need to call the Union Referral Office if the Applicant/Employee is being recalled to work for the same Employer **within fourteen (14) calendar days**. Layoffs greater than fourteen (14) calendar days will require reregistration by the Applicant/Employee, and the Employer will be required to make a new request to the Union Referral Office.

**Article 4-** The Union Referral Office shall refer to an Employer only those Applicants whose names appear on the Open Referral List. Each Applicant for employment shall be registered in the highest priority group for which they are qualified. Nothing contained herein shall deny the Union the right to select any Applicant for referral on the

basis of experience in the industry, qualifications or skills, in strict accordance with the rules set forth below, regardless of the Applicant's place on the Open Referral List. Upon request, the Employer shall be provided with a list of the Applicants to be referred. The following general principles shall prevail in the referral of Applicants:

- A. Request by Employers for specific master mechanics shall be honored without regard to the requested person's place on the Open Referral List, and without meeting the conditions specified in subsection (B).
- B. An Employer's written request for an individual operator by name will be honored, provided that at the time of the request, the operator requested is presently on the Open Referral List, and (1) the operator has worked for the requesting Employer in the past five (5) years as an operator; or (2) has been on the Open Referral List at least five (5) consecutive days. All requests are based on having worked in the State of Michigan as an operator. Written requests may first be initiated verbally, but must

be followed by a formal written request for the purpose of record keeping. An email request shall be considered the equivalent of a written request. Special consideration will be given for requests where project-specific training and/or certification costs are a factor.

C. Bona fide requests by Employers for Applicants with special skills and abilities shall be honored, and persons possessing such skills and abilities shall be referred in the order in which their names appear on the Open Referral List.

D. Except as provided above, Applicants shall be referred as follows:

1. Applicants who have worked in the State of Michigan in one or more of the classifications covered by this Agreement for an aggregate time of two thousand (2000) hours or more during the period of three (3) years immediately preceding registration shall be placed in Group A on the Open Referral List. Applicants from Group A shall be referred first in the order in which their names appear on the Open Referral List until Group A has been exhausted.
2. Applicants who have worked in the State of Michigan in one or more of the classifications covered by this Agreement for an aggregate time of more than five hundred (500) but less than two thousand (2000) hours, during the period of three (3) years immediately preceding registration shall be placed in Group B on the Open Referral List. After Group A has been exhausted, Applicants from Group B shall be referred in the order in which their names appear on the Open Referral List.
3. All Applicants not in Group A or Group B shall be placed in Group C. When Group A and Group B have been exhausted, Applicants from Group C shall be referred in the order in which their names appear on the Open Referral List.
4. Any Applicant receiving a pension from the International Union, Local Union or from any source, at the time of registration, shall not be included in Group A regardless of the hours worked immediately preceding registration.

**Article 5-** Each Employer shall have the right to reject any Applicant referred by the Union Referral Office and shall provide written notice of such rejection to the Union Referral Office. No Applicant shall be entitled to call-in-pay or show up time, if he or she is rejected by an Employer. Any Applicant who is rejected by the Employer to whom he or she was referred by the Union Referral Office shall be restored to their previous place on the Open Referral List. A rejected applicant shall only be paid for actual hours worked, applicable to the first day of hire only. This provision shall supersede any contradictory language in the applicable Collective Bargaining Agreement.

**Article 6-** When the Applicant is actually employed on a job to which they were referred for more than the lesser of seven (7) days or forty (40) hours, such Applicant's name shall be removed from the Open Referral List.

- A. If an Applicant, upon being consecutively called for three (3) different jobs that he or she has registered and is classified for, refuses to accept all three (3) jobs, he/she shall be deemed “unavailable for work” and shall be placed on the bottom of the appropriate list-- unless such refusal is caused by illness, in which case, medical proof must be furnished.
- B. If an Applicant accepts a job from the Union Referral Office and subsequently fails to show up for that job, the Applicant shall be placed on the bottom of the appropriate list and shall be ineligible for request by an Employer for a period of fifteen (15) calendar days-- unless such failure to show up is caused by illness, in which case, medical proof must be furnished. An unexcused failure to show up shall also be counted as a refusal to accept work (Article 6(a)).
- C. If an Applicant quits his/her employment without complying with the provisions of Article 16 concerning the three (3) days’ notice, the Employer may notify the Union Referral Office and the Applicant shall not be eligible for registration or renewal on the Open Referral List for a period of fifteen (15) calendar days.

**Article 7-** In the event an Applicant is discharged by the Employer for lack of sufficient ability, and he/she does not appeal to and receive a favorable determination from the Joint Referral Committee under Article 10 of this Agreement, the classification or equipment from which he/she was discharged shall be stricken from his/her Job Referral Form and he/she shall not be dispatched to a job under that classification or on that piece of equipment until he/she either:

- A. Presents a letter from a previous Employer to the Union Referral Office stating that in that Employer’s opinion the discharged Applicant has successfully completed a job assignment in that classification or on that piece of equipment during his or her employment; or
- B. Passes a proficiency test at the IUOE Local 324 JATF facility on said piece of equipment.

Upon a second discharge for lack of sufficient ability in the same classification or on that same piece of equipment, only the IUOE Local 324 JATF will be allowed to confirm proficiency. An Applicant who generates three (3) documented discharges for lack of sufficient ability shall have his/her Job Referral Form cleared of all claimed skills under all

classifications and all pieces of equipment. Unless the Joint Referral Committee rescinds one (1) of the documented discharges on appeal under Article 10 of this Agreement, an Applicant with three (3) documented discharges shall only be dispatched for work in the classifications and on pieces of equipment that the IUOE Local 324 JATF staff has confirmed proficiency.

**Article 8-** No Applicant shall be allowed to be registered on the Open Referral List while employed within the industry. Any Applicant on the Open Referral List who accepts employment within the industry other than under this Agreement shall notify the Union Referral Office in which he is registered in writing within forty-eight (48) hours after such acceptance to have his/her name removed from the Open Referral List. If the Union Referral Office becomes aware of an Applicant who is working within the industry while registered on Open Referral List, the Union Referral Office shall remove said Applicant from the Open Referral List and shall notify the Funds. An Applicant who fails to provide timely notice to the Union Referral Office under this provision cannot be directly requested by any Employer under Article 4 (A) or (B) for a period of one (1) year.

**Article 9-** A separate Apprentice List shall be established and maintained for registered apprentices, in the order the apprentices registered as available for employment. Apprentices may be referred to Employers pursuant to the recommendation of the Operating Engineers Local 324 Journeyman & Apprentice Training Fund Inc. (JATF) irrespective of the order of their registration. In making the recommendations with regard to referral from Apprentice List, the JATF shall consider work to be performed for the Employer and recommend the first Applicant in the order of their place on the Apprentice List who needs training in the type of work to be performed in order that they may acquire the skill necessary to advance within the program.

Requests by Employers for particular registered apprentices or persons who will become employed as registered apprentices shall be honored without regard to the requested Applicant's place on such Apprentice List. Applicants for Registered Apprentice and Registered Apprentices shall be referred as instructed by the JATF or its designee.

**Article 10-** A Joint Referral Committee (“Joint Committee”) composed of four (4) persons appointed by management and four (4) persons appointed by the Union is hereby established. The Construction Association of Michigan (CAM), the Association of General Contractors, Michigan Chapter (AGC), Great Lakes Fabricators and Erectors Association (GLFEA), and the Michigan Infrastructure and Transportation Association (MITA) (“Associations”) shall each have the power of appointment to seat one (1) representative to the Joint Committee. Each Representative shall be allowed to bring one guest for the purpose of broadening the perspective of the Joint Committee. Guests shall have a voice, but no vote. The function of the Joint Committee shall be to monitor and fine-tune the operation of the employment referral system established in accordance with this Agreement.

Additionally, the Joint Committee, and the individual members thereof, shall have the power, but not the duty:

- A. To hear and determine any and all grievances arising out of the operations of the employment referral system under this Agreement. Any Applicant registered on the Open Referral List, any apprentice registered on the Apprentice List, and any Applicant for registration on either list shall have the right to appeal to the Joint Committee any dispute or grievance arising out of the operation of the employment referral system under this Agreement.
- B. If the Joint Committee is unable to reach a decision over a grievance within ten (10) business days after the grievance is referred to the Joint Committee, the grievance shall be submitted to a Neutral Arbitrator selected by a majority vote of the Joint Committee. If fifteen (15) business days have elapsed since the dispute was referred to the Joint Committee, and the Joint Committee has not reached a decision on the grievance, or agreed on a Neutral Arbitrator, any member of the Joint Committee may apply to the Federal Mediation and Conciliation Service (FMCS) for the appointment of a Neutral Arbitrator. The authority of the Neutral Arbitrator shall be limited to the interpretation and application of the provisions of this Hiring Hall Agreement. All decisions of the Joint Committee or the Neutral Arbitrator shall be final and binding on all parties including the Applicants and/or apprentices involved.
- C. All Officers, Employees, Representatives, Guests and Agents of any of the authorized Employer Associations and Employers signatory to the applicable collective bargaining agreement with the International Union of Operating Engineers Local 324 shall be covered by and enjoy the full and complete protection of the parties' applicable indemnification agreement.

**Article 11-** The Employers and the Union mutually agree that the language of this Agreement shall be posted at the Union Referral Office.

**Article 12-** The Employers and the Union mutually agree that the provisions of this Agreement shall not be applicable to the employment of non-working supervisory Employees.

**Article 13-** For purposes of this Agreement the word "Employer" shall be deemed to include joint ventures and affiliated business entities.

**Article 14-** All officers and business representatives of the Union or Employees of the JATF or Fringe Benefit Funds who have had previous work experience in any one (1) or more of the job classifications contained within the applicable Collective Bargaining

Agreement(s) shall be deemed to be employed at the trade and it is the intent of this section to provide that, upon return to the employment in the trade, they shall do so with the same preference as if they had continually worked at the trade and shall be eligible upon registration for Group A.

**Article 15-** There shall be no discrimination against any Employee or Applicant because of affiliation or non-affiliation with the Unions, race, color, creed, political or religious beliefs, sex, national origin, age, height, weight, familial or marital status or other classification protected by law.

In order to meet Federal, State or other governmental requirements or regulations relative to Equal Employment Opportunity and Affirmative Action, the Employer shall give the Union Referral Office the first opportunity to provide suitable Applicants in accord with the terms and conditions of this Agreement. The Employer has the right to select prospective Employees from all Applicants referred by the Union Referral Office. In the event the Union Referral Office cannot refer suitable Applicants, Employers may hire from any available source in order to satisfy their Equal Employment Opportunity and Affirmative Action obligations.

**Article 16-** Notification of Desire to Quit. All operators desiring to quit their jobs shall notify their Employer and the Union Referral Office and remain on the job three (3) days unless relieved. The Employer shall be under no obligation to re-employ in the future any Applicant who quits without a three-day notice.

**Article 17-** In order to equally distribute and defray the cost of services rendered by the use of this referral system, all Applicants on Open Referral List shall be required, as a condition of using the services of the Union Referral Office, to pay fees based upon the individual registrant's pro rata share of the cost of operating the referral system, provided that such fee shall not apply to members in good standing of Local 324, 324A, 324B, 324C, 324D, whose pro-rata share of the cost of this referral system is met by their regular dues, fees, assessments, payroll or fund deductions and/or referral fee payments.

**Article 18-** It is agreed that in the event the Open Referral List is exhausted, and the Union Referral Office is temporarily unable to furnish qualified Applicants within forty-eight (48) hours after receiving the Employer's request (Saturdays, Sundays and holidays excepted), the Employer may temporarily employ others until the Union Referral Office notifies the Employer that it has qualified Applicants available for employment. Applicants hired by the Employer under this procedure shall be known as "Temporary Employees," and will be subject to replacements. The Employer will notify the Union Referral Office of the name and date of employment of such "Temporary Employee." The Union Referral Office will maintain a register of all such "Temporary Employees," and such register shall be known as the Temporary Register. Such "Temporary Employees" may also be referred by the Union Referral Office (when the Open Referral List is exhausted) from Group C.

Upon referral by the Union Referral Office of a qualified registered Applicant, such “Temporary Employee” shall be replaced by a qualified registered Applicant under the following procedure: the Union Referral Office shall give a five (5) working day written notice to the Employer with whom the “Temporary Employee” is working, and such “Temporary Employee” will thereupon be replaced at the end of the five (5) working day period provided the Union Referral Office furnishes a qualified registered Applicant.

**Article 19-** In the event of an emergency job initiated after Union Referral Office business hours, where an Employer is forced to man a job without calling the Union Referral Office, the Employer may call back any previous Employee that would have qualified for call-back under Article 4(A) or 4(B) of this Agreement, provided that the Union Referral Office is immediately notified the following business day. If the Employer is unable to fill the position under Article 4(A) or 4(B), he may fill the position as deemed necessary and agrees to immediately notify the Union Referral Office the following business day; however, the Union Referral Office reserves the right to replace the Employee within 48 hours of notice just as if the request had been normally submitted. If applicable, the Employee would also fall under the provisions of Article 18 of this Agreement as a “Temporary Employee”. The Union Referral Office reserves the right to allow the Employee to stay employed for the duration of the emergency job.

Effective June 1, 2014, the International Union of Operating Engineers Local 324 has established itself as an Exclusive Hiring Hall, and the guidelines outlined within this Agreement shall define the hiring practices of this Local Union.

## APPENDIX E

### DRUG POLICY

1. Employees or applicants for employment (hereinafter, “employees”) who possess drugs on the job site, except for medication prescribed by the employee’s physician or over-the-counter medication, and employees who fail to pass a required drug test administered under this policy, may be refused employment or discharged, whichever is applicable, subject to the terms below. To “fail a drug test” means that a confirmation test performed in compliance with applicable federal regulations shows positive evidence of the presence of a prohibited drug in an individual’s system.
2. Except where specifically required as a condition for bidding, access, or performance of a job of contract by an owner, client, general contractor, or by federal or state law or regulation, pre-hire testing shall not be permitted. When testing pursuant to the exception provided for herein is conducted, it must be done in strict accordance with the procedures set out in Appendix A.
3. Except where specifically required as a condition for bidding, access, or performance of a job or contract by an owner, client, general contractor, or federal or state law or regulation, compulsory random drug testing, post-accident testing or spontaneous physical searched shall not be permitted. When testing pursuant to the exception provided for herein is conducted, it must be done in strict accordance with the procedures set out in Appendix A.
4. Except where specifically required as a condition for bidding, access, or performance of a job or contract by an owner, client, general contractor, or by federal or state law or regulation, no other substance abuse policy shall be applied to employees covered by the **National Distribution and Utilities Constriction and Maintenance Agreement**. In those limited circumstances where another policy will be applied, the Contractor will (1) provide notice of the fact at the earliest possible date to the **Union** and the **Distribution Contractors Association**; and (2) forward a copy of the policy to be applied to the **Union** and the **Distribution Contractors Association**. The **Contractor** hereby agrees that the enforcement of the terms of the third-party policy shall be subject to the grievance arbitration procedures of the **National Distribution and Utilities Construction and Maintenance Agreement**.
5. Contractors operating under this policy or a policy authorized by Paragraph 4 above will include in the policy:
  - a. The name and address of the laboratory (ies) they use for analyzing specimens collected for drug testing;
  - b. The name and address of their medical review officer; and

- c. The procedures they will use for notifying employees of the coverage and provisions of the plan.
6. An employee on the job site will be required to submit to a chemical test which demonstrates prohibited drug use if reasonable, objective basis exists to believe that the employee is using a prohibited drug. A reasonable, objective basis will exist under the following circumstances:
  - a. A firsthand observation is made of the employee's job performance, and documented in writing prior to any tests;
  - b. The employee's conduct or actions indicating alleged prohibited drug use shall be observed and documented in writing by two supervisors on the job site. For Employer with 50 or fewer employees, only one trained supervisor is required to substantiate the decision to test;
  - c. A written report describing the employee's condition shall be completed, dated and signed by the observer(s), and copies made available to the employee and the Union;
  - d. Third party reports that an employee is impaired in his duties due to the use of prohibited drugs shall not constitute reasonable cause, but may be cause for the observation of the employee; and
  - e. Persons refusing to submit, under aforementioned circumstances, to a test which complies with the minimum procedural guidelines contained in Appendix A of this Agreement, shall be refused employment or discharged, whichever is applicable, subject to the terms below.
7.
  - a. An employee who tests positive for prohibited drugs on the job site, as a result of properly administered medical tests described in this Agreement, shall be refused employment or discharged, whichever is applicable. Such an employee shall be offered an opportunity to enter a rehabilitation or counseling program at no expense to the Contractor. The Contractor will compile a list of local programs which are approved by a health care professional from which the employee may choose. To the extent the employee's insurance does not offset some of all of the cost, the cost of such a program will be borne by the employee.
  - b. An employee who is terminated on the basis of positive test results and who is a fist hand offender shall be eligible for rehire after thirty (30) days provided he satisfies the following:
    - (1) The employee passes a drug test administered under this policy; and
    - (2) The Medical Review Officer has determined that the employee may return to duty.

c. An employee who returns to duty under this section shall be subject to a reasonable program of follow-up drug testing without prior notice after his or her return to duty.

d. An employee who returns to employment covered by the **National Distribution and Utilities Construction Agreement and Maintenance Agreement** pursuant to the provisions of this Agreement and tests positive for a second time shall be barred from employment for a period of ninety (90) days.

e. An employee who returns to employment pursuant to the provisions of this Agreement and tests positive for a third time shall be barred from employment until both completing a rehabilitation program and six (6) months have elapsed.

f. An employee who complies with the provisions of this Agreement shall not be refused work based on the fact that he has, in the past, tested positive.

8. "Tests" as referred to in this Agreement, must follow the minimum procedural guidelines contained in Appendix A.

9. The affected employee shall be advised of positive results by the Contractor's medical personnel and have the opportunity for explanation and discussion prior to the reporting of results to the Contractor, if feasible. The mechanism for accomplishing this shall be as follows:

a. The Contractor shall designate a person to receive, report and file, testing information transmitted by the clinic or laboratory. The Union will be notified as to the person designated by the Contractor for this purpose. This person shall be the Medical Review Officer (MRO). Such MRO must be a licensed physician with knowledge of drug abuse disorder whose duties will conform to the federal rules and policy stated herein.

b. (1) the laboratory or clinic shall report test results only to the Contractor's MRO.

(2) No reports shall be made by telephone.

(3) The MRO laboratory or clinic shall ensure the confidential security of the data transmission and limit access to any transmission, storage and retrieval system to those persons agreed to by the Contractor, Employee and Union.

(4) Neither the Contractor nor any of its personnel, the MRO, nor any Union official shall disclose test results to any other person, except as provided in 49 CFR 199.21 and 199.23 for compliance monitoring purposes, unless the employee files a grievance concerning discipline and/or disclosure to others is necessary in order to process the grievance, to present the grievance to other

Union members, in connection with a Union decision concerning whether to arbitrate the grievance, or to present the grievance to an arbitrator.

(5) Upon written authorization by the employee, the Contractor shall send copies of all documents relating to the drug test to the Union.

10. The affected employee shall have the right to have his/her sample retested by an independent federally certified laboratory. Where the employee believes that the positive test result is not due to illegal drugs but to exposure to a work place substance, or that accuracy of the test result was confounded by a work place substance, he/she shall also have the right, at his expense, to have an independent federally certified laboratory evaluation of the specimen by mass spectrometry or other state-of-the-art technology. If the retest results on evaluation indicate that the positive test result was due to a work place substance rather than illegal drugs, that a work place substance confounded the accuracy of the test, or that the specimen does not contain levels of substance in violation of this Agreement; then (a) the employee shall be put back to work immediately with full back pay and benefits, (b) the Contractor shall immediately notify OSHA or the appropriate state agency concerning such exposure, (c) the Contractor shall take immediate steps to insure that workers on the site are not exposed to such substances at levels that may produce or cause such positive test results, or that may cause material impairment of health or functional capacity, and (d) the Contractor shall reimburse the employee for the costs of the independent tests.

11. The use of prescription drugs authorized by a physician or over-the-counter drugs shall not be just cause for termination. The issue of whether an over-the-counter or prescription drug impairs an employee's ability to perform his work shall be determined by the employee's physician, and the Contractor, Employee and Union will abide by the decision of that physician. Before submitting to any drug test, an employee will be given the opportunity to disclose the use of such drugs.

12. On those jobs where the Department of Transportation Regulations are determined to apply, the Contractor and Union agree to comply with the requirements of those regulations.

13. The same "reasonable, objective basis" requirements in paragraph 6 shall apply in connection with any searches for drugs.

14. The rules and requirements contained in this Agreement shall apply to management and supervisory personnel to the same extent as other employees.

15. The Contractor, all of its medical personnel, supervisors and other personnel, shall adhere to all applicable federal and state laws or regulations.

16. No employee shall be required to sign any waiver limiting liability of Employer, owner/client, testing lab, or any person involved in the chain of custody of the specimen nor any consent abrogating any provision of this Agreement.

17. The Union is not responsible for ascertaining or monitoring the drug-free status of any employee or applicant for employment.

18. In those circumstances where an employee is required under this Agreement to submit to a drug test, he may be required to execute a Drug Testing Consent form prior to administration of the test.

19. Any dispute regarding the interpretation or implementation of any provisions of this Agreement may be submitted by the affected employee or the Union or the Contractor, to the grievance procedure established in the Collective Bargaining Agreement between the parties.