

ORDINANCE NO. 14865

FILE OF CITY COUNCIL

BILL NO. 96 - 2010

INTRODUCED BY THE ADMINISTRATION AND
COUNCILPERSON D'AMORE AND SCHWEYER

NOVEMBER 3, 2010

AN ORDINANCE

Amends Article 130, Financial Procedures, of the Administrative Code by adding Section 130.29, State and Federally Funded Construction Projects requiring a Project Labor Agreement to be included in all construction project bids excluding architectural and engineering services having a total value equal to or in excess of Two Hundred Fifty Thousand Dollars (\$250,000) as set forth in Appendix A.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ALLENTOWN:

SECTION ONE: That Section 29 be added to Article 130 of the Administrative Code:

130.29 STATE AND FEDERALLY FUNDED CONSTRUCTION PROJECTS

The requirements of this ordinance shall apply whenever the total estimated cost of any construction, erection, installation, completion, alteration, repair of, or addition to, project subject to the control of the City shall include the use of State and/or Federal funds and exceed Two Hundred Fifty Thousand (\$250,000) Dollars excluding architectural and engineering costs. For all applicable projects, the successful bidder must agree to enter into a Project Stabilization Agreement (PSA) under the terms and in a form substantively consistent with those as set forth in the PSA in Appendix A. Each PSA shall pertain to and shall expire and be of no further force or effect upon the completion of the Project. All proposals or requests for proposals shall include specific notice of this requirement.

SECTION TWO: That this Ordinance will take effect ten (10) days after final passage.

SECTION THREE: That all Ordinances inconsistent with the above provisions are repealed to the extent of their inconsistency.

	Yea	Nay
W. Michael Donovan		X
Jeanette Eichenwald		X
Julio A. Guridy	X	
Ray O'Connell	X	
Michael Schlossberg	X	
Peter G. Schweyer	X	
Michael D'Amore, President	X	
TOTAL	5	2

I hereby certify that the foregoing Ordinance was passed by City Council on December 15th and signed by the Mayor on December 22, 2010.

CITY CLERK

- **What Department or bureau is Bill originating from? Where did the initiative for the bill originate?**

Administration and City Council jointly

- **Summary and Facts of the Bill**

The City of Allentown recognizes the importance of employing skilled craft persons and is supportive of the trade unions in the Lehigh Valley. The City wishes to support local employment for its construction projects of \$250,000 or more exclusive of engineering and architectural costs. A Project Labor Stabilization Agreement is valuable in accomplishing this goal.

- **Purpose – Please include the following in your explanation:**
 - **What does the Bill do – what are the specific goals/tasks the bill seek to accomplish**
 - **What are the Benefits of doing this/Down-side of doing this**
 - **How does this Bill related to the City’s Vision/Mission/Priorities**

The purpose of the Agreement is to promote efficiency in the construction of the project and to provide for the peaceful settlement of any and all labor disputes and grievances without strikes or lockouts, thereby promoting the public interest in assuring the timely and economical completion of the Project. This Agreement applies to construction projects that use state or federal funding for the completion of the project and having a total value equal to or greater than \$250,000 excluding architectural and engineering costs. This agreement shall pertain to and shall expire and be of no further force or effect upon the completion of the Project.

- **Financial Impact – Please include the following in your explanation:**
 - **Cost (Initial and ongoing)**
 - **Benefits (initial and ongoing)**

N/A

- **Funding Sources – Please include the following in your explanation:**
 - **If transferring funds, please make sure bill gives specific accounts; if appropriating funds from a grant list the agency awarding the grant.**

N/A

- **Priority status/Deadlines, if any**

- **Why should Council unanimously support this bill?**

The requirement of a Project Labor Agreement for City construction projects using State and/or Federal funds will support local employment.

EXHIBIT A

ALLENTOWN LABOR STABILIZATION AGREEMENT

ARTICLE I

INTENT AND DURATION

Section 1. Intent and Duration. This Project Stabilization Agreement (the "Agreement") is entered into between the City of Allentown ("CITY"); **[Name of General Contractor]** as General Contractor (GC) and Building Trades Council of the Lehigh Valley ("BCTC"); Lehigh Valley Carpenters Local 600, Operating Engineers Local 542 and the Signatory Unions (the "Unions") and applies exclusively to the construction work within the scope of this Agreement to be performed on the CITY'S **[Identify Project]** (the "Project"). The purpose of this Agreement is to promote efficiency in the construction of the Project and to provide for the peaceful settlement of any and all labor disputes and grievances without strikes or lockouts, thereby promoting the public interest in assuring the timely and economical completion of the Project. This Agreement applies exclusively to construction Projects undertaken by the city in which the city uses state or federal funding for the completion of the project and having a total value equal to or greater than \$250,000 excluding architectural and engineering costs. This agreement shall pertain to and shall expire and be of no further force or effect upon the completion of the Project.

Upon execution of this Agreement by all parties, all construction work covered by this Agreement on the Project shall be contracted exclusively to Contractors who agree to execute and be bound by the terms of this Agreement. The Unions agree that other Contractors may execute the Agreement for purposes of performing such work. The GC shall monitor compliance with this Agreement by all contractors, who through their execution of a Letter of Assent hereto, together with their subcontractors, shall become bound hereto. For purposes of this Agreement, the term "Contractor" shall be deemed to include all construction contractors and subcontractors of whatever tier engaged in on-site construction work on the Project, including the GC when it performs such construction work.

The GC, the Unions and all signatory Contractors agree to abide by the terms and conditions contained in the Agreement. This Agreement represents the complete understanding of all parties, and no Contractor is or will be required to sign any other agreement with a signatory union as a condition of performing work coming within the scope of this Agreement. No practice, understanding or agreement between a Contractor and a Union which is not specifically set forth in this Agreement will be binding on any other party unless endorsed in writing by the GC.

Section 2. Limitation of Agreement to Project. The Unions agree that this Agreement will be made available to, and will fully apply to, any successful bidder for work on the Project, without regard to whether that successful bidder performs work at other sites on either a union or a non-union basis, and without regard to whether employees of such bidder are or are not members of any union. The Unions further agree that this Agreement applies only to this Project, and that by signing the Letter of Assent hereto, a Contractor, not previously in signed agreement with the Unions, does not recognize the Unions as the bargaining representative of any of its employees at any other project, site or location. It is the intent of this Agreement that Contractors who sign it will create a relationship with the Unions governed by the provisions of Section 8(f) of the Labor Management Relations Act, 29 U.S.C. 4 158(f)

ARTICLE II
PURPOSE

Section 1. Purpose. The parties signatory to this Agreement accordingly pledge their complete good faith and trust to work towards an absolutely on-time completion of the Project. The signatory parties further pledge to demonstrate nationally that Eastern Pennsylvania enjoys a mature labor relations climate and continues to be the number one location in the United States to live and work.

Section 2. Time is of the Essence. The parties to this Agreement understand and agree that time is of the essence for this Project. The parties understand and agree that the CITY and the GC have a critical need for timely completion of the Project, as the Project must be completed prior to **[Date]**. Timely completion of the Project without interruption or delay is therefore vital. The parties understand and agree that timely construction of the Project will require substantial numbers of employees from construction and supporting crafts possessing skills and qualifications that are essential to its completion; the Unions pledge that they have members who are competent, skilled, and qualified to perform the required construction work. The parties also understand that on-budget completion of the Project is most critical; it is therefore essential that construction work on the Project be done in an efficient, economical manner with optimum productivity and no delays. In recognition of those special needs of the Project, Unions signatory hereto and their members agree not to initiate, authorize, sanction, participate in or condone, or permit their members to engage in, any strike, sympathy strike, jurisdictional strike, recognition strike, slowdown, sabotage, work to rule, sickout, sit down, picketing of any type (including informational picketing), hand billing, boycott, interruption of work or any disruptive activity that interferes with or interrupts in any way work on the Project. Contractors agree not to engage in any lockouts.

ARTICLE III

BENEFITS OF THE AGREEMENT

Section 1. Benefits of the Agreement. This Agreement is intended to foster the achievement of a timely and on-budget completion of the Project by, among other things:

- (a) avoiding the costly delays of potential strikes, sympathy strikes, jurisdictional strikes,
slowdowns, walkouts, picketing, handbilling and any other disruptions or
interference
with work, and promoting labor harmony and peace for the duration of the Project;
- (b) standardizing terms and conditions governing the employment of labor on the
Project;
- (c) permitting a wide flexibility in work scheduling, shift hours, and starting times;
- (d) achieving negotiated adjustments as to work rules and staffing requirements from those which otherwise might obtain;
- (e) providing comprehensive and standardized mechanisms for the settlement of work disputes;
- (f) ensuring a reliable source of skilled and experienced labor; and
- (g) furthering public policy objectives, to the extent lawful, as to improved

Employment opportunities for the Minority Business Enterprises, Women Business Enterprises.

ARTICLE IV

SCOPE OF THE AGREEMENT

Section 1. The Work. This Agreement is specifically defined and limited to onsite construction work required to construct the Project. The site of the construction is agreed to be **[insert description of the site of construction]**.

Section 2. Exclusions from Scope. Items specifically excluded from the scope of this Agreement, even if performed in connection with the Project, include the following:

- (a) Work of non-manual employees, including but not limited to, superintendents, supervisors, staff engineers, inspectors, quality control and quality assurance personnel, timekeepers, mail carriers, clerks, office workers including messengers, guards, safety personnel, emergency medical and first aid technicians, and other professional, engineering, administrative, supervisory and management employees.
- (b) Equipment and machinery owned or controlled and operated by CITY.
- (c) All off-site manufacture, fabrication or handling of materials, equipment or Machinery (except at dedicated lay-down or storage areas), and all deliveries of any type to and from the Project site.
- (d) All employees of CITY, the GC, the design team or any other consultant when such employees do not perform manual labor coming within the scope of this Agreement.
- (e) Any work performed on or near or leading to or onto the site of work on the Project and undertaken by state, county, city or other governmental bodies, or their contractors; or by public utilities or their contractors.
- (f) Off-site maintenance of leased equipment and on-site supervision of all such maintenance work.
- (g) Work by employees of a manufacturer or vendor necessary to maintain such manufacturer's or vendor's warranty or guarantee, unless such work has historically and customarily been performed by members of a signatory union, or work performed by supervisors or technicians employed by the manufacturer or vendor to oversee the testing of equipment once installed to insure that the equipment is fully operational.
- (h) Laboratory work for specialty testing or inspections not ordinarily done by the signatory local unions.
- (i) All work done by employees of CITY, or of any State agency, authority or entity or employees of any municipality or other public employer.
- (j) All employees and entities engaged in ancillary Project work performed by electric utilities, gas utilities and telephone companies.

The Unions agree that there shall be no interference with, or disruption of work, of those contractors, employers and employees exempted from coverage of this Agreement by subparagraph (a) through (j) above.

Section 3. Contract Award and Consent to Agreement.

(a) The GC, and/or Contractors, as appropriate have the absolute right to award contracts or subcontracts on the Project notwithstanding the existence or nonexistence of any Agreements between such contractor and any Union party provided only that such Contractor is willing, ready and able to execute and comply with this Agreement or a Letter of Assent thereto, should such Contractor be awarded work covered by this Agreement.

(b) All subcontractors of a Contractor, of whatever tier, who have been awarded contracts of work covered by this Agreement on or after the effective date of this Agreement shall also be required to accept to be bound by the terms and conditions of this Agreement, and shall evidence their acceptance by the execution of this Agreement or a Letter of Assent thereto, prior to the commencement of work. A copy of this Agreement or Letter of Assent executed by each Contractor shall be available for review by the Unions.

Section 4. Stand-Alone Agreement. This Agreement is a stand alone agreement. While this Agreement expressly does not incorporate any local area collective bargaining agreements, such local area collective bargaining agreements may be referenced for the limited purposes as hereinafter set forth in this Agreement. However, to the extent, if any, that any provisions of this Agreement conflict with any provision of a local area collective bargaining agreement, the provisions of this Agreement shall control.

Section 5. Craft Jurisdiction. This Agreement shall recognize the traditional craft jurisdictions of the signatory unions. Any and all jurisdictional disputes shall be settled in accordance with Article VIII below. While this Agreement is a stand-alone Agreement and expressly does not incorporate any local are collective bargaining agreements, the Agreement will utilize the local area collective bargaining agreements of signatory locals as a reference to define the signatory local unions' craft jurisdiction.

Section 6. Subcontracting. CITY agrees that neither it nor any of its contractors or subcontractors will subcontract any work covered by this Agreement to be done on the Project except to a person, firm or corporation who is or agrees to become party to this Agreement. Any contractor or subcontractor working on the Project shall, as a condition to working on said Project, become a signatory to and perform all work under the terms of this Agreement. Contractors who are signatory to local collective bargaining agreements shall be bound by the terms of their respective local collective bargaining agreements on subcontracting to the extent such terms are consistent with Article IV, Section 2 of this Agreement. Disputes concerning compliance with such local subcontracting provisions for this project shall be subject to all of the dispute resolution provisions of this Agreement.

Section 7. Liability. It is understood that the liability of the Contractor and the liability of the separate Unions under this Agreement shall be several and not joint. The Unions agree that this Agreement does not have the effect of creating any joint employer status between or among CITY and or any Contractor and CITY shall not assume any liabilities of the Contractors.

Section 8. Abatement of Agreement. As areas of covered work on the Project are accepted by CITY, this Agreement shall have no further force or effect on such areas except where the Contractor is directed by CITY to engage in repairs or punch list modifications.

ARTICLE V

LABOR / MANAGEMENT COOPERATION JOINT ADMINISTRATIVE COMMITTEE

Section 1. The parties to this Agreement shall establish a Project Joint Administrative Committee ("Committee"). This Committee will be a three-person committee comprised of one member each from the General Contractor, from CITY, and from the signatory Unions, with an alternate signatory Union member available to replace the regular volunteer when a problem or grievance concerns the regular member's Union. The members of the Project Joint Administrative Committee shall be appointed by their respective principals at a time to be determined after the time the General Contract is awarded. Each member of the Committee shall designate an alternate who shall serve in the absence of the member for any purpose contemplated by this Agreement.

Section 2. The Committee shall meet at least quarterly, or more often if special circumstances warrant, to discuss the administration of the Agreement, the progress of the Project, labor management problems that may arise, and any other relevant matters. Any need for interpretation which might arise from the application of the terms and conditions of the Agreement shall be referred directly to the Committee for resolution.

ARTICLE VI

UNION RECOGNITION AND EMPLOYMENT

Section 1. Pre-Hire Recognition. Each Contractor recognizes the Unions as the sole and exclusive bargaining representative of all craft employees within their respective jurisdictions working on the Project under the Agreement. It is contemplated that such recognition under this Agreement is pursuant to the provisions of Section 8(f) of the Labor Management Relations Act, 29 U.S.C. 5 158(f) unless the signatory Contractor and Unions have another, preexisting legal relationship.

Section 2. Contractor's Right of Selection. Each Contractor shall have the right to determine the competency of all employees, the number of employees required and shall have the sole responsibility for selecting employees to be laid off.

Section 3. Union Referral. For Local Unions having a job referral system or hiring hall, each Contractor agrees to comply with such system, and the referral system shall be used exclusively by such Contractor, except as modified by this Article. Such job referral system will be operated in a nondiscriminatory manner and in full compliance with Federal, State, and Local laws and regulations requiring equal employment opportunities and non-discrimination, and referrals shall not be affected in any way by the rules, regulations, by-laws, constitutional provisions or any other aspects or obligations of union membership, policies or requirements. The Union shall indemnify and hold each Contractor harmless with respect to any claim arising out of how the Union operates and administers its referral system. It's hiring procedures, including related practices affecting apprenticeship and training, will be operated so as to facilitate the ability of the contractors to meet any and all equal employment opportunity/affirmative action obligations. The Contractor may reject any referral for any reason and request another, different referral.

Section 4. Lack of Job Referral System. In the event that a signatory Local Union does not have a job referral system as set forth in Section 3 above, the Contractor shall give the

Union forty-eight (48) hours to refer applicants. The Contractor may reject any referral for any reasonable and request another, different referral. The Contractor shall notify the Union of employees hired from any source other than referral by the Union.

Section 5. Unavailability of Union Referrals. In the event that Local Unions are unable to fill any requisitions for qualified employees within forty-eight (48) hours after such requisition is made by the Contractor (Saturdays, Sundays, and Holidays excepted), the Contractor may employ applicants from any other available source. The Contractor shall inform the Union of the name and social security number of any applicants hired from other sources and refer the applicant to the Local Union for dispatch to the Project.

Section 6. No Cross-Referrals. The Local Unions shall not knowingly refer an employee currently employed by any Contractor working under this Agreement to any other Contractor, nor shall any Union engage in any activity which encourages workforce turnover or absenteeism.

Section 7. Union Best Efforts. The Local Unions will exert their utmost efforts to recruit sufficient numbers of skilled craft workers to fulfill the manpower requirements of each Contractor, including calls to local unions in other geographical areas when its referral lists have been exhausted.

Section 8. Non-Discrimination. No employee covered by this Agreement shall be required to join any Union or pay any agency fees or dues as a condition of being employed, or remaining employed, on the Project. Where, however, there is in effect and in the possession of the Contractor a voluntary written dues deduction authorization executed by the employee on a standard form furnished by the Union, the Contractor agrees to deduct union dues from the pay of the employee and to remit the dues to the Union at the same time that trust fund contributions are required to be remitted to the administrators of the appropriate trust funds on behalf of that employee.

Section 9. Core Employees. To provide opportunities to participate on the Project to minority and women owned business enterprises as well as other enterprises which do not have a relationship with the Unions signatory to this Agreement and to ensure that such enterprises will have an opportunity to employ their "core" employees on this Project, the parties agree that any such enterprise has the right to select core employees whom it will employ on site, in accordance with the formula below and who:

- (a) possess any license required by the state or federal law for the Project work to be performed;
- (b) have worked a total of at least 1,200 hours per year in the construction craft during each of the prior 3 years, including participating in a state certified apprenticeship program;
- (c) were on the Contractor's active payroll for at least 60 out of the 180 calendar days prior to the contract award;
- (d) have the ability to perform safely the basic functions of the applicable trade.

Ten percent of all employees hired by each contractor may be core employees. After such core employees have been hired by any contractor, all the employees shall thereafter be hiring hall referrals by the appropriate signatory unions in accordance with the provisions of the applicable local collective bargaining agreements.

Section 10. Craft and General Forepersons. The selection of craft foreman and/or general foreman and the number foreman required shall be the exclusive right and responsibility of each contractor.

ARTICLE VII

DISPUTES AND GRIEVANCES

The representative of the Contractor shall keep the meeting minutes and shall respond to the Union representative in writing (copying the Project Contractor) at the conclusion of the meeting but not later than twenty-four (24) hours thereafter. If they fail to resolve the matter within the prescribed period, the grieving party may, within forty-eight (48) hours thereafter, pursue Step 2 of the Grievance Procedure, provided the grievance is reduced to writing, setting forth the relevant information concerning the alleged grievance, including a short description thereof, the date on which the grievance occurred, and the provision(s) of the Agreement alleged to have been violated.

(b) Should the Local Union(s) or the GC or any Contractor have a dispute with the other party and, if after conferring, a settlement is not reached within three (3) working days, the dispute may be reduced to writing and proceed to Step 2 in the same manner as outlined herein for the adjustment of an employee complaint.

Step 2. The International Union Representative and the involved Contractor shall meet within seven (7) working days of the referral of a dispute to this second step to arrive at a satisfactory settlement thereof. Meeting minutes shall be kept by the Contractor. If the parties fail to reach an agreement, the dispute may be appealed in writing in accordance with the provisions of Step 3 within seven (7) calendar days thereafter.

Step 3. (a) If the grievance has been submitted but not adjusted under Step 2, either party may request in writing, within seven (7) calendar days thereafter, that the grievance be submitted to an Arbitrator mutually agreed upon by them. The Contractor and the involved Union shall attempt mutually to select an arbitrator, but if they are unable to do so, they shall request the American Arbitration Association to provide them with a list of arbitrators from which the Arbitrator shall be selected by the CITY. The rules of the American Arbitration Association shall govern the conduct of the arbitration hearing. The decision of the Arbitrator shall be final and binding on all parties. The fee and expenses of such Arbitration shall be borne equally by the Contractor and the involved Local Union(s).

(b) Failure of the grieving party to adhere to the time limits established herein shall render the grievance null and void. The time limits established herein may be extended only by written consent of the parties involved at the particular step where the extension is agreed upon. The Arbitrator shall have the authority to make decisions only on issues presented to him or her, and he or she shall not have authority to change, amend, add to or detract from any of the provisions of this Agreement.

Section 4. The Project Contractor and Owner shall be notified of all actions at Steps 2 and 3 and shall, upon their request, be permitted to participate in all proceedings at these steps.

ARTICLE: VIII

JURISDICTIONAL DISPUTES

Section 1. The assignment of work will be solely the responsibility of the Contractor performing the work involved; and such work assignments will be in accordance with the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (the "Plan") or any successor Plan.

Section 2. All jurisdictional disputes on this Project, between or among Building and Construction Trades Unions and employers shall be settled and adjusted according to the present Plan established by the Building and Construction Trades Department or any other plan or method of procedure that may be adopted in the future by the Building and Construction Trades Department. Decisions rendered shall be final binding and conclusive on the Contractors and Unions parties to this Agreement.

Section 3. All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage, or slow-down of any nature, and the Contractor's assignment shall be adhered to until the dispute is resolved. Individuals violating this section shall be subject to immediate discharge.

Section 4. Each Contractor will conduct a pre-job conference with the appropriate Building and Construction Trades Council prior to commencing work. The Project Contractor and the Owner will be advised in advance of all such conferences and may participate if they wish.

ARTICLE IX

MANAGEMENT'S RIGHTS

Section 1. Exclusive Authority - Workforce. The GC and the Contractors retain the full and exclusive authority for the management of their operations and workforces. The GC and Contractors retain the right to plan, direct, and control the workforce, including the hiring, promotion, demotion, transfer, layoff, suspension, discipline or discharge for just cause of employees; the determination of crew make-up, crew size and manning levels; the selection of foremen, the assignment and scheduling of work; the promulgation of work rules; and the requirement of overtime work, the determination of when it will be worked and the number and identity of employees engaged in such work. No rules, customs, or practices which limit or restrict productivity, efficiency of the individual and/or joint working efforts of employees shall be permitted or observed. The GC and Contractors may utilize any methods or techniques of construction and operation.

Section 2. Materials, Design, Machine, Equipment. There shall be no limitation or restriction by a signatory Union upon a Contractor's choice of materials or design, nor, regardless of source or location, upon the full use and utilization of equipment, machinery packaging, pre-cast, prefabricated, pre-finish, or pre-assembled materials, tools or other labor saving devices. The on-site installation or application of all items shall be performed by the craft having jurisdiction of such work; provided, however, that installation of specialty items may be performed by employees employed under this Agreement who may be directed by other personnel in a supervisory role, in circumstances requiring special knowledge of the particular items.

Section 3. Specialty Work. It is recognized by the Contractors, the Unions, and their members that the performance of certain work on the Project shall consist of the installation of certain materials, equipment, or supplies manufactured outside this local vicinity which must, for warranty purposes, be installed by the manufacturer and/or designated specialty contractors and that such installation work is not customarily performed by the members of such unions. The Unions and their members agree that they shall make no claims for such work; provided, however, that the GC and/or the Joint Administrative Committee shall provide them with the necessary information establishing the nature of such specialty work.

Section 4. New Technology, Equipment. The use of new technology, equipment, machinery, tools and/or labor saving devices and methods of performing work may be initiated by any Contractor from time to time during the Project. The Union agrees that it will not in any way restrict the implementation of such new devices or work methods.

Section 5. Disputes. If there is any disagreement between any Contractor and the Union concerning the manner or implementation of such device or method of work, the implementation shall proceed as directed by the Contractor, and the Union shall have the right to grieve and/or arbitrate the dispute as set forth in Article VII of this Agreement.

ARTICLE X.

WORK STOPPAGES

Section 1. No Strikes or Work Disruptions. There shall be no strike, sympathy strike, jurisdictional strike, recognitional strike, slowdown, sabotage, work to rule, sickout, sitdown, picketing of any type (including informational picketing), handbilling, boycott, interruption of work or any disruptive activity that interferes with or interrupts in any way work on the Project. The Unions signatory hereto, and each of their members, agree not to initiate, authorize, sanction, participate in, condone, or permit their members to engage in any such activity. Failure of any Union or employee covered by this Agreement to cross any picket line established by any Union, signatory or nonsignatory to the Agreement, or by any other organization or individual at or in proximity to the Project construction site, is a violation of this Article. The signatory Union shall be responsible for any action of its members, which violates this section, and its members shall be subject to discipline up to and including discharge for violation of the provisions of this article.

Section 2. Union Responsibilities. The Union shall not sanction, aid or abet, encourage or condone any conduct or activity in violation of this Article, and shall undertake all means to prevent or to terminate any such conduct immediately. No employee shall engage in activities which violate this Article, and the Union shall pursue all disciplinary action permitted by its Constitution and By-laws against any employee who engages in any activity which violates this Article.

Section 3. Violation. If any Contractor and/or CITY contends that any Union or its member(s) has violated this Article, it will notify in writing the International President(s) of the Union(s) involved, advising him of the fact, with copies of such notice to the Local Union(s) involved, and the BCTC. The International President or Presidents will immediately instruct, order and use the best efforts of his office, including discipline procedures under its Constitution and By-laws, to cause the Local Union(s) or its members to cease any violation of this Article.

Section 4. Expedited Arbitration. Should CITY, CC or any Contractor believe that there has been any violation of this Article, it may institute this expedited arbitration procedure (in

addition to any action at law or in equity, or any other contractual procedure available to it). The parties to this Agreement have agreed that the Labor Arbitration Rules of the American Arbitration Association shall apply, including the Rules governing Expedited Arbitration. The Arbitrator shall hold a hearing within twenty-four (24) hours of verbal or written notice of a claimed violation of this Article and shall complete the hearing in one session. The sole issue at the hearing shall be whether or not a violation of this article has occurred. The Arbitrator shall have no authority to consider any matter in justification, explanation, or mitigation of such violation. The arbitral award shall be issued in writing within three (3) hours after the close of the hearing and may be issued without opinion. If any party desires an opinion, the arbitrator shall issue one within fifteen (15) days, but its issuance shall not delay compliance with, or enforcement of, the award.

ARTICLE XI

WAGE AND BENEFITS

Section 1. Classification - Wages. All employees covered by this Agreement shall be classified in accordance with work performed and paid the prevailing wage and benefit rates for these classifications. The GC, upon request, shall provide the Unions with substantiation that prevailing wages and benefits are being paid by Contractors on the Project.

Section 2. Payment of Benefits/Contribution. Each Contractor will also pay all required contributions in the amounts required by Section 1 of this Article to the established employee benefit funds that accrue to the direct benefit of the employees (such as pension and annuity, health and welfare, vacation, apprenticeship, training funds). With respect to contributions required in this Section to Employer-Union jointly trusted funds, the Contractor adopts and agrees to be bound by the written terms of the legally established trust agreement specifying the detailed basis on which payments are to be made into, and benefits paid out of, such Trust Funds. The Contractor authorizes the parties to such Trust Funds to appoint Trustees and successor Trustees to administer the Trust Funds and hereby ratifies and accepts the Trustees and successor Trustees to administer the Trust Funds and hereby ratifies and accepts the Trustees so appointed as if made by Contractor. This section does not apply to core employees unless any core employee voluntarily elects to join and become a member of any local union signatory to this Agreement, in which event this Section shall immediately apply with respect to any such core employee.

ARTICLE XII

LOCAL UNION NEGOTIATIONS DURING THE PENDENCY OF THE AGREEMENT

All parties to this Agreement understand and acknowledge that some crafts who will be working on the Project are covered by local collective bargaining agreements that will expire prior to the projected completion of the project. All contracting parties understand and agree that irrespective of whether such local collective bargaining agreement negotiations are successful or unsuccessful, there shall be no strike, sympathy strike, jurisdictional strike, recognitional strike slowdown, sabotage, work to rule, sickout, sitdown, picketing of any type (including informational picketing), handbilling, boycott, interruption of work or any disruptive activity that interferes with or interrupts in any way work on the Project by any Union involved in such local negotiations, or by any of its members, nor shall there be any lockout on the Project affecting such union or its members during the course of such negotiations. Irrespective of the status of any such local collective bargaining

agreement negotiations, the affected Union and all of its members will observe and fully comply with the provisions of this Agreement.

ARTICLE XIII

HOURS OF WORK, OVERTIME, SHIFTS AND HOLIDAYS

Section 1. Work Day and Work Week. Except as provided in Section 4, the first shift shall consist of eight (8) or ten (10) hours per day between the hours of 6:00 a.m. and 5:30 p.m., plus one-half (1/2) hour for unpaid lunch, approximately mid-way through the shift. Forty (40) hours per week shall constitute a regular week's work, whether consisting of five (5) eight (8) hour days, or four (4) ten (10) hour days. The work week will start on Monday and conclude on Sunday. A uniform starting time will be established for all crafts on each project or segment of work. Nothing herein shall be construed as guaranteeing any employee eight (8) or ten (10) hours per day or forty (40) hours per week. The Union(s) shall be informed of the work starting time set by the contractor at the pre-job conference which may be changed thereafter upon three (3) days notice to the Union(s) and the employees. A second shift, if used, shall consist of eight hours between the 3:00 p.m. and 1:00 a.m.; a third shift, if used, shall begin between 10:00 p.m. and 1:00 a.m. For the purposes of Section 3, the third shift shall be considered as part of the prior day's work.

Section 2. Starting Times. Employees shall be at their place of work at the starting time and shall remain at their place of work (as designated by the Contractor) performing their assigned functions until quitting time, which is defined as the scheduled end of the shift. The parties reaffirm their policy of a fair day's work for a fair day's wage. There shall be no pay for time not worked unless the employee is otherwise engaged at the direction of the Contractor. If necessary, these starting times would be between 6 AM and 8 AM. This policy could help reduce the transportation problems at start and completion times.

Section 3. Overtime. Overtime shall be defined as all hours worked in excess of forty (40) hours in a week, such work and work performed on Saturday shall be paid at one and one half times the straight time rate of pay. If scheduled for a four day ten hour shift work week, Friday may be scheduled as a make-up day at straight time to make-up for a lost day, (Monday through Thursday), due to inclement weather. Work on Sundays and Holidays shall be at double the straight time rate of pay. There will be no restriction on any Contractor's scheduling of overtime or the non-discriminatory designation of employees who will work. The Contractor shall have the right to schedule work so as to minimize overtime. There shall be no pyramiding of overtime pay under any circumstances.

Section 4. Shifts.

(a) Shift work may be performed at the option of the Contractor(s) upon three (3) days' prior notice to the Union and shall continue for a period of not less than five (5) working days. Saturdays and Sundays, if worked, may be used for establishing the five (5) day minimum work shift. If two shifts are worked, each shall consist of eight (8) hours of continuous work exclusive of a one-half (1/2) hour non-paid lunch period for eight (8) hours pay.

(b) The Contractor may establish a work week of four (4) consecutive ten (10) hour work days (exclusive of one-half hour unpaid lunch, approximately midway through the shift) between Monday and Friday.

Section 5. Holidays. Recognized holidays on the Project shall be New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the day after Thanksgiving Day, and Christmas Day. Work performed on holidays shall be paid at double the straight time rate of pay. A holiday falling on Sunday shall be observed the following Monday

Section 6. Meal Period. The Contractor will schedule a meal period of not more than one-half hour duration at the work location at approximately the mid-point of the scheduled work shift (4 hours in a five-day work week, 5 hours in a four-day work week), consistent with Section 1; provided, however, that the Contractor may, for efficiency of the operation, establish a schedule which coordinates the meal periods of two or more crafts. If an employee is required to work through his meal period, he shall be compensated for the time worked at the applicable overtime rate and the employee shall, when work permits, eat his lunch "on the fly."

Section 7. No Organized Work Breaks. There will be no organized breaks or other non-working time established during working hours. Individual nonalcoholic beverage containers will be permitted at the employee's work stations.

Section 8. Craft Worker Parking Facilities. Parking facilities or arrangements for employees working on the Project will be established by GC by the time work on the Project commences.

ARTICLE XIV

APPRENTICES AND HELMETS TO HARDHATS

Section 1. Need For. The parties recognize the need to maintain continuing support of programs designed to develop adequate numbers of competent workers in the construction industry. The Contractor(s) will accordingly employ apprentices in their respective crafts to perform work on the Project within the apprentices' capabilities.

Section 2. Ratios. The Union agrees to cooperate with the Contractor in furnishing qualified apprentices as requested. There shall be no restrictions on the utilization of apprentices in performing the work of their craft provided they are properly supervised.

Section 3. The Employers and the Unions recognize a desire to facilitate the entry into the building and construction trades of veterans who are interested in careers in the building and construction industry. The Employers and Unions agree to utilize the services of the Center for Military Recruitment, Assessment and Veterans Employment (hereinafter "Center") and the Center's "Helmets to Hardhats" program to serve as a resource for preliminary orientation, assessment of construction aptitude, referral to apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as identified by the parties.

Section 4. The Unions and Employers agree to coordinate with the Center to create and maintain an integrated database of veterans interested in working on this Project and of apprenticeship and employment opportunities for this Project. To the extent permitted by law, the Unions will give credit to such veterans for bona fide, provable past experience.

ARTICLE XV

DRUG AND ALCOHOL POLICY

Section 1. Policy. All parties understand and agree that a substance abuse program has been established by the **Constructors Association of Eastern PA (CAEP)**, and will be in force for all work performed under the Agreement. The substance abuse program will prohibit the use, sale, transfer, purchase and/or possession of a controlled substance, alcohol and/or firearms while on the Project's premises and will require testing of employees. The substance abuse program will be incorporated into and made part of the Agreement and implemented for all Contractors and employees working on the Project.

ARTICLE XVI

NON-DISCRIMINATION

Section 1. Policy. It is the continuing policy of the GC, the Contractors and the Unions that the provisions of this Agreement shall be applied without discrimination because of age, race, sex, color, religion, creed, national origin or union signatory or membership status. There shall be no discrimination against an employee because of her or his membership in, or activities on behalf of Unions.

ARTICLE XVII

SOLE AND COMPLETE AGREEMENT

Section 1. The parties agree that this Agreement constitutes the sole and complete agreement between them governing the rates of pay and working conditions of the construction employees working on the Project, that it settles all demands and issues on the matters subject to collective bargaining, and that it shall not be modified or supplemented in any way except by written agreement executed by both parties.

ARTICLE XVIII

SEPARABILITY AND SAVINGS CLAUSE

Section 1. Intent of Parties. If any article or section of this Agreement shall be held invalid by law or by a tribunal of competent jurisdiction, or if compliance with or enforcement of any article should be restrained pending a final determination as to its validity, the remainder of this Agreement shall not be affected and shall remain in full force and effect. In the event that any article or section is held invalid, the parties hereto shall, upon the request of the Unions, enter into collective bargaining negotiations for the purpose of arriving at a mutually satisfactory replacement for such article during the period of invalidity or restraint. If the parties hereto cannot agree on a mutually satisfactory replacement, either party shall be permitted to submit its demand to formal arbitration.

Section 2. Force of Agreement. The parties recognize the right of the CITY to withdraw, at its absolute discretion, the utilization of this Agreement as part of any bid specification should a court of competent jurisdiction issue any order which could result, temporarily or permanently, in delay of the bidding, awarding, and/or construction work on the Project. Notwithstanding such an action by the General Contractor, or such court order, the parties agree

that the Agreement shall remain in full force and effect on the Project, to the maximum extent legally possible.

City of Allentown

By _____

Name of General Contractor as General Contractor (GC)

By _____

Building Trades Council of the Lehigh Valley ("BCTC")

By _____

Lehigh Valley Carpenters Local 600

By _____

Operating Engineers Local 542

By _____

Signatory Unions (the "Unions"):

Heat & Frost Insulators & Allied Workers Local 23

By _____

Boilermakers Local 13

By _____

Bricklayers, Tilers & Cement Masons Local 5

By _____

Cement Masons & Plasterers Local 592

By _____

Electricians Local 375

By _____

Elevator Constructors Local 84

By _____

Glaziers & Architectural Metal Workers Local 252 DC 21

By _____

Ironworkers Local 36

By _____

Laborers Local 1174

By _____

Millwrights Local 1906

By _____

Painters Local 1269 DC 21

By _____

Plumbers Local 690

By _____

Road Sprinkler Fitters Local 669

By _____

Roofers & Waterproofers Local 30

By _____

Sheet Metal Workers Local 19

By _____

Steamfitters Local 420

By _____

Teamsters Local 773

By _____