

**VANCOUVER ISLAND ADDENDUM TO THE ROAD BUILDING
INDUSTRY STANDARD UTILITY AGREEMENT (DISTRICT #2)**

HAZELWOOD CONSTRUCTION SERVICES INC.

THESE TERMS AND CONDITIONS SHALL APPLY TO THE FOLLOWING GEOGRAPHICAL AREA ONLY: VANCOUVER ISLAND AND ALL ISLANDS WITHIN 10 KLMS OF VANCOUVER ISLAND.

It is agreed that the following terms and conditions shall amend the Road Building Industry Standard Agreement dated March 1, 2006 to February 28, 2011. All other terms shall remain the same.

The parties agree to sunset the following items for the period of March 1, 2007 to February 28, 2011.

ARTICLE 5: HOURS OF LABOUR, SHIFTS AND CALL-OUT TIME

Work Week:

(a) A regular work week shall consist of forty (40) hours- Monday through Friday. Eight hours shall constitute a day's work.

(b) Compressed week: On specific projects a work week may consist of forty (40) hours – Monday through Thursday or Tuesday through Friday. Ten (10) hours (paid at straight time) shall constitute a day's work. The Union will be notified prior to the commencement of a compressed week.

(c) An additional eight hours in a week may be worked at stright time rates by mutual agreement between the affected employees and the Company. Sunday is excluded. As referenced in item (a) the eight (8) hours would be Saturday or as refenced in item (b) the eight (8) hours would be Friday or Monday.

(d) Item (c) is voluntary only and any refusal by an employee will not be subject to discipline. The Employer shall have the right to fill the vacant position with a regular compnay employee willing to work the additional eight hours at straight time. Any vilocations will be subject to the grievance procedure.

(e) Upon mutual agreement the starting time of a shift may be varied up to one (1) hour of normal starting time.

Call-Out Time

An employee will be paid for hours worked. Four (4) hours shall be the minimum pay when work is performed.

ARTICLE 6: OVERTIME

All hours worked outside the regular scheduled shift, Monday to Friday shall be paid at one and one-half (1-1/2) times the employee's hourly rate up to ten (10) hours.

Saturday shall be paid at time and one-half (1 1/2) for the first ten (10) hours worked.

All work performed beyond ten (10) hours per day Monday to Saturday, and all hours worked on Sundays or General Holidays shall be paid at two (2) times the employee's hourly rate.

ARTICLE 7 : TRANSPORTATION

Employees commencing employment or upon termination shall be paid cost of transportation and if delayed for reasons beyond the employees control, receive costs for meals and accommodation.

No time shall be paid for employees traveling to the job upon hiring or upon termination.

Local Transportation:

(a) Cities, Towns or Villages:

On all jobs situated within fifty (50) kilometers of the center of any city, town or village in which an employee is residing or accommodates, such employee will travel daily to and from such jobs at no cost to the Employer.

For all travel in excess of fifty (50) kilometres, each way, the actual time spent travelling beyond the fifty (50) kilometres will be paid at straight time rates, in increments of fifteen (15) minutes. Company will provide shared vehicles for employees to travel in.

Marshalling point for determination of the 50 klms radius will be in:

Campbell River – The Labour Center located at 830 14th Ave.

Nanaimo – City Hall located at 455 Wallace St.

Victoria – 575 Gorge Rd. East.

However, it is agreed and understood that employees will not be required to use their vehicles on new grade construction in order to fulfill the above.

(b) Camps:

Where camps or room and board are not provided, a living-out allowance shall be negotiated prior to the job commencing. If an allowance is not established prior to commencement, free room and board shall be supplied.

The Company is to pay for all rooms and to pay for a meal allowance of \$45 per day.

Where camps are provided or free room and board and the Employer requests the employee to check out of his room, then the checkout provision contained in

the Agreement shall apply. However, if an employee of his own volition checks out then the checkout allowance shall not apply. Where the Employer requests the employee to check out of his room, a storage room shall be supplied where the employee may store their belongings.

(c) Metropolitan Areas: Metro travel is waived.

ARTICLE 11 : UNION SHOP

Dispatch Offices:

When the Employer places an order for a member with the dispatcher it shall be on a 50/50 basis. This would provide that an Employer could name request one employee and the next order would be open. This shall be for new hires only.

Special Provisions And Wages

Schedule "A"

1 (a) Equipment Foreman:

When non-working Foremen are required in accordance with the provisions of this agreement, they shall be selected from the predominate trade on the project.

Wages and Benefits for Operators & Drivers

Schedule "A"

Hourly Wage Rates – Classifications / Groups to be realigned as attached.

	<u>Mar.1/07</u>	<u>Mar.1/08</u>	<u>Mar.1/09</u>	<u>Mar.1/10</u>
H.D.M./Welder	\$1.00 added to the Group 1 rate.			
Group 1	\$26.10	\$26.73	\$27.38	\$28.05
Group 2	\$25.87	\$26.50	\$27.15	\$27.81
Group 3	\$25.56	\$26.18	\$26.82	\$27.47
Group 4	\$25.45	\$26.06	\$26.69	\$27.34
Drivers	\$21.05	\$21.53	\$22.03	\$22.54

*** Holiday Pay as per Article 4: Holiday Pay is 12.5% of goss earnings.

Schedule of Total Employer/Employee Contributions

	Mar.1/07	Mar.1/08	Mar.1/09	Mar.1/10
Benefits Plan	\$1.90	\$1.95	\$2.00	\$2.05
Pension Plan	\$3.40	\$3.50	\$3.60	\$3.80
Apprenticeship Plan	\$0.38	\$0.38	\$0.38	\$0.38
Working Dues*	\$0.51	\$0.52	\$0.54	\$0.55
O.E. Advancement	\$0.155	\$0.155	\$0.155	\$0.155
Rehabilitation	\$0.02	\$0.02	\$0.02	\$0.02
Tool Allowance	<u>\$0.08</u>	<u>\$0.08</u>	<u>\$0.08</u>	<u>\$0.08</u>
Total	\$6.445	\$6.605	\$6.775	\$7.035

*Working Dues are deducted from the employee's hourly rate.

Wages and Benefits for Labourers

Hourly Wage Rates – Classifications / Groups

	<u>Mar.1/07</u>	<u>Mar.1/08</u>	<u>Mar.1/09</u>	<u>Mar.1/10</u>
Foreman	\$27.94	\$28.68	\$29.44	\$30.12
Graderperson	\$26.25	\$26.94	\$27.65	\$28.28
Pipelayer	\$24.89	\$25.54	\$26.21	\$26.80
Labourer	\$24.67	\$25.31	\$25.97	\$26.55

*** Holiday Pay as per Article 4: Holiday Pay is 12.5% of goss earnings.

Schedule of Total Employer/Employee Contributions for Labourers

	Mar.1/07	Mar.1/08	Mar.1/09	Mar.1/10
Health & Welfare	\$1.90	\$1.95	\$2.00	TBA**
Pension Plan	\$2.55	\$2.55	\$2.55	TBA**
Working Dues*	\$0.55	\$0.55	\$0.60	TBA**

Labourers Advancement	\$0.27	\$0.32	\$0.37	TBA**
Training Trust	\$0.195	\$0.195	\$0.195	TBA**
Rehabilitation	<u>\$0.02</u>	<u>\$0.02</u>	<u>\$0.02</u>	<u>TBA**</u>
Total	\$5.485	\$5.585	\$5.735	TBA

*Working Dues are deducted from the employee's hourly rate.

**TBA – There is \$0.20 to be added to the Benefit Package on March 1, 2010.

- * Contributions to the Plans shall be for each hour wages are payable, in other words, on overtime, hourly contributions shall be at straight time.
- * Effective February 28, 2011 contributions shall be based on hours earned. For clarification "hours earned means one and one-half (1-1/2) or two (2) times the contribution rate for overtime hours."

2. All worked performed in the Pulp Mills will be performed as per the Heavy Construction Agreement or Standard Road Building Agreement as applicable.
3. Pre-jobs on all projects which have special circumstances (such as travel time beyond 50 klms, or require LOA)
4. Addition of the:
 - o Canadian Joint Grievance Panel

The parties may, upon mutual agreement, refer any outstanding grievance to the Canadian Joint Grievance Panel process. The Panel decision shall be final and binding on the parties. The Panel shall not have the authority to change this agreement or to alter, modify or amend any of its provisions. However, the Panel shall have the authority to resolve a grievance by any arrangement that is deemed just and equitable. It is further agreed that in the event the Panel is unable to render a majority decision that the grieving party may refer the matter to a Schedule II Hearing under the Panel process, refer the matter back to the arbitration process as outlined above in this Article or, withdraw the grievance.

5. Addition of the:

o Arbitration Award Provision

I, _____, agree that in consideration of the acceptance by the (insert appropriate union) of myself as Arbitrator, I will render a decision within thirty (30) days of the completion of any hearing in which I participate. I further agree that my fee for such arbitration will be reduced by a factor of ten percent (10%) for each seven (7) days which lapse beyond the thirty (30) days from the completion of the hearing in which I participate and in which a decision is not published. I further agree that the account which I render will indicate the amount of my fee on an unadjusted and adjusted basis. I further agree not to bill for any fee in regard to cancellation, except where such cancellation is within seven (7) calendar days of the appointed hearing.

ENABLING CLAUSE:

When in the opinion of both parties it is deemed beneficial to the Employer and the Union members the terms and conditions of the Collective Agreement may be modified for work coming under the Road Builders Agreement "Extent Clause". Such mutually agreed modifications to the Collective Agreement shall be by Letter of Understanding and may be for one project, for a type of work, for a specific area or for a specific period of time.

SIGNED this _____ day of _____, 2007

HAZELWOOD CONSTRUCTION
SERVICES INC.

INTERNATIONAL UNION OF
OPERATING ENGINEERS, LOCAL 115

TRADES

Trades: Classifications

Heavy Duty Mechanic
Welder
Drill Doctor
Steel Sharpener
Millwright
Paving Plant Foreman
Bodyman Painter

Group 1: Classifications

All excavators, all attachments (5 yards up to 7 yards)
Front End Loaders all types (over 7 yards up to and including 15 yards)
Grader Operator
Asphalt/Concrete Plant Operator

Group 2: Classifications

Excavators, all attachments (3 yds up to 5 yds)
Front end Loaders (5 yds up to 7 yds)
Multi plant operator
Crushing/Screening & Washing Plants -over 75 yds per hour

Group 3: Classifications

Excavators (under 3 yds)
All Drills over 9" exploration (cable core, rotary and similar types)
All Crawler Tractors
Rubber Tired Scrapers
Gradalls
Tireman
Paver/Screed
Asphalt Rollers
Track Curb Machines
Concrete Finishing/Paving Spreading Machines
Tractor Loader Backhoes (all)
Road Profilers (Roto Mill, reclaimer, Pulvimixer, Hydra Hammer and similar types)
Drills under 9"
Slurry Seal Machine
Front end Loaders (1 yd to 5 yds)
Crushing/Screening Wash plant under 75 yds. per hour
Hiabs and similar equipment under 10 ton
Forklifts and similar equipment
Huber Maintainer and similar types
Serviceman/Truck Operator
Hydraulic Backhoes (Tractor Mounted) (All)
Tractor Mounted Chip Rock Spreader

Group 4: Classifications

All Compressors/Pumps
Belt and Conveyor type Loaders
Power Broom
All rollers/compactors/tampers
Drills – 9” and under exploration (cable core, rotary and similar type)
Pumpcrete & Grout Pumps and/or equivalent
Skid Steer

Cranes – all types:

As per CLRA Crane Rental Agreement

Concrete Mixing Batch Plants - all types:

Where the aforesaid classifications are required, they shall be in accordance with the standard Heavy Construction Agreement as negotiated with the Construction Labour Relations Association of British Columbia, and the appropriate rates for the said Agreement shall apply and conditions as outlined in this Agreement shall apply.

Apprentices and Trainees

Hourly wage rates for trainees/apprentices will be as determined by the Operating Engineers Apprenticeship Plan.

Rated Capacity

As per agreement wording.

Note: Rated capacities for various equipment referred to in Schedule “A” are maximum manufacturer’s factory rating for struck capacity of the machine. The rate of pay for other classifications involving bucket sizes shall be determined by the manufacturer’s factory rating or bucket size, whichever is greater.

New Classifications

For any equipment not listed in the foregoing groups or trade classifications, the Company and the Union shall within thirty (30) days after the equipment's utilization meet to establish an appropriate rate of pay. In the event the parties are unable to reach a satisfactory resolution, the matter shall be referred to arbitration, as provided for elsewhere in this agreement.