PROJECT LABOR AGREEMENT

FOR THE

PIO PICO
ENERGY CENTER PROJECT

SAN DIEGO COUNTY, CA
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1. INITIAL PROVISIONS

1.1. This Project Labor Agreement ("Agreement") is entered into by Kiewit Power Constructors Co. ("Primary Employer"), and the State Building and Construction Trades Council of California ("State Council") and the San Diego County Building and Construction Trades Council ("Local Council") and the local unions who have executed this Agreement, all of whom are referred to collectively as the "Unions."

1.2. The Pio Pico Energy Center Project is an approximately 300 MW generating facility located in San Diego County. The Project is owned by Pio Pico Energy Center, LLC ("Owner"). It is understood and agreed by and between the parties to this Agreement that the final plans for the Project may be subject to modifications and approval by those public agencies possessing lawful approval authority over the Project and that this Agreement applies to the Project as it is finally approved by such entities and agencies.

1.3. Primary Employer is a contractor engaged primarily in the building and construction industry. Primary Employer may directly perform construction on the Project with its own employees. This Agreement shall only apply to signatory parties (not related entities) and Owner and its affiliates insofar as Owner is third-party beneficiary, and none of these entities (or related entities) will be considered joint employers or alter egos under this agreement. Each Employer shall alone be liable and/or responsible for its own conduct and any breach of this Agreement.

1.4. As provided below, all project managers, construction managers, contractors, subcontractors or other persons or entities assigning, awarding or subcontracting Covered Work (as defined in Article 2), or authorizing another party to assign, award or subcontract Covered Work, or performing Covered Work will be subject to this Agreement by executing Attachment A, the Agreement to be Bound (all of whom, including the Primary Employer, are individually and collectively referred to as "Employer" or "Employers").

1.5. The Unions are labor organizations whose members are construction
industry employees who generally work in close proximity to one another at
collection job sites and whose jobs are closely related and coordinated. Each of
the Unions is a party to a multi-employer collective bargaining agreement ("Master
Agreement") that covers the geographic area of the Project. Where the term Master
Agreement is used, it means the existing Master Agreement currently in effect as to
each of the Unions.

1.6. A large labor pool represented by the Unions will be required to
execute the work involved in the Project. Employers wish, and it is the purpose of
this Agreement, to ensure that a sufficient supply of skilled craft workers are
available at the Project, that all construction work and related work performed by
the members of the Unions on this Project shall proceed continuously, without
interruption, in a safe and efficient manner, economically with due consideration for
the protection of labor standards, wages and working conditions.

1.7. In furtherance of these purposes and to secure optimum productivity,
harmonious relations between the parties and the orderly performance of the work,
the parties to this Agreement agree to establish adequate and fair wage levels and
working conditions and to protect the Project against strikes and lockouts and other
interference with the process of the work, including interference that could have
arisen at a common-situs jobsite if union employees had to work along side non-
union employees in their own craft or in those other crafts with which they
generally work in close proximity performing work that is closely related and
coordinated.

1.8. In the interest of the future of the construction industry in the local
area, of which the Unions are a vital part, and to maintain the most efficient and
competitive posture possible, the Unions pledge to work and cooperate with the
management of the Project to produce the most efficient utilization of labor and
equipment in accordance with this Agreement.
2. **SCOPE OF AGREEMENT**

2.1. This Agreement covers all on-site construction, alteration, painting or repair of buildings, structures and other works and related activities for the Project that is within the craft jurisdiction of one of the Unions and which is directly or indirectly part of the Project, including, without limitation, pumps, pump stations, pipelines (including those in linear corridors built to serve the Project), start-up and commissioning, material inspection and testing, all on-site fabrication work provided such work is within the fabrication provision of a local master or national agreement of one of the Unions, demolition of existing structures, and all construction, demolition or improvements required to be performed as a condition of approval by any public agency. On-site fabrication work includes work done for the Project in temporary yards or areas near the Project. All fabrication work over which the Owner possesses the right of control, including without limitation, the fabrication of air-handling systems and ducts, and HVAC sheet metal work, and which is traditionally claimed as on-site fabrication, shall be performed on-site. For the convenience of the Primary Employer or other Employers, such work may be performed off-site. In that event, such fabrication work shall be performed in accordance with the union standards established by this Agreement for the appropriate craft Union or by a fabrication agreement approved by the craft’s International Union. On-site construction shall also include the site of any batch plant constructed solely to supply materials to the Project. On-site fabrication work as defined in this Article does not include engineered equipment packages, manufactured piping and equipment, including, but not limited to, pumps, compressors, steam turbines, boilers, steam generators, skid-mounted equipment, heat exchangers, condensers, fans, valves, actuators, control panels and devices, motor control centers and power distribution centers and switchgear. Construction of all offsite utilities, when performed by San Diego Gas & Electric or another utility shall not be considered Covered Work. All work within the scope of this Agreement is referred to as “Covered Work” in this Agreement.
2.2. This Agreement covers all physical work typically performed by craft labor in California that is part of startup and commissioning, including but not limited to system flushes and testing, loop checks, rework and modifications, functional and operational testing up to and including the final running test. Parties recognize that startup of a system is unique to that operation. It is understood that the Owner’s, manufacturer’s, and vendor’s representatives, and plant operating personnel may supervise and direct this activity, and that craft work is typically performed as part of a joint effort with these representatives and personnel. A manufacturer or its representatives may perform industry standard work to satisfy its guarantee or warranty prior to startup of a piece of equipment. After a system or subsystem becomes operational and upon acceptance, Covered Work on that system or subsystem is completed. However, system flushes as well as rework and modifications normally provided as a function of the construction effort, and other related work normally provided by members of the Unions, will be performed by members of the Unions.

2.3. Inspections by Owner or Employers of incoming shipments or equipment, apparatus, machinery, and construction materials of every kind shall be performed at the sole discretion of the Owner or Employer by persons of its choice. Delivery of materials to the Project site is not Covered Work. However, a delivery from other parts of the Project site, storage yard or lay down yard is Covered Work.

2.4. Any work performed on/near the Project by federal, state, county, city or other governmental bodies and/or their subcontractors, or work performed by utilities or their designated contractors is excluded.

2.5. Specialized or technical work requiring specialized training, unique skills, or a level of specific technical experience which employees represented by the Union do not possess is excluded from this Agreement. At least one week notice shall be given to the Local Council, except in emergency situations, before any work is performed pursuant to this Section.

2.6. This Agreement applies to all employees performing Covered Work. It
does not apply to Primary Employer's supervisors not covered by a Master Agreement, technical or non-manual employees including, but not limited to, executives, office and clerical employees, drafters, engineers not performing Covered Work described in Section 2.1, time keepers, messengers, or any other employees above the classification of general foreman or who perform administrative/clerical functions.

2.7. Operations and maintenance work after completion of Covered Work on each unit is excluded.

2.8. Covered Work does not include the construction of transmission and distribution lines, outside substations, switchyards, and ground grids. Such work shall be performed by contractors signatory to IBEW Local 47 pursuant to the separate agreement between the Primary Employer and IBEW Local 47, unless constructed by San Diego Gas & Electric Company.

3. SUBCONTRACTING

3.1. Primary Employer, and each other Employer agree that they will contract for the assignment, awarding or subcontracting of Covered Work, or authorize another party to assign, award or subcontract Covered Work, only to a person, firm, corporation or other entity that, at the time the contract is executed, has become a party to this Agreement by executing Attachment A, the Agreement to be Bound.

3.2. Primary Employer and each other Employer agree that they will subcontract Covered Work only to a person, firm, corporation or other entity who is or becomes party to this Agreement and who is or becomes signatory to either a local, area or regional Master Agreement with the craft Union having traditional and customary building trades craft jurisdiction over the work or, only in the case of a national contractor, a national agreement with the International Union(s) of the craft Union(s) having traditional and customary jurisdiction over the work. Any Employer (including Primary Employer) performing Covered Work on the Project shall, as a condition to working on the Project, become signatory to and perform all
work under the terms of this Agreement and the applicable Master Agreement (the "Applicable Agreement"), provided that a national contractor already signatory to a national agreement with the International Unions, such as the National Construction Agreement, need not become signatory to a Master Agreement. Before being authorized to perform any Covered Work, Employers (other than Primary Employer) shall become a party to this Agreement by signing Attachment A, the "Agreement to be Bound." Every Employer shall notify the Local Council and the State Council in writing within five business days after it has subcontracted work, and shall at the same time provide to the Local Council and the State Council a copy of the executed Agreement to be Bound.

3.3. Notwithstanding Section 3.2, any Employer not already bound to a Master Agreement, who signs and becomes bound to a Master Agreement to participate on this Project, shall not be required to apply the terms of that Master Agreement to any other construction project in which that Employer is already engaged, or which that Employer has already been contractually bound to perform.

3.4. Nothing in this Agreement shall in any manner whatsoever limit the rights of the Primary Employer, or any other Employer, to subcontract Covered Work or to select its contractors or subcontractors, provided, however, that all Employers, at all tiers, assigning, awarding, contracting or performing, or authorizing another to assign, award, contract or perform Covered Work shall be required to comply with the provisions of this Agreement. Primary Employer and every other Employer shall notify each of its contractors and subcontractors of the provisions of this Agreement and require as a condition precedent to the assigning, awarding or subcontracting of any Covered Work or allowing any subcontracted Covered Work to be performed, that all such contractors and subcontractors at all tiers become signatory to this Agreement and the Master Agreement (except as noted in Section 3.2 for national contractors). Any Employer that fails to provide the Local Council and State Council with the Agreement to be Bound executed by its contractor or subcontractor shall be liable for any failure of that contractor or
subcontractor, or any contractor or subcontractor at a lower tier, to comply with the provisions of this Agreement, including any contributions to any trust funds that the contractor or subcontractor, or any subcontractor to that subcontractor, fails to make.

4. **WAGES AND BENEFITS**

   4.1. All employees covered by this Agreement (including foremen and general foremen if they are covered by the Master Agreement) shall be classified and paid wages, other compensation including but not limited to shift premiums, travel, subsistence, and contributions made on their behalf to multi-employer trust funds, all in accordance with the then current multi-employer Master Agreement of the applicable Union.

   4.2. Any special interest bargaining which establishes wage rates, classifications, zones, or wage escalations which apply exclusively to the Project will not be recognized. In addition, there shall be no redlining of the Project in any future multi-employer collective bargaining agreements by singling out, either by name or by effect, the Project or the Employers for less favorable wages, benefits or working conditions than are generally accorded other industrial projects in the same general geographic area.

5. **UNION RECOGNITION**

   5.1. The Employers recognize the Unions signatory to this Agreement as the sole and exclusive collective bargaining agents for their respective construction craft employees performing Covered Work for the Project, and further recognize the traditional and customary craft jurisdiction of each Union.

   5.2. All employees performing Covered Work shall be or shall become and then remain members in good standing of the appropriate Union as a condition of employment on or before the eighth (8th) day of consecutive or cumulative employment, or the eighth (8th) day following the execution of this Agreement, whichever is later.

   5.3. The Unions shall be the source of all craft employees for Covered Work
for the Project. Employers agree to be bound by the hiring and layoff practices of the respective Union, including hiring of apprentices. Employers will employ apprentices where work is within their capabilities. The parties recognize that employing sufficient numbers of apprentices on the Project is needed to make the construction process cost effective and efficient. The Employer agrees to utilize the Unions’ registration facilities and referral systems, provided that such hiring practices and referral systems have not been found to violate State or Federal law by, among other things, discriminating on the basis of union membership or non-membership, or on the basis of race, creed, color, sex, religion, age or national origin. The Employer has the right to accept or reject any applicant for employment. Further, in the event that the Unions’ hiring practices or referral system are found to violate State or Federal law, the Unions hereby agree to indemnify Employers for any damages which Employers become obligated to pay as a result of any judgment or settlement in any action based on such violation(s) and for any expenses, costs and attorney’s fees incurred by Employers in defending any action based on such violation(s). In the event that the Employer(s)’ hiring practices are found to violate State or Federal law, the Employer(s) hereby agree to indemnify the Unions for any damages which Unions become obligated to pay as a result of any judgment or settlement in any action based on such violation(s) and for any expenses, costs and attorney’s fees incurred by the Unions in defending any action based on such violation(s).

5.4. The Unions shall exert their utmost efforts, including requesting assistance from other local unions, to recruit a sufficient number of skilled craftsmen to fulfill the manpower requirements of the Employers. In the event the referral facilities maintained by the Unions do not refer the employees as requested by the Employer within a forty eight (48) hour period after such requisition is made by the Employer (Saturdays, Sundays and Holidays excepted), the Employer may employ applicants from any source, but shall arrange for a dispatch to be issued for such applicant from the Union within eight (8) days of the commencement of
employment and the dispatch shall upon request be issued to the Union to the
employee. Employer will notify the Unions of such gate-hires.

5.5. Each Union shall have the right to designate a working journeyperson
as a steward. The steward shall be a qualified employee performing the work of
that craft and shall not exercise any supervisory functions. Each steward shall be
concerned with the employees of the steward's Employer and not with the
employees of any other Employer. A steward shall be allowed sufficient time to
perform his duties.

5.6. The Unions shall not knowingly refer employees currently employed by
an Employer and working on the Project to other employment.

6. WORK STOPPAGES AND LOCKOUTS

6.1. During the term of this Agreement, the Unions, their agents,
representatives, employees and persons acting in concert with them agree that they
shall not incite, encourage, condone or participate in any strikes, walkouts, slow
downs, sit-downs, stay-ins, boycotts, sympathy strikes, sick outs, picketing or other
work stoppages, or handbilling where the handbilling relates to the Primary
Employer or Owner, or other disruptive activity at the Project site. There shall be
no lockout by any Employer.

6.2. The Union shall not sanction aid or abet, encourage or continue any
work stoppage, strike, picketing or other disruptive activity in support of the Project
and shall undertake all reasonable means to prevent or to terminate any such
activity. No employee shall engage in activities which violate this Article. Any
employee who participates in or encourages any activities which interfere with the
normal operation of the project shall be subject to disciplinary action, including
discharge, and if justifiably discharged for the above reasons, shall not be eligible
for rehire on the same project for a period of not less than ninety (90) days.

6.3. The Union shall not be liable for acts of employees for which it has no
responsibility. The business manager(s) of the respective local Union(s) will
immediately instruct, order and use the best efforts of his office to cause the local
Union(s) to cease any violations of this Article. The principal officer or officers of a local Union will immediately instruct, order and use the best efforts of his office to cause the employees the local union represents to cease any violations of the Article. A local Union complying with this obligation shall not be liable for unauthorized acts of employees it represents. The failure of the Employer to exercise its right in any instances shall not be deemed a waiver of its right in any other instance.

6.4. The Union(s) agrees that if any union or any other persons, whether parties to this Agreement or otherwise, engage in any picketing or work stoppages, the signatory Unions shall consider such work stoppage or picketing to be illegal, and refuse to honor such picket line or work stoppage.

6.5. In the event of any work stoppage, strike, sympathy strike, picketing, interference with the work or other disruptive activity at the Project site in violation of this Article, the Employer may suspend all or any portion of the project work affected by such activity at the Employer’s discretion and without penalty.

6.6. There shall be no strikes, sympathy strikes, picketing, work stoppages, slowdowns, interference with the work, or other disruptive activity, at the Project site during the term of this Agreement. Any Union which initiates or participates in a work stoppage in violation of this Article, or which recognizes or supports the work stoppage of another Union which is in violation of this Article, agrees as a remedy for said violation, to pay liquidated damages in accordance with Section 6.7.8 of this Article.

6.7. In lieu of, or in addition to, any other action at law or equity, or utilizing the regular grievance procedure under Article 8, any party may institute the following procedure when a breach of this Article is alleged, after the Union(s) or Employer(s) alleged to be in violation has been notified of the fact.

6.7.1. The party invoking this procedure shall notify Thomas Pagan, Joe Grodin, or Norman Brand who the parties to this Agreement agree shall be the permanent Arbitrators under this procedure. In the event that either of the permanent Arbitrators is unavailable at any time, the American Arbitration
Association shall select an alternative arbitrator within twenty-four (24) hours of notice. Notice to the Arbitrator shall be by the most expeditious means available, with notice by fax or electronic means or any other effective written means, to the party alleged to be in violation and the involved International Union President, and or local union.

6.7.2. Upon receipt of said notice the Arbitrators named above shall set and hold a hearing within twenty-four (24) hours if it is contended that the violation still exists.

6.7.3. The Arbitrator shall notify the parties by fax or electronic means or any other effective written means, of the place and time he has chosen for this hearing. Said hearing shall be completed in one session. A failure of any party or parties to attend said hearing shall not delay the hearing of evidence or issuance of an Award by the Arbitrator.

6.7.4. The sole issue at the hearing shall be whether or not a violation of this Article has in fact occurred. The Award shall be issued in writing within three (3) hours after the close of the hearing, and may be issued without an Opinion. If any party desires an Opinion, one shall be issued within fifteen (15) days, but its issuance shall not delay compliance with, or enforcement of, the Award. The Arbitrator may order cessation of the violation of this Article by the Union, and such Award shall be served on all parties by hand, registered mail or electronic mail upon issuance.

6.7.5. Such Award may be enforced by any court of competent jurisdiction upon the filing of this Agreement and all other relevant documents referred to hereinabove in the following manner. The fax or electronic notice of the filing of such enforcement proceedings shall be given to the other party. In the proceeding to obtain a temporary order enforcing the Arbitrator’s Award as issued under Section 6.7.4 of this Article, all parties waive the right to a hearing and agree that such proceedings may be ex parte. Such agreement does not waive any party’s right to participate in a hearing for a final order of enforcement. The Court’s order
or orders enforcing the Arbitrator’s Award shall be served on all parties by hand or
by delivery to their last known address or by registered mail or by electronic mail.

6.7.6. Any rights created by statute or law governing arbitration
proceedings inconsistent with the above procedure or which interfere with
compliance therewith are hereby waived by the parties to whom they accrue.

6.7.7. The fees and expenses of the Arbitrator shall be borne by the
party or parties found in violation, or in the event no violation is found, such fees
and expenses shall be borne by the moving party.

6.7.8. If the Arbitrator determines that a violation has occurred in
accordance with Section 6.7.4 above, the party or parties found to be in violation
shall pay as liquidated damages, the following amounts: for the first shift in which
the violation occurred, $25,000; for the second shift, $30,000; for the third shift,
$35,000; for each shift thereafter on which the violation has occurred, $35,000 per
shift. The Arbitrator shall determine whether the specified damages in this Section
shall be paid to the Owner or the Primary Employer in the case of a violation by a
Union(s), or the proportion of the award payable to each Union in the case of a
violation by an Employer. The Arbitrator shall retain jurisdiction to determine
compliance with this Section and this Article.

6.8. The procedures contained in Section 6.7 shall be applicable to alleged
violations of this Article. Disputes alleging violation of any other provision of this
Agreement, including any underlying disputes alleged to be in justification,
explanation or mitigation of any violation of this Article, shall be resolved under the
grievance procedures of Article 8.

6.9. Notwithstanding the provisions of Section 6.1 above, it is agreed that,
with twenty four (24) hour prior notice to the Primary Employer in the case of a
failure to timely pay payroll or five (5) working days prior notice to the Primary
Employer in the case of failure to make timely trust fund contribution, a Union
retains the right to withhold the services of its members from a particular
contractor or subcontractor who fails to make timely payments to the Union’s
benefit plans, or fails to timely pay its weekly payroll, in accordance with its agreements with the Union; provided, however, that in the event the Union or any of its members withholds their services from such contractor or subcontractor, Primary Employer shall have the right to replace such contractor or subcontractor with any other contractor or subcontractor who executes the Agreement to be Bound.

6.10. In the event that any applicable labor agreement expires and the parties to that agreement fail to reach agreement on a new contract by the date of expiration, a Union shall continue to provide employees to the Employers working on the Project under all the terms of the expired agreement until a new agreement is negotiated, at which time all terms and conditions of that new agreement shall be applied to Covered Work at the Project, except to the extent they conflict with any provision of this Agreement. In addition, if the new labor agreement provides for wage or benefit increases, then any Employer shall pay to its employees who performed Covered Work at the Project during the hiatus between the effective dates of such labor agreements, an amount equal to any such wage and benefit increases established by the new labor agreement for such work performed.

7. **HOURS OF WORK, HOLIDAYS AND SAFETY**

7.1. It is recognized by the parties to this Agreement that the standard work week may not be desirable or cost effective for this Project, and other arrangements for hours of work may be considered. Such proposed modifications to the standard work week will be established with the consent of the Employer and the Local Council. The standard work week shall be five (5) consecutive days of work commencing on Monday at start of shift and ending at finish of shift on Saturday.

7.2. The standard work day shall consist of eight (8) hours of work between 7:00 a.m. and 5:30 p.m. with one-half hour designated as an unpaid period for lunch. Nothing herein shall be construed as guaranteeing any employee eight (8) hours of work per day or forty (40) hours of work per week.
7.3. Any employee reporting for work and for whom no work is provided shall receive two (2) hours pay at the regular straight time hourly rate. Any employee who starts to work and works beyond the two (2) hours will be paid for four (4) hours pay at the regular straight time hourly rate. Any employee who starts to work and works beyond the four (4) hours will be paid for eight (8) hours pay at the regular straight time hourly rate. Whenever minimum reporting pay is provided for employees they will be required to remain at the project site available for work for such time as they receive pay, unless released sooner by the Employer's principal supervisor or designated representative. The provisions of this Section are not applicable where the employee voluntarily quits or is off by reason of strike, or as provided in Section 7.5 of this Agreement, in which case he shall be paid for the actual time worked.

7.4. The first two (2) hours performed in excess of the standard work day Monday through Friday, shall be paid at the rate of time and one-half. Compensation for the first ten (10) hours on Saturday will be time and one-half. There shall be no pyramiding of overtime pay. All work performed on Sundays and in excess of ten (10) hours a day shall be paid the overtime rate as stated in the appropriate local agreement, but not to exceed double the straight time rate of pay.

7.5. It will not be a violation of this Agreement when the Employer considers it necessary to shut down to avoid the possible loss of human life because of an emergency situation that could endanger life or safety. In such cases, employees will be compensated only for the actual time worked. In case of a situation described above whereby the Employer requests employees to wait in a designated area are available for work the employees will be compensated for the waiting time.

7.6. Recognized holidays shall be as follows: New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Memorial Day, Fourth of July, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Christmas Day. Under no circumstances shall any work be performed on Labor Day except in cases of
emergency involving life or property. In the event a holiday falls on Saturday, the previous day, Friday, shall be observed as such holiday. In the event a holiday falls on Sunday, the following day, Monday, shall be observed as such holiday. There shall be no paid holidays. If employees are required to work on a holiday, they shall receive the appropriate rate as provided by the Master Agreement; but in no case shall such overtime rate be more than double the straight time rate.

7.7. The Primary Employer will require all employees to observe the Project Rules, Security and Safety Regulations, Background Checks, and Fitness for Duty policies, per Section 10.2, as may be modified from time-to-time. These Project Rules and Regulations will be reviewed at the pre-job conference and shall be supplied to all employees and/or posted at the jobsite and yard. Violation of any of these Rules and Regulations is just cause for disciplinary action, up to and including discharge from employment.

7.8. Primary Employer may utilize the attached Kiewit Power Constructors Co. Drug and Alcohol Abuse Prevention Policy (Attachment C). Reasonable suspicion testing must be documented using the attached IMPACT Substance Abuse Program Reasonable Suspicion Checklist and Reporting Form (Attachment D).

7.9. Whenever parties have agreed to address modifications to this article or its subsections, and consent is required, consent will not be unreasonably withheld.

8. GRIEVANCE PROCEDURE

8.1. It is mutually agreed that any question arising out of and during the term of this Agreement involving an alleged breach of this Agreement (other than jurisdictional disputes or successorship) shall be considered a grievance and shall be resolved under this Article. Questions between or among parties signatory to a Master Agreement arising out of or involving the interpretation of a Master Agreement shall be resolved under the grievance procedure provided in that Master Agreement. The resolution of any grievance under this Agreement shall
preempt any other resolution under any other grievance procedure.

8.2. The Primary Employer and other Employers, as well as the Unions, may bring forth grievances under this Article.

8.3. A grievance shall be considered null and void if not brought to the attention of the Employer(s) within five (5) working days after the incident that initiated the alleged grievance occurred or was discovered, whichever is later. The term “working days” as used in this Article shall exclude Saturdays, Sundays or holidays regardless of whether any work is actually performed on such days.

8.4. Grievances shall be settled according to the following procedure except that grievances that do not involve an individual grievant shall be discussed by the Primary Employer, State Council and Local Council and then, if not resolved within 5 working days of written notice unless extended by mutual consent, commence at Step 4:

**Step 1**
The Steward and the grievant shall attempt to resolve the grievance with the craft supervisor within five (5) working days after the Grievance has been brought to the attention of the Employer.

**Step 2**
In the event the matter remains unresolved in Step 1 above after five (5) working days, within five (5) working days thereafter, the alleged grievance may be referred in writing to the Business Manager(s) of the Union(s) affected and the project manager or Labor Relations representative of the Employer(s) for discussion and resolution. A copy of the written grievance shall also be mailed/faxed/mailed to the Primary Employer.

**Step 3**
In the event the matter remains unresolved in Step 2 above within five (5) working days, within five (5) working days thereafter, the grievance may be referred in writing to the Business Manager(s) of the affected Union(s) involved and the Manager of Labor Relations of the Employer(s) or the Manager's designated representative, and the Primary Employer for discussion and resolution.
Step 4

If the grievance is not settled in Step 3 within five (5) working days, either party may request the dispute be submitted to arbitration or the time may be extended by mutual consent of both parties. The request for arbitration and/or the request for an extension of time must be in writing with a copy to the Primary Employer. Should the parties be unable to mutually agree on the selection of an Arbitrator, selection for that given arbitration shall be made by seeking a list of seven (7) labor arbitrators with construction industry experience from the Federal Mediation and Conciliation Service and alternately striking names from the list of names on the list until the parties agree on an Arbitrator or until one name remains. The first party to strike a name from the list shall alternate between the party bringing forth the grievance and the party defending the grievance. Primary Employer shall keep a record of the sequence and shall notify the parties to the grievance as to which party has the right to strike a name first.

8.5. The Arbitrator shall conduct a hearing at which the parties to the grievance shall be entitled to present testimonial and documentary evidence. Hearings will be transcribed by a certified court reporter. The parties shall be entitled to file written briefs after the close of the hearing and receipt of the transcript.

8.6. Upon expiration of the time for the parties to file briefs, the Arbitrator shall issue a written decision that will be served on all parties and on the Primary Employer. The Arbitrator's decision shall be confined to the issue(s) posed by the grievance and the Arbitrator shall not have the authority to modify, amend, alter, add to or subtract from, any provision of this Agreement. The Arbitrator shall have the authority to utilize any equitable or legal remedy to prevent and/or cure any breach or threatened breach of this Agreement. The Arbitrator's decision shall be final and binding as to all parties signatory to this Agreement.

8.7. The cost of the Arbitrator and the court reporter, and any cost to pay for facilities for the hearing, shall be borne equally by the parties to the grievance.
All other costs and expenses in connection with the grievance hearing shall be borne by the party who incurs them.

8.8. Any party to a grievance may invite the Primary Employer to participate in resolution of a grievance. The Primary Employer may, at its own initiative, participate in Steps 1 through 3 of the grievance procedure.

8.9. In determining whether the time limits of Steps 2-4 of the grievance procedure have been met, a written referral or request shall be considered timely if it is personally delivered, faxed or postmarked within the five (5) working day period. Any of the time periods set forth in this Article may be extended in writing by mutual consent of the parties to the grievance, and any written referral or request shall be considered timely if it is personally delivered, faxed or postmarked during the extended time period.

9. JURISDICTIONAL DISPUTES

9.1. The assignment of Covered Work will be solely the responsibility of the Employer 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.

9.2. All jurisdictional disputes between or among the Unions and their employees, parties to this Agreement, 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 Employers and Unions parties to this Agreement.

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

9.4. Each Employer will conduct a pre-job conference with the Local Council prior to commencing work. The Primary Employer and any general
contractor will be advised in advance of all such conferences and may participate if they wish.

10. MANAGEMENT RIGHTS

10.1. The Employer retains and shall exercise full and exclusive authority and responsibility for the management of its operations and work forces, except as expressly limited by the terms of this Agreement. This authority includes, but is not limited to, the right to:

10.1.1. Plan, direct and control the operation of all the work.

10.1.2. Decide the number and type of employees required for the work.

10.1.3. Hire, promote and layoff employees as deemed appropriate to meet work requirements and/or skills required. Seniority rules shall not apply on the project. The employer will be responsible for determining productivity standards.

10.1.4. Discharge, suspend or discipline employees for just cause as provided in the work rules.

10.1.5. Assign and schedule work at its sole discretion and determine when overtime will be worked. There shall be no refusal by a Union to perform work, including overtime work, assigned.

10.1.6. Utilize any safe work methods, procedures or techniques and select and use any type or kind of materials, apparatus or equipment regardless of source, manufacturer or designer, except as limited by Section 2.1.

10.1.7. The foregoing listing of management rights shall not be deemed to exclude other functions not specifically set forth herein. The Employers, therefore, retain all legal rights not specifically enumerated in this Agreement.

10.2. The Employer may establish reasonable job site work rules. These rules will be reviewed and discussed at the pre-job conference, distributed to all employees, posted at the project site by the Employer, and may be amended thereafter as necessary.

10.3. The Employer may utilize the most efficient methods or techniques of
construction, tools or labor saving devices to accomplish the work. Practices not a part of the terms and conditions of this Agreement, stand by crews and featherbedding practices will not be recognized.

10.4. No local Union rules, customs, or practices, other than those specifically enumerated in this Agreement or the appropriate Master Agreement, are applicable.

11. JOINT LABOR/MANAGEMENT MEETINGS

11.1. During the period of any work performed under this Agreement, a joint Labor/Management meeting will be held on an approximately monthly basis or more frequently as needed between the Primary Employer, the other Employers, and the signatory Unions. The purpose of these meetings is to promote harmonious labor/management relations, ensure adequate communications and advance the proficiency and efficiency of the craft workers and contractors performing work at the Project. These monthly (or more frequent) meetings will also include discussion of safety, craft resource requirements, scheduling and productivity of work performed at the Project.

11.2. A Pre-Job Conference will be held prior to the commencement of work to establish the scope of work in each Employer's contract. When a contract has been let to an Employer(s) covered by this Agreement, a Pre-Job Conference and/or Mark-Up Meeting shall be required upon request of any Union, Employer or the Primary Employer.

11.3. The Primary Employer will schedule and attend all Pre-Job Conferences and Mark-Up Meetings.

12. SUCCESSORSHIP AND SURVIVABILITY

12.1. The subcontracting obligations described in Article 3 are independent obligations of Primary Employer which shall survive any full or partial termination of Primary Employer's involvement in the Project for any reason, including, without limitation: (i) any full or partial termination or transfer of Primary Employer's right to control and coordinate construction work on the Project; (ii) any
full or partial termination or transfer of a contract, if any, between Primary Employer and any Owner for any Covered Work; (iii) the transfer of all or any portion of the Project or any interest in the Project by any Project Owner; or (iv) any other event that results in the replacement of Primary Employer with another contractor. Provided however, that the provisions of this section shall not be binding on Primary Employer in the event of the bankruptcy of the Owner if the Owner no longer holds any right to develop the Project.

12.2. The parties agree that: (i) if Primary Employer's involvement in the Project is terminated as described in Section 12.1, and (ii) Covered Work is performed by a contractor or subcontractor that is not in compliance with the provisions of Article 3, then Primary Employer shall pay liquidated damages, as described in Section 12.3, to compensate for the actual damages caused by reason thereof. The parties agree that such damages would be unreasonably difficult, costly, inconvenient or impracticable to calculate and, accordingly, they agree to liquidated damages, which bear a reasonable relationship to the actual harm suffered by the Unions and their members, as provided in Section 12.3 ("Liquidated Damages").

12.3. In the event that Liquidated Damages are owed as described in Section 12.2, Primary Employer shall pay $30.00 for each hour that work was performed on the Project within the scope of this Agreement by employees of contractors or subcontractors who are not signatory to this Agreement. The Liquidated Damages shall be paid as follows: Fifteen Dollars ($15.00) per hour to the qualified pension plan and fifteen Dollars ($15.00) per hour to the qualified health and welfare plan of the Union(s) having jurisdiction over the work performed by the contractor(s) or subcontractor(s) not signatory to this Agreement. The parties agree that a Union shall enforce, collect and receive Liquidated Damages pursuant to Article 12 on behalf of its qualified pension plan and its qualified health and welfare plan. The qualified pension plans and the qualified health and welfare plans shall have no right to independently enforce the provisions, including but not limited to, the
Liquidated Damage provisions contained in Article 12. This agreement to pay liquidated damages does not constitute a waiver of any defense that the Primary Employer’s ability to contest any claim that it has violated Article 12 or the calculation of the amount of Liquidated Damages owed.

12.4. Notwithstanding any other Section of this Agreement, upon execution and delivery of an agreement assuming all the obligations of this Agreement by a financially responsible successor, Primary Employer shall be released from liability for the payment of liquidated damages under Section 12.3 and Primary Employer shall have no liability for any breach of this Agreement by a successor employer or contractor.

12.5. In no event shall the liquidated damages payable under this Section exceed a total amount of $4,000,000. In the event that pending claims would result in a payment in excess of $4,000,000, the total claims shall be prorated based on the number of hours worked by contractors or subcontractors in violation of Article 3.1 so that the total payment of claims does not exceed $4,000,000.

12.6. The Unions authorize the Local Council to execute and deliver a release on their behalf pursuant to a resolution adopted at a duly noticed meeting of the Local Council.

12.7. This Article 12 shall be enforceable in any court of competent jurisdiction, and shall not be subject to the grievance procedure of Article 8.

13. LABOR MANAGEMENT COOPERATION TRUST

13.1. Within 90 days of the commencement of Covered Work on the Project, Primary Employer shall contribute the sum of $75,000 to the California Construction Industry Labor Management Cooperation Trust or its designee. After this payment is made there shall be no further obligation by the Primary Employer or any other Employer to make any contribution to the Trust.

14. GENERAL PROVISIONS

14.1. If any article or provision of this Agreement shall become invalid, inoperative and/or unenforceable by operation of law or by declaration of any
competent authority of the executive, legislative, judicial or administrative branches of the federal or state government, the parties shall suspend the operation of such article or provision during the period of its invalidity, and the Primary Employer and the State Council shall negotiate in its place and stead an article or provision that will satisfy the objections to its validity and that, to the greatest extent possible, will be in accord with the intent and purpose of the article or provision in question. The new article or provision negotiated by the Primary Employer and the State Council shall be binding on all parties signatory to this Agreement. At all time relevant herein the provisions of Article 6 will apply.

14.2. If any article or provision of this Agreement shall be held invalid, inoperative or unenforceable by operation of law, or by any of the above mentioned tribunals of competent jurisdiction, the remainder of the Agreement or application of such article or provision to persons or circumstances other than to which it has been held invalid, inoperative or unenforceable shall not be affected thereby.

14.3. Except as enumerated in this Agreement, all other terms and conditions of employment described in the Master Agreement of the Union having jurisdiction under the Plan shall apply.

14.4. The provisions of this Agreement shall take precedence over conflicting provisions of any Applicable Agreement or any other national, area or local collective bargaining agreement except for all work performed under the NTL Articles of Agreement, the National Stack/Chimney Agreement and the National Cooling Tower Agreement; all instrument calibration work and loop checking Covered Work shall be performed under the terms of the UA/IBEW Joint National Agreement for Instrument and Control Systems Technicians and work within the craft jurisdiction of the Elevator Constructors will be performed under the terms of the National Agreements of the International Union of Elevator Constructors; provided that Articles 6, 8, and 9 of this Agreement shall apply to all Covered Work.

14.5. Each person executing this Agreement represents and warrants that
he or she is authorized to execute this Agreement on behalf of the party or parties indicated.

14.6. This Agreement may be executed in any number of counterparts, and each counterpart shall be deemed to be an original document. All executed counterparts together shall constitute one and the same document, and any signature pages may be assembled to form a single original document.

14.7. Any notices required under this Agreement shall be given as follows:

To Primary Employer:
Cliff Heck
Kiewit Power Constructors Co.
9401 Renner Blvd
Lenexa, KS 66213
(913) 928-7942

To the State Council:
Robert L. Balgenorth, President
State Building and Construction Trades Council of California
1225-8th Street, Suite 375
Sacramento, CA 95814
Telephone: 916-443-3302

To the Local Council:
Tom Lemmon, Business Manager
San Diego County Building and Construction Trades Council
3737 Camino del Rio South
Suite 202
San Diego, CA 92108
(619) 521-2914
With a copy to:
Marc D. Joseph
Adams Broadwell Joseph & Cardozo
601 Gateway Boulevard, Suite 1000
South San Francisco, CA 94080
Telephone: 650-589-1660

Either party may notify the other in writing if its person designated to receive notice is changed.

15. HELMETS TO HARDHATS

15.1. The Employers and Unions recognize a desire to facilitate the entry into the building and construction trades of veterans and members of the National
Guard and Reserves 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 ("Center"), a joint Labor-Management Cooperation Trust Fund, established under the authority of Section 6(b) of the Labor-Management Cooperation Act of 1978, 29 U.S.C. Section 175(a), and Section 302(c)(9) of the Labor-Management Relations Act, 29 U.S.C. Section 186(c)(9), and a charitable tax exempt organization under Section 501(c)(3) of the Internal Revenue Code, 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.

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

15.3 In recognition of the work of the Center and the value it will bring to the Project, Primary Employer shall make a onetime contribution of $5,000 to the Center on behalf of itself and all other Employers employing workers under the terms of this Agreement based upon the total number of estimated hours to be worked under this Agreement multiplied by one (1) cent per hour.

15.4 The Center shall function in accordance with, and as provided in the Agreement and Declaration of Trust creating the fund, and any amendments thereto, and any other of its governing documents. Each Employer performing work covered by this Agreement approves and consents to the appointment of the Trustees designated pursuant to the Trust Agreement establishing the Center and
hereby adopts and agrees to be bound by the terms and provisions of the Trust Agreement.

15.5 Employers who fail to pay contributions or other payments owed to the Center within thirty (30) days of the date when such contributions or other payments are due shall be liable to the Trust for all costs of collection incurred by the Trust, including, attorneys' fees and court costs. The Trustees are empowered to initiate proceedings at law or equity, and to take any other lawful action necessary to collect contributions and all other payments due.

16. TERM OF AGREEMENT

16.1. The term of this Agreement shall commence on the date indicated below as the date of execution, and shall continue in effect until completion of all Covered Work pursuant to Article 2.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and effective as of __________, 2011.

KIEWIT POWER CONSTRUCTORS CO. STATE BUILDING & CONSTRUCTION TRADES COUNCIL OF CALIFORNIA
Primary Employer:

By: Dave Flickinger, President

By: Robert L. Balgenorth, President

SAN DIEGO COUNTY BUILDING & CONSTRUCTION TRADES COUNCIL

By: Tom Lemmon, Business Manager
UNIONS

[Handwritten signatures and names]

I.B.E.W 569
Ironworkers Local Union 229
Sheet Metal Workers Local 201
U.A. Sprinkler Fitters Local 659
U.A.P. 230
PLA ATTACHMENT A
AGREEMENT TO BE BOUND

PROJECT LABOR AGREEMENT
PIO PICO ENERGY CENTER PROJECT

The undersigned hereby certifies and agrees that:

1.) It is an Employer as that term is defined in Section 1.4 of the Pico Pico Energy Center Project Labor Agreement ("Agreement") because it has been, or will be, awarded a contract or subcontract to assign, award or subcontract Covered Work on the Project (as defined in Sections 1.2 and 2.1 of the Agreement), or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

2.) In consideration of the award of such contract or subcontract, and in further consideration of the promises made in the Agreement and all attachments thereto (a copy of which was received and is hereby acknowledged), it accepts and agrees to be bound by the terms and conditions of the Agreement, together with any and all amendments and supplements now existing or which are later made thereto.

3.) If it performs Covered Work, it will be bound by the legally established trust agreements designated in local master collective bargaining agreements, and hereby authorize the parties to such local trust agreements to appoint trustees and successor trustee to administer the trust funds, and hereby ratifies and accepts the trustees so appointed as if made by the undersigned.

4.) It has no commitments or agreements that would preclude its full and complete compliance with the terms and conditions of the Agreement.

5.) It will secure a duly executed Agreement to be Bound, in form identical to this document, from any Employer(s) at any tier or tiers with which it contracts to assign, award, or subcontract Covered Work, or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

DATED: __________ Name of Employer

[Signature]

Dave Flickinger - President
(Authorized Officer & Title)

(Address)
PLA ATTACHMENT B
SUBSCRIBER AGREEMENT

The undersigned hereby adopt the Trust Agreement known as the California Construction Industry Labor-Management Cooperation Trust Agreement, hereinafter referred to as "Trust" and agree to be bound by the terms thereof. The undersigned employer Subscriber and Union hereby grant Powers of Attorney to the Board of Trustees now holding office, or to the successors, to administer the Trust as representatives of the employer and Union respectively, with full power and authority to act for the employer and Union in all matters of administration of the Trust. In no event shall the Union or employer be responsible for any act or omission of the Trustees nor shall the Union or employer have any liability for any debt or liability of the Trust or its Trustees.

The employer Subscriber shall pay to the Trust the amount agreed to by the parties. The undersigned employer Subscriber acknowledges that the failure by the employer to timely remit required contributions will result in liquidated damages being payable under the Trust Agreement to which the employer Subscriber is hereby bound.

The undersigned represent and warrant that they are authorized to execute this Agreement on behalf of their respective organizations and that by their respective execution of this Subscriber Agreement their respective organizations are fully bound hereto and the provisions of the Trust Agreement.

By: [Signature]
Kiewit Power Constructors Co.

Date

By: [Signature]
State Building & Construction Trades Council

Date 12/1/2011
Attachment C

KIEWIT POWER CONSTRUCTORS CO.
PIO PICO ENERGY CENTER
Drug and Alcohol Abuse Prevention Policy

1. STATEMENT OF PURPOSE AND POLICY

Kiewit Power Constructors Co. ("KIEWIT") is committed to providing a safe, efficient, and productive work environment for the Pio Pico Energy Center. KIEWIT strives to ensure that employees will perform their duties in a manner that protects their interests and those of their co-workers, while providing the highest quality product and services to KIEWIT's clients. Employees' involvement with drugs and alcohol can be extremely disruptive and harmful to their work performance, and pose serious safety and health risks to the user and others. Accordingly, KIEWIT has developed this policy regarding the inappropriate use and possession of drugs and alcohol related to the work environment.

2. PROHIBITED BEHAVIOR

KIEWIT's Drug and Alcohol Abuse Prevention Policy defines prohibited behavior as the use, possession, sale or distribution of prohibited drugs, alcohol, firearms or explosives by any employee on company property or project, or while in the course of company business. Prohibited drugs and alcohol are as listed in Schedule I. The use of drugs as part of a prescribed medical treatment program by a licensed physician is not prohibited, but employees should advise their supervisors of use of any prescription drug that may, in any way, affect their ability to safely perform their duties.

3. SEARCHES

KIEWIT's property and all equipment, furniture and personal property maintained thereon is the sole and exclusive property of KIEWIT. KIEWIT reserves the right to inspect KIEWIT property such as desks, lockers, storage areas, file cabinets, containers, vehicles, packages, and employee common areas at any time on a random basis with or without any advance notice.

4. CONTRACTORS

It is the requirement of KIEWIT that all of its contractors have a drug and alcohol prevention program that at a minimum complies with the drug and alcohol policy of KIEWIT. In those circumstances where the contractor performs Department of
Transportation covered work, that contractor must have an anti-drug and alcohol misuse plan in accordance with 49 CFR Part 199.

5. **DEPARTMENT OF TRANSPORTATION**

Employees who perform operation, maintenance or emergency functions as defined in Part 192, Part 193 and Part 195 will also be subject to the provisions of KIEWIT's Department of Transportation Anti-Drug and Alcohol Misuse Plan. Those employees will receive a copy of the policy that covers the requirements of the 49 CFR, Part 199.

6. **DRUG TESTING**

6.1. Pre-Employment

KIEWIT has instituted a pre-employment drug-testing program for all of its applicants.

All applicants who are offered a position with KIEWIT will be required to successfully demonstrate that drugs are not being used or are not detectable in the applicants' urine. Applicants not successfully passing or refusing this examination will not be accepted for employment. Applicants who fail a drug test must comply with the company program defined under the section of this policy entitled, "Consequences of Refusing to Take or Failing a Drug or Alcohol Test".

Each applicant will be screened for drugs using the MEDTOX Profile II On-Site Screening Device. If the initial screen is negative, the applicant will be allowed to start work. If the initial screen is non-negative or inconclusive, the applicant will not be eligible to start work until the sample has been tested using GC/MS confirmation at a SAMHSA certified laboratory with a negative result. If the GC/MS confirmation test is reported as a positive, the result will be forwarded to the company medical review officer (MRO) for review. The MRO will contact the applicant to discuss the laboratory result and based upon that conversation, the MRO will make a final ruling on the test result. If the result is a MRO confirmed positive, the applicant will be denied a position with the company. If the MRO reports the test as a negative, the applicant will be eligible to start work.

6.2. Post-Accident

Drug and alcohol testing is required when an employee is involved in a workplace accident requiring medical treatment, first aid, and/or property damage in excess of $1,000.
6.2.1. Drug Testing

In the case of an accident, as herein defined, the company is required to test each employee whose performance contributed to the accident or whose performance cannot be completely discounted as a contributing factor to the accident. KIEWIT's decision not to test must be based upon the determination, using the best information available immediately after the accident that the employee's performance could not have contributed to the accident or that, because of the time between that performance and the accident, it is not likely that a drug test would reveal whether the performance was affected by drug use. The employee will be tested as soon as possible, but not later than thirty-two (32) hours after the accident. Because certain drugs or drug metabolites do not remain in the body for extended periods of time, testing will be done as soon as possible.

KIEWIT will take all reasonable steps to obtain a urine sample from an employee after an accident. In the case of a conscious but hospitalized employee, KIEWIT will request the hospital or the medical facility to obtain the sample. If necessary, as part of the request, KIEWIT will refer the hospital to the DOT drug testing requirements. If an employee is injured, unconscious (employee is unable to communicate), or otherwise unable to evidence consent to the procedure (employee is unable to sign custody and control form), the specimen will not be taken until the employee's condition is stabilized and he or she is able to give consent to the post-accident drug test. All reasonable steps must be taken to obtain a urine sample from the employee. If an employee who is subject to post-accident testing is conscious, able to urinate normally (in the opinion of a medical professional) and refuses to be tested, that person will be immediately discharged.

KIEWIT has developed written procedures/guidelines for employees and supervisors who are involved in accident situations that require post-accident testing.

6.2.2. Alcohol Testing

KIEWIT shall promptly determine and test each surviving covered employee for alcohol if that employee's performance contributed to the accident or cannot be completely discounted as a contributing factor to the accident. The decision not to administer an alcohol test under this section shall be based on KIEWIT's determination, using the best available information
at the time of the determination, that the employee's performance could not have contributed to the accident.

KIEWIT shall conduct an alcohol test within two hours of the accident. If the test is not conducted within two hours of the accident KIEWIT shall prepare and maintain a written document explaining why the test was not conducted. KIEWIT shall continue all efforts to conduct the alcohol test. If the test is not conducted within eight hours KIEWIT shall cease all attempts to conduct the test and shall prepare and maintain written documentation as to why the test was not conducted.

The employee must remain available for alcohol testing for the remainder of the paid shift if so requested and if physically capable.

Nothing in this section shall be construed to require the delay of necessary medical attention for injured people following an accident or to prohibit a covered employee from leaving the scene of an accident for the period necessary to obtain assistance in responding to the accident or to obtain necessary emergency medical care.

6.3. Reasonable Cause

KIEWIT may require a drug test of an employee when KIEWIT has reason to believe that an employee may be involved with the use of drugs and alcohol. Reasonable Cause testing exists when a supervisor or manager can document specific personal observations concerning the employee. Those observations may include, but are not limited to:

- Unsafe work habits or practices that endanger the employee, fellow employees, or the public.
- Abnormal work performance.
- Abnormal personal behavior and/or poor interpersonal relations on the job.
- Involvement in a workplace incident where the circumstances indicated the possibility that drugs and alcohol were a factor in the incident.

6.4. Random Testing

Random testing will only be performed where required by Federal Regulations related to DOT PHMSA or DOT FMCSA covered
employees.

7. **MEDICAL REVIEW OFFICER**

KIEWIT utilizes a Medical Review Officer (MRO) to perform professional assistance by interpreting, evaluating, and monitoring the drug testing results. The MRO is a licensed physician with knowledge of drug abuse disorders, including the medical effects of prescription drugs and alcohol and the pharmacology and toxicology of illicit drugs and alcohol. The following rules govern MRO determinations:

7.1.1. If the MRO determines, after appropriate review, that there is a legitimate medical explanation for the confirmed positive test result other than the unauthorized use of a prohibited drug, the MRO is not required to take further action.

7.1.2. If the MRO determines, after appropriate review, that there is no legitimate medical explanation for the confirmed positive test result other than the unauthorized use of a prohibited drug, the MRO shall refer the individual tested to KIEWIT.

7.1.3. Based on a review of laboratory inspection reports, quality control data and other drug test results, the MRO may conclude that a particular drug test result is scientifically insufficient for further action. Under these circumstances, the MRO should conclude that the test is negative for the presence of a prohibited drug or drug metabolite in an individual's system.

8. **SUPERVISOR TRAINING**

Supervisory personnel responsible for those employees covered under this policy will receive training related to recognizing the signs and symptoms of drug use and alcohol misuse. The training shall include at least one 60-minute period of training on the specific, contemporaneous physical, behavioral, and performance indicators of probable drug use as well as one 60-minute period of training related to indicators of probable alcohol misuse. This training shall be for supervisors who may determine whether an employee must be drug or alcohol tested for reasonable cause.

Reasonable cause testing is designed to provide management with a tool (in conjunction with supervisor training on the signs and symptoms of drug use) to identify drug-affected employees who may pose a danger to themselves and others in their job performance. Employees may be at work in a condition that raises concern regarding their safety or productivity. Supervisors must then make a
decision as to whether there is reasonable cause to believe an employee is using or has used a prohibited drug or has misused alcohol. The decision to test must be based on a reasonable and articulate belief that the employee is using a prohibited drug or misusing alcohol on the basis of specific, contemporaneous physical, behavioral, or performance indicators of probable drug use or alcohol misuse. At least two of the employee's supervisors, one of whom is trained in detection of the possible symptoms of drug use or alcohol misuse, shall substantiate and concur in the decision to test an employee. The concurrence by both supervisors can be accomplished by phone or by having another supervisor travel to the job site, if only one supervisor is available at that particular job site.

In addition, when the trained supervisors have observed a person who may be using a prohibited drug or misusing alcohol, they will include a witness to the reasonable cause determination, preferably the respective craft's steward, if available. If the respective craft steward is not available, the witness must be a member of the respective craft and must witness the subject behavior.

9. **CONSEQUENCES OF REFUSING TO TAKE OR FAILING A DRUG OR ALCOHOL TEST**

9.1. **KIEWIT** will not hire an applicant, or continue to employ an individual who refuses to take a drug or alcohol test or fails a drug or alcohol test after the MRO determines that there is no legitimate medical explanation for the confirmed positive test result other than the unauthorized use of a prohibited drug and/or alcohol. An employee who refuses to take a drug or alcohol test will be discharged.

9.2. An applicant and/or employee who has refused to take or has failed a drug and/or alcohol test will be ineligible for employment with KIEWIT for six (6) months. At the end of the six (6) month period, an individual may reapply for employment. If KIEWIT has a position available and chooses to offer it to the applicant, he/she must pass a drug test before beginning employment.

9.3. **KIEWIT** is under no obligation to hire an applicant or rehire an employee who has failed or has refused to take a drug or alcohol test.

9.4. It is not the obligation of KIEWIT to provide for the rehabilitation of any applicant or employee who refuses to take or fails a drug or alcohol test.
10. **POLICY VIOLATIONS**

All employees who are covered by this policy are subject to the rules stated in this policy. Violations of this policy by KIEWIT's employees will result in immediate termination.

The policy provisions stated in this policy are applicable to sub-contractors of KIEWIT. Violations of these provisions or refusal to cooperate can result in KIEWIT barring subcontractors from KIEWIT facilities or from participating in KIEWIT operations.

11. **CONFIDENTIALITY**

The Company will carefully consider individual expectations of privacy and confidentiality in retaining records under this plan. With the exception of the testing laboratory, the Medical Review Officer, and designated representative of the Company, the drug test results may not be released to anyone without the express written authorization of the tested individual, unless required by law or court order.

To maintain confidentiality, written records regarding testing and rehabilitation under this plan will be stored in locked containers or in a secured location. These records will not be made part of individual personnel files.

12. **ACKNOWLEDGEMENT OF UNDERSTANDING**

I acknowledge receipt of KIEWIT's Drug and Alcohol Prevention Policy. I understand it is my responsibility to read and comprehend its contents and should I have any questions, I will contact my supervisor.

(Employee Signature)

(Print Name)

(Date)

*Note: Employee should receive a copy of the signed copy of this policy*
SPECIMEN COLLECTION PROCEDURE

1. Verify the donor's identity by photo identification or positive identification by employer's representative.

2. Complete Step 1 of the chain of custody form.

3. Have the donor complete Step 7 on copy 4 of the chain of custody form.

4. The donor must leave outer garments (coats, coveralls, hats) and personal belongings (purses, briefcases) outside of the collection area. The donor may retain his wallet. Ask donor to remove contents of pockets for collector inspection.

5. Instruct the donor to wash and dry their hands.

6. Open MEDTOX split specimen collection containers in the donor's presence.

7. Instruct the donor to provide at least 60 milliliters of urine into the calibrated collection container with temperature strip on it.

8. After obtaining the specimen from the donor, check the temperature of the sample and indicate in Step 2 of the chain of custody form that the temperature has been checked and is within range.

9. Open the two urine transfer tubes in the donor's presence and pour at least 30 milliliters of urine into each. Tightly snap on the caps of each urine transfer tube and lock each hinge.

10. Place one security seal over the top and down the side of each bottle. Do not cover the hinge.

11. Have the donor initial and date the security seals now that they have been affixed to the urine transfer tubes.

12. Begin Step 3 on the chain of custody form by filling in line one with date, collector's name, and collector's signature.

13. Place the sealed specimens into the biohazard bag. Do not seal the bag.

14. Give the green copy of the chain of custody form to the donor. Place the remaining copies of the chain of custody form in the biohazard bag with the specimen.

15. The specimens are now secure for temporary storage.
PROFILE-IIA TEST PROCEDURES

1. Remove chain of custody form and ONE specimen container from the biohazard bag. Remove foil sealed PROFILE-IIA test device.

2. Check the expiration date and record it and the lot number in Step 2 on the chain of custody form.

3. Complete Step 3 on the chain of custody form by filling in line two with date, tester's name, and tester's signature.

4. Obtain the Color Comparator chart for the PROFILE-IIA device.

5. Open one foil sealed PROFILE-IIA test device.

6. Open the sealed specimen bottle. Squeeze end of pipette and insert into urine. Release end of pipette when full and remove.

7. Holding pipette at vertical angle, dispense exactly two (2) drops of urine into each of the sample wells.

8. For the LatFlo strip, allow the urine specimen to migrate down the test strip. Read the results for Nitrite, Specific Gravity, Glutaraldehyde, and pH immediately after the pads are wetted with the sample. Read the results for the Oxidant test pad one minute after the pads are wetted with the sample.

9. For the PROFILE-II strip, read the results at 7 minutes of sample application.

10. Complete the chain of custody form by filling in Step 4 and annotating the results of the on-site test.

11. If the test result is negative, fax the top copy of the form to MEDTOX at 1-888-295-0466. If an MRO is listed, send the pink copy of the form to the MRO. If no MRO is listed, send this copy to the employer. Discard the specimen and keep the yellow copy for your records.

12. If the test result is non-negative, complete Step 5 on the chain of custody form. Place the top copy of the form and the remaining sealed specimen into the biohazard bag for transport to MEDTOX via Airborne Express.
READING THE TEST RESULTS
PROFILE-II

NEGATIVE:
The appearance of both a reddish-purple Control (CTRL) line and a specific drug line indicates a negative test result. The color intensities of the Control line and a specific drug line may not be equal. Any line of faint color intensity visible within 7 minutes indicates a negative result.

NON-NEGATIVE:
The appearance of a reddish-purple control (CTRL) line and the absence of a line next to a specific drug name at 7 minutes indicates a preliminary positive test result for that specific drug.

INVALID:
The absence of a reddish-purple Control (CTRL) line indicates the test is invalid. The urine sample should be retested on a new PROFILE-IIA device.

LFAS Strip: Visually compare the reagent test pads on the LFAS strip to the corresponding color blocks on the LFAS Color Comparator chart. Hold the device close to the LFAS Color Comparator chart. Carefully match the parameter pad colors on the LFAS strip with the color blocks on the LFAS Color Comparator chart. Record the results of each parameter test pad. Proper read times are critical for optimal results. The read time listed on the LFAS Color Comparator chart for each parameter test pad is to begin as soon as the parameter test pads have completely wetted.

INTERPRETATION OF TEST RESULTS

PROFILE-II Strip: A negative test result for a specific drug indicates that the sample does not contain the drug/drug metabolite above the cutoff level.

A positive test result for a specific drug indicates that the sample contains drug/drug metabolite at or above the cutoff level. It does not indicate the level of intoxication or the specific concentration of drug in the urine sample.

There are other possible results depending on the drug or combination of drugs present in the urine sample.

LFAS Strip: Results with the LatFlo reagent strip are obtained directly from the LatFlo Color Comparator chart by visual comparison. Urine specimens tested will be either normal or abnormal as indicated on the LatFlo Color Comparator chart. A normal specimen is considered not adulterated and an abnormal specimen is considered as a preliminary positive test result for adulteration. Abnormal specimens should be sent to a laboratory for further analysis.

Please refer to company policy for guidance regarding the handling of specimen validity results.
Chain-of-Custody Form, Negative

MEDTOX FAX RESULT LINE: 888-295-0466
On Site Screening Custody Form - FAX THIS COPY

PA581152

To be completed by COLLECTOR / DONOR

Donor Social Security Number

187454321

Signature

JANE DOE

DO NOT ALTER THIS DOCUMENT

Employee

SAMPLE ACCOUNT

SAMPLE NAME

STREET ADDRESS

CITY / STATE

MRQ JOHN SMITH

STREET ADDRESS

CITY / STATE / ZIP CODE

Account # 9999

PA581152

2

To be Completed by COLLECTOR - Indicate Reason For Test

☑ Pre-employment ☐ Random ☐ Reasonable Suspicion ☐ Return to Duty

☐ Follow-Up ☐ Post Accident ☐ Other (please specify)

Collection Site Phone No. 7635551212

3

To be initiated by the PERSON COLLECTING THE SPECIMEN and COMPLETED AS NECESSARY THEREAFTER:

I, the collector, by signing below verify that the specimen identified on this form is the specimen given to me by the donor identified above and that it has been collected, labeled and sealed in accordance with applicable requirements.

DATE: 03/15/2001

RELEASED BY: JOHN SMITH

COLLECTOR'S SIGNATURE

TEMPORARY STORAGE

03/15/2001

DATE: 03/15/2001

RELEASED BY: JOHN SMITH

COLLECTOR'S SIGNATURE

TEMPORARY STORAGE

4

To be completed by person conducting on-site drug test only

RESULTS OF ON-SITE SCREEN TEST: ☐ NEGATIVE ☐ NON-NEGATIVE: REQUIRES ADDITIONAL TESTING

REMARKS CONCERNING COLLECTION / TEST

☐ 12

MEDTOX LABORATORIES CONFIRMATION REQUEST: (Send the marked laboratory specimen to MEDTOX Laboratories if result is non-negative)

☐ 43991

Complete Step 5 ONLY if the on-site test is non-negative.

DATE: 03/15/2001

RELEASED BY PRINTED NAME / SIGNATURE

RECEIVED BY PRINTED NAME / SIGNATURE

PURPOSE OF CHANGE

COBRA

5

MEDTOX

To be completed by MEDTOX

DATE: 03/15/2001

RELEASED BY PRINTED NAME / SIGNATURE

RECEIVED BY PRINTED NAME / SIGNATURE

PURPOSE OF CHANGE

COBRA

THE RESULTS FOR THE ABOVE IDENTIFIED SPECIMEN ARE:

☐ NEGATIVE ☐ POSITIVE, FOR THE FOLLOWING:

☐ COCAINES AS TARY-THC

☐ AMPHETAMINES

☐ AMPHETAMINE

☐ METHAMPHETAMINE

☐ TEST NOT PERFORMED

☐ SPECIMEN INTEGRITY RESULTS OUTSIDE NORMAL RANGE

I certify that the specimen identified by this accession number has been maintained upon receipt for proper identification and chain of custody. I have reviewed transmittal and continuation data and the results and facts are for the specimen received.

Mary L. Hill, Ph.D.

6

6/3/02

Received by Ph.D.

MEDTOX

COPY 1: IF ADDITIONAL TESTING IS NECESSARY, SEND WITH LABORATORY SPECIMENS TO MEDTOX

10/07/02 (000)
MEDTOX FAX RESULT LINE: 888-295-0466
On Site Screening Custody Form - FAX THIS COPY

PA581150

To be completed by COLLECTOR / DONOR

DONOR CONSENT: I certify that I provided the specimen to the collector, that the specimen container was marked with a label

Employer

SAMPLE ACCOUNT
SAMPLE NAME
STREET ADDRESS
CITY, STATE

MRI-DR. JOHN SMITH
STREET ADDRESS
CITY, STATE, ZIP CODE

Account #: 94949

PA581150

To be completed by COLLECTOR - Indicate Reason For Test

Pre-employment Random Reasonable Suspicion Return to Duty

Follow-up Post Accident On-Site

Collection Site Phone No.: 555-678-9432

To be initiated by the PERSON COLLECTING THE SPECIMEN and COMPLETED AS NECESSARY THEREAFTER:

DATE OF TEST: 02/15/2001

TEMPORARY STORAGE

TEMPORARY STORAGE

REMARKS CONCERNING COLLECTION / TEST

MEDTOX LABORATORIES CONFIRMATION REQUEST: (Send the marked laboratory specimen to MEDTOX Laboratories if result is non-negative.)

COPY 1: IF ADDITIONAL TESTING IS NECESSARY, SEND WITH LABORATORY SPECIMEN TO MEDTOX
MEDTOX FAX RESULT LINE: 888-295-0466
On Site Screening Custody Form - FAX THIS COPY

PA581149

To be completed by COLLECTOR / DONOR

DONOR CONSENT

I certify that I provided my specimen to the collector, that the specimen was sealed into a tamper-proof seal, and that the information printed on this form and on the label affixed to the specimen bottle is correct. I hereby give permission for the proper use of my specimen. The specimen will be tested by my Health Care Provider. In the event of a failure for employment or pre-employment, it serves notice of the results of these tests to my employer or prospective employer and to any authorized health care provider.

Signature

John Doe

Account # 9999

Specimen temperature must be read within 4 minutes of collection.

X Exp. Date 12/31/01

X Temp. Range 90° F / 0° C

Located

Collection Site Phone No. 555-6279438

PA581149

To be completed by the PERSON COLLECTING THE SPECIMEN and COMPLETED AS NECESSARY THEREAFTER:

DATE: 02/15/2001

RELEASED BY: Bill Smith

TEMPORARY STORAGE

PA581149

DATE: 02/15/2001

To be completed by person conducting on-site drug test only

RESULTS OF ON-SITE SCREEN TEST: □ NEGATIVE □ NON-NEGATIVE; REQUIRES ADDITIONAL TESTING

REMARKS CONCERNING COLLECTION / TEST

MEDTOX LABORATORIES CONFIRMATION REQUEST: (Send the marked laboratory specimen to MEDTOX Laboratories if result is non-negative)

45991

Complete Step 5 ONLY if the on-site test is non-negative.

DATE: 02/15/2001

RELEASED BY PRINTED NAME / SIGNATURE

Bill Smith

RECEIVED BY PRINTED NAME / SIGNATURE

Bill Smith

PURPOSE OF CHANGE

For Transport to MEDTOX

□ Real INRAT

To be completed by MEDTOX

DATE: 02/15/2001

RELEASED BY PRINTED NAME / SIGNATURE

Bill Smith

RECEIVED BY PRINTED NAME / SIGNATURE

Bill Smith

PURPOSE OF CHANGE

For Accessing at MEDTOX

To be completed by Donor

Donor Name: John Doe

Donor Address: 1234 Fifth Ave

Home Phone: (555) 123-4567

Work Phone: (555) 456-1237

To be completed by the MEDICAL REVIEW OFFICER

If positive □ Negative □ OD Type A Odor

REMARKS

Date Due: 6/28/01
LIMITATIONS OF PROCEDURES

PROFILE-II:

- PROFILE-II is only for use with unadulterated human urine samples.
- A positive result for any drug(s) in PROFILE-II does not indicate or measure intoxication. It only indicates the presence of specific drugs(s) in the urine specimen.
- Test results interpreted after 7 minutes may not be consistent with the original result obtained at the 7 minute reading. Disregard any results obtained after 7 minutes.
- Certain medications containing opiates or opiate derivatives, or amphetamines may produce a positive result in any chemical or immunological assay. Additionally, foods and tea containing poppy products, or prolonged passive inhalation of THC, may produce a positive result. Package insert contains additional information.
- There is a possibility that other substances and/or factors not listed above, e.g. technical or procedural errors, may interfere with the test and cause false results.
- Some result lines will be more faint than others. Any indication of a line represents a negative result.

LFAS Strip: The object of the tests for adulteration is to discover deviations in human urine samples, such as dilution or the addition of drug-test interfering substances. The list of limitations below includes those compounds or physical properties that may affect the test. Medications may cause abnormal results due to discoloration of the urine, and consequently mask the reagent pad color development.

Oxidant: Larger amounts of ascorbic acid that may be present in urine after a high intake of vitamin C (vitamin tablets, antibiotics, or fruit juices) can lead to lower or falsely negative results. Nitrates at very high concentrations (10mg/ml) will produce a green/black color change on the Oxidant pad. The presence of blood cells in the urine may cause the oxidant pad to turn green.

Nitrite: False positive results can be caused by the presence of diagnostic or therapeutic dyes in the urine. Very high concentrations of oxidant (80% bleach) will produce a brown color change on the Nitrite pad.

Glutaraldehyde: Phenyldione in higher concentrations interfere with the test, and will produce variable colors. Pthalein compounds interfere by producing a red coloration.

You have now completed the PROFILE-II training program. To achieve certification as a tester with this device, you must successfully complete the following fifteen question certification quiz with a score of 80% or higher. If you have any questions and would like to speak to a service representative, please call us at 1-888-557-2590.
ATTACHMENT D
IMPACT Substance Abuse Program
Reasonable Suspicion Checklist and Reporting Form

Date of Report: ______________ Date/Time Period Covered by Observation: ______________

Employee Name: ___________________________ Job Title: ___________________________

Supervisor: ____________________________________________

Corroborating Witness (if applicable): _____________________________________________

Physical Symptoms
• Flushed or Pale Face
• Dilated Pupils
• Constricted Pupils
• Glassy Eyes
• Bloodshot or Red Eyes
• Sniffles
• Swaying, Wobbling, Staggering or Falling
• Dizziness
• Excessive Sweating in Cool Areas
• Smell of Liquor
• Strange Chemical odor on Breath
• Burnt Rope Smell on Clothes, Hair or Body
• Drowsiness
• Incoherent, Confused or Slurred Speech
• Apparent Insensitivity to Pain
• Reduced Reaction Time
• Poor Coordination
• Increased or Depressed Breathing Rate

Behavior
• Antagonistic
• Restless
• Overreacts to Minor Things
• Unusually Talkative/Rapid Speech
• Excessive Laughter or Hilarity
• Baseless Panic
• Withdrawn
• Rapid Mood Swings
• Irritable
• Combative
• Depressed

Work Symptoms
• Doesn't Follow Task Instructions
• Shows Disregard for Safety of Self and Others
• Exhibits Excessive Carelessness
• Appears Unable to Concentrate Fully

Provide Explanation Where Appropriate
- Excessive Mistakes
- Unexplained Declines in Productivity
- Dangerous Behavior
- Unable to Order Tasks
- Forgetfulness
- Excessive Focus on Minute Details
- Unexpected and Frequent Absences from Work Area

Long Term Symptoms
- Complaints From Coworkers
- Excessive Work Absences
- Leaves Job Early for Variety of Excuses
- Comes Late for Variety of Excuses
- Accident Prone
- General Poor and Deteriorating Physical Condition
- Weight Loss

General Comments: ____________________________

ACTION

- Refer to Drug Test
- Refer to Employee Assistance Program (EAP)
- No Further Action At This Time

Completed By: ____________________________ Title: ____________________________

Meeting Notes/ Meeting Date: ____________________________
**SCHEDULE I**

**COMPOSITE DRUG**

**FIVE DRUG PANEL**

<table>
<thead>
<tr>
<th>Drug</th>
<th>Screening Levels</th>
<th>Confirmatory Levels</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amphetamines¹</td>
<td>1000 ng/mL</td>
<td>500 ng/mL</td>
</tr>
<tr>
<td>Cocaine</td>
<td>300 ng/mL</td>
<td>150 ng/mL</td>
</tr>
<tr>
<td>Cannabinoids²</td>
<td>50 ng/mL</td>
<td>15 ng/mL</td>
</tr>
<tr>
<td>Opiates³</td>
<td>2000 ng/mL</td>
<td>2000 ng/mL</td>
</tr>
<tr>
<td>Phencyclidine⁴</td>
<td>25 ng/mL</td>
<td>25 ng/mL</td>
</tr>
<tr>
<td>Alcohol</td>
<td>.02 Breath Alcohol Level BAC or greater considered positive</td>
<td></td>
</tr>
</tbody>
</table>

¹ Stimulants – Methamphetamine – “Speed,” “Crank,” etc.
² Marijuana, hashish, THC – Tetrahydrocannabinol
³ Painkillers – heroin, Demerol, morphine, etc.
⁴ PCP – “Angel Dust”