

DEPARTMENT OF INDUSTRIAL RELATIONS
DIVISION OF LABOR STATISTICS & RESEARCH
455 Golden Gate Avenue, 8th Floor
San Francisco, CA 94102

ADDRESS REPLY TO:

San Francisco P.O. Box 420603
CA 94142-0603



TRAVEL AND SUBSISTENCE PROVISIONS

FOR

**WATER WELL DRILLER:
WATER WELL DRILLER,
PUMP INSTALLER AND HELPER**

IN

ALAMEDA, CALAVERAS, FRESNO, MADERA, MARIPOSA,
MERCED, MONTEREY, SAN BENITO, SAN FRANCISCO,
SAN MATEO, SANTA CLARA, SANTA CRUZ, AND TOULUMNE
COUNTIES

— 63-3-56

AGREEMENT

THIS AGREEMENT, made and entered into this 1st day of January, 1998, by and between MAGGIORA BROS. DRILLING, INC., ("Employer"), and OPERATING ENGINEERS LOCAL UNION NO. 3 of the International Union of Operating Engineers, AFL-CIO ("Union").

01.00.00 COVERAGE

01.01.00 The provisions of this Agreement shall cover all work of the Employer coming within the jurisdiction of the Union.

01.02.00 *Prevailing Wage Public Works Projects.* Work performed pursuant to a contract awarded on the basis of bid specification providing for payment of wages and fringes on the project under the Federal Davis-Bacon Act or California Labor Code Section 1770, *et seq.* shall be subject to the wage rates, fringes, hours, overtime and working conditions of said bid specification. As wage rates vary from county to county, a master list of the latest prevailing wage rates available to the Employer shall be posted on the bulletin board.

01.02.01 In the event that bid specifications or the Employer's project contract provide for the payment of wage rates exceeding those set forth in the Agreement, classifications covered by the Agreement shall receive such higher wage rate, but in no event shall Employees covered by this Agreement receive wage rates less than those provided in this Agreement. All subcontract work performed for the Employer on such projects will be subject to the same terms and working conditions.

01.03.00 This Agreement shall cover all persons (excluding any office and clerical employees, managerial employees, guards, and supervisors as defined in the LMRA) employed by the Employer on work covered by this Agreement, such persons hereinafter being referred to as "Employees."

02.00.00 RECOGNITION

02.01.00 The Employer recognizes the Union as the sole collective bargaining representative of all the Employees covered under the terms of this Agreement.

03.00.00 EMPLOYMENT

03.01.00 In the hiring of Employees covered by this Agreement, and providing competency, efficiency, skill and ability are satisfactory (of which Employer shall be the sole judge), preference shall be given by Employer:

03.01.01 To former Employees of the Employer who are available for rehire.

03.01.02 To persons experienced in work similar to that for which job openings are available.

03.02.00 If workmen cannot be obtained who meet the conditions set out in Section 03.01.01 and 03.01.02 above, the Employer and the Union shall cooperate in the recruitment of workmen who may be satisfactory to Employer.

03.03.00 In observing the foregoing provisions of this Agreement, neither the Union nor the Employer shall discriminate in favor of or against any person because of membership or non-membership in the Union or any other labor organization.

03.04.00 Employer will notify the Union five (5) days after employment of all new hires subject to this Agreement (written notification to San Jose Office). Employer will cause new hires to sign a Union supplied new applicant and dues information form.

03.05.00 *Dues and Initiation Fees.*

03.05.01 The Employer agrees to deduct from the wages of such of its Employees as shall so request in writing, all dues, reinstatement and initiation fees hereafter becoming due from such Employee to the Union, and to transmit the money so deducted to the Union as hereafter provided. Any Employee desiring to have such deduction or deductions made shall sign a proper assignment form which is attached hereto and made a part hereof as Exhibit A, requesting such

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05.01.03 The waiting periods referred to in Sections 05.01.01 and 05.01.02 shall apply to date of hire, even though date of hire may precede the effective date of this current Agreement.

05.02.00 *COST-OF-LIVING ADJUSTMENT (hereinafter referred to as "COLA")*. The parties have agreed to the following with respect to COLA for the term of this Agreement:

05.02.01 FOR PURPOSES OF THIS AGREEMENT:

- (1) "CONSUMER PRICE INDEX" refers to the "Consumer Price Index for Urban Wage Earners and Clerical Workers — U.S. City Average (All Items 1967 = 100)," published by the Bureau of Labor Statistics, U.S. Department of Labor.
- (2) "CONSUMER PRICE INDEX ADJUSTMENT BASE." The Consumer Price Index Adjustment Base for the first adjustment period shall be the Consumer Price Index for the month of October of the year preceding the adjustment date.
- (3) "CHANGE IN THE CONSUMER PRICE INDEX" is defined as the difference between the Consumer Price Index Adjustment Base and the Consumer Price Index as indicated at the conclusion of the subsequent twelve-month period.
- (4) "COST-OF-LIVING ADJUSTMENT." Effective on each subsequent January, the adjustment shall be based on the percentage of the cost-of-living increase for the periods set forth above.
- (5) The COLA shall be applied to the wage rates, Health and Welfare, Pension and Pensioned Health and Welfare then in effect for each job classification and shall be computed as a percentage monetary increase for each job classification effective January 1. If there is no increase in COLA, the COLA shall not apply and these rates shall remain as they were for the subsequent calendar year. If there is an increase in COLA, the monetary amount will be added to wage rates, Health and Welfare, Pension and Pensioned Health and Welfare, or any combination, at the option of the Employees acting collectively through the Union. COLA shall be rounded off to the nearest whole cent. In order to maintain Health and Welfare benefits as provided under Section 10.01.01, Employees may elect to reduce wage rates and/or other fringes if the total COLA is insufficient to cover the increase in the Health and Welfare rate necessary to maintain existing benefits.

06.00.00 *WORKING CONDITIONS*

06.01.00 *DAILY COMPENSATION*. All Employees shall receive regular compensation for all actual hours of work at a yard or on a jobsite, or when driving any company vehicle other than those vehicles provided for the convenience of the Employee(s) in getting to and from a jobsite. Employees shall also receive compensation when in transit between jobsites when working at more than one jobsite on a given day; however, Employer's yards shall not be considered as jobsites within the meaning of this paragraph only.

06.01.01 *MOVE-IN / MOVE-OUT*. All Employees shall be paid hourly compensation for their participation in the move-in and move-out for each project. Where different drilling and/or pump rigs are utilized on a project, each rig shall have a separate move-in and move-out paid. For purposes of this Section, project is defined as all company operations at a single site, or at multiple sites within a five (5) mile radius covered by a single customer contract. Move-in is defined as the initial transporting of a drilling or pump rig from the yard or other different project to the jobsite. Move-out is defined as the final transporting of a drilling or pump rig from the jobsite to the yard or a different project.

06.01.02 *TRANSPORTATION*. Employees not otherwise engaged in driving company rigs or service vehicles may utilize these vehicles for transportation as space is available, but shall not be compensated for such time except as provided in Sections 06.01.00 or 06.01.01. Where space is not available on rigs or service vehicles, the Employer may also provide transportation for the convenience of such uncompensated Employees without compensation to the driver. Vehicles provided for transportation for the convenience of the Employee may be utilized by Employer to haul tools, fuel, bits, or materials without compensation to the driver of such vehicle (except as provided in Sections 06.01.00 and 06.01.01), and Employees shall fuel such vehicles without compensation from Employer. Uncompensated Employees shall not be required to report to a yard either before or after their shift.

06.01.03 Crews are encouraged to rotate the driving of company vehicles for which compensation is paid to the extent that the individuals are qualified to drive the particular vehicle. Except as provided in Sections 06.01.00 or

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06.01.01, no Employee shall receive compensation by virtue of the sole fact that the Employee is the driver of or a passenger in a company vehicle. Yard work shall not qualify an Employee for compensation for transit to or from a jobsite except as provided in Section 06.01.00 or 06.01.01.

06.01.04 ROOM AND BOARD. For all work located more than sixty (60) miles from an Employer's permanent yard the Employer shall be responsible for payment to the proprietors of motels providing rooms to Employees, as selected by Employer, and shall pay Employees thirty dollars (\$30.00) a day for meals. The amount for meals shall be increased one dollar (\$1.00) in each successive year of this Agreement. Employees returning home at night shall not be eligible for room or meals.

06.01.05 Employer shall pay all tolls.

06.02.00 Overtime shall be paid for work covered by this Agreement as follows:

06.02.01 Time and one-half (1-1/2) shall be paid for all work performed over twelve (12) hours per day or forty (40) straight-time hour week, Monday through Saturday.

06.02.02 Time and one-half (1-1/2) shall be paid for all work on Sundays.

06.02.03 Shift Differential. Employees on swing shift shall receive three percent (3%) per hour premium. Graveyard shift shall receive five percent (5%) per hour premium. Starting times shall be used to compute shift differential. Shift differential shall be paid through the entire shift. Shifts shall start as follows:

Day shift — 5:00 a.m. to 1:00 p.m.

Swing shift — 1:00 p.m. to 9:00 p.m.

Graveyard shift — 9:00 p.m. to 5:00 a.m.

Exception for two- or three-shift operations. Where the work for an individual project is performed in either two- or three-shift operations, the day shift shall begin between 5:00 a.m. and 9:00 a.m. For two shift round-the-clock operations, the second shift shall be paid a four percent (4%) shift differential for the entire shift. Starting times of shifts may be made earlier by mutual consent of the Employer and Employees affected.

06.02.04 Employees who are requested to report for work by the Employer and who report for work on time and in condition to work and are not put to work shall receive two (2) hours' pay at his regular straight-time rate of pay unless the Employee has been requested on the preceding day not to report, or unless the Employer has placed a telephone call to the Employee not less than one (1) hour prior to the start of the shift, or unless the failure to be put to work is caused by inclement weather or other conditions beyond the control of the Employer. Employees must have a telephone and be available at that phone for the two (2) hours immediately preceding that Employee's reporting time, less such time period as is reasonably necessary to travel from the Employee's home to the reporting place for work.

06.02.05 Employees required for weekend stand-by duty anytime during the period Saturday morning 8:00 a.m. until Monday morning 8:00 a.m., shall be paid \$25.00. Employees called out during this period shall be paid overtime for all work performed, but in no event shall said Employee be paid less than one (1) hour of overtime for each time called out. All such wages are to be paid in addition to the \$25.00 stand-by wages. Employees required for weekend stand-by duty shall be so informed before the end of the regular shift Friday.

06.02.06 Employer will pay Employee the highest wage classification worked for the entire 24-hour period from end of swing shift to end of swing shift.

06.03.00 Safety. No limitation of production. Subject to all State and Federal rules and regulations governing or applicable to the safety of Employees, place of employment and operation of equipment, no rules, customs, or practices shall be permitted that limit production or increase the time required to do any work.

06.03.01 Cooperation. The Union shall cooperate with the Employer in the carrying out of all such Employer's safety measures and practices for accident prevention not in conflict with the provisions of this Agreement, and in carrying out and adhering to all of the applicable State and Federal safety laws. In the event the Employer commences to perform work covered by HAZMAT Regulations Levels A or B (as defined on 1-1-89), Employer agrees to meet with the Union to discuss appropriate wages and working rules for such operations.

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