

MEMORANDUM OF AGREEMENT
between
COLUMBIA HYDRO CONSTRUCTORS LTD.
and
ALLIED HYDRO COUNCIL OF BRITISH COLUMBIA

- A. The Parties agree that the "hourly wage rates, vacation and statutory holiday pay rates, health and welfare and pension contributions and other fund contributions," are extended for a further three year period from July 1, 2008 to June 30, 2011 along with the changes set out in this Memorandum of Agreement subject to the following conditions.
- B. The Parties agree that this Memorandum of Agreement is subject to ratification by the Parties' respective principles.
- C. The Parties agree to recommend this Memorandum of Agreement unanimously, without reservation, to their respective principles.
- D. This Memorandum of Agreement requires the approval of the Minister Advanced Education and Labour Market Development, represented by the Public Sector Employer's Council, and is in accordance with the negotiating framework established by the government.
- E. The changes to the wage rates contained in this memorandum of Settlement will be effective from July 1, 2008. All other changes will be effective on the first of the payroll period next following the date of ratification.

For clarification, the future compensation increases shall be calculated by applying the percentage increase to a base amount consisting of the hourly rate combined with hourly contributions to benefits and funds. The funds to be included in this calculation are those identified in the current Trades Sections or Trade Appendices of the collective agreement, which excludes the Rehabilitation Fund (Article 10.203), the Construction Industry Health and Safety Fund (Article 10.204), the Skill Plan (Article 10.205), the J.A.P. Fund (Article 10.206), and the Council Administration Fund (Article 21.000), as well as any new fund.

For administrative convenience, for the 2008 increase, wage rates will be effective retroactively to July 1, 2008. The increase to the 2008 contributions to benefits and funds will be effective on the first of the payroll period next following the date of ratification. Future increases shall be effective at the beginning of the pay period which immediately precedes the dates specified in the Award; i.e., July 1 of each of 2009 and 2010.

As in the past, the affiliated trades shall be at liberty to advise Constructors how the trade wishes to allocate the total dollar value of an increase as between hourly rate and benefits or funds. The Allied Hydro Council will require this advice of the trades with one month from the date of ratification in order to allow efficient and effective implementation of the increase.

- F. All items not addressed herein will be considered withdrawn on a without prejudice basis.
- G. Any amendment to this Memorandum of Agreement must be confirmed in writing by both parties.
- H. The Parties agree that this Memorandum of Agreement is, to this date, the entire agreement between the parties with respect to collective bargaining.

Recognizing that Article 10.301 limits negotiations to only "hourly wage rates, vacation and statutory holiday pay rates, health and welfare and pension contributions and other fund contributions," the undersigned signatories, in an effort to maintain a harmonious working relationship, agree to unanimously recommend to their respective principals, the following amendments to other terms and conditions of the Collective Agreement currently in effect between the Parties:

1) Article 12.500 Minimum Pay and Reporting Time. Amend to read as follows:

"When an employee is requested to be available for a call-in on Saturday, Sunday or a Holiday, the Employee shall receive two (2) hours straight time pay per twenty-four (24) hour period. When an Employee is requested to be available for a call-in outside of his/her established shift during week days (Monday to Friday) the Employee shall receive one (1) hour straight time pay per twenty-four (24) hour period."

2) Article 13.300 Christmas Recess. Amend the first sentence of this article as follows:

"When a contractor decides to shut down all or part of the work for a Christmas Recess and the Employees are given Christmas leave, the Contractor shall pay eighteen dollar (\$18.00) accommodation checkout to Employees in accommodation for each weekend day or Statutory that occurs during the Christmas shut-down period."

3) Article 14.000 Board and Lodging. Amend Article 14.100 to provide for a Living Out Allowance as follows:

"14.100 Living Out Allowance shall be provided to all Employees who reside beyond one hundred (100) kilometers (as per Article 6.212) from the worksite at no cost to such Employees and shall be paid in accordance with the following:

Where there is no camp provided, each Employee shall select one (1) of the following options prior to commencing work on the project, and such selection shall apply for the duration of the Employee's employment on such project. The Employee shall provide the Employer with written notice of their selection upon request. Both options shall be payable on the basis of seven (7) days per week as long as the Employee is working all scheduled shifts.

Option #1 Employees shall be provided a daily lump sum Living Out Allowance (LOA) of \$95.00. Effective July 1, 2009 this amount shall be increased to \$100.00.

Option #2 Employees shall be provided with a single room plus \$52.50 daily meal allowance. Effective July 1, 2009 this amount shall be increased to \$55.00. Employees selecting Option # 2 will be entitled Daily Travel Reimbursement under the provisions of Article 18.000.

Room and board facilities may be provided to all Employees who reside beyond one hundred (100) kilometers (as per Article 6.212) from the worksite at no cost to such employee. A camp shall be established for the installation of No. 5 Generating Unit at Mica.

- 4) **Article 18.000 – Daily Travel Reimbursement.** Amend the preamble to Article 18.100(a) as follows:

“Daily travel reimbursement for Employees residing within one hundred (100) kilometers (as per Article 6.212) of the Worksite who are not entitled to room and board shall be paid in accordance with the following schedule:”

5) **Drug & Alcohol Abuse**

“Columbia Hydro Constructors (CHC), the Allied Hydro Council (AHC) and employees recognize that the use of alcohol and drugs jeopardizes job safety and performance, as well as the well-being of employees. Individuals abusing alcohol and drugs can create safety hazards for themselves, co-workers and the general public. It is not our intent to mandate morality, but to take appropriate action when conduct appears to impact job performance or bring public discredit to CHC, AHC, or employees.

Possession or use of alcohol and illegal drugs when on any CHC worksite is prohibited. This includes:

- Any use, possession, distribution or the offering for sale of illegal drugs or equipment for illegal drug use
- Any possession, consumption or presence in the body of alcohol during working hours or on the worksite.

The abuse of drugs and alcohol is recognized as a contributor to poor job performance and an unsafe work environment. It is also recognized as a disruption of family and social life, and contributes to the deterioration in emotional and physical well-being. It is regarded as a disease having many causes both personal and social, but a disease nonetheless. This however, can be successfully treated, provide the affected individual is sufficiently motivated and rehabilitation efforts are aided by an understanding family, employer and associates.

- 6) **Dependant Contractors and Owner Operators.** Amend the first paragraph of Article TE.442(b) as follows:

“Owner Operators/Dependents Contractor rates for all other areas of the province shall be settled at a local level for that area with the parties taking into consideration any competitive market rates that have been negotiated by the Teamsters Local Union No. 213.”

- 7) **Dependant Contractors and Owner Operators.** Amend the first paragraph of Article TER.432(a) as follows:

“For cities, towns and villages. On all jobs situated within eighty (80) KM (fifty (50) road miles) of the centre of any city, town, or village such Owner/Dependent Contractors who are residents of said city, town, or village shall have their rates settled at a local level for that area with the parties taking into consideration any competitive market rates that have been negotiated by the Teamsters Local Union No. 213.”

- 8) **COPE Wage Classifications.** Representatives of the Canadian Office and Professional Employees Union (COPE) and CHC are in the process of updating the current classifications and job descriptions in the Office (OF) Trade Section of the collective agreement. If the review

is completed before the new collective agreement is printed, then all agreed to changes will be incorporated into the new collective agreement.

- 9) **Updating Existing AHC/CHC Agreement.** The Parties agree to equally share the cost of updating and reprinting the Agreement.

Housekeeping Issues

- 10) **Article 18.100(a) Daily Travel Reimbursement. 0.302.** Pluralize “kilometer” to “kilometers”
- 11) **Article 18.100(b) Daily Travel Reimbursement.** Pluralize “kilometer” to “kilometers”
- 12) **Clause B.602 Menu Requirements.** Change “port chops” to “pork chops”
- 13) **Article DR.300 - Dues.** Article DR.302 should be re-numbered Article DR.301 and “In addition,” should be deleted from the commencement of current Article DR.302.
- 14) **Appendix “LA”** - reinsert “Labourers Trade Section (Heavy)” in identifying the parties.
- 15) **Appendix “LAM”** - reinsert “Masons Tenders Trade Section” in identifying the parties.
- 16) **Appendix “LAP”** – reinsert “Plasterers Helpers Trade Section” in identifying the parties.
- 17) **Appendix “LAR”** – reinsert “Labours Roadbuilding Trade Section” in identifying the parties.
- 18) **Appendix “OF” – B. Laboratory Classifications** – delete reference to “Journeyman” in B.3
- 19) **Appendix “OF” – G. Drafting Classifications** – delete reference to “Journeyman” in G.2
- 20) **Appendix “OF” – I. Inspection/Recording Classifications** – renumber and resequence current I(5) to I(6) and (I)6 to (I)5
- 21) **Appendix “OPR” – Article OPR.300 – Dues** – insert “OPR.301” before the title “Working Dues Check-off
- 22) **Appendix “PI”** – the heading at the top of each page currently entitled “Pipefitter (PI) Trade Section” should be re-titled to “Piledriver (PI) Trade Section”

23) Formatting Issues:

General Layout Issues

These issues may be corrected automatically but I’ve listed them as a check-list going forward.

Master Section

33	13.100	Correct layout of holiday listings
38	18.200	Correct underlining
41	22.000	OPC alignment

Trade Sections

EV-5	EV.430	Fix alignment of last line
GL-2	GL.113	Two paragraphs should be one
LA-7	LA.421 c	To far indented
LAR-1		Indenting of first paragraph off
LAR-2	LAR.111	Indenting needs to be corrected
LAR-5	LAR.440	Spacing of last line needs to be corrected
OF-2	OF.110	Indenting needs to be corrected
OF-13	OF.430	Spacing of last line needs to be corrected
OP-5	OP.111	Dates in middle of pages
OP-10	OP.220	Heading needs to be moved over
OP-10	OP.221	Heading needs to be moved over
OPR-1		Indenting of first paragraph off
OPR-3, 4, 5	OPR.111	Dates in middle of pages
PI-5	PI.441 (e)	To far indented
TE-3	TE.110	Dates in middle of pages

After July 1, 2009 should either party so request, the parties will undertake to meet to review and update the non-monetary provisions of the current collective agreement to ensure that the provisions of the collective agreement more accurately reflect the current terms and conditions of employment.

It is understood that this Memorandum of Agreement will become effective on the first day of the payroll period next following the date of ratification. Wage adjustments for 2008 will become effective on July 1, 2008. All wage adjustments are identified in Appendix "A".

It is further understood and agreed to that should either party fail to ratify this Memorandum of Agreement, the parties will have no alternative but to refer this matter to binding arbitration in accordance with the provisions of Article 10.301 of the collective agreement.

Agreed to this 6th day of October 2008 in Vancouver, British Columbia

For: COLUMBIA HYDRO
CONSTRUCTORS LTD.



D. Garry Corbett, Director
Columbia Hydro Constructors



William A. Earis, General Manager
Columbia Hydro Constructors

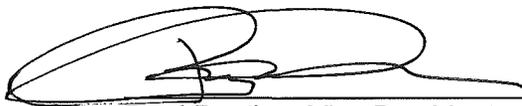
For: ALLIED HYDRO COUNCIL
OF BRITISH COLUMBIA



Chris Feller, President
Allied Hydro Council



James Paquette, Financial Secretary
Allied Hydro Council



Brad Bastien, Vice President
Allied Hydro Council

APPENDIX "A"

LABOUR MARKET ADJUSTMENTS

Bona fide Labour Market Adjustments are permitted under the Province of British Columbia's Negotiating Framework. The purpose of the labour market policy is to allow employers to respond to significant recruitment and retention challenges. It is recognized that merely being below the market is not sufficient cause to adjust wages. Any Labour Market Adjustment must be prudent and will be made in response to demonstrable labour market pressures. In any Labour Market review, the employer must demonstrate that the wages paid are below market to such an extent that they are affecting their ability get the required work done in a timely and efficient manner.

If at any time following January 1, 2009 should the Parties agree that further Labour Market Adjustments are warranted, they will forward the recommended Labour Market Adjustments to PSEC for approval. Any approved Labour Market Adjustments will be implemented on the first day of the payroll period next following receipt of formal PSEC approval.

WAGE ADJUSTMENTS
2008 – 2010

Category	Union Affiliate	July 1, 2008	July 1, 2009	July 1, 2010
Group A	Elevator Construction (EV) Refrigeration (RE) Boilermaker (BM)	28%	3.0%	2.0%
Group B	Pipefitter (PL) Electrical Workers (Lineworkers) (ELL)	20%	3.0%	2.0%
Group C	Iron Worker (IR) Millwright (CAM)	18%	3.0%	2.0%
Group D	Bricklayers (BR) Carpenters (CA) Floorlayers (FL) Glaziers (GL) Electrical Worker/Winder (EL) Painters (PA) Sheet Metal (SH)(SHR) Tilersetters (TI) Operators (OP, OPC, OPH, OPR, OPS) Piledriver (PI)	11%	3.0%	2.0%
Group E	Cement masons (CE) Labourers (LA, LA TR, LAM, LAP, and LAR) Teamsters (TE, TER) Insulators (IN)	7%	3.0%	2.0%
Group F	Plasterer (PLA) Terrazzo (TR) Office & Technical (OF) Culinary Workers (CU) Quality Control (QU) Dry Wall (DR)	3%	3.0%	2.0%