

SPECIAL PROJECT NEEDS AGREEMENT

for the

**PRAXAIR
NORTH WEST REDWATER PARTNERSHIP
T2400 Air Separation Unit**

SPECIAL PROJECT NEEDS AGREEMENT

ENTERED INTO THIS 22nd DAY OF May, 2014

**BY AND BETWEEN:
THE COORDINATING COMMITTEE OF REGISTERED EMPLOYERS'
ORGANIZATIONS**
(hereinafter referred to as "the Coordinating Committee")

- and -

THE BUILDING TRADES OF ALBERTA
(hereinafter referred to as "the Council")
(Collectively, the "Parties")

WHEREAS Praxair Canada Inc. [the "Owner"] intends to construct the Praxair North West Redwater Partnership T2400 Air Separation Unit [the "Project"].

AND WHEREAS this Project Labour Agreement (the "Agreement") will provide a forum through which key stake holders including contractors, unionized labour and the construction project owner may address issues of mutual concern;

AND WHEREAS this Agreement is beneficial to all of the stake holders in terms of communication and working relationships;

AND WHEREAS it is the expressed intention of all of the parties hereto that the execution of this Agreement in no way detracts from the bargaining authority of any Registered Employer Organization or any group of Trade Unions pursuant to a Registration Certificate or otherwise, nor does it in any way act as a surrender of any bargaining authority that any such group may hold.

NOW THEREFORE IT IS AGREED that the Employers' Organizations and the Unions have, based on the mutual understandings set out above, entered into the following terms and conditions of employment.

Scope and Definition

1. This Agreement shall be attached to and form part of each of the referenced Provincial Construction Collective Agreements between the respective registered employers' organizations and groups of trade unions. This Agreement shall only apply in respect of Employers and employees engaged in the General Sector of the construction industry.
2. This Agreement is intended to cover Capital Works as set out in Schedule 1 of this Agreement which schedule shall be amended and updated from time to time in consultation with the Owner or Managing Contractor.

Duration and Application of Subsequent Collective Agreements

3. The provisions of this Agreement shall continue until the Owner or Managing Contractor confirms the conclusion of the Project, notwithstanding that such event may take place after the expiry date of the existing Collective Agreement. It is the intention of the parties that the work encompassed by this Agreement shall continue without abatement by strike, lock-out, work slowdowns, or any other action designed to limit output.
4. As collective bargaining, pursuant to a Registration Certificate or otherwise, may take place in the construction industry which will affect terms and conditions of employment, save and except where the same are provided for in this Agreement, such variations in the resulting Collective Agreement shall be picked up for the Project. Any applicable changes will be effective for the purposes of this Agreement as and when such changes become effective pursuant to the resulting Collective Agreement.
5. In the event a referenced Collective Agreement ceases to be in effect, then the applicable provisions of the most recent Collective Agreement shall apply, until such time as a renewal agreement is entered into by the Employers' Organization and the Union or the successors of either.
6. Each Employers' Organization and each counterpart Union undertake to propose to the other and to agree with the other that this Agreement will be attached to and form part of the Collective Agreement that will be concluded pursuant to any round of construction collective bargaining entered into or initiated during any period during the duration of this Agreement.
7. Each Employers' Organization and each Local Union understand that representatives of the Coordinating Committee and of the Council together may negotiate changes to this Agreement. The said changes shall, after ratification by both the Coordinating Committee and the Council, be applicable pursuant to this Agreement. Such ratification shall be through whatever ratification process the Coordinating Committee and the Council shall each determine.

Part 3, Division 8 of the Alberta Labour Relations Code

8. In the event that the Owner or Managing Contractor, at their discretion, apply pursuant to Part 3, Division 8 of the Code to have the Project or any part thereof designated pursuant to Section 196 of the Code and provided that under such designation the then existing terms of the Collective Agreements between the respective Unions and the Registered Employers' Organizations are designated as the Collective Agreement between the Principal Contractor and the affected Trade Unions, then the signatories to this letter will support such designation application and the Parties hereto and those bound by this Agreement, agree that the terms of such Project Collective Agreement or Agreements will, insofar as they apply to those Unions, Employers and Employees, consist of the then existing or most recent Collective Agreement or Agreements as modified by this Agreement.

No Bargaining Relationship for Project Owner

9. It is understood by the parties hereto that no bargaining relationship is created by the Project Owner with the Unions, the Building Trades of Alberta, or any affiliate of the Building Trades of Alberta, by voluntary recognition or by action of law pursuant to Division 5 or 6 of the Alberta Labour Relations Code. Similarly, where the Owner has participated in any way in the processes and administrative matters contemplated in this Agreement, it is only for the purposes of this document and the enhancement of the Project and in no way can be construed to be creating a bargaining relationship, extending a voluntary recognition or taking actions which, by action of law, would bind the Owner to any Collective Agreement with the Unions, the Building Trades of Alberta, or any affiliate of the Building Trades of Alberta.

Effective Date

10. This Agreement shall become effective for each of the signatory trades below on May 22, 2014.

Review of Project Terms

11. This Agreement shall be reviewed by the Parties from time to time in consultation with the Owner or Managing Contractor. Any modifications to this Agreement shall require the Owner or Managing Contractor designee's approval in writing.

Basic Agreements

12. The Parties Agree To:
 - a. Establish methods of resolving issues that the parties to and the persons bound by this Memorandum of Understanding are unable to quickly resolve;
 - b. Assist in the development, implementation and administration of initiatives towards the enhancement of quality, productivity, safety, cost and schedule;
 - c. Deal with such matters as are referred to it by the terms of this Memorandum of Understanding;
 - d. Establish a forum, or forums through which commitments will be fulfilled.
13. The parties shall provide for joint stewardship of key performance measures by labour and contractors including, without restricting the generality of the foregoing, safety, quality, cost, productivity and schedule.

Daily Travel

14. If buses are supplied for daily transportation, and if, based on an average during a reference week of five test runs each way, conducted coincident with the times when workers are in transit, it takes more than 60 minutes for either or both of the one way trips to travel between the centre of the city (101 Street and Jasper Avenue for Edmonton) and the project gates, a travel allowance will be paid. The travel allowance shall be calculated in 10 minute

intervals. As an example, if the test runs average 65 minutes on the trip to the project and 65 minutes on the return trip, an allowance of 20 minutes for each day shall be payable. The allowance will be paid only to workers who ride on the provided buses, and only for the days on which they ride the buses. Test runs shall be conducted from time to time, once during typical winter travel conditions and once during typical summer travel conditions. Test runs may also be requested when there has been a significant change in travel or site conditions.

Transportation Committee

15. (a) The Parties share a common interest in the safe, timely and efficient transportation of workers to and from all projects and in particular major projects adjacent to the major centres of Calgary and Edmonton. In recognition of this common interest the parties agree to establish a Project Transportation Committee (the “Committee”) comprised of 4 representatives chosen by the Coordinating Committee and 4 representatives chosen by the Building Trades Association. The Committee will be co-chaired by one representative from each of the Coordinating Committee and the Building Trades Association.
 - (b) The Committee will meet at least quarterly and otherwise as often as its mandate requires.
 - (c) The expenses incurred by the Committee will be shared jointly by the Coordinating Committee and the Building Trades Association.
 - (d) The mandate of the Committee shall be to develop strategies and best practices to promote safe, timely and efficient transportation of workers to and from projects and to present unified recommendations and submissions to project owners for implementation.
 - (e) In pursuit of its mandate, the Committee will commission a traffic expert to prepare a transportation report in respect to each major project adjacent to Calgary or Edmonton that includes recommendations for traffic control, the location of parking facilities, bussing or other mass transit strategies, and the location of ingress and egress roads.
 - (f) The Committee will endeavour to engage project owners to participate directly with it. In any event, prior to the commencement of work on the project the Committee will present its recommendations to the project owners and advocate for their implementation.
 - (g) The Committee will be responsible to monitor the transportation of workers throughout the duration of the project and will continue to advocate for safe, timely and efficient transportation.
16. The Parties agree that they shall deal with the below listed matters on the basis that they will consider each of the items and agree on programs, implementation and administration. Those matters are health and safety, site closures, pre-job markups, training and maximization of the practical use of apprentices, and where appropriate, trainees.
 17. The Parties agree that they will provide for the implementation of and administration of the program to minimize absenteeism and maximize retention, the commitments to increase productivity, the program of job steward/supervisor leadership, the program for delivery of training and skills upgrading, and to assist in recruitment.
 18. The Parties agree to discuss matters of mutual interest pertaining to the construction project with the objective of promoting and maintaining beneficial relations and co-operation

between the parties, and to discuss and implement ways to make the construction project successful.

19. The Parties agree to support and participate in value-added programs such as Behavioral Based Safety, semi-automatic and automatic welding technologies, and productivity enhancement programs.

Hours of Work

20. When the 5 days on (Monday through Friday) and 2 days off shift cycle is utilized and when 10 hours per day are worked, overtime will apply to the first and tenth hours.
21. When ten hour shifts are worked, in lieu of the break and lunch periods specified in the respective referenced Provincial Construction Collective Agreements, the managing contractor has the option to implement two (2) paid breaks of one half hour each, approximately equally spaced in the ten (10) hour shift. In the event an employee is not able to take a break, the employee shall be paid at applicable overtime rates for the missed break. When the hour before and the hour following the missed break are at straight time, time and one half shall be paid for the missed break.

Option to Utilize Special Project Needs Agreement “Template A” Shift Schedules

22. In addition to the scheduling prerogatives in the respective referenced Provincial Construction Collective Agreements, and to facilitate any necessary workforce recruitment and retention from elsewhere in Canada, North America and globally, at the direction of the owner or managing contractor, any of work cycles 2 through 5 from Special Project Needs Agreement “Template A” shall be implemented by an Employer. When any of these blended rate work cycles are implemented, all associated conditions set out in “Template A” in respect to each cycle shall also apply.

Additionally, during the term of application of any of such blended rate work cycles by an Employer, an “optional ten (10) on and four (4) off cycle” shall also be implemented by the Employer, and any employee of that Employer who is not eligible for any weekly or work cycle transportation and/or for whom the blended rate cycle is not intended will be given the choice of the regular five-tens cycle or the optional ten on and four off cycle.

When the optional ten (10) on and four (4) off cycle is utilized, the straight time days will be Tuesday through Friday in one week followed by Monday through Thursday in the subsequent week, with the scheduled Saturday and Sunday being paid at double time. Should an employee work on the scheduled days off, the Friday and Monday will be paid at time and one half, and the Saturday and Sunday will be paid at double time.

It is recognized and accepted that the crew of some Employers may not be large enough, or there may be other circumstances, for multiple work cycles to be practicable. In such circumstances, when such an Employer implements a blended rate cycle for the reasons noted above, there shall be discussion among that Employer, the Unions that represent the

bargaining units of that employer, and the site labour relations coordinator to determine how the interests and preferences of the employees for whom the blended rate cycle is not intended may be best addressed.

SCHEDULE 1

1. CAPITAL WORKS are defined as the Construction, as that term is defined in the *Alberta Labour Relations Code*, of that portion of the Project within the plant site battery limits, awarded under contract for construction by the Managing Contractor.
2. Capital Works shall specifically exclude the following:
 - (a) construction work in respect to any contracts awarded
 - (i) to non-Building Trades affiliated contractors, or
 - (ii) prior to the date of this Agreement unless specifically included by the Owner or Managing Contractor.
 - (b) work performed by the Owner's own forces, contractors and their subcontractors on activities associated with Plant operations and maintenance.
3. "Capital Works" pursuant to this Agreement will be deemed to be completed when the Owner has assumed possession of such work or component portion. If a contractor performs construction work in respect of an aspect of the project after it is assumed by the owner, then the Owner or Managing Contractor may choose to declare that this agreement also applies to that work.
4. The Owner or Managing Contractor may amend this schedule in its discretion.

Schedule 2: Employers' Organizations and Local Unions

1. This Schedule of collective agreements is attached to and forms part of the Agreement for the Project.
2. In the event any of the noted registration certificates is revoked during the term of this Agreement, or in the event there is a change in the employers' organization authorized to carry on bargaining for a representative group of employers, representatives of the Council and of the Coordinating Committee shall meet with the affected Local Union and the affected Employers to identify the Employers' Organization which shall then be referenced. Failing agreement by these representatives, the question of which Employers' Organization shall be referenced shall be decided by a single arbitrator appointed by agreement of the Coordinating Committee and the Council, who shall render a decision within one (1) week of his appointment.
3. For each of the below listed trade jurisdictions, the Local Union which shall be referenced shall be the Local Union or Unions having territorial jurisdiction over areas in which work is carried on pursuant to the Project Terms.

| Trade Jurisdiction | Parties | Registration Certificate |
|--|--|-------------------------------------|
| General Construction Boilermakers: | International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, Lodge #146, and Boilermaker Contractors' Association of Alberta | #7 |
| General Construction Bricklayers - General: | International Union of Bricklayers and Allied Craftworkers, Locals #1 and #2, and Masonry Contractors Association of Alberta | #61 |
| General Construction Bricklayers - Refractory: | International Union of Bricklayers and Allied Craftworkers, Locals #1 and #2, and Construction Labour Relations - An Alberta Association Bricklayers (Provincial) Trade Division | #60 |
| General Construction Carpenters: | United Brotherhood of Carpenters and Joiners of America, Locals #1325, and #2103, and Construction Labour Relations - An Alberta Association Carpenters (Provincial) Trade Division | #51 |

- General Construction Cement Masons: #43
Operative Plasterers' and Cement Masons' International Association of the United States and Canada, Local #222, and Construction Labour Relations - An Alberta Association Cement Masons (Provincial) Trade Division
- General Construction Electricians: #52
International Brotherhood of Electrical Workers, Local #424, and Electrical Contractors Association of Alberta
- General Construction Elevator Constructors: #29
International Union of Elevator Constructors, Locals #122 and #130, and Construction Labour Relations - An Alberta Association Elevator Constructors (Provincial) Trade Division
- General Construction Glass Workers: #55
International Union of Painters and Allied Trades, Local Union #177, and Glass Employers Association of Alberta
- General Construction Insulators: #9
International Association of Heat and Frost Insulators and Asbestos Workers, Local #110, and Construction Labour Relations - An Alberta Association Insulators (Provincial) Trade Division
- General Construction Ironworkers - Reinforcing: #47
International Association of Bridge, Structural, Ornamental and Reinforcing Ironworkers, Locals #720 and #725, and Construction Labour Relations - An Alberta Association Ironworkers - Reinforcing (Provincial) Trade Division
- General Construction Ironworkers - Structural: #48
International Association of Bridge, Structural, Ornamental and Reinforcing Ironworkers, Locals #720 and #725, and Construction Labour Relations - An Alberta Association Ironworkers - Structural (Provincial) Trade Division
- General Construction Labourers: #57
Construction and General Workers' Local #92 and Construction and Specialized Workers' Local #1111, and Construction Labour Relations – An Alberta Association Labourers (Provincial) Trade Division
- General Construction Millwrights: #49
Millwrights, Machinery Erectors and Maintenance Union, Local 1460 of the United Brotherhood of Carpenters and Joiners of America, and Construction Labour Relations - An Alberta Association Millwrights (Provincial) Trade Division

General Construction Operating Engineers: #24

International Union of Operating Engineers, Local Union No. 955, and Construction Labour Relations - An Alberta Association Operating Engineers (Provincial) Trade Division

General Construction Painters: #58

International Union of Painters and Allied Trades, Local #177, and Alberta Coating Contractors Association

General Construction Plasterers: #64

Operative Plasterers' and Cement Masons' International Association of the United States and Canada, Local #222, and Construction Labour Relations – An Alberta Association Plasterers (Provincial) Trade Division

General Construction Plumbers and Pipefitters: #27

United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada, Locals #179, #488, and #496, and Construction Labour Relations - An Alberta Association Mechanical (Provincial) Trade Division

General Construction Refrigeration Mechanics: #28

United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada, Local #488, and Construction Labour Relations - An Alberta Association Refrigeration (Provincial) Trade Division

General Construction Roofers: #59

Construction and General Workers' Local #92, Sheet Metal Workers' International Association, Local #8, and United Brotherhood of Carpenters and Joiners of America, Local #1325, and Construction Labour Relations – An Alberta Association Roofers (Provincial) Trade Division

General Construction Sheet Metal Workers: #18

Sheet Metal Workers' International Association, Local #8 and Construction Labour Relations - An Alberta Association Sheet Metal (Provincial) Trade Division

General Construction Sheeters, Deckers and Cladders: #13

Sheet Metal Workers' International Association, Local #8 and Construction Labour Relations - An Alberta Association Sheeters, Cladders and Deckers (Provincial) Trade Division

General Construction Sprinkler Fitters: #19

United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada, Locals #488 and #496, and Canadian Automatic Sprinkler Association

General Construction Teamsters: #25

General Teamsters Local Union No. 362 Affiliated With The International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, and Industrial Contractors Association of Alberta

General Construction Tilesetters: #62

International Union of Bricklayers and Allied Craftworkers, Local #4, and Granite, Marble, Tile, & Terrazzo Union Contractors' Association of Alberta

Effective Date:

This Special Project Needs Agreement has been declared to be effective on the 22nd day of May, 2004 pursuant to the provisions of the Letter of Understanding for Special Project Needs Agreements as attached to and forming part of the Collective Agreements between each of the above named Parties.

Signed this 2 day of June, 2014, in the City of Edmonton,

On behalf of the Coordinating Committee of Registered Employers' Organizations:

Per:



On behalf of the Building Trades of Alberta:

Per:


