

INSTRUCTIONS

FOR TVA CONTRACTORS WITH CONTRACTS CONTAINING WAGE SCHEDULE 1851A (CONSTRUCTION WORK)

- **WAGE NOTICE (POSTER)**

Each contractor is required to post a Wage Notice at each job site for all of their trades and labor employees. This notice should be posted in a visible location (bulletin boards, etc.) where employees pass by not less than once per month.

- **WEEKLY STATEMENT OF PAYROLL COMPLIANCE**

All contractors and their subcontractors are required to complete and submit a Weekly Statement of Payroll Compliance (form TVA 916). This form must be submitted weekly without exception in compliance with Part 3 (29 CFR Subtitle A). Each contractor and subcontractor is reminded, as required by the above CFR, to preserve this weekly statement along with payroll records for a period of three years from the date of completion of this contract. The contractor and subcontractor are reminded that they must be prepared to submit any of these payroll records upon request of representatives of TVA.

- **CONTRACTOR SECURITY SYSTEM**

Contractors are required to check **all** of their employees and **all** employees of their subcontractors regardless of position or classification with TVA's security unit before permitting them to work on TVA worksites. This requirement is limited to contracts expected to last more than seven days. The Registration Form in this package is used to initiate the assignment of a vendor code and PIN.

- **TVA 1851 PART I - LABOR PROVISIONS**

This document is self-explanatory and establishes requirements on each contractor regarding such subjects as wages, classifications, work schedules, payroll records, benefits, and labor cost adjustments. Related questions should be directed to your contracting officer.

- **1851A PART II - WAGE SCHEDULE**

This document establishes the total wage package that must be paid to employees in each classification. Monies may be moved between wages and fringe benefit payments based on the benefit's plan established by each contractor. These total packages for each classification establish minimum wage obligations which should never be underpaid. Additionally, a contractor should not pay an amount greater than the total wage package identified for each classification unless concurred in by the contract agent.

WAGE NOTICE - TO BE POSTED AT EACH JOB SITE

Derived from TVA 1851A Part II (Construction Work)

**NOTICE TO ALL TRADES AND LABOR
EMPLOYEES OF**

(Contractor's Name)

(Contract No.)

and all employees of subcontractors to the contractor listed above working on TVA projects.

You are entitled to a total hourly wage **PACKAGE** (hourly wages + health and welfare + pension contribution) equal to the rates listed below for your classification. If your total hourly **PACKAGE** (hourly wages + health and welfare + pension contribution) is less than what is listed below for your classification, you may contact your supervisor, employee payroll office, or the following representative of your employer:

(Contractor Representative Name)

(Phone)

If these individuals are unavailable, you may write to TVA's Labor Relations Staff, 400 West Summit Hill Drive (ET 6D), Knoxville, Tennessee 37902-1401. You should provide in writing your name, social security number, address, telephone number, total hourly wage and benefit rate you are paid, employer name, contract number, a description of your work, and why you feel you have not been properly paid.

TOTAL HOURLY WAGE PACKAGE FOR CONSTRUCTION WORK PERFORMED FOR TVA

- EFFECTIVE FIRST PAY PERIOD AFTER MAY 22, 2000 -

	<u>Total Hrly. Pkg.</u>		<u>Total Hrly. Pkg.</u>		<u>Total Hrly. Pkg.</u>
<u>Asbestos Worker</u>				Lather (tie-on installation)	20.13
(Asbestos work includes insulation)		(Apprentice wage, pension, and health & welfare - see page 3)		Lather Foreman	21.82
Asbestos Worker	24.53			Millwright	22.55
Asbestos Worker Foreman	26.42			Millwright Foreman	24.48
Asbestos Wkr. Head Foreman	28.50	<u>Bricklayer</u>		Millwright Head Foreman	26.61
Asbestos Wkr. Subj'man.	16.97	Bricklayer	21.18	Millwright Welder	22.55
		Bricklayer Foreman	23.14	Pile Driver	20.38
<u>Boilermaker</u>		Bricklayer Head Foreman	25.30	Pile Driver Foreman	22.10
Blacksmith/Boilermaker	28.33	Bricklayer Improver	13.34	Pile Driver Welder	20.38
Bl'ksmith/Boilermaker Wldr	28.33	Marble Setter	20.43	Saw Filer	20.13
B'maker Certif'd Press'r Wldr	29.08	Stone Mason	21.18	Sawyer	20.13
Boilermaker Asst. Fmn.	30.44	Terrazzo Worker	20.43		
Boilermaker Foreman	30.69	Tile Setter	20.43	<u>Electrical Worker</u>	
Boilermaker Erector	33.04			(rate shown plus 3% of hourly wage)	
Boilermaker Subjourneyman		<u>Carpenter/Millwright</u>		Cable Splicer	24.54
First employed prior to 11/1/97 --	\$19.88	Carpenter	20.13	Driver-Special Line Equip.	20.80
First employed after 11/1/97 --	\$16.03	Carpenter Foreman	21.82	Driver-SLE Trainee I	17.26
Boilermaker Trainee I	21.99	Carpenter Head Foreman	23.68	Driver-SLE Trainee II	18.39
Boilermaker Trainee II	24.10	Carpenter Welder	20.13	Driver-SLE Trainee III	19.19
				Electrician	24.29

	<u>Total Hrly. Pkg.</u>		<u>Total Hrly. Pkg.</u>		<u>Total Hrly. Pkg.</u>
Elect. App.-Ltd. (Restricted)	16.45	Tunnel Laborer	14.88	Locomotive Operator	
Electrician Foreman	26.25	Tunnel Miner	15.23	Marine Engineer	
Electrician Head Foreman	28.41	Tunnel Miner Foreman	16.50	Well Point Pump Operator	
Electrician Welder	24.29	Wagon Drill Operator	14.88	Yard Conductor	
Groundman (line crew)	17.24	Watchman	14.23		
Groundman Driver	17.39			<u>Group C Equip. Operators</u>	20.40
Groundman Fmn. (Pwr. Const.)	24.29	<u>Machinist</u>		Bituminous Distributor Opr.	
Groundman Trainee--A	13.48	Bolt Threading Machine Opr.	17.38	Filter Plant Operator	
Groundman Trainee--B	14.11	Gas & Diesel Mechanic	22.57	Grader Operator	
Lineman	24.29	Gas & Diesel Mech. Fmn.	24.65	Greaser	
Lineman Foreman	26.25	Gas & Diesel Mech. Helper	17.38	Motor Crane Driver and Oiler	
R-O-W Clearing Fmn. -- Spray	20.37	Gas & Diesel Mech. Helper II	19.45	Mulching Machine Operator	
Substation Const. Foreman	28.41	Machinist	22.57	Portable Concrete Mixer Opr.	
Trans. Line Const. Fmn.	28.41	Machinist Foreman	24.65	Road Roller Operator	
		Machinist Head Foreman	26.94	Switchman	
<u>Iron Worker</u>		Machinist Utilityman	14.26	Tractor Operator	
Iron Worker Head Foreman	26.99	Machinist Welder	22.57	Tunnel Motorman	
Reinforcing Iron Worker	23.29	Outside Machinist	22.77	Work Boat Operator	
Reinforcing Iron Worker Fmn.	25.05	Outside Machinist Foreman	24.87		
Rein. Iron Wkr. Subj'man.	16.24	Outside Machinist Utilityman	14.38	<u>Group D Equip. Operators</u>	19.64
Structural Iron Worker	23.29	Outside Machinist Welder	22.77	Conveyor Operator	
Structural Iron Worker Fmn.	25.05			Crane Car Operator	
Struct. Iron Wkr. Sketchman	25.05	<u>Operating Engineer</u>		Drill Helper	
Structural Iron Wkr. Subj'man.	16.24	<u>Group A Equip. Operators</u>	22.24	Equipment Mechanic Helper	
Structural Iron Worker Welder	23.29	Bulldozer Operator		Fireman	
		Cage Hoist Operator		Grout Pump Operator	
<u>Laborer</u>		Cent. Concrete Mixing Plt. Opr.		Loading Machine Operator	
Asphalt Raker and Smoother	14.38	Concrete Pump Operator		Oiler	
Cement Gun Nozzleman	14.93	Core Drill Operator		Outboard Motorboat Operator	
Chuck Tender	14.78	Crane Operator		Portable Compressor Operator	
				Pump Operator	
Concrete Placing Foreman	16.39	Derrick Operator (live boom)		Tractor Operator -- Farm Type	
Construction Laborer	14.38	Dragline Operator		Trenching Machine Helper	
Deckhand	14.48	Dredge Operator		Welding Machine Operator	
Excavation Foreman	16.39	Equipment Mechanic			
Flagman	14.68	Equipment Mechanic Welder		<u>Equipment Operator</u>	
Form Stripper -- Wrecker	14.38	Euclid Loader Operator		<u>Foreman</u>	
				Central Mixing Plant Foreman	24.00
Jackhammer Operator	14.43	Heavy Rotary Drill Operator		Core Drill Foreman	24.00
Labor Foreman	16.17	Marine Pilot		Dredge Mate	24.00
Labor Head Foreman	17.78	Motor Patrol Grader Operator		Drill Foreman	23.17
Laborer (unclassified)	14.23	Mucking Machine Operator		Equipment Foreman	24.00
Mortar Mixer	14.38	Pan Scraper Operator		Equipment Mechanic Fmn.	24.00
Nuclear Plant Laborer	14.38	Paving Equipment Operator		Greaser Foreman	22.24
Powder Foreman	16.39	Pile Driver Operator		Operating Eng. Head Fmn.	25.93
Powderman	15.13	Power Shovel Operator			
Power Saw Operator	14.38	Trenching Machine Operator		<u>Operator Trainees</u>	
Right-of-Way Spray Laborer	14.38			Central Concrete Mixing Plant Opr.	
Sewer Foreman	16.17	<u>Group B Equip. Operators</u>	21.49	Trainee I	19.64
Substation Yard Laborer	14.38	Central Compressor Plt. Opr.		Trainee II	20.40
Track Foreman	16.39	Chief Filter Plant Operator		Trainee III	21.49
Track Laborer	14.38	Derrick & Dredge Boat Fireman		Core Drill Operator Trainee I	20.40
		Drill Operator		Core Drill Operator Trainee II	21.49
		Elevating Grader Operator			

Hoist Operator

5 th Period	(95%)	20.07	3.70	2.07	.50
6 th Period	(95%)	20.07	3.70	3.00	.50

WEEKLY STATEMENT OF PAYROLL COMPLIANCE

Contractor's Name _____ Contract No. _____

Subcontractor's Name _____ Release No. _____

Payroll week commencing on the _____ day of _____ 19 ____ and ending on the _____ day of _____ 19 _

Instructions to Contractor/Subcontractor

1. The Weekly Statement of Compliance must be filled out by the contractor or subcontractor named above or by his/her authorized representative.
2. The original Weekly Statement of Compliance must be submitted within seven days after the regular payment date of the payroll period identified above to TVA's Contract Agent.

I do hereby state:

- (1) That I pay or supervise the payment of the persons employed by the above-named contractor or subcontractor for the payroll period identified above and that all persons employed on said project have been paid the full weekly wages earned, that no rebates have been or will be made directly or indirectly to or on behalf of the above-named contractor or subcontractor from the full weekly wages earned by any person, and that no deductions have been made either directly or indirectly from the full wages earned by any person, other than permissible deductions as defined in Regulations, Part 3 (29 CFR Subtitle A), issued by the Secretary of Labor under the Copeland Act, as amended (48 Stat. 948; 63 Stat. 108; 72 Stat. 967; 76 Stat. 357; 40 U.S.C. 276c). I understand that TVA may require payrolls to be submitted at any time, and agree to provide them with this statement, if requested by TVA. If not requested at the time of this statement, I agree to provide such payrolls within three business days after TVA requests them.
- (2) That any payrolls otherwise under this contract required to be maintained for the above period have been prepared and are correct and complete and provide detailed payroll information on each employee as required by the Copeland Act regulations (29 C.F.R. §§ 3.3 - 3.4 (1994); that the wage rates for laborers or mechanics contained therein are not less than the applicable wage rates contained in any wage determination incorporated into the contract; that the classifications set forth therein for each laborer or mechanic conform with the work the employee performed and with those classifications listed in any applicable classification determination incorporated into the contract.
- (3) That:
 - (a) WHERE FRINGE BENEFITS ARE PAID TO APPROVED PLANS, FUNDS, OR PROGRAMS
 - In addition to the basic hourly wage rates paid to each laborer or mechanic listed in the above-referenced payroll, payments of fringe benefits as listed in the contract have been or will be made to appropriate programs for the benefit of such employees, except as noted in Section 3(b) below. Where such plans, funds, or programs do not exist, an amount equal to the fringe benefit contribution will be paid in wages to each laborer or mechanic listed in the above-referenced payroll.
 - (b) EXCEPTIONS

EXCEPTION (CRAFT)	EXPLANATION

WILLFUL FALSIFICATION OF ANY OF THE ABOVE STATEMENTS OR OF PAYROLL DOCUMENTS MAY SUBJECT THE CONTRACTOR OR SUBCONTRACTOR TO CIVIL OR CRIMINAL PROSECUTION. SEE SECTION 1001 OF TITLE 18 AND SECTION 3729 OF TITLE 31 OF THE UNITED STATES CODE.

SIGNED _____ TITLE _____ DATE _____
Contractor/Subcontractor

REMINDER
THIS WEEKLY STATEMENT OF COMPLIANCE, ALONG WITH OTHER EMPLOYEE

**PAYROLL RECORDS, MUST BE RETAINED BY THE CONTRACTOR OR
SUBCONTRACTOR FOR THREE YEARS IN ACCORDANCE WITH FEDERAL REGULATIONS**

Distribution: TVA's Contract Agent (This TVA Contract Agent is also to maintain these weekly statements for 3 years from date of completion of this contract.)

TVA 916 [LR RL 8/97]

CONTRACTOR SECURITY SYSTEM

(To be placed in trades and labor contracts
expected to last more than seven days.)

INSTRUCTION SHEET

The Contractor Security System requires contractors to call into TVA via an Interactive Voice Response (IVR) 1-800 number to obtain suitability for their employees to have access to TVA facilities. Use of this system will assist in eliminating the potential possibility of unsuitable personnel being placed at a TVA work location before proper clearance has occurred.

CONTRACTOR RESPONSIBILITIES

1. All Contractors (and their Subcontractors) are required to clear all of their employees through TVA's Contractor Security System via the IVR.

2. Designating a Company Representative to Access and Operate the System

The contractor must assign the functions required to access the IVR System to a representative of their company. This representative then becomes responsible for keeping secure their vendor code number and personal identification number (PIN).

3. To Register and to be Assigned Contractor Access Number

Immediately upon award of contract, to initiate the contractor security system requirements and to be assigned a vendor code and PIN, the information contained on the Registration Form must be provided. This information is to be provided to TVA's Employee Service Center (ESC) at 400 West Summit Hill Drive, WT CP, Knoxville, Tennessee 37902. The contractor may call the ESC at 1-888-275-8094. **(To short-cut the system:** When the IVR equipment asks its first question, *"If you are calling from a touch-tone phone, press 1," do not press 1,* but stay on the line instead, and an ESC representative will come on the line to assist you.) Or, fax the Registration Form to 1-888-633-0372. If the contractor already has an active vendor code and PIN for this system from a previous contract, it is not necessary to be issued another set of numbers. The contractor is required to check all employees through this system regardless of the number of contracts held.

4. A Contractor is also Responsible for its Subcontractor Personnel

The representative in Item 2 above is responsible for accessing the IVR System for both the employees of the contractor and the employees of the subcontractor(s). However, if the contractor prefers that their subcontractors be authorized and responsible to access this system for their employees, the contractor may request this approval by calling TVA's Labor Relations Staff at (865) 632-7701.

5. Contractors' Access to the Security (IVR) System

Dial: **1-800-796-9628** (toll free) or
632-3409 (within TVA phone system)

**The system is to only be accessed by
an authorized representative of the
contractor.**

Your clearance to access employment suitability information through the IVR system is controlled through both a vendor code and PIN. You must have both numbers to access the system. PIN numbers will be reissued at 6-month intervals. You will be notified by FAX one week prior to your PIN expiration date with a new PIN.

The IVR system will lead you through a series of voice prompts to check clearance on contractor employees. You will be required to enter your vendor code and your PIN to access information regarding employee clearance. If either code is incorrect, you will be denied access to the system.

Once you have entered the correct vendor code and PIN, the system asks you to enter the social security number (SSN) for each employee of the contractor or subcontractor seeking access to TVA property/work sites. Once you enter the SSN, the system will respond according to restrictions or nonrestrictions on the employee and advise you how to proceed. The attached TVA Contractor Worksheet is not a necessary form as it is provided as a worksheet for the contractor for convenience when using the system.

If you have problems with the system or need vendor code or PIN information, you should call the Employee Service Center at 1-888-275-8094.

TVA Has Two Separate Security Units

TVA has two separate security units (nuclear and nonnuclear). If an individual is denied clearance, you may be directed to contact either unit depending on whether the contract is with a TVA nuclear or nonnuclear organization. If it is necessary to call a security office after your IVR inquiry, only the authorized contractor representative may call:

Nuclear: 423-751-7923
Nonnuclear: 865-632-7703

Information to be Furnished to Individual that is Denied Access

Individuals should not be given or call the above numbers to inquire on their status. They may inquire in writing to the appropriate office indicated below (SSN, date of birth, and current address must be included for response):

<u>Nuclear</u>	<u>Nonnuclear</u>
Manager, Nuclear Security	Program Manager, Assets Protection
1101 Market St., EB 10B	400 West Summit Hill Drive, WT 3D
Chattanooga, TN 37402	Knoxville, TN 37902-1401

All information contained in this system is considered sensitive information and should be treated as such. Please ensure that access to this system is limited to specifically authorized representatives of the contractor with need-to-know requirements.

6. **Responsibilities of Contractor to Furnish Information to System**

Nuclear Contractors

For nuclear contractors who are discharged or resign from the contractor or subcontractor while working at a TVA Nuclear site, the contractor representative should immediately notify the applicable nuclear site Plant Access office. Plant Access will enter a work restriction into the system during the "check out" process.

Nonnuclear Contractors

For employees who are discharged or resign from the contractor or subcontractor while working at any nonnuclear TVA site, the contractor representative should immediately FAX the attached transmittal titled Contractor Report of Discharges or Resignations to TVA's Personnel Suitability and Clearance office. This will ensure that work restrictions are entered into the system.

REGISTRATION FORM FOR TVA CONTRACTOR SECURITY SYSTEM

Immediately upon award of contract, to initiate the TVA Contractor Security System requirements and to be assigned a vendor code and personal identification number (PIN) number, this completed form or the information contained on the form must be provided to TVA's Employee Service Center (ESC) at 400 West Summit Hill Drive, WT CP, Knoxville, Tennessee 37902 or the contractor may call the ESC at 1-888-275-8094. **(To short-cut the system:** When the IVR equipment asks its first question, "*If you are calling from a touch-tone phone, press 1,*" do not press 1, but stay on the line instead, and an ESC representative will come on the line to assist you.) Or, fax this form to 1-888-633-0372. If the contractor has an active vendor code and PIN for this system from a previous contract, it is not necessary to be issued another set of numbers; however, the contractor is required to check all employees through this system regardless of the number of their contracts held.

NAME OF CONTRACTOR COMPANY

TVA CONTRACT NUMBER

Name, address, phone, fax, and E-mail address (if established) of contractor representative designated the responsibility to keep the contractor vendor and PIN numbers secure and to administer this security system:

(Contractor Representative Name)

(Contractor Representative Address)

(Contractor Representative Phone Number)

(Contractor Representative Fax Number)

(Contractor Representative E-Mail Address--if established)

NOTE: *The contractor representative identified above is responsible to keep these numbers secure and to assign the person employed by the contractor responsible for operating the system. The PIN will be revised every 6 months for security reasons, and the contractor representative listed above will be so notified. TVA will monitor the contractor's frequency of use of this system.*

SENSITIVE INFORMATION

Contractor Report of Discharges or Resignations
**** For Nonnuclear Contractors Only ****

TO: PERSONNEL SUITABILITY AND CLEARANCE

DATE: _____

FAX #: (865) 632-4545 **PHONE #:** (865) 632-7703

FROM: Company Name: _____

Company Contact Name: _____

Phone Number: _____ Fax Number _____

TVA Contractor Personnel Actions

1. Name: _____ SSN: _____

Craft (i.e., IBEW, Boilermakers, etc.): _____

Project/Site (i.e., Gallatin, Colbert, etc.): _____

Resignation Date: _____ or Discharge Date: _____ Discharge Code: _____

Describe Reason for Discharge: _____

2. Name: _____ SSN: _____

Craft (i.e., IBEW, Boilermakers, etc.): _____

Project/Site (i.e., Gallatin, Colbert, etc.): _____

Resignation Date: _____ or Discharge Date: _____ Discharge Code: _____

Describe Reason for Discharge: _____

3. Name: _____ SSN: _____

Craft (i.e., IBEW, Boilermakers, etc.): _____

Project/Site (i.e., Gallatin, Colbert, etc.): _____

Resignation Date: _____ or Discharge Date: _____ Discharge Code: _____

Describe Reason for Discharge: _____

DISCHARGE CODES (reasons for discharge)

- | | | | | | |
|----|---------------------------------------|----|--|----|---------------------|
| P1 | • First positive drug/alcohol test | M1 | • Misconduct (includes sleeping on the job, possession of drugs/alcohol/ weapons, falsification of records, insubordination, etc.) | S1 | • Safety violations |
| P2 | • Second positive drug/alcohol test | | | O1 | • other (explain) |
| T1 | • Theft/fraud (provide documentation) | | | | |
| V1 | • Violence (provide documentation) | | | | |
| A1 | • Absenteeism | C1 | • Criminal history | | |

SENSITIVE INFORMATION

TVA 1851 PART I

LABOR PROVISIONS

Prevailing Wage Rate

The contractor is required to pay, and to ensure that each subcontractor pays, not less than the prevailing rate of wages for work of a similar nature prevailing in the vicinity to all laborers and mechanics performing work under this contract. The contractor is further required to post the Wage Notice in a prominent location at each job site where employees pass by not less than once per month. TVA's determination of prevailing rates of wages and fringe benefits is listed in Part II of this document, which may be modified by TVA or otherwise modified in accordance with this contract from time to time. (Wage rates are normally reexamined by TVA annually, and revisions in the wage scale usually become effective near the beginning of each calendar year.)

Covered Work

The term "employee" used throughout this document applies only to persons employed to perform laborer or mechanic-type work, commonly referred to as trades and labor (blue-collar) work.

This document applies to all TVA work performed by contractors or subcontractors of any tier on real property in possession or control of TVA. This document also applies to the following work performed by contractors or subcontractors on any tier: roadside production of material; all hauling of material from roadside quarries and pits, from railroad or water delivery points, or from local sources of production to the site of the work; and concrete proportioning plants; from which material is used wholly on this contract or on contracts under the supervision of TVA.

Apprenticeship Classifications

The apprentice classifications and rates listed in Part II of this document may be applied only to persons who are duly registered in a bona fide apprenticeship program that is (1) registered with a state apprenticeship agency recognized by the United States Department of Labor; (2) registered with the Bureau of Apprenticeship and Training, United States Department of Labor; or (3) an otherwise bona fide apprenticeship program as determined by the contracting officer, whose decision on this issue shall be final. TVA reserves the right to request a copy of and to review the contractor's apprenticeship program to ensure that it is in fact a bona fide program that provides a clear program to teach journeyman skills to unskilled workers.

Classifications and Rates of Pay

Classifications not contained in Part II of this document shall not be used by the contractor without advance permission of the contracting officer. Any question as to the correct classification, rates, and benefits which apply to individual employees of the contractor will be determined by the contracting officer, whose decision shall be final and conclusive in the absence of a decision by the Secretary of Labor. If any dispute arises as to the prevailing rates of wages, the question shall be referred for determination to the Secretary of Labor, whose decision shall be final. In the absence of a decision of the Secretary of Labor, the prevailing rates of wages for the different classifications set out in Part II of this document (as it may be modified by TVA from time to time) shall be considered by all parties to be the minimum rates of wages that shall be paid by the contractor for the work performed under this contract.

No individual shall be employed as a skilled or unskilled laborer on this contract except on a wage basis. This should not be construed to prohibit the subcontracting of work or the rental of trucks or other equipment if this is otherwise permitted under this contract. Any individuals employed to perform work under such subcontracts or rental agreements will be paid on a wage basis in accordance with the provisions of the contract. No charge for food, gasoline, supplies, repairs, or equipment rental shall cause any deduction from the minimum amounts due to be paid to an individual performing work under this contract.

The hourly rates shown in Part II of this document are for straight-time work.

A contractor or subcontractor may discharge its minimum wage obligations for the payment of specified straight-time wages and fringe benefits by paying in cash, making payments or incurring costs for fringe benefits contained in Part II of this document, or by a combination thereof, provided overtime is based on the straight-time base rate as set out in the paragraph entitled "Overtime Compensation Provisions."

Multiple Shifts

When more than one shift is worked, employees on the first shift work 8 hours and are paid for 8 hours; employees on the second shift receive 8 hours' pay for 7-1/2 hours worked; employees on the third shift receive 8 hours' pay for 7 hours worked. The hours worked are exclusive of lunch periods. With approval of the TVA jobsite representative, straight-time shifts for more than 8-hour periods may be scheduled but for no less than 3 consecutive workdays. On those occasions, the last hour of second or third shifts is paid but not worked. Employees will be given 48 hours' notice prior to a change in their straight-time shift schedule.

Overtime

This contract requires the contractor or subcontractor to pay overtime rates of pay to employees for all hours worked in excess of 40 hours in any workweek. The overtime rate of pay is not less than 1-1/2 times the straight-time rate of pay for all hours over 40 in a workweek.

The overtime rate is 2 times the straight-time rate of pay for all hours worked on the employee's seventh day; on the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day; and if an employee is required to work for more than 16 hours without a nonwork period of at least 6 continuous hours. If any of the listed holidays fall on a Sunday, the following day is regarded as the official holiday.

If any hours worked fulfill the conditions for 2 or more overtime rates, only the higher overtime rate applies.

The contractor and any subcontractor responsible for violating the compensation provisions shall be liable to any affected employee for the employee's unpaid wages plus interest thereon from the date such wages should have been paid until they are paid at the rate prescribed for contractor claims under the Contract Disputes Act. The contracting officer may withhold, or cause to be withheld, from any monies due the contractor and/or subcontractor the full amount of wages required by this contract, plus interest as provided herein, and may distribute such withheld monies directly to employees who have not been paid in accordance with these provisions.

The payment of wages shall be by cash, negotiable instruments payable on demand, or the additional forms of compensation for which deductions are permissible as referenced in the paragraph entitled "Payroll Deductions."

Labor Payroll Records

For contracts over \$2,000 for the construction, alteration, repair, painting, or decoration of public buildings or works, the Secretary of Labor prescribes regulations (detailed in Part 3, Title 29, Code of Federal Regulations) covering persons employed to perform trades and labor (blue-collar) work. In accordance with these regulations, the contractor and each subcontractor shall preserve its weekly payroll records for a period of 3 years from the date of completion of the contract. The payroll records shall accurately and completely show the name, social security number, and address of each employee; the employee's correct classification, rate of pay, daily and weekly number of hours worked, deductions made, and actual wages paid; and any other information required by the regulations. Upon request, the contractor shall furnish, in paper or electronic form, weekly payroll records of contractors and subcontractors for inspection on a weekly or as-requested basis to the designated TVA jobsite representative, the contracting officer, other authorized representatives of TVA, or the Department of Labor.

Weekly Statement of Compliance

In accordance with Part 3, Title 29, Code of Federal Regulations, within seven days after the regular payment date of each payroll period, the contractor and each subcontractor is required to furnish to TVA's Contracting Officer a Weekly Statement of Compliance (form TVA 916). The Weekly Statement of Compliance shall certify that (1) the contractor or subcontractor has paid each of its employees engaged in work covered by this contract the full weekly wages earned as shown on the payroll; (2) no rebates have been or will be made either directly or indirectly to or on behalf of the contractor or subcontractor from the full weekly wages earned as shown on the payroll; and (3) no deductions (other than the permissible deductions defined in Part 3, Title 29, Code of Federal Regulations) have been or will be made either directly or indirectly from the full weekly wages earned as shown on the payroll. This statement shall be signed by the contractor or subcontractor or by an authorized officer or employee of the contractor or subcontractor who supervises the payment of wages. The contractor shall include appropriate provisions in all subcontracts to ensure fulfillment of these requirements.

The willful falsification of any payrolls and statements may subject the contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 3729 of Title 31 of the United States Code.

Payroll Deductions

Refer to Part 3, Title 29, Code of Federal Regulations, for detailed definitions of the payroll deductions which are (1) permissible without application to or approval of the Secretary of Labor or (2) permissible with the approval of the Secretary of Labor. Also defined are the requirements for making application for the approval of the Secretary of Labor.

Fees

No fee of any kind shall be asked or accepted by the contractor or any of its agents from any person who obtains work on the project, nor shall any person be required to pay any fee to any person or agency obtaining employment for the contractor on the project.

Fringe Benefits

In no event will the contractor or subcontractor recapture all or any part of the fringe benefit contributions paid directly to an employee or paid into any fund or in any way divert such contributions to the contractor's or subcontractor's own use or benefit.

Labor Cost Adjustment

TVA wage documents, forms TVA 1851A, 1851C, and 1851P or the TVA Project Agreement wage documents, Exhibits A and S-1, (hereinafter referred to as "TVA wage document"), are usually revised around the first of each calendar year to reflect changes in the prevailing rates of wages and related benefits. If any revisions are made by TVA which are applicable to the TVA wage document attached to this contract between the date of the contractor's offer and the date stipulated for completion of the contract, or any extension thereof authorized by TVA in accordance with the Delays and Remedies provision, the appropriate adjustment, increase or decrease, in the amount TVA is required to pay the contractor for field labor shall be made by TVA to reflect the revisions of the various wage classification rates as follows:

- (a) For each classification actually used in work on the contract and with respect to which a revision is made in the wage rate or related benefits listed in the TVA wage document, the number of hours worked during the period in which such revision is effective shall be determined from the certified payrolls maintained by the contractor or its subcontractor; and the increase or decrease in the respective wage rate or benefit shall be applied to this number of hours. Such increases or decreases shall include adjustments for FICA, unemployment insurance, and workers' compensation insurance which correspond to revisions of the TVA wage document; and such adjustments shall be assessed on the basis of changes in individual pay and not as a percentage of the contractor's total payroll. The contractor shall submit (1) labor cost adjustment billings to the Accounts Payable Department and (2) the Weekly Statement of Compliance (form TVA 916) to TVA's Contracting Officer. The contract price shall be adjusted based on the total net increase or decrease resulting from all such changes under the various classifications in the wage document. This labor cost adjustment shall be made regardless of the level of wage rates and other benefits actually paid by the contractor or subcontractor, either before or during the period of work under this contract.
- (b) Any revisions made in the TVA wage document which are not made applicable to this contract shall not give rise to any adjustment under this provision.
- (c) This provision is applicable only to work which is subject to the TVA wage document, and this provision is in lieu of all other adjustments for changes in the cost of such work.
- (d) In the event the contracting officer orders changes in the drawings or specifications, extra work, or other changes in the contract which result in a change in the field labor performed on a TVA jobsite and a change in the contract price is provided, such changes to the contract price shall be subject to field labor cost adjustment as provided herein. Since this cost adjustment will apply and will be calculated from the TVA wage document which was part of the original contract, the contractor's quotation for a change which involves any increase in the field labor shall be reduced to reflect any amount of cost adjustment the contractor will be entitled to under this provision.

- (e) Billing of adjustments under this provision shall be made at least every month.
- (f) TVA shall have the right to audit, without restrictions, the supporting data for all labor cost adjustment billings, and any payments to the contractor which are not supported by the contractor's books, records, documents, or other valid evidence shall be refunded to TVA.

Miscellaneous

No skilled or unskilled labor shall be charged for any tools used in performing the employee's respective duties.

Every employee on the work covered by this contract shall be permitted to lodge, board, and trade where and with whom the employee elects; and neither the contractor nor its agents, nor its employees shall directly or indirectly require as a condition of employment that an employee shall lodge, board, or trade at a particular place or with a particular person.

No charge shall be made for any transportation furnished by the contractor or its agents to any person employed on the work.

Electrical Workers (continued)

Groundman (line crew)	12.54
Groundman Driver	12.69
Groundman Foreman (Pwr. Const.)	19.59
Groundman Trainee--A	8.78
Groundman Trainee--B	9.41
Lineman	19.59
Lineman Foreman	21.55
Right-of-Way Clearing Foreman--Spray	15.67
Substation Const. Foreman	23.71
Transmission Line Const. Foreman	23.71

Health and Welfare Fund	2.61 ¹
Pension Fund--National	3% of

gross

payroll

Pension Fund--Local	2.09
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Iron Workers

Iron Worker Head Foreman	21.33
Reinforcing Iron Worker	17.63
Reinforcing Iron Worker Foreman	19.39
Reinforcing Iron Wkr. Subjourneyman	10.58 ²
Structural Iron Worker	17.63
Structural Iron Worker Foreman	19.39
Structural Iron Worker Sketchman	19.39
Structural Iron Wkr. Subjourneyman	10.58 ²
Structural Iron Worker Welder	17.63

Health and Welfare Fund	1.93 ¹
Pension Fund	3.23
Annuity	0.50

Laborers

Asphalt Raker and Smoother	11.88
Cement Gun Nozzleman	12.43
Chuck Tender	12.28
Concrete Placing Foreman	13.89
Construction Laborer	11.88
Deckhand	11.98
Excavation Foreman	13.89
Flagman	12.18
Form Stripper--Wrecker	11.88
Jackhammer Operator	11.93
Labor Foreman	13.67
Labor Head Foreman	15.28
Laborer (unclassified)	11.73
Mortar Mixer	11.88
Nuclear Plant Laborer	11.88
Powder Foreman	13.89
Powderman	12.63
Power Saw Operator	11.88

Laborers (continued)

Right-of-Way Spray Laborer	11.88
Sewer Foreman	13.67
Substation Yard Laborer	11.88
Track Foreman	13.89
Track Laborer	11.88
Tunnel Laborer	12.38
Tunnel Miner	12.73
Tunnel Miner Foreman	14.00
Wagon Drill Operator	12.38
Watchman	11.73

Health and Welfare Fund	1.60 ¹
Pension Fund	0.90

Machinists

Bolt Threading Machine Operator	15.58
Gas and Diesel Mechanic	20.77
Gas and Diesel Mechanic Foreman	22.85
Gas and Diesel Mechanic Helper	15.58
Gas and Diesel Mechanic Helper II	17.65
Machinist	20.77
Machinist Foreman	22.85
Machinist Head Foreman	25.14
Machinist Utilityman	12.46 ²
Machinist Welder	20.77
Outside Machinist	20.97
Outside Machinist Foreman	23.07
Outside Machinist Utilityman	12.58 ²
Outside Machinist Welder	20.97

Health and Welfare Fund	1.80 ¹
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Operating Engineers**Group A Equipment Op.**

Bulldozer Operator	17.58
Cage Hoist Operator	
Central Concrete Mixing Plant Op.	
Concrete Pump Operator	
Core Drill Operator	
Crane Operator	
Derrick Operator (live boom)	⁴
Dragline Operator	
Dredge Operator	
Equipment Mechanic	
Equipment Mechanic Welder	
Euclid Loader Operator	
Heavy Rotary Drill Operator	
Marine Pilot	
Motor Patrol Grader Operator	

Operating Engineers (continued)

Group A Equipment Op.

Mucking Machine Operator
Pan Scraper Operator
Paving Equipment Operator
Pile Driver Operator
Power Shovel Operator
Trenching Machine Operator

Group B Equipment Op.

16.83

Central Compressor Plant Operator
Chief Filter Plant Operator
Derrick and Dredge Boat Fireman
Drill Operator
Elevating Grader Operator
Hoist Operator
Locomotive Operator
Marine Engineer
Well Point Pump Operator
Yard Conductor

Group C Equipment Op.

15.74

Bituminous Distributor Operator
Filter Plant Operator
Grader Operator
Greaser
Motor Crane Driver and Oiler
Mulching Machine Operator
Portable Concrete Mixer Operator
Road Roller Operator
Switchman
Tractor Operator
Tunnel Motorman
Work Boat Operator

Group D Equipment Op.

14.98

Conveyor Operator
Crane Car Operator
Drill Helper
Equipment Mechanic Helper
Fireman
Grout Pump Operator
Loading Machine Operator
Oiler
Outboard Motorboat Operator
Portable Compressor Operator
Pump Operator
Tractor Operator -- Farm Type
Trenching Machine Helper
Welding Machine Operator

Roofers

Roofer

16.24

Equipment Operator Foreman

Central Mixing Plant Foreman 19.34
Core Drill Foreman 19.34
Dredge Mate 19.34
Drill Foreman 18.51
Equipment Foreman 19.34
Equipment Mechanic Foreman 19.34
Greaser Foreman 17.58
Operating Engineer Head Foreman 21.27

Operator Trainees

Central Concrete Mixing Plant Opr.
Trainee I 14.98
Trainee II 15.74
Trainee III 16.83
Core Drill Operator Trainee I 15.74
Core Drill Operator Trainee II 16.83
Marine Pilot Trainee I 15.74
Marine Pilot Trainee II 16.83

Health and Welfare Fund 2.37 ¹
Pension Fund 2.29

Painters

Painter (includes drywall finish & glazier work) 14.93
Painter Foreman 16.42
Painter Head Foreman 18.06
Painter Utilityman 8.96 ²
Sign Painter 14.93

Health and Welfare Fund 1.80 ¹
Pension Fund 1.75

Plasterers and Cement Masons

Cement Mason 17.54
Cement Mason Foreman 19.29
Cement Mason Head Foreman 21.22
Cement Mason Improver 10.52 ²
Plasterer 19.54
Plasterer Foreman 21.49

Health and Welfare Fund 2.00 ¹
(Cement Masons only)

Teamsters

Garage Attendant

13.04

Roofer Foreman	17.86
Roofer Head Foreman	19.65
Roofers Helper	11.69
Roofer Subjourneyman	9.74 ²
Roofer -- Slate and Tile	16.49
Roofer Foreman -- Slate and Tile	18.14
Roofer -- Slate and Tile Subjourneyman	9.89
Health and Welfare Fund	1.40 ¹
Pension Fund	0.50

Sheet Metal Workers

Sheet Metal Worker	19.08
Sheet Metal Worker Foreman	20.99
Sheet Metal Worker Head Foreman	23.09
Sheet Metal Worker Pre-Apprentice	11.45 ²
Sheet Metal Worker -- Sketchman	20.99
Sheet Metal Worker Welder	19.08
Health and Welfare Fund	2.53 ¹
Pension Fund	2.53
SASMI (3% gross payroll including base wage, H&W, and Pension)	

Steamfitters

Lead Burner	21.28
Plumber	19.89
Plumber Foreman	21.88
Plumber Sketchman	21.88
Production Wkr. Steamfitter Subj'man.	11.93 ²
Sprinkler-Fitter	19.89
Sprinkler-Fitter Foreman	21.88
Steamfitter	19.89
Steamfitter Foreman	21.88
Steamfitter Head Foreman	24.07
Steamfitter Sketchman	21.88
Steamfitter Welder	19.89
Health and Welfare Fund	2.42 ¹
Pension Fund	2.67

Truck Dispatcher	13.62
Truck Driver I	13.04 ⁵
Truck Driver II	13.29 ⁵
Truck Driver III	13.54 ⁷
Truck Foreman	14.89
Truck Head Foreman	16.38
Warehouseman	13.04
Warehouse Foreman	13.59
Health and Welfare Fund	2.70 ¹
Pension Fund	\$85/wk.
(For each week in which employee receives at least 20 hours' pay.)	

Multi-Craft

Diver	26.07 ⁸
<u>Depth Premium</u>	
0 - 50 ft. No premium	
51 - 100 ft. \$1.00 per ft.	
101 - 150 ft. \$2.00 per ft.	
151 - 200 ft. \$3.00 per ft.	
201 - 250 ft. \$4.00 per ft.	
251 - 300 ft. \$5.00 per ft.	

Torus Diving Premium

\$5.00 per calendar day to diver who makes one or more dives in nuclear torus.

Diver Tender	14.49 ⁸
Power House Crane Operator	19.59 ⁹
Property Maintenance Worker	13.04 ⁹
Property Maintenance Foreman	14.34 ⁹

ENDNOTES

1. a. Health and Welfare and Pension Contribution - A contractors' rate of contribution to health and welfare and pension may vary within its company from those listed on the wage schedule. It is permitted that a contractor may make hourly fringe benefit contributions at another rate(s); however, in such case, the hourly wage rate must be adjusted in an amount that provides that the total wage package (wages plus fringe benefit contributions) remain the same.
 - b. The rate of contributions to fringe benefit funds are paid at the straight-time rate even during overtime hours worked. During overtime, only the hourly wage rate is multiplied by the overtime multiplier. In other words, the established rate of contributions to fringe benefit funds is paid for hours worked and not hours paid.
2. In 1983, TVA and the Tennessee Valley Trades and Labor Council agreed to a new series of classifications (Asbestos Worker Subjourneyman, Boilermaker Helper [revised to Boilermaker Subjourneyman 12-97], Bricklayer Improver, Electrician Apprentice-Limited [Restricted], Reinforcing Iron Worker Subjourneyman, Structural Iron Worker Subjourneyman, Machinist Utilityman, Outside Machinist Utilityman, Painter Utilityman, Cement Mason Improver, Roofer Subjourneyman, Roofer--Slate and Tile Subjourneyman, Sheet Metal Worker Pre-Apprentice, and Production Worker Steamfitter Subjourneyman). These classifications are considered as nonjourneymen, and they are not in a training position or a progressive position leading to journeyman status. The total number of apprentices and nonjourneymen in a particular craft is not to exceed 33-1/3 percent of the craft work force. Some of the conditions of the agreement are: They are under the supervision of a general supervisor and the direct supervision of a foreman; they work with journeymen and perform tasks as assigned which do not require journeyman skills; they may be assigned to any work which, in the judgment of management, he/she can perform safely and efficiently; they must be physically able to do the work; and they must have a general knowledge of safe and proper use of handtools.
3. Must be certified under ASME Section 9.
4. For Crane Operator, the following premiums are paid: A premium of 75 cents per hour above the straight-time rate is paid for all hours when hired to operate the following: (1) cranes with 100 feet of boom, including jib; (2) tower cranes; or (3) ringer cranes.
5. Truck Driver I - Includes: (1) dump trucks 3 cu. yds. and under, struck measure; (2) trucks other than dump trucks with a manufacturer's nominal rating of 3T and under. Does not include trucks covered by the classification Truck Driver III.
6. Truck Driver II - Includes: (1) dump trucks over 3 cu. yds., struck measure, up to and including 6 cu. yds., struck measure; (2) trucks other than dump trucks having a manufacturer's nominal rating of over 3T up to and including 5T. Does not include trucks covered by the classification Truck Driver III.
7. Truck Driver III - Includes: (1) dump trucks over 6 cu. yds., struck measure; (2) trucks other than dump trucks over 5T; (3) trucks regardless of size having special equipment, such as fuel delivery equipment, dumpsters, mixers, winches (except bumper winches on trucks regardless of size, when used only to help the truck over rough or muddy ground), cargo refrigerating or heating units, etc.; (4) crawler trucks regardless of size; (5) tractor-type trucks of any size; (6) trucks of any size when pulling heavy capacity trailers such as lowboys, vans, mobile health clinic trailers, floats, etc.; (7) right-of-way clearing spray trucks. Does not include trucks covered by the classification Driver--Special Line Equipment. Does not include winch trucks with permanently attached "A" frame or boom when assigned primarily for hoisting for one week or more; under these circumstances, the driver position is classified as Crane Operator.

A premium of 30 cents per hour above the Truck Driver III rate is paid while driving a dual-powered, dual-control 400-ton lowboy. This premium is paid to those drivers actually performing the work described above.
8. This rate is the total wage package which is the total that may be paid when the hourly wage and all fringe contributions, if any, are added.

ENDNOTES (continued)

- 9. Receives fringe benefit contributions of the craft from which employed.
- 10. The Boilermaker Subjourneyman classification Health and Welfare and Pension contributions vary depending on when the individual was first hired by any contractor as a subjourneyman. (For a description of subjourneyman, see Endnote 2).

	<u>First Employed</u>	
	<u>Prior to</u> <u>11-1-97</u>	<u>After</u> <u>11-1-97</u>
Boilermaker Subjourneyman	\$12.68	\$12.68
Health and Welfare Fund	3.70	3.00
Pension	3.00	.25
Annuity	.50	.10

OTHER PAYMENTS

Construction of Transmission Facilities Only

Skilled or semiskilled construction employees engaged in construction of transmission facilities, whose temporary work location is changed throughout the construction area, are paid a subsistence allowance of \$35.00 for each night lodging is obtained and occupied when the temporary work location board town is more than 55 map (Rand McNally's Standard Highway Mileage Guide) miles from the city or town of the employee's permanent residence. Employees will be eligible for payment of the subsistence allowance if pay is received for productive work on the day following the night lodging is obtained and occupied, except employees will not be eligible until the temporary work location is changed from the original employment work location and they have reported to the new temporary work location for which the designated board town is more than 55 map miles from the city or town of their permanent residence. At any time the contractor specifies that overnight lodging is required, the employee will be paid the subsistence allowance for each night lodging is obtained and occupied while working on that assignment regardless of distance to

permanent residence. In a move between work location board towns, while engaged in construction of transmission facilities, the employee will be paid 23.5 cents per mile for providing his own transportation.

APPRENTICE WAGE RATE SCHEDULE

This structure is intended to help facilitate the identification of the proper minimum wage rates for apprentices. The following ranges accommodate any local apprentice program provided the program has a minimum of four periods and a maximum of ten periods. Apprentice wage rates are determined by selecting the schedule of periods listed below that corresponds to the number of periods in the applicable craft apprenticeship program, locate the period which reflects the current period of the apprentice to be paid, and then applying the percentage listed for that period to the journeyman wage rate for the craft as listed in the preceding schedule of wage rates.

All crafts (except Boilermaker)

1 2 3 4
57% 70% 80% 90%

1 2 3 4 5
57% 66% 74% 85% 90%

1 2 3 4 5 6
57% 63% 69% 76% 83% 90%

1 2 3 4 5 6 7
57% 62% 67% 72% 78% 84% 90%

1 2 3 4 5 6 7 8
57% 61% 65% 70% 75% 80% 85% 90%

1 2 3 4 5 6 7 8 9
57% 60% 64% 68% 72% 76% 80% 84% 90%

1 2 3 4 5 6 7 8 9 10
57% 60% 63% 66% 70% 74% 78% 82% 86% 90%

		Wage			
<u>Boilermaker only:</u>		<u>Rate</u>	<u>H&W</u>	<u>Pens.</u>	<u>Annuity</u>
1 st Period (0-1,000 hrs.)	(75%)	15.85	3.70	.25	.50
2 nd Period	(80%)	16.90	3.70	2.07	.50
3 rd Period	(85%)	17.96	3.70	2.07	.50
4 th Period	(90%)	19.02	3.70	2.07	.50
5 th Period	(95%)	20.07	3.70	2.07	.50
6 th Period (95%)	20.07	3.70	3.00	.50	

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