

LETTER OF UNDERSTANDING

In respect of the Cowichan District Hospital Replacement Project

This **LETTER OF UNDERSTANDING** is entered into as of the 8th day of November, 2022

BETWEEN:

BC INFRASTRUCTURE BENEFITS INC.

AND:

**ALLIED INFRASTRUCTURE AND RELATED CONSTRUCTION
COUNCIL OF BRITISH COLUMBIA**

WHEREAS:

- A. The parties entered into a Community Benefits Agreement dated the 17th day of July, 2018, as amended and restated on March 1, 2022, as may be further amended, supplemented or restated from time to time (the “**Community Benefits Agreement**”) which governs the terms and conditions of employment for Employees in respect of the Projects;
- B. Article 24 – Enabling Clause of the Community Benefits Agreement contemplates that the terms and conditions of the Community Benefits Agreement may be modified on agreement between the parties;
- C. The Cowichan District Hospital Replacement Project is to be delivered under the terms of the Community Benefits Agreement; and
- D. The parties wish to modify the terms of the “Project Definition: Cowichan District Hospital Replacement Project” on the terms and conditions of this Letter of Understanding.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby irrevocably acknowledged by each party, the parties agree as follows:

1. MODIFICATIONS TO COMMUNITY BENEFITS AGREEMENT

- 1.1 As of and from the date of this Letter of Understanding and in respect only of the Cowichan District Hospital Replacement Project, the “Project Definition: Cowichan District Hospital Replacement Project” is amended by adding the following under the heading ‘Modifications to Community Benefits Agreement for this Project’:

“(j) The Owner Operator Addendum of the Community Benefits Agreement is modified to add the following as new 00 3.00A CDHRP Dispatch immediately before the heading ‘OWNER OPERATORS – OPERATING ENGINEERS’:

“00 3.00A CDHRP Dispatch

00 3.01A CDHRP Dispatch

General. Owner Operators engaged to solely support earthworks, civil and utilities work (or any one or more of such work) on the Cowichan District Hospital Replacement Project will be dispatched by the Teamsters (without having to be processed through the Employer) and, unless already members of the Teamsters union, will become members of the Teamsters union in accordance with Article 8.102 of the Community Benefits Agreement.

Such Owner Operators will be considered to be independent contractors, and, as such, will not be required to become an Employee of the Employer.

The Contractor will pay each such Owner Operator according to the wages and benefits as per the tables in the appropriate Trade Section and this Addendum.

The Contractor will be responsible to remit all contributions and funds directly to the Teamsters union in respect of each such Owner Operator.

Dispatch Procedure. The Contractor will notify the Teamsters union dispatcher of the Owner Operator(s) required by 11:30 am on the business day before the required Owner Operator(s) is required on Site. The Teamsters dispatcher will, by 4:30 pm on that same day, provide the Contractor with a list of relevant Owner Operators, their equipment, wages and start times.”

- 1.2 For clarity, this Letter of Understanding is without prejudice to any other current or future Owner Operator’s or Teamster’s members’ employment under the Community Benefits Agreement on any other Project. The arrangement set out in this Letter of Understanding is specific only to the Cowichan District Hospital Replacement Project.

2. GENERAL

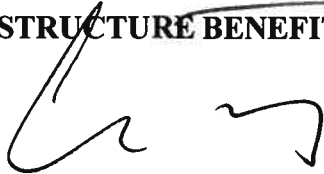
- 2.1 *Capitalized Terms.* All capitalized terms used in this Letter of Understanding but not defined in this Letter of Understanding have the meanings given to those terms in the Community Benefits Agreement.
- 2.2 *No Other Changes.* Except as expressly amended by this Letter of Understanding, the Community Benefits Agreement remains in full force and effect, unamended.
- 2.3 *Applicable Law.* This Letter of Understanding shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable in British Columbia.

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2.4 *Counterparts.* This Letter of Understanding may be executed by counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument. Delivery by email in portable document format (PDF) of an executed counterpart of this Letter of Understanding is as effective as delivery of an originally executed counterpart of this Letter of Understanding.

IN WITNESS WHEREOF the parties have executed this Letter of Understanding as of the day and year first above written.

BC INFRASTRUCTURE BENEFITS INC.



Per: _____

Name: SVETO PLAVSIC
Title: VP OPERATIONS, COO

**ALLIED INFRASTRUCTURE AND
RELATED CONSTRUCTION
COUNCIL OF BRITISH COLUMBIA**

Per: _____



Name: Hamish Stewart
Title: President

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