

Comprehensive Safety and Health Partnership Agreement

Indiana Department of Labor

And

Weigand Pepper Joint Venture

Construction Manager for

Parkview Regional Medical Center Project

April 16, 2009

I. PURPOSE AND SCOPE

The Commissioner of the Indiana Department of Labor (hereinafter "IDOL") and Weigand Pepper Joint Venture ("Construction Manager") agree that it is in the best interest of both parties to enter into a strategic health and safety partnership for the Parkview Regional Medical Center Project (hereinafter the "Project"). The goal of this partnership is the advancement of health and safety in the workplace, which encompasses the reduction of the number and severity of injuries, and the elimination of all fatalities on this construction project.

The Partnership refers to this Agreement, and the Partners are all parties collectively who are signatory to this Agreement.

It is understood that the agreement allows for a cooperative working environment between IDOL and the Parkview Regional Medical Center Project Construction Manager and Parkview Regional Medical Center Project Contractors. The agreement allows for certain inspection deferrals. It does not waive any aspect of the Act or IOSHA enforcement thereof in the event of complaint, serious injury, or death.

The agreement shall cover the Construction Manger and all PARKVIEW REGIONAL MEDICAL CENTER PROJECT Contractors. All elements of this Agreement shall be adopted by the Construction Manager and all of PARKVIEW REGIONAL MEDICAL CENTER PROJECT Contractors.

II. PARTNERS

The following are considered parties to this agreement:

1. Indiana Department of Labor, by its Commissioner (IDOL)
2. Indiana Department of Labor INSafe Division
3. Indiana Department of Labor IOSHA Division
4. Weigand Pepper Joint Venture (Construction Manager)

III. GOALS & MEASURES

The overall goal of the IDOL/Weigand Pepper Partnership is to achieve superior safety performance on the Parkview Regional Medical Center project.

A. WORKPLACE SAFETY PROGRAM

1. The Construction Manager shall implement a comprehensive workplace safety program. The program will be reviewed and approved by the Commissioner of Labor or her Designee at the beginning of the Partnership. The Program shall meet the requirements of ANSI A10.33 (2004). The program will be reviewed annually to evaluate effectiveness.
2. Upon signing of the agreement, the Commissioner of Labor shall conduct a review of the Construction Manager's safety program for the PARKVIEW REGIONAL MEDICAL CENTER PROJECT. That review shall determine how the Construction Manager will train and mentor contractors and subcontractors. It is understood that MICCS or ICA qualified contractors shall be presumed to be highly qualified for purposes of this paragraph.
3. The Construction Manager shall act as a safety mentor for all contractors working on site. It is understood that under this type of labor agreement it could be difficult to exclude certain parties from participation. Under this scenario, the Construction Manager will assume mentoring and training roles sufficient to help the contractor meet the overall performance goals.
4. The Construction Manager shall from time to time include INSafe consultants to accompany the Construction Manager Safety personnel on routine audits. It is understood these tours are non-enforcement in nature.
5. The Construction Manager, via its safety audit program, shall work to assure full compliance with all applicable OSHA regulations.
6. The Construction Manager shall assure that all contractors have a designated competent person on site with a minimum of OSHA 10 hour training and all applicable training for the subcontractor's scope of work.

7. The trades listed below will provide a full-time on-site safety professional for the duration of their work as specified by the Construction Manager. The qualifications of the safety professional shall be (1) a Bachelor's degree in safety and 2 years experience or (2) a non-degreed person with a minimum of the 30 Hour OSHA training and 5 years of construction safety experience. The safety professional shall report to and work with the Construction Manager. The safety professional shall complete daily safety audits of assigned work areas using the DBO2 Safety Net system. Trades include: steel fabricator, masonry, concrete, MEP (2), and drywall.
8. The Construction Manager shall require 100% fall protection for any activity over 6 feet above grade with the exception of platform ladders.

B. THE PARTNERSHIP AND IDOL SHALL MAINTAIN AN OPEN AND TRANSPARENT WORKING RELATIONSHIP.

1. The Construction Manager shall provide monthly progress reports to the Deputy Commissioner of INSafe. It is understood that these reports may require up to 30 days for data collection and processing. These monthly progress reports will include a summary of leading indicators outlined below in Section C – Measures, man hours, injury statistics and any other useful information. Thus the January report is not due until March 1. Any incident of significance shall be reported within 24 hours via the IOSHA hotline or by directly calling the Deputy Commissioner of Labor for IOSHA.
2. The Partnership shall include INSafe staff personnel in all safety meetings or program reviews. Non attendance by the Commissioner or her staff shall not be construed as waiving this privilege.
3. The Partnership shall set as a minimum, four (4) quarterly on-site consultations per year by INSafe consultants which may or may not be announced in advance.
4. The Partnership shall allow for Contractors or Subcontractors on the construction site to request INSafe consultants to consult, train, or advise outside of the four quarterly meetings as needed. Consultation requests can be sent in at www.in.gov/dol/insafeconsultation.
5. The Construction Manager shall provide contact persons for the Deputy Commissioner of INSafe, including telephone numbers and email addresses. The Deputy Commissioner of INSafe shall provide the same to the Construction Manager.

6. Any injury of significance shall be reported within 24 hours, deaths within 8 hours to IOSHA. An INSafe or IOSHA designee reserves the right to accompany IOSHA investigators on significant incident investigations. Any catastrophe or deaths shall be investigated by IOSHA following standard OSHA protocols.

C. MEASURES

IDOL and the Construction Manager agree that the overall goal of the partnership, to achieve superior safety performance, will be best served by focusing on leading metrics. Trailing metrics will be used by the Commissioner for validation purposes only.

Each leading indicator is a best practice associated with safety excellence. Results for these metrics will be distributed monthly.

1. **Goal:** All employees have received the applicable training necessary for their scope of work; i.e. orientation, aerial/scissor lift, forklift, hot work, fall protection, and scaffold user/erector.
Metric: Verification of required training, employee training records, and hard hat stickers.
Documentation: DBO2 audits.
2. **Goal:** Exceed the bench mark of 98% safe on DBO2 audits.
Metric: Safe Observations/Total Observations.
Documentation: DBO2 monthly summary report.
3. **Goal:** Open safety issues are closed out within 24 hours.
Metric: 90% of open issues closed out within 24 hours.
Documentation: DBO2 monthly open issue report.
4. **Goal:** Weigand Pepper management participation at scheduled weekly DBO2 audits.
Metric: Attendance.
Documentation: Names documented on DBO2 inspection reports and attendance matrix.
5. **Goal:** INSafe staff designated by IDOL participation at scheduled monthly DBO2 audits.
Metric: Attendance.
Documentation: Names documented on DBO2 inspection reports and attendance matrix.

6. **Goal:** Subcontractor Safety/Management participation at scheduled monthly DBO2 audits.
Metric: Attendance.
Documentation: Names documented on DBO2 inspection reports and attendance matrix.
7. **Goal:** Monthly analysis of safety observation data for trend identification.
Metric: Data analysis and trending.
Documentation: Monthly report generated and distributed.
8. **Goal:** Apply root cause analysis to negative trends.
Metric: Root cause analysis for each negative trend.
Documentation: Monthly report generated and distributed.
9. **Goal:** Safety intervention meetings are held with stakeholders identified in root cause analysis.
Metric: Safety intervention meetings are held to close out open root cause analysis.
Documentation: Attendance and meeting minutes from safety intervention meeting.
10. **Goal:** Tradespeople are held accountable for safety through the 3-step process detailed in the project safety manual.
Metric: Safety violation notices are issued to tradespeople for all life threat observations.
Documentation: Written safety violation notice, DBO2 life threat notification, and employee orientation log.

IV. EVALUATION

The Commissioner of Labor or her designee shall conduct an annual review of the site, the Partnership, and all relevant data. The review shall be done 10 months from the date of inception for the agreement. The Commissioner shall then determine, annually, if continuing in the Partnership is in the best interests of the State of Indiana and the Department of Labor. The evaluation shall be conducted in cooperation with the Construction Manager, and an annual report shall be filed by IDOL with federal OSHA on standard federal forms. This review will be largely administrative in nature, but can include site tours and employee interviews as deemed appropriate by the Commissioner. The Commissioner will include in her evaluation whether or not the

Parkview Regional Medical Center Project experienced an annual OSHA Total Case Incidence Rate of less than 4.0. The evaluation shall also be based upon input from the Deputy Commissioner of INSafe based on his quarterly on-site consultations each year.

If the Commissioner finds the performance does not meet the parameters listed above, then the Construction Manager shall submit a 60 day action plan to the Commissioner. The Construction Manager may seek the advice and consultation of INSafe in the development and execution of this action plan. Upon completion of the 60 day period, the Commissioner shall again review the program and make a determination if continuation of the agreement is in the best interests of all parties.

The Commissioner may recommend changes or amendments to the partnership at the time of the annual evaluation. All such changes require the agreement of the Partners, and shall be in writing and signed by each Partner to the Partnership Agreement.

V. BENEFITS

1. Special recognition from IDOL may include press releases and printed materials that identify the PARKVIEW REGIONAL MEDICAL CENTER PROJECT as a valued safety and health partner of IDOL.
2. Contractors working on the Project shall receive priority when seeking assistance from INSafe.
3. It is understood that this Agreement shall not limit IOSHA's investigation of any complaint or serious injury or fatality report. Indiana OSHA grants a conditional deferral of all general schedule inspections of this site as part of this agreement.
4. If an inspection of the Project and subsequent citation are warranted, PARKVIEW REGIONAL MEDICAL CENTER PROJECT contractors shall receive an additional 10% reduction above the good faith reductions outlined in the applicable OSHA FOM or FIRM. This shall apply in all formal inspections of the Project except those involving a fatality or repeat or knowing violations on the PARKVIEW REGIONAL MEDICAL CENTER PROJECT worksite.

VI. EMPLOYER AND EMPLOYEE RIGHTS AND RESPONSIBILITIES

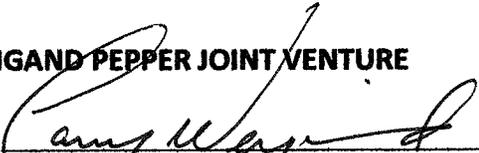
This Partnership does not preclude employees and or employers from exercising any rights provided under statute nor shall it abrogate any responsibility to comply with any rule adopted under the OSH act. IOSHA may enter the site at any time when it believes a serious compliance issue exists. No part of this agreement shall be construed as limiting IOSHA enforcement authority or the rights of workers to protections afforded by the OSH Act.

VII. TERM

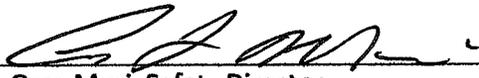
The term of this agreement shall be in effect until the completion of the project from the date of signing. It may be terminated at any time by any Partner with fifteen days written notice. Should OSHA Total Case Incidence Rates exceed 150% of the agreed target for one year, the Agreement can be subject to an automatic termination 15 days after all partners are advised in writing of the non compliance with terms of the Agreement. The Agreement may be renewed upon agreement of all Partners.

VIII. SIGNATORIES

WEIGAND PEPPER JOINT VENTURE

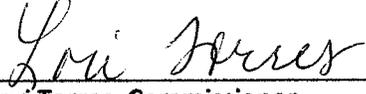
By: 
Larry Weigand, President
Weigand Construction Co., Inc. Date: 4/16/09

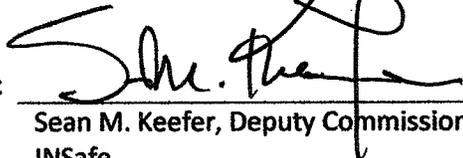
By: 
Steve Allemeier, Vice President
Pepper Construction of Indiana, LLC Date: 4/16/09

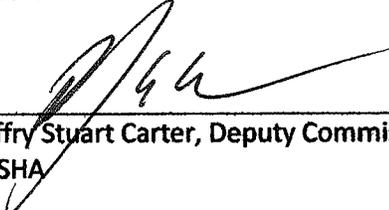
By: 
Greg Musi, Safety Director
Weigand Construction Co., Inc. Date: 4/16/09

By: 
David Murphy, Safety Director
Pepper Construction of Indiana, LLC Date: 4-16-09

INDIANA DEPARTMENT OF LABOR

By: 
Lori Torres, Commissioner
INDIANA DEPARTMENT OF LABOR Date: 4-16-09

By: 
Sean M. Keefer, Deputy Commissioner
INSafe Date: 4/16/09

By: 
Jeffrey Stuart Carter, Deputy Commissioner
IOSHA Date: 4/16/09