

2026-2029
MEMORANDUM OF UNDERSTANDING
Advanced Apprentice B

THIS MEMORANDUM OF UNDERSTANDING, is entered into this _____ day of _____, 2026, by and between NORTHERN ALLIANCE OF ENGINEERING CONTRACTORS ["NAEC"], ("Employer") and OPERATING ENGINEERS LOCAL UNION NO. 3 of the International Union of Operating Engineers, AFL-CIO ("Union").

Whereas, the California legislature has amended the Public Contracts Code and the Education Code requiring for specific types of prevailing wage projects a percentage of the "skilled and trained workforce" to have graduated from an approved apprenticeship program;

Whereas, Employer and Union agree to assist signatory employers meet this requirement for bidding these projects; and

Whereas, Employees can self-qualify as Journeymen but have not graduated from an apprenticeship program but have the required hours of on-the-job experience as an Operating Engineer occupation as required to have graduated from an apprenticeship program approved by the chief of the Division of Apprenticeship Standards of the Department of Industrial Relations and thus would not qualify as "skilled journeyman" under the current California code.

Therefore, Employer and Union agree to amend the Master Labor Agreement to make the following addition:

1. Amend Section 07.10.00 to add a six (6) month and a thousand (1,000) hours program within the Advanced Apprenticeship program to grant work experience credit for journeymen who have not graduated from an apprenticeship program.
2. Amend Section 07.10.02 to add Advanced Apprentice B – 100%.

1st Period Apprentice - 55%
2nd Period Apprentice - 60%
3rd Period Apprentice - 65%
4th Period Apprentice - 70%
5th Period Apprentice - 85%
Advanced Apprentice A – 90%
Advanced Apprentice B – 100%

3. Employer and Union agree that Individual Employers will remit 100% journey worker rate fringe benefits including vacation pay for all Advanced Apprentices B.
4. Employer and Union agree to amend Section 07.10.03 to add Advanced Apprentice B.

07.10.03 Applicants selected for Apprenticeship by the Joint Apprenticeship Committee may request evaluation by the appropriate Joint Apprenticeship Committee to receive credit which may be applicable for past experience.

The Joint Apprenticeship Committee may determine through evaluation whether the Apprentice shall be a First through Fifth Period Apprentice and shall be paid the appropriate percentage as set forth in Section 07.10.12."

The Advanced Apprentice B shall be paid at the Advanced Apprentice B wage and fringe benefit rate as set forth in 07.10.02 for work performed and covered by the Master Agreement.

Surveyor Apprentices shall be evaluated and receive the wage scale of the proper wage schedule as determined by the application of the proper percentage of the appropriate classification for the period of training and the work performed, all as determined by the NCS-JAC.

5. For purposes of the apprentice manning requirements set forth in Section 07.10.04, Employer and Union further agree that Advanced Apprentices B will be considered a "Journeyman" and further agree to modify Section 07.10.13 (3) as follows:

"3. All work of an Advanced Apprentice A will count as apprentice manning credit for the Individual Employer's apprentice manning obligations under the applicable provisions of this Agreement."

6. The parties agree to meet and confer upon thirty (30) days written notice by either party if legislation and/or a decision has been rendered by the State or regulatory authority concerning "skilled and trained workforce."

All other terms and conditions of the current Agreement shall remain unchanged.

IN WITNESS WHEREOF, the parties hereto set their hands and seals by their respective officers duly authorized to do so this ____ day of _____, 2026.

EMPLOYER:

**NORTHERN ALLIANCE OF ENGINEERING
CONTRACTORS ["NAEC"]**

Signature

Print Name

Title

UNION:

**OPERATING ENGINEERS LOCAL UNION NO. 3
of the International Union of
Operating Engineers, AFL-CIO**

President

Business Manager

Vice President

Financial Secretary

Treasurer