

August, 19, 2002

Ruff Services
P.O. Box 1905
Hawaiian Gardens, CA 90716

ATTENTION: John Ruff

RE: Gardner Elementary School

In accordance with Article III Section 3.3 and Article IV Sections 4.5, 4.7, 4.11 and 4.14 of the Project Stabilization Agreement for Los Angeles Unified School District Proposition BB new school construction and major rehabilitation agreement, you have failed to register your core work force with the appropriate hiring hall, sign a subscription agreement with the appropriate Labor/Management Trust Fund, and you have not had your employees comply with the union security provisions of the applicable schedule A agreement during the period that they are performing on-site project work.

Contact me to set up an appointment to sign a subscription agreement with the Operating Engineers Trust Fund. Also we need to set an appointment to sign-up your "core workforce" for their health and welfare pension and other benefit plans. Also as required by law rendering payment of the applicable monthly working dues and application fees uniformly required for union membership in the Operating Engineers Local Union No. 12.

You are requested to correct this violation immediately. In accordance with the applicable schedule a agreement (Operating Engineers Master Labor Agreement, Article II, Paragraph N) you are responsible to pay the Operating Engineers Health and Welfare fund damages of eight hours per day, at the rate of \$46.70 per hour, per person until these violations are corrected.

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Monte Anders
Business Representative
I.U.O.E., Local Union NO. 12