To: Signatory Contractor Members – Operating Engineers Local 701

From: Bob Timmons, Labor Relations Manager

Date: January 18, 2020

Subject: New MLA with Wage Increase

AGC Oregon-Columbia Chapter reached a new three-year agreement with the Operating Engineers Local 701 which was ratified January 8, 2020. Both parties mutually agreed to a 30-day initial extension in order to allow time for the union member to vote the contract across Oregon and SW Washington.

*Please note the following wage and fringe increases below. All wages are to be retro back to January 1, 2020.

The new Master Labor Agreement is now available on the AGC Oregon website along with this updated Schedule A. Please note there is also a summary of changes which is also on the website to specifically show the updated and new language in the Master Labor Agreement. If anyone has questions on interpretation or the spirit of what was bargained, please do not hesitate to contact me.
01.01.2020 through 12.31.2020

WAGE & FRINGE BENEFIT SCHEDULE

WAGES:

<table>
<thead>
<tr>
<th>Group</th>
<th>Zone I</th>
<th>Zone II ($3.00)</th>
<th>Zone III ($6.00)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$45.90</td>
<td>$48.90</td>
<td>$51.90</td>
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<tr>
<td>1A</td>
<td>$48.06</td>
<td>$51.06</td>
<td>$54.06</td>
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<tr>
<td>1B</td>
<td>$50.22</td>
<td>$53.22</td>
<td>$56.22</td>
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<tr>
<td>2</td>
<td>$43.99</td>
<td>$46.99</td>
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<tr>
<td>3</td>
<td>$42.84</td>
<td>$45.84</td>
<td>$48.84</td>
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<tr>
<td>4</td>
<td>$41.01</td>
<td>$44.01</td>
<td>$47.01</td>
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<tr>
<td>5</td>
<td>$39.77</td>
<td>$42.77</td>
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</tr>
<tr>
<td>6</td>
<td>$36.55</td>
<td>$39.55</td>
<td>$42.55</td>
</tr>
</tbody>
</table>

*Note: There is no longer a 5% increase on 1A and 10% increase on 1B

Foreman: Foremen receive five percent (5%) per hour above the highest paid classification under the foreman’s supervision.

FRINGE BENEFITS:

- Health and Welfare: $8.10
- Pension – Defined Benefit: $5.40
- Pension – Defined Contribution: $1.00
- Training: $0.80
- Construction Industry Promotion (CIP): $0.03
- Union Contractor Group (UCG (formerly CAF)): $0.05
- IUOE International Training Fund *New*: $0.05

DEDUCTIONS:

- **Vacation Savings Plan** – deduct $1.25 per compensable hour
- **Union Dues** – deduct 2% of gross wage
- **Construction Industry Promotion (CIP)** – deduct $0.03 per compensable hour
- **Union Programs Fund (UPF)** – deduct $0.05 per compensable hour
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<tr>
<td>6</td>
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<td>$41.80</td>
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<tr>
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