

## CONTRACT EXTENSION AGREEMENT

The International Union of Operating Engineers, Local 150, AFL-CIO (“Local 150” or “Union”) and the Mid-America Regional Bargaining Association (“MARBA”) and Excavators, Inc. (“Excavators”) hereby agree as follows:

1. The Building Agreement entered into by and between Local 150 and MARBA for the period June 1, 2010 through May 31, 2013; the Heavy, Highway and Underground (“HHU”) Agreement entered into between Local 150 and MARBA for the period June 1, 2010 through May 31, 2013; and the Heavy, Highway and Underground Agreement entered into between Local 150 and Excavators for the period June 1, 2010 through May 31, 2013 (collectively, “the Agreements”) are each extended for an additional four-year period, to and including May 31, 2017.

2. The June 1, 2012, allocation of the scheduled \$2.30 economic package increase is as follows (Article VII – Building; Article XV – HHU):

- Pension Plan - \$1.00 per hour
- Health & Welfare Plan - \$0.80 per hour
- Retiree Medical Savings Plan - \$0.50
- Wages - \$0.00

Payment of such amounts are retroactive to June 1, 2012.

3. Thereafter, the economic package for the Agreements will increase by 3.25% per annum in each of the four years of this Extension Agreement, as follows: \$2.40 on June 1, 2013; \$2.45 on June 1, 2014; and \$2.55 on June 1, 2015; and \$2.60 on June 1, 2016.

4. Subject to the pension funding requirements under the applicable schedule of any Funding Improvement Plan (“FIP”) adopted by the Pension Plan Trustees under the Pension Protection Act of 2006, or any successor legislation, and agreed-to/adopted by the bargaining parties, the allocation of the \$2.40 economic package increase scheduled to occur effective June 1, 2013, shall be as follows (Article VII – Building; Article XV – HHU):

- Pension Plan - \$0.50 per hour
- Health & Welfare Plan - \$0.65 per hour
- Retiree Medical Savings Plan - \$0.25 per hour
- Wages - \$1.00 per hour

However, should the applicable FIP schedule require additional pension contributions greater than \$0.50 per hour, those additional pension contribution amounts shall be allocated first from the total package increase scheduled for June 1, 2013, before any allocations to wages or the Health & Welfare Plan. The allocation to the Retiree Medical Savings Plan shall not be

reduced to less than \$0.25 per hour as a result of this provision.

5. For each succeeding year's allocation, the Union agrees as follows:

- Pension Plan – \$0.50 per hour will be the minimum allocation, and shall also be subject to the following:
  - if the pension funding requirements under the applicable schedule of a FIP or the applicable schedule of a Rehabilitation Plan adopted by the Pension Plan Trustees under the Pension Protection Act of 2006, or any successor legislation, and agreed-to/adopted by the bargaining parties, requires additional pension contributions greater than \$0.50 per hour, those additional pension contribution amounts shall be allocated first from the total package increase scheduled for that year before any allocations to wages or the Health & Welfare Plan or other benefits (except as provided below for the Retiree Medical Savings Plan);
  - the above provision shall not be used to reduce the minimum allocation required to be made to the Retiree Medical Savings Plan and set forth below (\$0.25 per hour).
- Retiree Medical Savings Plan - \$0.25 per hour will be the minimum allocation.
- Wages and Vacation Savings Plan - \$1.00 per hour will be the maximum combined allocation to Wages and Vacation Savings, subject to the commitments contained above regarding Pension and Retiree Medical Savings.

6. (a) Local 150, MARBA and Excavators together shall create a Work Rules Committee, consisting of an equal number of members representing each party with no more than three (3) persons from each. Alternate members may be appointed. The purpose of this Committee shall be to consider, discuss, and propose, under appropriate circumstances, Work Rule changes to the Agreements.

(b) No discussions by or meetings of the Committee shall be considered to be a reopening of the Agreements. At all times the no-strike and no-lockout provisions of the Agreements shall remain in full force and effect.

(c) Any Work Rule changes proposed by the Committee must be ratified by Local 150, MARBA and Excavators.

7. This Contract Extension Agreement is subject to ratification by Local 150, by MARBA and by Excavators. After ratification, contractors who are signatory to the current Agreements through MARBA and Excavators will have the opportunity to consent to this extension for the period June 1, 2013-May 31, 2017 on an individual contractor basis. MARBA and Excavators will provide the Union with lists of contractors consenting to this extension.

IN WITNESS WHEREOF, the parties have executed this Contract Extension Agreement this \_\_\_\_ day of June, 2012.

MID-AMERICA REGIONAL BARGAINING ASSOCIATION (MARBA)

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 150, AFL-CIO

By: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

EXCAVATORS, INC.

By: \_\_\_\_\_