

**MEMORANDUM OF UNDERSTANDING
REGARDING CONTRIBUTION RATES WITHIN THE
2020 – 2022 AGREEMENT**

BETWEEN: Associated General Contractors of Alaska (“AGC”)
AND: International Union of Operating Engineers Local 302 (“Union”) (both hereafter referred to as the “Parties”)
EFFECTIVE DATE: October 23, 2020

AGREEMENT

1. This Memorandum of Understanding will memorialize the following actions taken October 23, 2020 by the parties signatory to the Master Labor Agreement between Operating Engineers, Local 302 and the AGC of Alaska. This MOU shall be in line with the 302 Collective Bargaining Agreement and shall continue through December 31, 2022, and thereafter from year to year upon mutual agreement or as outlined in section 2.3 below.
2. For hours worked on and after January 1, 2021, the bargaining parties agree to reallocate certain fringe benefit contributions and Schedule A is amended to reflect a change to the health and pension contributions as follows:
 - 2.1 Locals 302, International Union of Operating Engineers Construction Industry Health & Security Trust Fund – 2021: \$8.70; 2022: \$9.05
 - 2.2 Locals 302, Operating Engineers-Employers Retirement Fund – 2021: \$15.50; 2022: \$15.75
 - 2.3 This \$2.00 decrease in the Health Trust hourly rate and corresponding \$2.00 increase in the Pension Trust hourly rate “supplemental contribution” will continue until the earlier of such time as: 1) the Health Trust notifies the Bargaining Parties that the Unallocated Reserves, as defined below, of the Health Trust have declined to 9 (nine) months of reserves, or 2) the bargaining parties mutually agree to change the allocation; at which time the \$2.00/hour will be allocated from the Pension Trust to the Health Trust no later than the first day of the month following the month in which the notice was received from the Health Trust or mutual agreement reached.

1) Unallocated Reserves are assets not attributable to the Health Plan’s designated reserves or liabilities. The total number of months of Unallocated Reserves are determined by the Trust Consultant and based on the monthly cost of projected expenses, which is also determined by the Trust Consultant.
 - 2.4 If Local 302 is unable to execute the \$2.00 reallocation for the majority of bargained signatory contractors by December 1, 2020 then this MOU will be considered null and void.

IN WITNESS WHEREOF, the Parties have entered into this MOU effective as of the date first set forth herein.

International Union of Operating Engineers
Local No. 302

By: 
Daren Konopaski, Business Manager

Dated: 11-18-2020

AGC of Alaska

By: 
Alicia Siira, Executive Director

Dated: 11/23/2020