



Workforce Relations

1800 Larimer St., 9th Floor
Denver, CO 80202

July 27, 2016

SP-16-0039

Robert Melton
Business Manager
IBEW Local 602
P.O. Box 143
Amarillo, TX 79105

RE: Retro Pay / Wage Increase

Dear Robert:

The purpose of this letter is to share some details around the process and anticipated timing for paying the retroactive wage increases to employees who were actively employed and paid for any hours since October 31, 2014.

For current employees, we anticipate applying the increases to their current wage rate effective on their paycheck received on August 5, 2016 (representing the pay period of July 18 – 31, 2016). We will also apply the two retroactive wage increases to their previous wage rate (if different from their present wage rate) for all hours paid between November 1, 2014 and July 17, 2016, and will make that payment as a lump sum less all applicable federal and state withholding taxes and normal benefits application. Both the adjustment and payment are planned to be reflected on their September 2, 2016 paycheck.

With respect to employees who were actively employed and paid for any hours on or after November 1, 2014 and who, for whatever reason, are no longer active employees, we will apply the wage increase to those hours and provide a lump sum payment less all applicable federal and state withholding taxes. We will make the payment via last known payroll process on file. We anticipate these payments to happen by September 2, 2016.

Please note that this timeline is subject to change. The Company has not previously processed retroactive pay for this long of a time period, so it is possible that issues could arise that would slow the process. We will notify of you if that appears likely.

As for the tentative agreements that were reached during bargaining but did not become effective until the Arbitrator's decision was rendered on July 18th we will begin to implement the tentative agreements going forward. .

Please let me know if you have any questions or concerns.

Sincerely,

Bruce R. Anderson
Director, Workforce Relations