

SIDE LETTER

City of Lancaster

And

Teamsters Local 911 Bargaining Unit

EXTENSION OF 2007 – 2009 MEMORANDUM OF AGREEMENT

This letter is entered into to document the intent of the parties to recommend ratification/approval of an extension of the existing Memorandum of Understanding through December 31, 2011.

The terms of the extension are as follows:

- 1) The City will adopt a seven step salary schedule with 5% between the steps and 2.5% between grades as proposed by the July 2008 Classification & Compensation Study. The reduced step salary schedule will be implemented and effective the first full pay period in July 2010.
- 2) Employees hired into the bargaining unit after July 1, 2009 shall be eligible for a City contribution of \$175.00 per month to the Retiree Health Savings Plan in lieu of the benefits in Article 9 Section 5 of the Agreement. Existing employees will be offered the opportunity to voluntarily move to the RHS benefit. Employees electing to do so will receive a lump sum payment based on years of prior service to their RHS account. The City and Union will meet and confer on implementation of the program for existing employees.
- 3) The City will conduct a total compensation study for positions within the Utility Services Division of the Public Works Department and share the results with the Union by July 2011.
- 4) The City may elect to offer an enhanced CalPERS program that includes sick leave conversion and a 2.7% @ 55 benefit at age 55 in lieu of the current benefit which includes a .7% PARS supplement to the 2.0% @ 55 CalPERS benefit. It is understood however, that should the City implement

this change it will be "cost-neutral" to bargaining unit employees.

- 5) This extension is made with the assumption that there will be no cost-of-living adjustments during the two (2) year extension period. It is understood that the City may grant a cost-of-living adjustment (COLA) to non-represented employees in lieu of implementing the reduced step salary schedule for their group. However, should the City grant a COLA other than what has already been negotiated, in addition to implementing the reduced step salary schedule for any group, the same increase will be extended to Teamsters Local 911 members but may be used to offset the cost of the employee portion of any change to CalPERS benefits.

- 6) If, during the term of the extension, the City elects to offer a cafeteria style employee benefit program, the City will offer the same program to the Union and, by mutual agreement, reopen the Memorandum of Understanding for meet and confer over the impact and implementation of any changes to benefits.

It is further understood by the parties that the City's intent to recommend approval of this extension is tentative pending a financial analysis of the cost of the Agreement. The City will undertake a cost analysis of this proposal prior to the anticipated June 16, 2009 ratification date by Teamsters Local 911.

DATE: _____

FOR TEAMSTERS LOCAL 911

FOR CITY OF LANCASTER

Raymond R. Whitmer

Beverly Glode

RESOLUTION NO. 09-64

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA APPROVING A TWO YEAR EXTENSION OF THE MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE CITY AND TEAMSTERS LOCAL 911.

WHEREAS, the City Council is desirous of approving the Memorandum of Understanding between the City and Teamsters Local 911.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF LANCASTER DOES HEREBY RESOLVE, DETERMINE AND FIND AS FOLLOWS:

Section 1. Approve the extension of the Memorandum (MOU) between the City and Teamsters Local 911 for a two year period expiring December 31, 2011.

Section 2. Any Resolutions in conflict with provisions stated herein shall be considered superseded by the provisions contained within this Resolution.

PASSED, APPROVED and ADPOTED this ____ day of _____, 2009, by the following vote.

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

GERI K. BRYAN, CMC
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF LANCASTER)

CERTIFICATION OF RESOLUTION
CITY COUNCIL

I, _____, _____ City of Lancaster, CA, do hereby certify that this is a true and correct copy of the original Resolution No. 09-64, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this _____ day of _____, _____.

(seal)
