

August 2, 2018

Stephen Hatch
Stationary Engineers, Local 39
1620 North Market Boulevard
Sacramento, California 95834

Re: Letter of Understanding: CalPERS Pension Cost Share for Local 39 General Supervisory Unit Language Clarification

Dear Mr. Hatch:

This letter confirms the agreement reached between the City of Sacramento ("City") and the Stationary Engineers, Local 39 ("Local 39") regarding the above referenced matter.

Specifically, the agreement is as follows:

1. Section 20.17(c) of the Memorandum of Understanding (MOU) (Term: January 23, 2018, through and including June 21, 2019) shall be amended to read:
 - c. Effective November 15, 2014, "classic members" shall pay eight percent (8%) of salary to the PERS retirement plan. The parties will seek to amend the PERS contract to reflect a new cost-share agreement in which miscellaneous classic members shall, from the date of amendment, pay a seven percent (7%) employee contribution and one percent (1%) of the employer contribution through PERS cost-share. If this PERS cost-share is not approved by a vote of the bargaining unit employees, the one percent (1%) cost-share will remain in the City's account.
2. All other provisions in MOU section 20.17(c) remain in unchanged.
3. This Agreement memorializes and constitutes the entire understanding between the parties as to all matters referred to or included herein and supersedes and replaces all prior negotiations and proposed discussion whether written or oral.

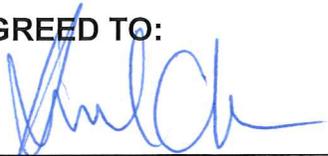
If this is your understanding of the agreement reached, please sign as indicated below and return one (1) original to Labor Relations. I have enclosed two (2) originals for your files.

Sincerely,



Aaron Donato
Labor Relations Manager

AGREED TO:



Howard Chan
City Manager

AGREED TO:



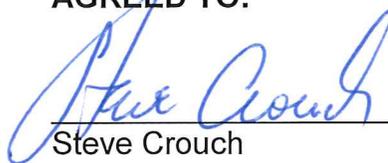
Shelley Banks-Robinson
Human Resources Director

AGREED TO:



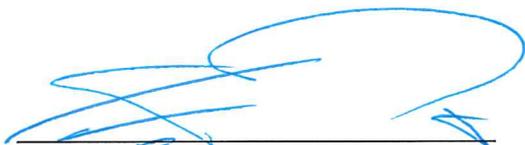
Bart Florence
Business Manager, Local 39

AGREED TO:



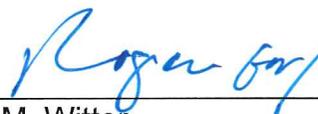
Steve Crouch
Director of Public Employees, Local 39

AGREED TO:



Stephen Hatch
Business Agent, Local 39

APPROVED AS TO FORM:



Brett M. Witter
Supervising Deputy City Attorney