



1 Code, the City's negotiating team has met on several occasions with the IUOE and  
2 have exchanged bargaining proposals, financial and other information in order to  
3 negotiate in good faith concerning modifications to the terms and conditions of  
4 employment consistent with the provisions in the Pendency Plan; and,

5 WHEREAS, the City must present a balanced financial plan, or Pendency  
6 Plan, for the General Fund that allows the City to continue to provide effective  
7 service, and the Pendency Plan constitutes an emergency within the meaning of the  
8 Meyers-Milias-Brown Act, Government Code section 3504.5; and

9 WHEREAS, after having met, the City and the IUOE have reached agreement  
10 on certain terms and conditions as set forth below.

11 **NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON  
12 COUNCIL OF THE CITY OF SAN BERNARDINO AS FOLLOWS:**

13 **SECTION 1.** The following terms and conditions of employment for General  
14 Unit members represented by the International Union of Operating Engineers  
15 ("IUOE") are approved for implementation effective February 1, 2013:

- 16 1. CalPERS Retirement Formulas: For all employees employed on or before  
17 10/3/11, 2.7% @ 55; Employees hired on or after 10/4/11 to 12/31/12, 2%  
18 @ 55; Employees hired on or after 1/1/13, 2% @ 62.
- 19 2. Cost Sharing of CalPERS Benefits: All employees hired on or before  
20 December 31, 2012 shall contribute 9.304% to the CalPERS benefit  
21 representing 50% of the normal cost of benefits as determined by  
22 CalPERS for the 2013-2014 fiscal year. Employees hired on or after  
23 January 1, 2013, shall contribute 50% of the normal contributions  
24 consistent with the provisions of the Public Employees Pension Reform  
25 Act of 2013 (PEPRA). The provisions of Section 414(h)(2) of the Internal  
26 Revenue Code (IRC) are applicable to contributions designated as  
27 employee contributions made by the City of San Bernardino to the  
28 CalPERS and are hereby incorporated herein.

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3. Salary Concessions: All salary concessions previously agreed to by the City and the IUOE shall be restored to their prior level and all bargaining unit employees will resume working a forty (40) hour week.
  4. Post-Retirement Medical Benefits: Employees hired on or after 1/1/13 shall not be eligible to receive payments for retiree medical benefits. The City shall reserve all rights to modify retiree medical plans and the amount of contributions paid by the City.
  5. Deferral of Payments for Accrued Leaves: All payments for accrued sick leave, vacation, and holiday leave time to which employees may be entitled prior to separation from employment (sell-backs) shall remain deferred in accordance with the action of the Common Council on August 6, 2012. All payments for cash-outs upon separation for accrued sick, vacation and holiday leave shall remain deferred in accordance with the action of the Common Council on August 6, 2012.
  6. Sick Leave Accrual Caps: Effective February 1, 2013, all bargaining unit employees may only accrue a maximum of 1040 hours of sick leave. All bargaining unit employees with accrued sick leave hours in excess of 900 hours on February 1, 2013, will have those excess hours converted to a separate excess sick leave bank (ESL). Effective July 1, 2013, 24 hours from the ESL shall be cashed out each quarter of a fiscal year. Fifty percent (50%) of any remaining balances in the ESL at the time of separation shall revert to a PEHP trust. Sick leave earned on or after February 1, 2013, is subject to the 1040 cap. At the time of separation, any employee having six (6) or more years of service, shall convert unused sick leave earned after February 1, 2013 to a PEHP trust as follows: 288 hours or less accrued = no conversion; 289-479 hours = 20% of accrued sick leave; 480-959 hours = 25%; 960 or more hours = 35%.
  7. Term: The terms and conditions set forth herein shall be in effect from February 1, 2013 through June 30, 2014, and the Pre-petition Agreement shall continue to apply except as expressly set forth herein. The City and



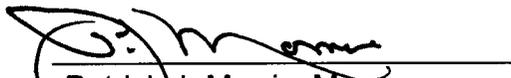
1 RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE CITY OF SAN  
2 BERNARDINO APPROVING THE TERMS AND CONDITIONS OF EMPLOYMENT  
3 FOR GENERAL UNIT EMPLOYEES, REPRESENTED BY THE INTERNATIONAL  
UNION OF OPERATING ENGINEERS (IUOE).

4 I HEREBY CERTIFY that the foregoing Resolution was duly adopted by the  
5 Mayor and Common Council of the City of San Bernardino at a  
6 joint adjourned/special meeting thereof, held on the 28th day of January,  
7  
8 2013, by the following vote, to wit:

9 Council Members:	AYES	NAYS	ABSTAIN	ABSENT
10 MARQUEZ	<u>  X  </u>	<u>      </u>	<u>      </u>	<u>      </u>
11 JENKINS	<u>  X  </u>	<u>      </u>	<u>      </u>	<u>      </u>
12 VALDIVIA	<u>      </u>	<u>  X  </u>	<u>      </u>	<u>      </u>
13 SHORETT	<u>  X  </u>	<u>      </u>	<u>      </u>	<u>      </u>
14 KELLEY	<u>      </u>	<u>  X  </u>	<u>      </u>	<u>      </u>
15 JOHNSON	<u>  X  </u>	<u>      </u>	<u>      </u>	<u>      </u>
16 MCCAMMACK	<u>  X  </u>	<u>      </u>	<u>      </u>	<u>      </u>

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20 Georgeann Hanna, City Clerk

21 The foregoing Resolution is hereby approved this 30th day of January,  
22 2013.

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Patrick J. Morris, Mayor  
City of San Bernardino

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26 Approved as to form:  
27 JAMES F. PENMAN,  
City Attorney

28 By: 