

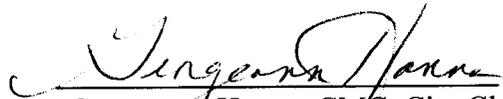
Exhibit 25

Resolution No. 2015-261
(Middle Management Bargaining Unit)

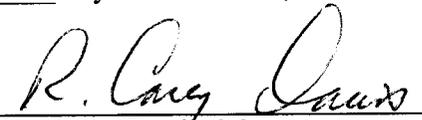
1 **RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE CITY OF**
2 **SAN BERNARDINO APPROVING A SIDE LETTER AGREEMENT BETWEEN THE**
3 **CITY OF SAN BERNARDINO AND THE MIDDLE MANAGEMENT EMPLOYEES**
4 **REPRESENTED BY THE TEAMSTERS LOCAL 1932 EXTENDING THE TERMS**
5 **AND CONDITIONS OF EMPLOYMENT.**

6 I HEREBY CERTIFY that the foregoing Resolution was duly adopted by the Mayor
7 and Common Council of the City of San Bernardino at a joint regular meeting thereof, held on
8 the 7th day of December, 2015, by the following vote, to wit:

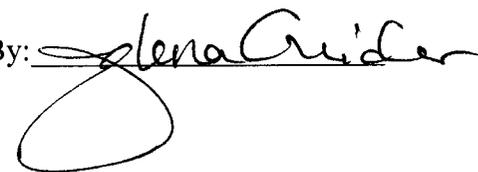
9	<u>Council Members:</u>	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
10	MARQUEZ	<u>X</u>	_____	_____	_____
11	BARRIOS	<u>X</u>	_____	_____	_____
12	VALDIVIA	<u>X</u>	_____	_____	_____
13	SHORETT	<u>X</u>	_____	_____	_____
14	NICKEL	<u>X</u>	_____	_____	_____
15	JOHNSON	<u>X</u>	_____	_____	_____
16	MULVIHILL	<u>X</u>	_____	_____	_____

17
18 
19 Georgeann Hanna, CMC, City Clerk

20 The foregoing Resolution is hereby approved this 11th day of December, 2015.

21
22 
23 R. Carey Davis, Mayor
24 City of San Bernardino

25 Approved as to form:
26 Gary D. Saenz, City Attorney

27 By: 
28

Side Letter Agreement between the City of San Bernardino (“City”) and the Middle Management Employees represented by the Teamsters Local 1932 extending the terms and conditions of employment.

The following sets forth the Amendments to Memorandum of Understanding Resolution 2007-343 and Side Letter Agreement Resolution 2014-249 for full-time, non-safety, Middle Management Employees. Both resolutions remain in effect with the following changes.

ARTICLE VII – GENERAL PROVISIONS

SECTION 4 – Term of Side Letter to Memorandum of Understanding (MOU)

The term of this Side Letter Agreement begins on July 1, 2015 and extends through June 30, 2017. If negotiations regarding an MOU are in progress at the time this Side Letter expires or if the parties are at impasse, the terms of this Side Letter shall remain in effect until a successor MOU or Side Letter Agreement is adopted by the Mayor and Common Council.

ARTICLE III – COMPENSATION

SECTION 1 – Wages

Effective July 1, 2015, all Middle Management employees will receive a Cost of Living Adjustment of 2% to their current salary ranges/steps.

Effective July 1, 2016, all Middle Management employees will receive an additional Cost of Living Adjustment of 2% to their salary ranges/steps.

ARTICLE III – COMPENSATION

SECTION 6 – Overtime

The following will be added to Section 6 (A) Administrative Leave. Additional administrative leave may be granted, up to a maximum of twenty (20) hours, with request in writing, including justification, recommended by the employee’s department head, and approved by the City Manager (or the Elected Official in non-manager directed departments) each fiscal year. At the discretion of the City Manager, upon request by the employee’s department head, prior to the close of the fiscal year, a maximum of twenty (20) hours may be carried over to the following fiscal year. Administrative Leave has no cash value and shall not be paid out at any time.

The following positions shall be included in Section 6 (D) to receive FLSA Overtime.

- i. Parks Maintenance Supervisor
- ii. Community Fire Risk Reduction Supervisor
- iii. Associate Engineer/Traffic
- iv. Construction Manager
- v. Maintenance Supervisor/Streets Operation & Maintenance
- vi. Maintenance Supervisor/Right of Way Crew

The remaining paragraphs under Article III – Section 6 remain unchanged.

ARTICLE IV – FRINGE BENEFITS

SECTION 1 – Health/Life Insurance

A. Effective January 1, 2016, the City will contribute:

- o \$450.00 per month towards the purchase of health care premiums for “Employee with No Dependents.”
- o \$755.00 per month towards the purchase of health care premiums for “Employee Plus One or More Dependents.”

Any employee who chooses not to enroll in any health care plan offered by the City, must provide evidence of group health care insurance coverage and execute a Waiver of Benefits and Release Agreement, releasing the City from any responsibility or liability to provide health care insurance coverage on an annual basis. Employees who do not enroll in a City health care plan during open enrollment and execute the forms above, shall receive a stipend of \$2,500.00 on December 15 of each year covered by this MOU Side Letter Agreement. Employees participating in this option are required to waive all medical, dental and vision insurance coverage provided by the City.

The remaining paragraphs under Article IV – Section 1 remain unchanged.

ARTICLE V – LEAVES

SECTION 2 – Holidays

Effective January 1, 2016, all full-time employees within the bargaining unit shall be entitled to twelve (12) City-designated holidays, the equivalent of one hundred eight (108) holiday hours each year for those employees on a regular work schedule (8 hours per day Monday through Friday) or a 9/80 work schedule. Those employees on a 4/10 work schedule shall be entitled to twelve (12) City-designated holidays, the equivalent of one hundred twenty (120) holiday hours each year.

The remaining paragraphs under Article V – Section 2 remain unchanged.

ARTICLE V – LEAVES

SECTION 12 – Jury Duty

Every unit employee and every employee, whose position is funded under federal law or is employed in a federally-funded position, if such benefit is required by said federal law, are covered by this section. The City will pay for all working days in a calendar year of a covered employee who is required to serve jury duty.

ARTICLE V – LEAVES

NEW SECTION – Pre-Petition Leave Balances

This section affects those Middle Management Unit employees employed by the City on the approval date of this Side Letter Agreement who had existing leave accruals for vacation leave, sick leave and holiday leave on August 1, 2012.

All vacation leave balances, sick leave balances and holiday leave balances that all employees in this bargaining group had accrued as of August 1, 2012 (“pre-petition leave”) will be separated from post August 1, 2012 leave accruals (“post-petition leave”) in each of these leave categories.

Pre-petition leave balances, including vacation leave, sick leave and holiday leave, may be utilized by employees in this bargaining group. However, employees are *required* to utilize all post-petition leave accruals in each category before they utilize any pre-petition leave accruals in the same leave category.

Upon separation from employment with the City, employees will receive payment for any post-petition leave balances according to the terms and conditions outlined in their existing Memorandums of Understanding/Side Letter Agreements and the final paragraph of this section.

Upon separation from employment with the City, employees will *not* receive payment for any pre-petition leave balances. The monetary value of all pre-petition leave bank accruals will be placed in the unsecured creditors’ pool and be the subject of distribution as part of the bankruptcy unsecured creditors’ pool. Upon final approval of the City’s Plan of Adjustment by the Bankruptcy Court, any remaining pre-petition leave balances, although available for use by current employees, will have no cash value to current employees upon separation from employment with the City.

Upon separation from employment with the City, with the exception of post-petition vacation accruals, all post-petition leave accruals will be deferred

pending the final approval and effective date of a Plan of Adjustment by the Bankruptcy Court.

ARTICLE VII – GENERAL PROVISIONS

NEW SECTION – Support of City’s Plan of Adjustment

The Middle Management Employees shall support confirmation of the Plan of Adjustment that incorporates this agreement (detailed in Appendix A to this Side Letter Agreement).

Date: _____

For the City:

For the Middle Management Employees:

Side Letter Agreement between the City of San Bernardino ("City") and the Middle Management Employees represented by the Teamsters Local 1932 extending the terms and conditions of employment.

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Exhibit A

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Exhibit A

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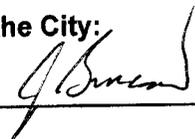
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The Middle Management Employees shall support confirmation of the Plan of Adjustment that incorporates this agreement (detailed in Appendix A to this Side Letter Agreement).

Date: 1-20-2014

For the City:





For the Middle Management Employees:









APPENDIX A to MEMORANDUM OF UNDERSTANDING (MOU) SIDE LETTER

Bankruptcy Provisions and Release of Claims:

1. The MOU Side Letter will become effective upon execution by the parties, provided however, that the MOU Side Letter will become null and void and of no further effect if the City's Plan of Adjustment (Plan) is not approved by the Bankruptcy Court.
2. The City will append the MOU Side Letter to its Plan of Adjustment, and the Plan and confirmation order shall provide for Court approval of the MOU Side Letter.
3. Under the Plan, all claims of the Middle Management Employees and its members with respect to wages, pensions (including implementation of cost sharing and elimination of the EPMC benefit), other benefits and other terms and conditions of employment that arose prior to the date of the confirmation of the Plan, including, without limitations, all claims arising from the City's changes to the terms and conditions of employment (collectively the "Employment Related Claims"), shall be treated as general unsecured claims under the Plan, and the City and its officers shall be discharged from such Employment Related Claims upon confirmation of the Plan; provided, however, that any claims arising under the MOU Side Letter after it is executed by the City and the Middle Management Employees, e.g. grievances, shall not be discharged as long as (a) the Middle Management Employees comply with the terms of the MOU Side Letter, including this Appendix A, and (b) the Court confirms the Plan.
4. The Middle Management Employees shall support confirmation of the Plan that incorporates the MOU Side Letter, including this Appendix A.
5. The City and the Middle Management Employees shall stipulate and agree on the amount of the Employment Related Claims. The Middle Management Employees shall vote the full amount of the Employment Related Claims in favor of the Plan and shall indicate to the Court its support for confirmation of the Plan.
6. This MOU Side Letter, including this Appendix A, is not a solicitation by the City, and the Middle Management Employees' commitment to vote the Employment Related Claims in favor of the Plan is not effective until the Court approves a Disclosure Statement that incorporates this MOU Side Letter.