



City Council Report

Item: 9.
Category: Consent
Meeting Date: June 2, 2009

TITLE: APPROVAL OF AMENDMENTS TO M.O.U.s AND AGREEMENTS WITH EMPLOYEE LABOR GROUPS TO INCLUDE WAGE AND BENEFIT CONCESSIONS

RECOMMENDATION

That the City Council adopt the attached resolutions approving the amended Memorandum of Understanding with Campbell Police Civilian Employees Association (CPCEA), Campbell Peace Officers' Association (CPOA) and Campbell Municipal Employees Association (CMEA) and revisions to the unrepresented Mid-managers and Confidential employee agreements.

BACKGROUND

Three of the City's four labor groups - CPCEA, CMEA and CPOA, are currently in the second year of their long-term contracts and are scheduled to receive a minimum of 3.5% in salary increases effective July, 2009 (the fourth group, Millmen, have a contract that expires June 30). Mid-managers and Confidential employee groups are also scheduled to receive a minimum of 3.5% in salary increases in July as previously approved by the City Council in 2007. At that point in time, the state of the economy was significantly better than what has occurred during the past year.

Due to the unprecedented severity and duration of the current economic recession, which has made it increasingly difficult to close the City's structural budget deficit after multiple years of implementing expenditure reductions, fee increases, and the recent approval of Measure O, the City is left with fewer options for preserving its programs and services. Consequently, employee groups were approached by management and asked to help be part of the budget deficit solution by agreeing to concessions in wage and benefit increases previously agreed to in 2007. In meeting with the employee groups, it was apparent that City employees were committed to trying to maintain service levels to the community as a high priority and were sensitive to the impacts the recession was having on others.

DISCUSSION

City representatives met and conferred with representatives of CPCEA, CPOA, and CMEA, and also had discussions with the unrepresented groups to request salary concessions of three percent (3%) of negotiated scheduled increases due in July, 2009.

The Council and management are grateful that each group agreed to a concession of *at least 3%* of salary and/or benefits - in a combination of ways that best met the priorities of their members. All groups took *at least 2% less in salary* than they were scheduled to receive. Some groups gave up the full 3.5%. Two groups, CMEA and Mid-management

opted to include 10 hours of unpaid furloughs to meet their 3% give back. CPCEA and CPOA chose to extend the terms of the contracts as reflected in the attached MOU's.

In recognition that some employees are close to retirement and might have been counting on the wage increase as part of their financial planning, and the fact that the City could gain savings and restructuring opportunities when employees retire, the attached resolution provides for a "retirement incentive" – a modest one-time payment to those employees who meet specific criteria and retire between October 1, 2009 and March 31, 2010. This income is not eligible for inclusion in retirement benefit calculations.

The first three resolutions will approve the amendments to the Memorandum of Understanding with CPCEA, CPOA, and CMEA. The final two establish revised provisions for the unrepresented Mid-management and Confidential employees. As a result of all the changes, total salary expenses are expected to be less in FY 10 than in the adopted FY 09 budget.

The willingness of all City employee groups to give back promised wage increases reflects the excellent labor-management relationships that exist and, more importantly, the commitment and dedication of the City's employees to the Campbell community.

It should also be noted that, to achieve full participation by all City employees, the City Manager, City Attorney and Department Heads have elected to forego any salary increases for FY 10.

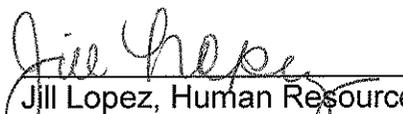
FISCAL IMPACT

The savings to the City as a result of the concessions for FY 10 are estimated to be \$510,000 for all funds, including \$432,000 in savings for just the General Fund. The revised salary and benefit costs based on the attached MOUs have been incorporated into the proposed FY 10 budget that is being introduced as a separate item on tonight's agenda. The City's long-term financial projections have also been revised to reflect the MOU changes.

ALTERNATIVES

1. Do not approve the attached resolutions.
2. Provide other direction to staff.

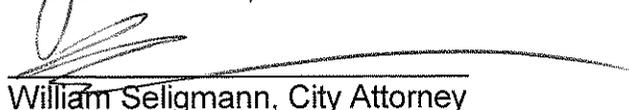
Prepared by:


Jill Lopez, Human Resources Manager

Reviewed by:


Jesse Takahashi, Finance Director

Reviewed by:


William Seligmann, City Attorney

Approved by:


Daniel Rich, City Manager

Attachments:

1 – Resolutions and MOUs

RESOLUTION NO. _____

**A RESOLUTION AMENDING THE COMPENSATION AND WORKING CONDITIONS
FOR CLASSIFIED NON-MANAGEMENT EMPLOYEES REPRESENTED BY THE
EMPLOYEE ORGANIZATION ENUMERATED BELOW**

WHEREAS, Title 2, Section 2.12.030(7) of the Campbell Municipal Code requires the City Manager to prepare and submit an annual salary plan to the City Council for its approval; and

WHEREAS, a Memorandum of Understanding for salaries, benefits and working conditions has been approved and executed by the authorized representatives of the Campbell Police Civilian Employees Association and City Council representatives; and

WHEREAS, in partial consideration for concessions made by the employees as part of the Memorandum of Understanding, the City has agreed to provide for a modest, one-time retirement incentive to those employees who retire between October 1, 2009 and March 31, 2010. Employees would receive \$750 for between 5-15 years of service to the City and \$1,500 for over 15 years of service.

WHEREAS, an early retirement incentive could lead to salary savings and/or opportunities to restructure staffing.

WHEREAS, the City Council of the City of Campbell desires to ratify and adopt the provisions included in the Memorandum of Understanding attached.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Campbell does hereby approve and ratify the Memorandum of Understanding attached hereto, and made a part hereof.

PASSED AND ADOPTED this 2nd day of June 2009, by the following roll call vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

APPROVED:

Jane P. Kennedy, Mayor

ATTEST:

Anne Bybee, City Clerk

**MEMORANDUM OF UNDERSTANDING ON
WAGES, EMPLOYEE BENEFITS, HOURS AND
OTHER TERMS AND CONDITIONS OF EMPLOYMENT**

Campbell Police Civilian Employees Association (CPCEA)

AMENDED JUNE 2, 2009

PARTIES TO UNDERSTANDING

This Memorandum of Understanding (MOU) is between the authorized representatives of the City Council of the City of Campbell, hereinafter referred to as "City," and the authorized representatives of Campbell Police Civilian Employees Association, hereinafter referred to as "CPCEA".

STATE LAW COMPLIANCE

This Memorandum of Understanding complies with the provisions of the State of California Public Employees Representation Law, as contained in Section 3500 of the Government Code of the State in that the employer-employee representatives noted here did meet and confer in good faith and did reach agreement on those matters within the scope of representation.

This Memorandum of Understanding also complies with Resolution 10016, relating to employer-employee relations, as adopted and amended by the City Council of the City of Campbell.

I. GENERAL CONDITIONS

A. Representation

CPCEA is recognized by the City as the authorized representative of the following classifications:

- Communications Supervisor
- Police Records Specialist
- Police Records Supervisor
- Public Safety Dispatcher
- Community Services Officer
- Property/Evidence Specialist

B. Personnel Rules and Regulations

This Memorandum of Understanding does not modify or change the provisions of the Personnel Rules and Regulations of the City unless a specific reference is made herein to modify or add to the existing Personnel Rules and Regulations.

C. Terms of Understanding

This Memorandum of Understanding embodies all modifications on salaries, hours, employee benefits, and other terms and conditions of employment, for a 48 month term beginning July 1, 2007 and ending June 30, 2011.

D. Existing Benefits Continued

This Memorandum of Understanding does not modify existing salaries, benefits, hours, or terms and conditions of employment contained in the currently adopted Pay and Classification Plan, except as noted herein. Such benefits and terms of employment remain unmodified and shall continue in full force and effect throughout the term of this Memorandum of Understanding.

E. Release Time – Meet and Confer

Employees who are members of the CPCEA negotiating team who are required to attend a meet and confer or meet and consult session during duty hours will be given one hour of release time before and one hour of release time after each session. Members of the CPCEA negotiating team, with their supervisor's approval, may schedule an equivalent amount of release time at times other than before or after a meet and confer session.

II. COMPENSATION ADJUSTMENTS

- A. Effective the first pay period containing July 1, 2007, the salaries of all classifications represented by CPCEA shall be increased by three and one half percent (3.5%).
- B. Effective the first pay period containing July 1, 2007 Public Safety Dispatchers and Communications Supervisor shall receive a special adjustment of two and one half percent (2.5%); Records Supervisor, Property/Evidence Specialist and Records Specialists shall receive a special adjustment of three percent (3%).
- C. Effective the first pay period containing July 1, 2008, the salaries of all classifications represented by CPCEA shall be increased by three and one half percent (3.5%).

Additionally, a special adjustment may be provided effective August 1, 2008, based on completion of a Total Compensation analysis for all CPCEA benchmark classifications as of August 1, 2008. It will be calculated as follows: City will prepare a Total Compensation analysis with the benchmark agencies and compensation components contained in the 2007 Total Compensation analysis. City will calculate a special adjustment, not to exceed two and one half percent (2.5%) that would bring all CPCEA classification Total Compensation to the mean indicated in the Total Compensation array as it exists on August 1, 2008.

- D. No salary increase for 2009.

- E. Effective the first pay period containing July 1, 2010, the salaries of all classifications represented by CPCEA shall be increased by three and one half percent (3.5%).

Additionally, a special adjustment may be provided effective August 1, 2010, based on completion of a Total Compensation analysis for all CPCEA benchmark classifications as of August 1, 2010. It will be calculated as follows: City will prepare a Total Compensation analysis with the benchmark agencies and compensation components contained in the 2007 Total Compensation analysis. City will calculate a special adjustment, not to exceed two and one half percent (2.5%) that would bring all CPCEA classification Total Compensation to the mean indicated in the Total Compensation array as it exists on August 1, 2010.

III. OTHER PROVISIONS

A. Benefit Cost Adjustments

July 1, 2007

The City will be responsible for any increase to the PERS employer contribution rate on the PERS plan in effect July 1, 2007.

The City will provide \$129.99 per month for the current dental coverage, including an annual maximum per patient benefit of \$2,500, and orthodontia coverage with a \$2,500 per patient lifetime. This coverage includes the Delta Dental PPO plan effective July 1, 2007.

The City will provide \$23.25 per month for life insurance.

The City will continue to provide \$5.95 per month for the Employee Assistance Program.

The City will provide a maximum of \$49.50 per month for Long Term Disability Insurance. The maximum benefit is \$3,000 per month.

The City will continue to provide \$23.89 per month for vision service plan coverage.

B. Benefit Cost Adjustments

July 1, 2008

The City will be responsible for any increase to the PERS employer contribution rate.

The City will be responsible for any increase in monthly contribution to provide the current dental plan.

The City will be responsible for any increase to the monthly Employee Assistance Program cost.

The City will be responsible for any increase in the life insurance monthly cost.

The City will be responsible for any increase in the current long term disability plan.

The City will be responsible for any increase in the current vision plan.

C. Benefit Cost Adjustments

July 1, 2009

The City will be responsible for any increase to the PERS employer contribution rate.

The City will be responsible for any increase in monthly contribution to provide the current dental plan.

The City will be responsible for any increase to the monthly Employee Assistance Program cost.

The City will be responsible for any increase in the life insurance monthly cost.

The City will be responsible for any increase in the current long term disability plan.

The City will be responsible for any increase in the current vision plan.

D. July 1, 2010

The City will be responsible for any increase to the PERS employer contribution rate.

The City will be responsible for any increase in monthly contribution to provide the current dental plan.

The City will be responsible for any increase to the monthly Employee Assistance Program cost.

The City will be responsible for any increase in the life insurance monthly cost.

The City will be responsible for any increase in the current long term disability plan.

The City will be responsible for any increase in the current vision plan.

Health Insurance Benefit Program

January 2008

Effective January 2008, the City will provide a maximum of \$97.00 per month for health insurance and \$858.00 per month in an additional Section 125 allotment for health and other optional benefits (\$955 per month total). Any unused portion of the allotment will be rebated to the employee.

January 2009

Effective January 2009, the City will provide a maximum of \$97.00 (TBD) per month for health insurance and \$913.00 per month in an additional Section 125 allotment for health and other optional benefits (\$1010 per month total). Any unused portion of the allotment will be rebated to the employee.

January 2010

Effective January 2010, the City will provide a maximum of \$105.00 per month for health insurance and \$980.00 per month in an additional Section 125 allotment for health and other optional benefits (\$1085 per month total). Any unused portion of the allotment will be rebated to the employee.

January 2011

Effective January 2011, the City will provide a maximum of \$105.00 (TBD) per month for health insurance and \$1030.00 per month in an additional Section 125 allotment for health and other optional benefits (\$1135 per month total). Any unused portion of the allotment will be rebated to the employee.

E. Retiree Award Program

The City will continue the existing Retiree Award Program continuing the following criteria and features, including the following increased benefit level:

- Minimum retirement age of 50 and retired from the City of Campbell.
- Bills must be submitted to the City in January and July of each year for reimbursement for the prior six months' costs.
- Award will not exceed cost for medical coverage for the retiree only (not

dependents) on a reimbursement basis, as follows:

- For employees who have completed at least 17 years of service with the City of Campbell, award will be a maximum of \$250 per month.

- Effective July 2008, the maximum reimbursement will be increased to \$300 per month. All other provisions of the Retiree Award Program will remain unchanged.
- Effective July 2009, the maximum reimbursement will be increased to \$325 per month. All other provisions of the Retiree Award Program will remain unchanged.

F. Deferred Compensation

In recognition of CPCEA's concern for future medical insurance costs of prospective CPCEA retirees, the City will continue to contribute \$47 per pay period in a Deferred Compensation Account.

G. Uniform Allowance

The City will continue to provide a uniform allowance for Police Records Specialists, the Police Records Supervisor, Property/Evidence Specialist, of \$655/year and Community Services Officer of \$715/year.

H. Holiday Pay/Floating Holidays

The City will continue to provide holiday pay of 4.8% in lieu of pay, and the current Floating Holiday allocation of sixteen (16) hours per calendar year will continue for the term of this Memorandum of Understanding.

I. 17.12 Trainer Pay - Police Records Specialists, Public Safety Dispatchers and Community Services Officers

Police Records Specialists, Public Safety Dispatchers and Community Services Officers will receive five percent (5%) differential pay when assigned by their Supervisor to train a new employee for a period of time of at least 1 hour per occurrence. In order to qualify for this pay, the trainer must complete all required training logs and evaluation forms as designated by the Department. Police Records Specialists, Public Safety Dispatchers and Community Services Officers will receive five percent (5%) differential pay for the period of time they are assigned to and actually engaged in developing training materials or designing or coordinating a training program. A minimum of one hour per occurrence must be spent in these activities to be eligible for Trainer Pay.

J. Tuition Reimbursement

The City will continue to provide the tuition reimbursement program as specified in Personnel Rules and Regulations, Section 18.3.A, with a maximum reimbursement of \$1,500 per year.

K. Bilingual Pay

The City will provide CPCEA's bilingual pay of \$75 per pay period.

IV. RETROACTIVITY

All proposals will be effective as indicated when agreement is reached.

V. RATIFICATION

This MOU is subject to ratification by a majority vote of the employee organization represented herein within ten (10) days of execution by CPCEA and by approval of a majority of the City Council of the City of Campbell within twenty (20) days of the date of execution.

EXECUTED THIS 20th DAY OF MAY 2009 BY THE EMPLOYER-EMPLOYEE REPRESENTATIVES WHOSE SIGNATURES APPEAR BELOW FOR THEIR RESPECTIVE ORGANIZATION.

CITY REPRESENTATIVES

CAMPBELL POLICE
CIVILIAN EMPLOYEES
ASSOCIATION

Jill Hooper

Jenni Buhel
Cynthia L. Spill
Donna Kom

RESOLUTION NO. _____

**A RESOLUTION AMENDING THE COMPENSATION AND WORKING CONDITIONS
FOR CLASSIFIED NON-MANAGEMENT EMPLOYEES REPRESENTED BY THE
EMPLOYEE ORGANIZATION ENUMERATED BELOW**

WHEREAS, Title 2, Section 2.12.030(7) of the Campbell Municipal Code requires the City Manager to prepare and submit an annual salary plan to the City Council for its approval; and

WHEREAS, a Memorandum of Understanding for salaries, benefits and working conditions has been approved and executed by the authorized representatives of the Campbell Peace Officers' Association and City Council representatives; and

WHEREAS, in partial consideration for concessions made by the employees as part of the Memorandum of Understanding, the City has agreed to provide for a modest, one-time retirement incentive to those employees who retire between October 1, 2009 and March 31, 2010. Employees would receive \$750 for between 5-15 years of service to the City and \$1,500 for over 15 years of service.

WHEREAS, an early retirement incentive could lead to salary savings and/or opportunities to restructure staffing.

WHEREAS, the City Council of the City of Campbell desires to ratify and adopt the provisions included in the Memorandum of Understanding attached.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Campbell does hereby approve and ratify the Memorandum of Understanding attached hereto, and made a part hereof.

PASSED AND ADOPTED this 2nd day of June 2009, by the following roll call vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

APPROVED:

Jane P. Kennedy, Mayor

ATTEST:

Anne Bybee, City Clerk

**MEMORANDUM OF UNDERSTANDING ON
WAGES, EMPLOYEE BENEFITS, HOURS AND
OTHER TERMS AND CONDITIONS OF EMPLOYMENT**

Campbell Peace Officers' Association (CPOA)

AMENDED JUNE 2, 2009

PARTIES TO UNDERSTANDING

This Memorandum of Understanding is between the authorized representatives of the City Council of the City of Campbell, hereinafter referred to as "City", and the authorized representatives of Campbell Peace Officers' Association, hereinafter referred to as "CPOA".

STATE LAW COMPLIANCE

This Memorandum of Understanding complies with the provisions of the State of California Public Employees Representation Law, as contained in Section 3500 of the Government Code of the State in that the employer-employee representatives noted here did meet and confer in good faith and did reach agreement on those matters within the scope of representation.

This Memorandum of Understanding also complies with Resolution 10016, relating to employer-employee relations, as adopted and amended by the City Council of the City of Campbell.

I. GENERAL CONDITIONS

A. Personnel Rules and Regulations

This Memorandum of Understanding does not modify or change the provisions of the Personnel Rules and Regulations of the City, unless a specific reference is made herein to modify or add to the existing Personnel Rules and Regulations.

B. Terms of Understanding

This Memorandum of Understanding embodies all modifications on salaries, hours, employee benefits, and other terms and conditions of employment, for a 54 month term beginning July 1, 2007 and ending December 31, 2011.

Existing Benefits Continued

This Memorandum of Understanding does not modify existing salaries, benefits, hours, or terms and conditions of employment contained in the currently adopted Pay and Classification Plan, except as noted herein. Such benefits and terms of

employment remain unmodified and shall continue in full force and effect throughout the term of this Memorandum of Understanding.

Represented Classifications

- Police Agent
- Police Officer
- Police Sergeant

II. COMPENSATION ADJUSTMENTS

- A. Effective the pay period containing July 1, 2007, the salaries of all classifications represented by CPOA shall be increased by three and one half percent (3.5%).
- B. Effective the pay period containing July 1, 2008, the salaries of all classifications represented by CPOA shall be increased by three percent (3.0%).

Additionally, a special adjustment may be provided effective the first pay period of August 1, 2008, based on completion of a Total Compensation analysis for all CPOA benchmark classifications as of August 1, 2008. It will be calculated as follows: City will prepare a Total Compensation analysis for all CPOA benchmark classifications, with the benchmark agencies and compensation components contained in the 2007 Total Compensation analysis. City will calculate a special adjustment, not to exceed two percent (2.0%) that would bring all CPOA classifications' Total Compensation to the fourth position of the Total Compensation array as it exists on August 1, 2008. This special adjustment calculation will place all CPOA classifications one percent (1%) above the fifth position agency. This special adjustment calculation will be added to the July 2008 salary increase listed above and provided effective the first pay period of August 2008.

- C. Effective the pay period containing July 1, 2009, the salaries of all classifications represented by CPOA shall be increased by zero percent (0%).
- D. Effective the pay period containing July 1, 2010, the salaries of all classifications represented by CPOA shall be increased by two percent (2.0%).
- E. Effective the pay period containing January 1, 2011, the salaries of all classifications represented by CPOA shall be increased by one and one half percent (1.5%).
- F. A special adjustment will be provided effective the first pay period containing August 1, 2011 based on completion of a Total Compensation analysis for all CPOA benchmark classifications as of August 1, 2011. It will be calculated as follows: City will prepare a Total Compensation analysis for all CPOA benchmark classifications, with the benchmark agencies and compensation components contained in the 2007 Total Compensation analysis. City will calculate a special

adjustment, given a minimum of one percent (1%) and not to exceed four percent (4.0%) that would bring all CPOA classifications' Total Compensation to the fourth position of the Total Compensation array as it exists on August 1, 2011. This special adjustment calculation will place all CPOA classifications one percent (1%) above the fifth position agency.

III. OTHER PROVISIONS

A. Health Insurance Benefit Program

January 2008

Effective January 2008, the City will provide \$97.00 per month for health insurance and \$878.00 per month in an additional Section 125 allotment for health and other optional benefits (\$975 per month total). Any unused portion of the allotment will be rebated to the employee.

January 2009

Effective January 2009, the City will provide \$97.00 (TBD) per month for health insurance and \$953.00 per month in an additional Section 125 allotment for health and other optional benefits (\$1050 per month total). Any unused portion of the allotment will be rebated to the employee.

B. Other Benefit Cost Adjustments – July 2007

PERS: The City will be responsible for the PERS employer contribution rate.

Dental Insurance: The City proposes to contribute \$122.95 per month per employee to provide a Dental Plan with a maximum annual benefit of \$1,500 per patient, and a \$2,500 lifetime maximum orthodontia benefit per patient. This coverage includes the Delta Dental PPO plan effective July 1, 2007.

EAP: The City will contribute \$5.95 per month for the Employee Assistance Program.

Life Insurance: The City will contribute \$15.50 per month per employee for life insurance.

Deferred Compensation: The City will continue to contribute \$20 per pay period to each CPOA employee's ICMA Deferred Compensation account.

Vision Plan: City will continue to provide \$23.89 per month, per employee to provide Vision Services Plan, Plan B, employee plus dependents.

Uniform Allowance: The City will provide a uniform allowance for all CPOA represented employees of \$1050 per year. Payment will be made one time each fiscal year (in July).

C. Other Benefit Cost Adjustments – July 2008

PERS: The City will be responsible for any increase to the PERS employer contribution rate.

Dental Insurance: The City will be responsible for any increase in monthly contribution to provide the current dental plan.

EAP: The City will be responsible for any increase to the monthly Employee Assistance Program cost.

Life Insurance: The City will be responsible for any increase in the life insurance monthly cost (current program).

Deferred Compensation: The City will continue to contribute \$20 per pay period to each CPOA employee's ICMA Deferred Compensation account.

Uniform Allowance: The City will provide a uniform allowance for all CPOA represented employees of \$1100 per year. Payment will be made one time each fiscal year (in July).

Vision Plan: The City will be responsible for any increase in the vision plan (current plan).

D. Other Benefit Cost Adjustments – July 2009

PERS: The City will be responsible for any increase to the PERS employer contribution rate.

Dental Insurance: The City will be responsible for any increase in monthly contribution to provide the current dental plan.

EAP: The City will be responsible for any increase to the monthly Employee Assistance Program cost.

Life Insurance: The City will be responsible for any increase in the life insurance monthly cost (current program).

Deferred Compensation: The City will continue to contribute \$20 per pay period to each CPOA employee's ICMA Deferred Compensation account.

Uniform Allowance: The City will continue to provide a uniform allowance for all CPOA represented employees of \$1100 per year. Payment will be made one time each fiscal year (in July).

Vision Plan: The City will be responsible for any increase in the vision plan (current plan).

E. Other Benefit Cost Adjustments – July 2010

PERS: The City will be responsible for any increase to the PERS employer contribution rate.

Dental Insurance: The City will be responsible for any increase in monthly contribution to provide the current dental plan.

EAP: The City will be responsible for any increase to the monthly Employee Assistance Program cost.

Life Insurance: The City will be responsible for any increase in the life insurance monthly cost (current program).

Deferred Compensation: The City will continue to contribute \$20 per pay period to each CPOA employee's ICMA Deferred Compensation account.

Uniform Allowance: The City will continue to provide a uniform allowance for all CPOA represented employees of \$1100 per year. Payment will be made one time each fiscal year (in July).

Vision Plan: The City will be responsible for any increase in the vision plan (current plan).

F. Other Benefit Cost Adjustments – July 2011

PERS: The City will be responsible for any increase to the PERS employer contribution rate.

Dental Insurance: The City will be responsible for any increase in monthly contribution to provide the current dental plan.

EAP: The City will be responsible for any increase to the monthly Employee Assistance Program cost.

Life Insurance: The City will be responsible for any increase in the life insurance monthly cost (current program).

Deferred Compensation: The City will continue to contribute \$20 per pay period to each CPOA employee's ICMA Deferred Compensation account.

Uniform Allowance: The City will continue to provide a uniform allowance for all CPOA represented employees of \$1100 per year. Payment will be made one time each fiscal year (in July).

Vision Plan: The City will be responsible for any increase in the vision plan (current plan).

- G. During the term of this contract, CPOA agrees to discuss a possible CalPERS two tiered pension plan at the City's request.

IV. RETIREE AWARD PROGRAM

The City's retiree medical reimbursement program will contain the following eligibility requirements and benefits:

- Minimum retirement age of 50 and retired from the City of Campbell.
- Bills must be submitted to the City in January and July of each year for reimbursement for the prior six months' costs.
- Payment for medical insurance coverage for the retiree only (not dependents) on a reimbursement basis as follows:
 - Employees who have completed 17 years of service with the City of Campbell or receive an industrial disability retirement after July 1, 1999, will be reimbursed a maximum of \$250 per month.
 - Effective July 2008, maximum reimbursement will be increased to \$300 per month. All other provisions of the Retiree Award Program will remain unchanged.
 - Effective July 2009, maximum reimbursement will be increased to \$325 per month. All other provisions of the Retiree Award Program will remain unchanged.

V. BILINGUAL PAY

City will provide \$100 per pay period for bilingual pay.

VI. RETROACTIVITY

All proposals will be effective as indicated when agreement is reached.

VII. RATIFICATION

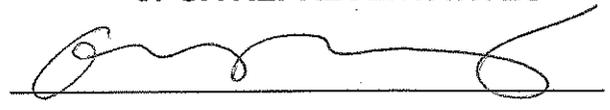
This M.O.U. is subject to ratification by a majority vote of the employee organization represented herein within ten (10) days of execution by CPOA, and by approval of a majority of the City Council of the City of Campbell within twenty (20) days of the date of execution.

EXECUTED THIS 28TH DAY OF MAY 2009, BY THE EMPLOYER-EMPLOYEE REPRESENTATIVES, WHOSE SIGNATURES APPEAR BELOW, FOR THEIR RESPECTIVE ORGANIZATION.

CITY REPRESENTATIVES



CPOA REPRESENTATIVES



RESOLUTION NO. _____

**A RESOLUTION AMENDING THE COMPENSATION AND WORKING CONDITIONS
FOR CLASSIFIED NON-MANAGEMENT EMPLOYEES REPRESENTED BY THE
EMPLOYEE ORGANIZATION ENUMERATED BELOW**

WHEREAS, Title 2, Section 2.12.030(7) of the Campbell Municipal Code requires the City Manager to prepare and submit an annual salary plan to the City Council for its approval; and

WHEREAS, a Memorandum of Understanding for salaries, benefits and working conditions has been approved and executed by the authorized representatives of the Campbell Municipal Employees Association and City Council representatives; and

WHEREAS, in partial consideration for concessions made by the employees as part of the Memorandum of Understanding, the City has agreed to provide for a modest, one-time retirement incentive to those employees who retire between October 1, 2009 and March 31, 2010. Employees would receive \$750 for between 5-15 years of service to the City and \$1,500 for over 15 years of service.

WHEREAS, an early retirement incentive could lead to salary savings and/or opportunities to restructure staffing.

WHEREAS, the City Council of the City of Campbell desires to ratify and adopt the provisions included in the Memorandum of Understanding attached.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Campbell does hereby approve and ratify the Memorandum of Understanding attached hereto, and made a part hereof.

PASSED AND ADOPTED this 2nd day of June 2009, by the following roll call vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

APPROVED:

Jane P. Kennedy, Mayor

ATTEST:

Anne Bybee, City Clerk

**MEMORANDUM OF UNDERSTANDING ON
WAGES, EMPLOYEE BENEFITS, HOURS AND
OTHER TERMS AND CONDITIONS OF EMPLOYMENT**

Campbell Municipal Employees Association (CMEA)

AMENDED JUNE 2, 2009

PARTIES TO UNDERSTANDING

This Memorandum of Understanding is between the authorized representatives of the City Council of the City of Campbell, hereinafter referred to as "City", and the authorized representatives of Campbell Municipal Employees Association, hereinafter referred to as "CMEA".

STATE LAW COMPLIANCE

This Memorandum of Understanding complies with the provisions of the State of California Public Employees Representation Law, as contained in Section 3500 of the Government Code of the State in that the employer-employee representatives noted here did meet and confer in good faith and did reach agreement on those matters within the scope of representation.

This Memorandum of Understanding also complies with Resolution 10016, relating to employer-employee relations, as adopted and amended by the City Council of the City of Campbell.

I. GENERAL CONDITIONS

A. Personnel Rules and Regulations

This Memorandum of Understanding does not modify or change the provisions of the Personnel Rules and Regulations of the City unless a specific reference is made herein to modify or add to the existing Personnel Rules and Regulations.

B. Terms of Understanding

This Memorandum of Understanding embodies all modifications on salaries, hours, employee benefits, and other terms and conditions of employment, for a 36-month term beginning July 1, 2007 and ending June 30, 2010.

C. Existing Benefits Continued

This Memorandum of Understanding does not modify existing salaries, benefits, hours, or terms and conditions of employment contained in the currently adopted Pay and Classification Plan, except as noted herein. Such benefits and terms of employment remain unmodified and shall continue in full force and effect throughout the term of this Memorandum of Understanding.

D. Benchmarks

Accountant	Building Inspector	Office Assistant
Accounting Clerk	Building Maintenance Worker	Planner I
Assistant Engineer	Executive Assistant	Recreation Coordinator

Any special compensation adjustment for a benchmark classification will also be provided to classifications related to the benchmark as set forth below:

Accountant

Accounting Clerk I
Accounting Clerk II

Assistant Engineer
Associate Engineer
Junior Engineer
Engineering Aide
Senior Engineering Technician

Building Inspector
Senior Building Inspector
Public Works Inspector
Senior Public Works Inspector
Code Enforcement Officer

Building Maintenance Worker
Building Maintenance Worker II
Building Maintenance Lead Worker
Utility Worker

Executive Assistant

Office Specialist
Permit Technician
Deputy City Clerk

Office Assistant
Senior Office Assistant

Planner I
Planner II
Associate Planner
Housing Coordinator
Redevelopment Coordinator
Administrative Analyst

Recreation Supervisor
Senior Museum Specialist
Senior Services Supervisor

Recreation Coordinator
Nutrition Site Manager
Food Server
Museum Education Coordinator

Public Safety Systems Specialist will be related to the benchmark classification established for the future IT classifications.

II. COMPENSATION ADJUSTMENTS

- A. Effective the first pay period containing July 1, 2007, the salaries of all classifications represented by CMEA shall be increased by three and one half percent (3.5%).
- B. Effective the first pay period containing July 1, 2007, classifications listed in the attached spreadsheet shall receive the indicated percent as a special adjustment.
- C. Effective the first pay period containing July 1, 2008, the salaries of all classifications represented by CMEA shall be increased by three and one half percent (3.5%).
- D. Effective the first pay period containing July 1, 2008, classifications listed in the attached spreadsheet shall receive the indicated percent as a special adjustment.
- E. Effective the first pay period containing July 1, 2009, the salaries of all classifications represented by CMEA shall be increased by two percent (2%).

Additionally a Total Compensation analysis for all CMEA benchmark classifications will be conducted as of May 1, 2009.

III. OTHER PROVISIONS

A. Benefit Cost Adjustments

July 1, 2007

The City will be responsible for any increase to the PERS employer contribution rate on the PERS plan in effect July 1, 2007.

The City will provide \$129.99 per month for the current dental coverage, including an annual maximum per patient benefit of \$2,500, and orthodontia coverage with a \$2,500 per patient lifetime. This coverage includes the Delta Dental PPO plan effective July 1, 2007.

The City will provide \$15.50 per month for life insurance.

The City will continue to provide \$5.95 per month for the Employee Assistance Program.

The City will provide a maximum of \$49.50 per month for Long Term Disability Insurance. The maximum benefit is \$3,000 per month.

The City will provide \$27.57 per month for vision service plan coverage which includes adding Progressive Lens coverage effective August 1, 2007.

B. Benefit Cost Adjustments

July 1, 2008

The City will be responsible for any increase to the PERS employer contribution rate.

The City will be responsible for any increase in monthly contribution to provide the current dental plan.

The City will be responsible for any increase to the monthly Employee Assistance Program cost.

The City will be responsible for any increase in the life insurance monthly cost.

The City will be responsible for any increase in the current long term disability plan.

The City will be responsible for any increase in the current vision plan.

C. Benefit Cost Adjustments

July 1, 2009

The City will be responsible for any increase to the PERS employer contribution rate.

The City will be responsible for any increase in monthly contribution to provide the current dental plan.

The City will be responsible for any increase to the monthly Employee Assistance Program cost.

The City will be responsible for any increase in the life insurance monthly cost.

The City will be responsible for any increase in the current long term disability plan.

The City will be responsible for any increase in the current vision plan.

D. Health Insurance Benefit Program

January 2008

Effective January 2008, the City will provide a maximum of \$97.00 per month for health insurance and \$768.00 per month in an additional Section 125 allotment for health and other optional benefits (\$865 per month total). Any unused portion of the allotment will be rebated to the employee.

January 2009

Effective January 2009, the City will provide a maximum of \$97.00 (TBD) per month for health insurance and \$818.00 per month in an additional Section 125 allotment for health and other optional benefits (\$915 per month total). Any unused portion of the allotment will be rebated to the employee.

E. Tuition Reimbursement

City will increase the tuition reimbursement program as specified in Personnel Rules and Regulations Section 18.3.A, with a maximum reimbursement of \$2,000 per year, effective July 1, 2007.

City will increase the tuition reimbursement program as specified in Personnel Rules and Regulations Section 18.3.A, with a maximum reimbursement of \$2,500 per year, effective July 1, 2009.

F. Deferred Compensation

In recognition of CMEA's concern for future medical insurance costs of prospective CMEA retirees, the City will continue to contribute \$50 per pay period to each full time CMEA employee's ICMA Deferred Compensation account. The contribution for permanent part time CMEA employees will be prorated accordingly.

G. Retiree Award Program

The City will continue the existing Retiree Award Program based on the following criteria and features effective July 2007:

- Minimum retirement age of 50 and retired from the City of Campbell.
- Bills must be submitted to the City in January and July of each year for reimbursement for the prior six months' costs.
- Award will not exceed cost for medical coverage for the retiree only (not dependents) on a reimbursement basis as follows:
 - For employees who have completed at least 17 years of service with the City of Campbell, award will be a maximum \$250 per month.
- Effective July 2008, the maximum reimbursement will be increased to \$300 per month. All other provisions of the Retiree Award Program will remain unchanged.
- Effective July 2009, the maximum reimbursement will be increased to \$325 per month. All other provisions of the Retiree Award Program will remain unchanged.

H. Uniform Allowance

City will provide an increase in uniform allowance to \$500 per year to the following classifications:

Building Maintenance Worker I
Building Maintenance Worker II
Building Maintenance Lead Worker
Utility Worker

City will continue to provide an allowance of \$150 per year to the following classifications for work boots/shoes:

Building Inspector
Senior Building Inspector
Public Works Inspector
Senior Public Works Inspector
Code Enforcement Officer

Effective July 2007, the City will include the following classifications to receive an allowance of \$150 per year for work boots/shoes:

Associate Engineer
Assistant Engineer

Uniform allowance payments will be made once each fiscal year (in July).

I. Bilingual Pay

The City will provide bilingual pay at \$75 per pay period.

J. Healthy Life-Style Reimbursement

City will provide for CMEA (employee only) a healthy life-style reimbursement with a maximum of \$100 per year for City-sponsored fitness classes for all CMEA classifications.

K. Working Higher Class Pay

Working out-of-class pay will be paid to employees when temporarily assigned to fill a position above their regular classification, which has been vacated due to termination, promotion, leave of absence vacation or scheduled sick leave. Effective July 2007 the eight (8) hour waiting period will be eliminated. The employee will receive the first step of the higher classification or a minimum of 5% within the higher classification salary range and must meet the minimum requirements of the position.

L. Furlough

“Work furlough” refers to one or more hours of required unpaid leave taken on a consecutive or intermittent basis.

All CMEA employees will be required to take ten (10) hours of furlough between July 1, 2009 and December 31, 2009.

No employee may perform work for the City during the furlough period unless authorized by management.

The period of furlough time off will be unpaid. Furlough time off will be recorded on the timesheet under a separate unpaid hours code and deducted during the pay period which it is taken.

IV. PERSONNEL RULES AND REGULATIONS MODIFICATIONS

A. Compensatory Time

Personnel Rules and Regulations Section 16.23 B3) will be as follows:

B. The maximum accumulation of compensatory time is as follows:

For employees represented by CMEA, compensatory time shall not be allowed to accumulate in excess of 125 hours. Any compensation time earned exceeding maximum accrual hours will be paid in cash at the rate of time and one-half. An employee may exercise his/her option two times each calendar year to convert any or all accumulated compensatory time to cash.

V. RETROACTIVITY

All proposals will be effective as indicated.

VI. RATIFICATION

This M.O.U. is subject to ratification by a majority vote of the employee organization represented herein within ten (10) days of execution by CMEA and by approval of a majority of the City Council of the City of Campbell within twenty (20) days of the date of execution.

EXECUTED THIS 12 DAY OF MAY 2009 BY THE EMPLOYER-EMPLOYEE REPRESENTATIVES WHOSE SIGNATURES APPEAR BELOW FOR THEIR RESPECTIVE ORGANIZATION.

CITY REPRESENTATIVES

Jim Murphy

**CAMPBELL MUNICIPAL
EMPLOYEES ASSOCIATION**

Janara Dean
Laura Bristol
Laura Smith

RESOLUTION NO. _____

A RESOLUTION AMENDING THE COMPENSATION FOR MANAGEMENT EMPLOYEES AS DEFINED IN RESOLUTION 10016 AND AS DESIGNATED IN RESOLUTION 8553

WHEREAS, the provisions of Title 4, Section 36506 of the Government Code of the State of California provide that the salaries of employees of General Law cities may be fixed or increased by resolution; and

WHEREAS, Title 2, Section 2.16.020 of the Campbell Municipal Code provides that the City Council may, from time to time, by resolution, change the compensation of employees of said City, and may, by resolution, adopt salary and wage scales; and

WHEREAS, Title 2, Section 2.12.030(7) of the Campbell Municipal Code requires the City Manager to prepare and submit an annual salary plan to the City Council for its approval; and

WHEREAS, in partial consideration for concessions made by the employees, the City has agreed to provide for a modest, one-time retirement incentive to those employees who retire between October 1, 2009 and March 31, 2010. Employees would receive \$750 for between 5-15 years of service to the City and \$1,500 for over 15 years of service.

WHEREAS, the City Council and the City of Campbell desires to adopt such salary increases and approve benefit and working condition amendments.

NOW, THEREFORE, BE IT RESOLVED that the City Council does approve and ratify the Amendments attached hereto, and made a part hereof.

BE IT FURTHER RESOLVED that all other supplemental benefits and working conditions shall remain as previously established and that the provisions of this Resolution shall be in effect from July 1, 2009 through June 30, 2010, unless otherwise denoted in any provision in this Resolution.

PASSED AND ADOPTED, this 2nd day of June, 2009 by the following roll call vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

APPROVED:

Jane P. Kennedy, Mayor

ATTEST:

Anne Bybee, City Clerk

AMENDMENT TO RESOLUTION NO. 10799

I. COMPENSATION ADJUSTMENTS FOR MANAGEMENT EMPLOYEES IDENTIFIED BELOW

A. July 2009

Effective the first pay period containing July 1, 2009, Miscellaneous and Safety Classified Management salary ranges shall be increased by two percent (2.0%).

II. OTHER PROVISIONS APPLICABLE TO ALL MANAGEMENT EMPLOYEES, INCLUDING THE CITY MANAGER

B. Benefit Cost Adjustments – July 2009

The City will be responsible for any increase to the PERS employer contribution rate.

The City will be responsible for any increase in monthly contribution to provide the current dental plan.

The City will be responsible for any increase to the monthly Employee Assistance Program cost.

The City will be responsible for any increase in the life insurance monthly cost.

The City will be responsible for any increase in the current long term disability plan.

The City will be responsible for any increase in the current vision plan.

III. OTHER PROVISIONS APPLICABLE TO ALL CLASSIFIED MANAGEMENT EMPLOYEES, EXCLUDES DEPARTMENT HEADS AND CITY MANAGER

"Work furlough" refers to one or more hours of required unpaid leave taken on a consecutive or intermittent basis.

Employees will be required to take ten (10) hours of furlough between July 1, 2009 and September 30, 2009. Exempt employee's pay will be reduced

in the same Fair Labor Standards Act (FLSA) work week during which unpaid furlough time off occurs.

Furlough time off will be recorded on the timesheet under a separate unpaid hours code and deducted during the pay period which it is taken.

Exempt employees will be considered non-exempt employees under the Fair Labor Standards Act (FLSA) guidelines in any FLSA workweek in which one or more hours of unpaid furlough time off occurs (see 29 CFR 541.5d). Such employees will be eligible for hourly pay for any work performed during that FLSA workweek, just as non-exempt employees would be. Such employees may also be eligible for overtime compensation during any such FLSA workweek according to applicable FLSA guidelines.

E. Deferred Compensation

The City will continue to contribute \$40 per pay period to each Management employee's ICMA Deferred Compensation Account. (Participating Executive Staff receive a City contribution of \$30 per pay period to the 401(a) and \$10 per pay period to the 457 plan. All other management employees receive a City contribution of \$40 per pay period to the 457 plan. Management employees are eligible to participate in the 401(a) plan with no city contribution.

F. Retiree Award Program

The City will continue the existing Retiree Award Program continuing the following criteria and features and increase the benefits as follows:

- Minimum retirement age of 50 and retired from the City of Campbell.
- Bills must be submitted to the City in January and July of each year for reimbursement for the prior six months' costs.
- Award will not exceed cost for medical coverage for the retiree only (not dependents) on a reimbursement basis, as follows:
 - For employees who have completed at least 17 years of service with the City of Campbell, award will be a maximum of \$250 per month.
 - Effective July 2009, the maximum reimbursement will be increased to \$325 per month. All other provisions of the Retiree Award Program will remain unchanged.

RESOLUTION NO. _____

A RESOLUTION AMENDING THE COMPENSATION AND WORKING CONDITIONS FOR EMPLOYEES IN CONFIDENTIAL CLASSES AS DEFINED IN RESOLUTION 10016 AND AS DESIGNATED IN RESOLUTION 8553

WHEREAS, the provisions of Title 4, Section 36506 of the Government Code of the State of California provide that the salaries of employees of General Law cities may be fixed or increased by resolution; and

WHEREAS, Title 2, Section 2.16.020 of the Campbell Municipal Code provides that the City Council may, from time to time, by resolution, change the compensation of employees of said City, and may, by resolution, adopt salary and wage scales; and

WHEREAS, Title 2, Section 2.12.030(7) of the Campbell Municipal Code requires the City Manager to prepare and submit an annual salary plan to the City Council for its approval; and

WHEREAS, in partial consideration for concessions made by the employees, the City has agreed to provide for a modest, one-time retirement incentive to those employees who retire between October 1, 2009 and March 31, 2010. Employees would receive \$750 for between 5-15 years of service to the City and \$1,500 for over 15 years of service.

WHEREAS, the City Council and the City of Campbell desires to adopt such salary increases and approve benefit and working condition amendments.

NOW, THEREFORE, BE IT RESOLVED that the City Council does approve and ratify the Amendments attached hereto, and made a part hereof.

BE IT FURTHER RESOLVED that all other supplemental benefits and working conditions shall remain as previously established and that the provisions of this Resolution shall be in effect from July 1, 2009 through June 30, 2010, unless otherwise denoted in any provision in this Resolution.

PASSED AND ADOPTED, this 2nd day of June, 2009 by the following roll call vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

APPROVED:

Jane P. Kennedy, Mayor

ATTEST:

Anne Bybee, City Clerk

AMENDMENT TO RESOLUTION NO. 10779

I. COMPENSATION ADJUSTMENTS FOR CONFIDENTIAL EMPLOYEES

- D. Effective the first pay period containing July 1, 2009, the salaries of all Confidential classifications shall be increased by zero percent (0%).

II. OTHER PROVISIONS APPLICABLE TO CONFIDENTIAL EMPLOYEES

A. Health Insurance Contribution

July 2009

Effective July 2009, the City will provide a maximum of \$101.00 per month for health insurance and \$859.00 per month in an additional Section 125 allotment for health and other optional benefits (\$960 per month total). Any unused portion of the allotment will be rebated to the employee.

January 2010

Effective January 2010, the City will provide a maximum of \$101.00 per month for health insurance and \$959.00 per month in an additional Section 125 allotment for health and other optional benefits (\$1060 per month total). Any unused portion of the allotment will be rebated to the employee.

B. Benefit Cost Adjustments

July 1, 2009

The City will be responsible for any increase to the PERS employer contribution rate.

The City will be responsible for any increase in monthly contribution to provide the current dental plan.

The City will be responsible for any increase to the monthly Employee Assistance Program cost.

The City will be responsible for any increase in the life insurance monthly cost.

The City will be responsible for any increase in the current long term disability plan.

The City will be responsible for any increase in the current vision plan.

D. Retiree Award Program

The City will continue the existing Retiree Award Program based on the following criteria and features effective July 2007:

- Minimum retirement age of 50 and retired from the City of Campbell.
- Bills must be submitted to the City in January and July of each year for reimbursement for the prior six months' costs.
- Award will not exceed cost for medical coverage for the retiree only (not dependents) on a reimbursement basis as follows:
 - For employees who have completed at least 17 years of service with the City of Campbell, award will be a maximum \$250 per month.
 - Effective July 2009, the maximum reimbursement will be increased to \$325 per month. All other provisions of the Retiree Award Program will remain unchanged

E. Tuition Reimbursement

City will increase the tuition reimbursement program as specified in Personnel Rules and Regulations Section 18.3.A, with a maximum reimbursement of \$2,500 per year, effective July 1, 2009.