SIDE LETTER AGREEMENT BETWEEN CITY OF CHICO AND LOCAL 39 REGARDING CONTRACT REOPENER

Pursuant to the provisions of the Meyers-Milias-Brown Act ("MMBA") and Article 1, Section 1.6, entitled "Letter Agreement for Variation of Provisions" of the Memorandum of Understanding between the City of Chico ("City") and Local 39, effective January 1, 2023 through June 30, 2025 ("2023 Local 39 MOU), this Side Letter Agreement is effective upon ratification and approval of this agreement as an amendment to the 2023 Local 39 MOU. Unless identified in one of the three (3) subsections of Section 5.1 below, all other language of the 2023 Local 39 MOU remains unchanged and in full force and effect.

Therefore, the Parties agree to following amended language:

5.1 BASIC PAY

A. Established. Basic Pay shall be established consisting of Pay Ranges assigned to each applicable job title. A Pay Range shall consist of eight (8)seven (7) Pay Steps. Each of the seven (7) eight (8) steps shall have an hourly Basic Pay rate and shall be titled as Steps A-HG. For employees hired on or after September 18, 2018, a Pay Range shall consist of fourteen (14) Pay Steps. Each of the fourteen (14) steps shall have an hourly Basic Pay Rate and shall be titled as Steps A - N. Employees shall be assigned to hourly Basic Pay rates within the Pay Ranges by applicable job title in accordance with Exhibit "A." For the purpose of this Article, "Anniversary Date" shall mean the date that Employee is eligible for "B" Step, in the case of an Employee originally appointed at "A" Step, or in the instance of a promotion or employment in other than "A" Step, one year after the date of such employment or promotion.

G. Pay Range Increases.

1. Effective the first full pay period following the date of City Council Adoption of this MOU, the City shall provide a five percent (5%) general salary increase (GSI) to Local 39 members as specified in Exhibit A, retroactive to January 1, 2023.

2. Effective pay period inclusive of January 1, 2024, the City shall provide a three percent (3%) GSI to all members.

3. Effective the pay period after ratification and approval by City Council of this Side Letter Agreement, the City shall provide a two percent (2%) GSI to all members.

34. Effective pay period inclusive of January 1, 2025, the City shall provide two percent (2%) of base salary paid as a one-time, non-PERSable, lump sum payment for those members employed as of January 1, 2024.

J. Waste Water Treatment Operator Classification Series

<u>The Waste Water Treatment Operator Classification Series shall maintain a ten percent</u> (10%) pay spread between each of the classifications of Operator I, Operator II, and Operator III.

Signed and dated as follows:

For Local 39:

2024 16-11 PDT

Business Representative

Garrett Dickinson

20/03/2024 (Date)

Bart Florence Business Manager

(Date)

Brandy Johnson (Date) Director of Public Employees For the City of Chico:

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20/03/2024

Chelsea Phebus (Date) Director of Human Resources/Risk

Mark Sorensen 20/03/2024 Mark Sorensen (Mar 20, 2024 17:34 PDT)

Mark Sorensen City Manager (Date)

Approved as to Form:

John W. Lam John W. Lam (Mar 21, 2024 09:53 PDT)

John Lam, City Attorney*

*Pursuant to the Charter of the City of Chico, Section 906 (D)

MEMORANDUM OF UNDERSTANDING BETWEEN CITY OF CHICO

AND STATIONARY ENGINEERS, LOCAL 39 REGARDING PAY, HOURS AND OTHER TERMS AND CONDITIONS OF EMPLOYMENT FOR JANUARY 1, 2023 THROUGH JUNE 30, 2025 (2023 LOCAL 39 MOU)

EXHIBIT "A"

SCHEDULE OF HOURLY PAY RATES

Basic Pay Schedule - Employees hired prior to 09/30/2018 (Effective Pay Period Inclusive Of 01/01/2024 - "2023 Local 38 MOU") (Effective upon ratification and approval of this Side Letter Agreement) "2023 Local 39 MOU" 3% 2% General Salary Increase

Basic Pay Schedule - Employees Hired On or After 09/30/2018 (Effective Pay Period Inclusive Of 01/01/2024 - "2023 Local 39 MOU") 3% General Salary Increase

	HOURLY PAY RATES												BIWEEKLY PAY RATE	ANNUAL PAY RATE		
POSITION TITLE	A	B	e	₽	8	F	G	H	+	4	ĸ	F	M	N	MINIMUM MAXIMUM	MINIMUM MAXIMUM
Electrical Environ. Supervisor	36.91	37.83	38.77	39.73	40.72	41.73	42.77	43.83	44.92	46.04	47.18	48.36	49.56	50.80	2,952.80 4,063.84	76,772.80 ####################################
Electrical Technician	29.13	29.85	30.59	31.35	32.13	32.93	33.75	34.59	35.45	36.33	37.23	38.16	39.11	40.08	2,330.40 3,206.43	60,590.40 83,367.21
Industrial Waste Inspector	25.16	25.78	26.42	27.08	27.75	28.44	29.15	29.87	30.61	31.37	32.15	32.95	33.77	34.61	2,012.80 2,768.64	52,332.80 71,984.64
Laboratory Analyst	27.78	28.47	29.18	29.90	30.64	31.40	32.18	32.98	33.80	34.64	35.50	36.38	37.28	38.21	2,222.40 3,056.75	57,782.40 79,475.54
Senior Industrial Waste Inspector	29.13	29.85	30.59	31.35	32.13	32.93	33.75	34.59	35.45	36.33	37.23	38.16	39.11	40.08	2,330.40 3,206.43	60,590.40 83,367.21
WWTP Lead Operator	36.91	37.83	38.77	39.73	40.72	41.73	42.77	43.83	44.92	46.04	47.19	48.36	49.56	50.80	2,952.80 4,063.84	76,772.80 ##########
WWTP Operator I	21.06	21.58	22.11	22.66	23.22	23.80	24.39	24.99	25.61	26.25	26.90	27.57	28.25	28.95	1,684.80 2,316.14	43,804.80 60,219.65
WWTP Operator II	26.34	26.99	27.66	28.35	29.05	29.77	30.51	31.27	32.05	32.85	33.67	34.51	35.37	36.25	2,107.20 2,900.15	54,787.20 75,403.91
WWTP Operator III	33.56	34.39	35.24	36.12	37.02	37.94	38.88	39.85	40.84	41.86	42.90	43.97	45.06	46.18	2,684.80 3,694.40	69,804.80 96,054.50

	2% Increase	plus 10% s	olit WWI, W	WII, WWI	п		
Electrical Environ. Supervisor	\$38.67	\$40.60	\$42.63	\$44.76	\$47.00	\$49.35	\$51.82
Electrical Technician	\$30.50	\$32.03	\$33.63	\$35.31	\$37.08	\$38.93	\$40.88
Industrial Mechanic	\$30.50	\$32.03	\$33.63	\$35.31	\$37.08	\$38.93	\$40.88
Industrial Waste Inspector	\$26.35	\$27.67	\$29.05	\$30.50	\$32.02	\$33.62	\$35.30
Laboratory Analyst	\$29.08	\$30.53	\$32.06	\$33.66	\$35.34	\$37.11	\$38.97
Senior Industrial Waste Inspector	\$30.50	\$32.03	\$33.63	\$35.31	\$37.08	\$38.93	\$40.88
WWTP Lead Operator	\$38.67	\$40.60	\$42.63	\$44.76	\$47.00	\$49.35	\$51.82
WWTP Operator I	\$29.05	\$30.50	\$32.03	\$33.63	\$35.31	\$37.08	\$38.93
WWTP Operator II	\$31.95	\$33.55	\$35.23	\$36.99	\$38.84	\$40.78	\$42.82
WWTP Operator III	\$35.14	\$36.90	\$38.75	\$40.69	\$42.72	\$44.86	\$47.10