

SIDE LETTER TO AMEND MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF POWAY AND THE NON-SAFETY EMPLOYEES DATED JULY 1, 2021 THROUGH JUNE 30, 2027

WHEREAS, the City and Non-Safety employees, represented by Teamsters (Teamsters), have entered into a Memorandum of Understanding (MOU) for the period of July 1, 2021 through June 30, 2027, covering specified items which are within the scope of representation, within the meaning of Government Code section 3504;

WHEREAS, pursuant to the terms of the MOU, Article 5 (Wages) includes across-the-board salary increases beginning in Year 3 through Year 6;

WHEREAS, when the City and Non-Safety employees negotiated the current six-year agreement, inflation rates were not predicted to go as high as they reached over the last two years;

WHEREAS, the City endeavors to stay competitive in the labor market so that it may recruit and retain qualified and talented employees;

WHEREAS, the City is providing an additional 3.0% inflationary salary adjustment for Teamsters effective the beginning of the pay period that includes July 1, 2023;

WHEREAS, future negotiated across the board salary increases outlined in Article 5 (Wages) of the current MOU for Years 4, 5 and 6 will also be effective at the beginning of the pay period that includes July 1;

WHEREAS, the City and Teamsters have met and conferred in good faith, in compliance with Government Code section 3505, on the subject covered in this Amendment.

NOW, THEREFORE, the City and Teamsters agree to amend the MOU for the period of July 1, 2021 through June 30, 2027, to read as follows:

**Article 5. Wages**

Year 3

Effective at the beginning of the pay period that includes July 1, 2023, an across-the-board salary increase of 3% will be provided to all employees in the bargaining unit.

Effective at the beginning of the pay period that includes July 1, 2023, an inflationary adjustment of 3% will be provided to all employees in the bargaining unit.

Year 4

Effective at the beginning of the pay period that includes July 1, 2024, an across-the-board salary increase of 5% will be provided to all employees in the bargaining unit.

Year 5

Effective at the beginning of the pay period that includes July 1, 2025, an across-the-board salary increase of 5% will be provided to all employees in the bargaining unit.

Year 6

Effective at the beginning of the pay period that includes July 1, 2026, an across-the-board salary increase of 5% will be provided to all employees in the bargaining unit.

**Section 2 - Sick Leave**

H. Payout of Sick Leave

After five years of continuous employment with the City and upon retirement, an employee will receive compensation for unused sick leave as follows:

1. Upon retirement, an employee will receive 50% of all sick leave hours accrued and not used in the form of a deposit to their Retirement Health Savings Plan account. Payout of sick leave shall be provided on a graduated scale for employees who retire, based on years of service as follows:
  - a. An employee who retires after 5-9 years of service will receive 50% cash-out, with a cap of \$6,915.84 beginning July 1, 2021 and \$7,054.15 beginning July 1, 2022.
  - b. An employee who retires after 10-14 years of service will receive 50% cash-out, with a cap of \$9,221.13 beginning July 1, 2021 and \$9,405.55 beginning July 1, 2022.
  - c. An employee who retires after 15-19 years of service will receive 50% cash-out with a cap of \$11,526.40 beginning July 1, 2021 and \$11,756.94 beginning July 1, 2022.
  - d. An employee who retires after 20 or more years of service will receive 50% cash-out with a cap of \$12,102.73 beginning July 1, 2021 and \$12,344.78 beginning July 1, 2022.
  - e. Each cap will increase by the same percentage as across-the-board wage increases beginning with the July 1, 2023 wage increase and as outlined in the table below:


	7/1/2023	7/1/2024	7/1/2025	7/1/2026
	6.0%	5.0%	5.0%	5.0%
5-9 years	\$ 7,477.40	\$ 7,851.27	\$ 8,243.83	\$ 8,656.02
10-14 years	\$ 9,969.88	\$ 10,468.37	\$ 10,991.79	\$ 11,541.38
15-19 years	\$ 12,462.36	\$ 13,085.48	\$ 13,739.75	\$ 14,426.74
20+ years	\$ 13,085.47	\$ 13,739.74	\$ 14,426.73	\$ 15,148.07


Except as expressly provided herein, all other terms and conditions of the July 1, 2021 through June 30, 2027 MOU shall otherwise remain in full force and effect.

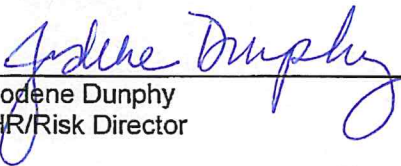
The City of Poway and Teamsters Local 9-1-1 agree to this Side Letter as a Second Amendment to the MOU for the period of June 26, 2023 to June 30, 2027 for the City and Teamsters as contained herein.


**City of Poway:**

**City of Poway Non-Safety  
 Employees Bargaining Unit  
 (California Teamsters Local 911):**

  
 \_\_\_\_\_  
 Chris Hazeltine  
 City Manager

  
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 Neil Sholander,  
 Business Representative  
 California Teamsters, Local 911

  
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 Jodene Dunphy  
 HR/Risk Director

  
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 M.J. Mohamad  
 Wastewater Utilities Crew Leader  
 Chief Steward

