

THIRD AMENDMENT

to the January 1, 2006 – December 31, 2009 Memorandum of Agreement

Between

the City of San Luis Obispo

and

the San Luis Obispo City Employees' Association ("SLOCEA")

I. PURPOSE OF THIS AMENDMENT

The San Luis Obispo City Employees' Association ("Association") recognizes the financial difficulties facing the City of San Luis Obispo ("City") and therefore, agrees to extend the terms and conditions of the MOA, except as provided herein, to facilitate the City's financial planning process in these difficult economic times.

II. ARTICLE 3, TERM OF AGREEMENT

Upon adoption by Council, this Amendment shall become effective January 1, 2011, except those provisions which have specific implementation dates shall be implemented on those dates, and shall remain in full force and effect until midnight December 31, 2011.

III. ARTICLE 5, SALARY, Section D, Salary Provision for the Term of Agreement

The City and SLOCEA agree there shall be no cost of living increase to salaries for the term of this Amendment.

IV. ARTICLE 16

Insurance and Refund, Section A, Contribution

The Association agrees to waive its rights to meet and confer to propose a health care insurance contribution increase in calendar year 2011. During the term of this Amendment from January 1, 2011 through December 31, 2011, there shall be no increase in health care contribution.

The City shall contribute the monthly amounts as set forth below for the Cafeteria Plan benefits for each regular, full time employee covered by this Amendment. Less than full-time employees shall receive a prorated share of the City's contribution.

Employee Only	\$ 469.00
Employee Plus One	\$ 928.00
Family	\$1,255.00

Employees shall be eligible for the City contributions set forth above based on number of dependents they enroll in the PERS Medical Benefit Program.

Employees hired on or after September 1, 2008 who elect not to be covered under a City medical plan will be required to provide proof of medical insurance elsewhere and receive a \$200 per month cafeteria contribution. Employees hired prior to September 1, 2008 who elected either employee only medical coverage or who elected to opt out of medical coverage were "grandfathered" in at the \$790 per month contribution amount. Any employee initially grandfathered in at \$790 per month who later changes the number of dependents covered loses the grandfather status from that point forward.

All other terms and conditions of the MOA shall remain in effect for the term of this Amendment as specified in Article 3. This Amendment supersedes any and all previous amendments to the MOA.

CITY OF SAN LUIS OBISPO

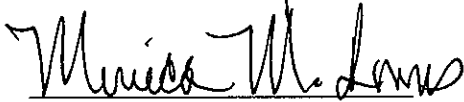
CITY EMPLOYEES' ASSOCIATION



Katie Lichtig
City Manager



Ron Faria
SLOCEA President



Monica M. Irons
Director of Human Resources



Madelyn Paasch
SLOCEA Vice President

12/6/10
Date

12-1-10
Date