



TENTATIVE AGREEMENT
FOR A SUCCESSOR MEMORANDUM OF UNDERSTANDING
 Per California Government Code Section 3505.1
 Between
 The City of South Gate and
 The South Gate Division Management Association (SGDMA)

The previous Memorandum of Understanding ("MOU") between the City of South Gate ("City") and the South Gate Division Management Association ("SGDMA") expired at midnight on June 30, 2017. On June 15, 2017, the SGDMA representatives and the City's labor representative commenced labor negotiations, including exchanging proposals and meeting and conferring towards reaching agreement on a successor MOU. On December 19, 2017, the parties reached a complete tentative agreement on a successor MOU, the deal points of which are set forth below and affirmed by the execution of this Tentative Agreement by the parties' labor representatives. This Tentative Agreement was ratified by the members of the SGDMA on December 20, 2017, and approved by the City Council on January 9, 2018. This Tentative Agreement shall not become effective until accepted, approved and adopted by the South Gate City Council per California Government Code Section 3505.1.

Successor MOU: All terms and conditions of the prior SGDMA MOU 2014-2015, including Amendment No. 1 thereto, shall be maintained unless expressly modified or changed herein until the successor SGDMA 2017-2020 MOU is accepted, approved and adopted by City Council.

Term: Effective July 1, 2017 through June 30, 2020 (3 years).

Wages:

- A one-time, lump sum payment of \$500.00. (So that there is no misunderstanding regarding this one-time, lump sum payment, CalPERS considers this type of payment to be Off-Salary-Schedule Pay, and per CalPERS Circular Letter 200-048-16, dated November 10, 2016, it would be reportable only for classic members and only when a pay increase has not been granted in the same fiscal year. Accordingly, the City believes that this payment will not be reportable to CalPERS because SGDMA members are also receiving a salary increase in the same fiscal year.)
- Effective January 7, 2018, the base salary for the positions represented by the SGDMA will be increased by 3.5%.
- Effective June 24, 2018, the base salary for the positions represented by the SGDMA will be increased by 3.5%.
- Effective June 23, 2019, the base salary for the positions represented by the SGDMA will be increased by 3.5%.

Bilingual Pay: Effective January 7, 2018, SGDMA members will be eligible for bilingual pay of \$125.00 per month. To receive the bilingual pay, a SGDMA member will need to get the approval of their Department Director, based upon the extent of their usage of the bilingual skills, and pass the appropriate bilingual skills test.

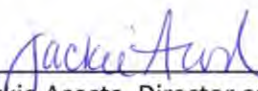
Longevity Pay: The City and the SGDMA agree to a reopener to discuss the possibility of the City providing longevity pay for the members represented by the SGDMA.

Dental/Vision/Life Insurance/Voluntary Insurances/Section 125 Program: The City and the SGDMA agree to a reopener to discuss the City's desire to change providers for these particular employee benefits and to meet and confer over the effects of any change in providers or related plans.

Long-Term Disability Insurance: The City and the SGDMA agree to a reopener to discuss the possibility of the City providing Long-Term Disability Insurance for the members represented by the SGDMA and the related employee costs for such insurance, if any.

Comprehensive MOU: The City and the SGDMA agree to work together to jointly prepare and complete the successor SGDMA MOU for City Council approval on or before May 1, 2018. The successor MOU shall contain a provision that complies with AB 119 and sets forth the procedures to be followed by the parties relative to new employee orientations and the SGDMA's right to information.

City of South Gate

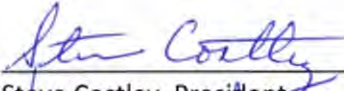


Jackie Acosta, Director of Administrative Services




Colin P. Tanner, City's Outside Labor Counsel

South Gate Division Management Association



Steve Costley, President



Vivian Garcia, Vice-President