MEMORANDUM OF AGREEMENT BETWEEN THE CITY OF SAINT PAUL AND

DISTRICT LODGE NO. 77 INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS

This Memorandum of Agreement (hereinafter "MOA") is entered into by the City of Saint Paul (hereinafter "City") and the District Lodge No. 77 International Association of Machinists and Aerospace Workers (hereinafter "Union") for the purpose of complying with the IAM National Pension Fund Rehabilitation Plan and Article 25.1 (8). On April 26, 2019, the City received notice that based on the Rehabilitation Plan, an additional \$0.03 per hour in addition to the \$1.25 per hour was required per the Rehabilitation Plan effective June 1, 2019. Article 25.1(8) states that additional contributions to the Pension will result in an equivalent wage reduction for participating employees.

The parties agree to the following:

- 1. Effective June 1, 2019 (closest pay period), the City will contribute \$1.25 per hour to the IAM Pension, plus an additional \$0.03 per hour, as required by the Rehabilitation Plan, for a total of \$1.28 per hour.
- 2. Effective January 1, 2020, (closest pay period), the wage rates in the Agreement dated January 1, 2018 December 31, 2020, for participating employees, will be reduced by \$1.38 per hour. (\$1.35 per hour plus the additional \$0.03 per hour required by the Rehabilitation Plan, per #1 above)
- 3. Effective June 1, 2020 (closest pay period), the wage rates in the Agreement dated January 1, 2018 December 31, 2020, for participating employees, will be reduced by \$1.42 per hour. (\$1.35 per hour plus the additional 2.5% \$0.07 per hour) required by the Rehabilitation Plan.
- 4. The above numbers are in accordance with the current Rehabilitation Plan as established by the International Association of Machinists National Pension Fund.

For the City:

Jason Schmidt

Labor Relations Manager

City of St. Paul

For the Union:

John Steigauf

Directing Business Representative IAM, District Lodge Number 77