

Amendment #1 to Exempt Managers' Contracts

At the meeting of the Harbor Commission on June 25, 2013, the Board of Commissioners approved the follow changes to the Exempt Managers' contracts. These changes comply with §3511.1 of the Government Code, and match various provisions of the Memorandum of Understanding with Service Employees Union International Local 620, July 1, 2013 to June 30, 2016.

Section 3.02 COLA Adjustments. Each year that the Commission grants District employees a cost of living increase, Manager shall be granted a COLA increase in an amount equivalent to the Consumer Price Index ("CPI") for all urban consumers for Los Angeles, Riverside and Orange County (1982-84 = 100), or three percent (3%), whichever is less.

Section 4.01 Vacation. Manager shall earn paid vacation leave according to the following schedule:

<u>Months of Service</u>	<u>Hours per pay period</u>	<u>Hours per year</u>
<u>1 – 60</u>	<u>3.69</u>	<u>96</u>
<u>61 – 120</u>	<u>4.62</u>	<u>120</u>
<u>121 – 180</u>	<u>5.54</u>	<u>144</u>
<u>181 +</u>	<u>6.16</u>	<u>160</u>

Manager is encouraged to use all accrued vacation benefits each year. If, at any time, Manager's earned but unused vacation hours reach 240 hours, Manager will not accrue any additional vacation time until vacation time is used. If Manager later uses enough vacation benefits to fall below the maximum, the Manager will begin to earn benefits again until the maximum is once more reached. Vacation time may be taken upon reasonable advance notification given by Manager to the Harbor Manager. Upon separation from employment with the District for any reason, the Manager shall be entitled to be compensated for all accrued but unused vacation leave.

Section 4.02 Sick Leave: Manager shall accrue 3.69 hours of paid sick leave for each pay period of employment with the District. If Manager's accrued but unused sick leave exceeds 960 hours, Manager will not accrue any additional sick leave until the Manager uses enough benefits to fall below the maximum, after which Manager will begin to accrue sick leave benefits until the maximum is once more reached. Sick leave used by the Manager shall be governed by the same general requirements as those approved by the Commission for other District employees.

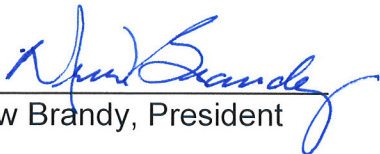
Manager's sick leave balance will be frozen on the first day of the first full pay period in July of 2013. This sick leave balance will be referred to as 100% cash value sick leave balance. Upon separation from employment, employee is entitled to 100% payout of this sick leave balance. For the purposes of cash value, sick leave balances shall be determined to be those balances in effect on July 6, 2013 (end of pay period). This balance shall be available for use, or, on separation from the District for conversion to cash payout or payment into the District's deferred compensation plan, based on the employee's hourly rate at the time of separation.

Additionally, any such balance can be used for service credit as allowed by the PERS contract in effect at the time.

After December 31, 2014, annual sick leave balances accrued (25% cash value) may only be used for sick leave, or for limited annual payout, as generally available to other District employees. On separation from the District, accrued sick leave may be converted to service credit per the PERS contract in place at the time, or converted to cash value computed at 25% of the cash value of the hours accrued at the hourly rate in effect at the time of separation from the District.

Section 4.06 Health Plan. Manager may participate in Health and Dependent Care flexible spending account programs in effect and generally available to other employees of the District. The District shall contribute flexible dollars and non-elective contributions towards Manager's health insurance as described in the District's Section 125 Cafeteria Plan document. From July 1, 2013 to December 31, 2013 total contributions shall equal the lowest cost HMO health care plan. Beginning on January 1, 2014, total contributions (flexible dollars plus non-elective contributions) shall equal the lowest cost HMO health care plan less the following amounts on a monthly basis:

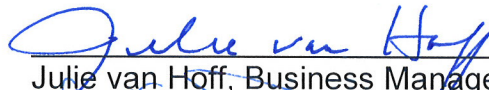
Manager only:	\$0
Manager plus one dependent:	\$61 per month
Manager plus 2 or more dependents:	\$100 per month



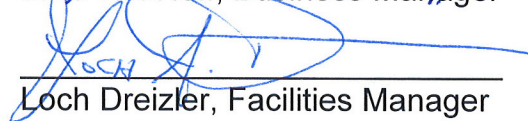
Drew Brandy, President



Steve McGrath, Harbor Manager



Julie van Hoff, Business Manager



Loch Dreizler, Facilities Manager