

APPENDIX D

MEMORANDUM OF AGREEMENT BETWEEN THE CITY OF SAINT PAUL AND THE PROFESSIONAL EMPLOYEES ASSOCIATION

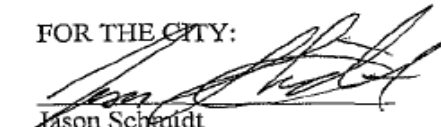
The City of Saint Paul (hereinafter "City") and Professional Employees Association (hereinafter "Union") enter into this Memorandum of Agreement (hereinafter "MOA") for the purpose of avoiding problems with the application of the seniority language in light of possible layoffs in the classification of the Management Assistant job series.

The parties agree to the following:

- 1) In recognition of the City's managerial rights to create classifications and organizational structure, the City has demonstrated the need for a newly created classification of Project Manager Parks & Recreation, which is a professional classification that will be added to the Union's bargaining unit upon approval of the City Council.
- 2) Upon review of the proposed classification description the Union has expressed concern that some of the job duties and job expectations of the newly created position of Project Manager Parks and Recreation share similarities with the Management Assistant II classification that is already in the bargaining unit and occupied by several Union members.
- 3) In recognition of the City's managerial rights to identify which classification would incur layoffs during budget reductions, the Union objected to the newly created classification that could possibly be insulated during layoffs at the expense of employees in the Management Assistants II classification who might have more seniority and who the Union believes do very similar work.
- 4) In order to eliminate that possibility, the parties agree that if the Management Assistant II classification is identified for layoffs at any time from the signing date below through the entire 2007 calendar year, the parties will then merge the seniority lists of the Project Manager Parks and Recreation classification and the Management Assistant II classification to determine who will be laid off. If a Management Assistant II classification is identified as a possible classification for layoffs at any time during the 2008 calendar year, the parties agree to meet and confer before the City makes the layoff decision to openly discuss whether the seniority lists for the Management Assistant II and Project Manager Parks and Recreation classifications should be merged, based on the needs of the City and the assignments and abilities of the Management Assistant II. The seniority lists for the Management Assistant II and Project Manager Parks and Recreation shall only be merged in 2008 by mutual agreement between the Union and the City.

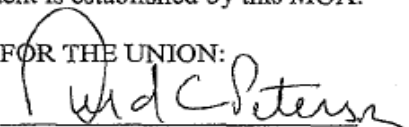
The remainder of the CBA is unchanged. No precedent is established by this MOA.

FOR THE CITY:


Jason Schmidt
Labor Relations Manager

Date: 10/5/06

FOR THE UNION:


David C. Peterson
President, PEA

Date: 10.3.06