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9 Attorneys for Plaintiffs Association of Retired
 10 Employees of the City of Stockton, Shelley Green,
 11 Patricia Hernandez, Reed Hogan, Glenn E.
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 13 Brenda Jo Tubbs, and Teri Williams on Behalf of
 14 Themselves and Others Similarly Situated

15 **UNITED STATES BANKRUPTCY COURT**
 16 **EASTERN DISTRICT OF CALIFORNIA – SACRAMENTO DIVISION**

<p>17 In re: 18 CITY OF STOCKTON, CALIFORNIA, 19 Debtor.</p>	<p>Case No. 12-32118 Chapter 9</p>
<p>20 ASSOCIATION OF RETIRED EMPLOYEES 21 OF THE CITY OF STOCKTON, a nonprofit 22 California corporation, SHELLEY GREEN, 23 PATRICIA HERNANDEZ, REED HOGAN, 24 GLENN E. MATTHEWS, PATRICK L. 25 SAMSELL, ALFRED J. SIEBEL, BRENDA 26 JO TUBBS, TERI WILLIAMS, on Behalf of 27 Themselves and Others Similarly Situated, 28 Plaintiffs, vs. CITY OF STOCKTON, CALIFORNIA, Defendant.</p>	<p>Adv. No. DECLARATION OF KELLEY GARRETT IN SUPPORT OF APPLICATION FOR TEMPORARY RESTRAINING ORDER OR RELIEF FROM STAY</p>

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9 Of the City of Stockton

10 ASSOCIATION OF RETIRED EMPLOYEES
11 OF THE CITY OF STOCKTON., a nonprofit
12 California corporation,

13 Plaintiff,

14 vs.

15 CITY OF STOCKTON, *et al.*,

16 Defendants.

DECLARATION OF Kelley Garrett

17 I, Kelley Garrett, declare:

18 1. I have personal knowledge of the facts set forth in this declaration and, if called as
19 a witness, I could and would testify competently to these facts under oath.

20 2. I was Employee Benefits Manager for the City of Stockton from August 1991 to
21 January 2004. In 1992, the City Manager, Dwane Milnes, asked George Bist, Employee
22 Relations Officer, and I to design a modified medical plan for the purpose of reducing the cost of
23 providing medical benefits to employees and retirees and to modernize the plan benefit structure.

24 3. I drafted the Modified Medical Plan and was directed to insert section 6.17,
25 although at this time I do not recall the specific management person who directed me to do this.

26 4. After the plan was designed and through the end of the year 1993, I attended the
27 meetings in which George Bist met with members of the representatives of the City employee

1 labor groups in negotiations over the terms and conditions to be included in Memorandums of
2 Understanding between the employee group and the City. During some of these meetings,
3 George Bist discussed medical plan cost saving measures and medical plan benefit changes with
4 the representatives of the employee groups.


5 5. During those discussions, representatives from the San Joaquin Public Employees'
6 Association (SJPEA) and the Operating Engineer's Local No. 3 (OE3) bargaining group,
7 requested that section 6.17 of the draft modified medical plan be removed if the meaning of the
8 section was that the City could make unilateral changes in the plan, including benefit reductions.
9 As a result of this request, George Bist met with the City Manager to discuss the meaning of
10 section 6.17. George Bist then reported to me that the City Manager assured him that the
11 language in section 6.17, as written by the City Manager, was not intended for the purpose of
12 allowing the City to make unilateral changes in medical benefits, deductibles or copayment
13 requirement. Instead the language was solely intended to

- 14 a) allow the City to make changes in the medical plan if state or federal laws or
- 15 regulations required the City to do so,
- 16 b) if the City's Preferred Provider Organization was no longer able to provide access to a
- 17 hospital and professional provider network for the City's employees and retirees,
- 18 and/or the City desired to change the third party administrator contracted to process
- 19 employee and retiree medical claims.
- 20 c) allow the implementation of cost saving measures that would not change the
- 21 employee or retiree cost, reduce medical benefits, or terminate the plan without a
- 22 comparable replacement.

23 This interpretation of 6.17 by the City Manager was reported to the SJPEA and OE3 labor
24 representatives. With these assurances, they agreed to leave the language of section 6.17 in the
25 modified medical plan.

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I declare under penalty of perjury under the law of the United States of America that the foregoing is true and correct and that this declaration was executed in, Stockton, California on June 10, 2012.



Kelley Garrett