

**MEMORANDUM  
OF  
UNDERSTANDING**

**BETWEEN**

**THE CITY OF GILROY**

**AND**

**GILROY MANAGEMENT ASSOCIATION**

**JULY 1, 2009 – JUNE 30, 2010**

**MEMORANDUM OF UNDERSTANDING**  
**BETWEEN THE**  
**CITY OF GILROY**  
**AND**  
**THE GILROY MANAGEMENT ASSOCIATION**

**JULY 1, 2009 - JUNE 30, 2010**

**ARTICLE I. PARTIES TO THE AGREEMENT**

This Memorandum of Understanding is jointly prepared and executed by representatives of the City of Gilroy (hereinafter CITY) and the Gilroy Management Association (hereinafter GMA) for presentation to, and consideration by, the City Council of CITY. It shall not be binding until ratified by the GMA and adopted by the City Council.

**ARTICLE II. RECOGNITION AND SCOPE**

CITY hereby recognizes GMA as the recognized employee organization of employees in the classifications in Attachment "A" for purposes of Government Code 3500 et seq. and the Employer-Employee Relations Policy of CITY (City Council Resolution 85-25). Such recognition shall extend only to the representation of employees holding permanent positions in the classifications listed in Attachment "A."

**ARTICLE III. CITY RIGHTS**

**Section A. In General:**

All CITY rights and functions, except those which are expressly abridged by this Agreement, shall remain vested with CITY.

**Section B. Rights Enumerated:**

Nothing in this Agreement shall be construed to restrict any legal or inherent exclusive CITY rights with respect to matters of general legislative or managerial policy which include but are not limited to: the exclusive right to determine the mission of its constituent sections; set standards of selection for

employment and promotion; train, direct and assign its employees; require work outside of normal working hours; take disciplinary action; relieve its employees from duty because of lack of work or for other legitimate reasons; maintain the efficiency of CITY operations; determine the methods, means and personnel by which CITY operations are to be conducted; determine the content of job classifications; take all necessary actions to prepare for and carry out its mission in emergencies; and exercise complete control and discretion over its organization and the technology of performing its work. CITY has the right to make reasonable rules and regulations pertaining to employees consistent with this Agreement.

### **Section C. Employee Grievances Not Impaired:**

The exercise of CITY management rights shall not preclude a grievant from presenting a grievance in accordance with the Human Resources Rules and Regulations, concerning an adverse effect of the exercise of such rights upon employee; provided, however, the basic right of management to act hereunder or make decisions is unimpaired.

Employees included in this representational unit covered by the Public Safety Officers Procedural Bill of Rights or the Firefighters Bill of Rights Acts shall be afforded the procedural rights included in that Act.

### **Section D. Consultations with GMA:**

This Agreement is not intended to restrict the right of CITY to consult with GMA regarding matters within the right of CITY to determine. However, the parties understand that such consultation shall not create any obligation to meet and confer over issues not within the scope of representation.

Pursuant to MMBA Section 3504, the scope of representation shall include all matters relating to employment conditions and employer-employee relations, including, but not limited to, wages, hours, and other terms and conditions of employment, except, however, that the scope of representation shall not include consideration of the merits, necessity, or organization of any service or activity provided by law or executive order.

## **ARTICLE IV. GMA RIGHTS**

### **Section A. Maintenance of Membership:**

GMA membership is not a mandatory condition of employment for any employee covered by this Agreement. However, employees who are members of the GMA at the time this agreement is adopted by the City Council shall maintain their membership during the term of this agreement. Every employee who is a member of the GMA shall have the right to withdraw from membership during the final thirty (30) days of the contract.

Enforcement of this section shall be the responsibility of the GMA, utilizing civil procedures. The GMA shall indemnify and hold the CITY harmless from any and all claims, demands or suits, or any other action arising from this section in a manner consistent with MMBA Section 3502.5(b).

## **ARTICLE V. SALARIES AND OTHER COMPENSATION**

### **Section A. Salaries:**

1. The salary schedule for GMA positions is attached and marked Attachment "B". Also attached is the concession agreement between the City and GMA which includes information regarding pay reductions in exchange for furlough time off. The concession agreement is attached and marked Attachment "C".
2. Notwithstanding the freeze on merit salary increased outlined in the attached side letter concession agreement (Attachment "C"), performance pay increases as described in the Human Resources Rules and Regulations, Section III., E., shall be available to eligible employees beginning July 1, 2010 in accordance with the employee's scheduled evaluation date and based upon the employee's work performance, unless City and GMA mutually agree otherwise.

### **Section B. Retention/Recognition Incentive**

#### **Non-Safety GMA Employees:**

1. If hired prior to November 1, 2005, employees that are 55 or more years old and retire from the City service with a minimum of 15 years of service shall be eligible to receive a post-retirement benefit until reaching the age of 65 of \$15/month per year of service up to \$300.00 per month maximum.
2. If hired after November 1, 2005, employees that are 55 or more years and retire from City service with a minimum of 20 years of service shall be eligible to receive a post-retirement benefit until reaching the age of 65 of \$15/month per year of service, up to \$200.00 per month maximum.

Effective June 30, 2007 employees who are 55 or more years old and retire from City service with a minimum of 25 years of service shall be eligible to receive a post-retirement benefit until reaching the age of 65, of \$15/month per year of service, up to \$300.00 per month maximum.

*Note: When incentive reaches \$600 per year, a 1099 will be issued for tax purposes. The City pays CalPERS coverage the month the employee retires plus the following month. Therefore, retention recognition incentive will commence on the second month from retirement date.*

#### **Safety (sworn police and fire) GMA Employees:**

1. If hired prior to November 1, 2005, employees that are 50 or more years old and retire from the City service with a minimum of 15 years of service shall be eligible to receive a post-retirement benefit until reaching the age of 65 of \$15 month/per year of service up to \$300.00 per month maximum.
2. If hired after November 1, 2005, employees that are 50 or more years old and retire from City service with a minimum of 20 years of service shall be eligible to receive a post-retirement

benefit until reaching the age of 65 of \$15/month per year of service, up to \$200.00 per month maximum.

Effective June 30, 2007, employees who are 50 or more years old and retire from City service with a minimum of 25 years of service shall be eligible to receive a post-retirement benefit until reaching the age of 65, of \$15.00/month per year of service, up to \$300.00 per month maximum.

*Note: When incentive reaches \$600 per year, a 1099 will be issued for tax purposes. The City pays CalPERS coverage the month the employee retires plus the following month. Therefore, retention recognition incentive will commence on the second month from retirement date.*

### **Section C. Retirement Contributions:**

The City shall provide the 2.5% at 55 PERS retirement plan for GMA employees in the Miscellaneous PERS category. The City shall provide the 3% at 50 PERS retirement plan for GMA employees in the Police Safety PERS category. The city shall provide the 3% at 55 PERS retirement plan for GMA employees in the Fire Safety Category.

PERS Miscellaneous: Employee pays own pre-tax 8% contribution. The City pays the employer contribution. The following items are included in the PERS Miscellaneous retirement contract:

- 2.5% @ 55 – pursuant to CA Government Code Section 21354.4
- 1 year Final Compensation – pursuant to CA Government Code Section 20042
- Credit for Unused Sick Leave – pursuant to CA Government Code Section 20965
- 3<sup>rd</sup> Level 1959 Survivor Benefit – pursuant to CA Government Code Section 21573
- Military Service Credit – pursuant to CA Government Code Section 21024
- Death Benefit – pursuant to CA Government Code Section 21620

PERS Safety – Police: The City pays the employer contribution for PERS retirement benefits. The 9% employee contribution is paid by the City; however, it is part of the total cash compensation included on the GMA salary table. Further, included in the total cash compensation included on the salary table is the 9% employee contribution that must be paid on the 9% EPMC. Therefore, a total of 9.81% is included in the total cash compensation salary range for this group of employees.

- 3% @ 50 – pursuant to CA Government Code Section 21362.2
- 1 year Final Compensation - pursuant to CA Government Code Section 20042
- Credit for Unused Sick Leave - pursuant to CA Government Code Section 20965
- 4<sup>th</sup> Level 1959 Survivor Benefit – pursuant to CA Government Code Section 21574
- Military Service Credit - pursuant to CA Government Code Section 21024
- Death Benefit - pursuant to CA Government Code Section 21620
  
- Employer paid member contribution of 9% reported as special compensation for purposes of retirement – pursuant to Gilroy City Council Resolution 96-72

PERS Safety – Fire: The City pays the employer contribution for PERS retirement benefits. The 9% employee contribution is paid by the City; however, it is part of the total cash compensation included on the GMA salary table. Further, included in the total cash compensation included on the salary table is

the 9% employee contribution that must be paid on the 9% EPMC. Therefore, a total of 9.81% is included in the total cash compensation salary range for this group of employees.

- 3% @ 55 – pursuant to CA Government Code Section 21363.1
- 1 year Final Compensation - pursuant to CA Government Code Section 20042
- Credit for Unused Sick Leave - pursuant to CA Government Code Section 20965
- 4<sup>th</sup> Level 1959 Survivor Benefit - pursuant to CA Government Code Section 21574
- Military Service Credit - pursuant to CA Government Code Section 21024
- Death Benefit - pursuant to CA Government Code Section 21620
- Employer paid member contribution of 9% reported as special compensation for purposes of retirement

#### **Section D. Tuition Reimbursement**

Tuition reimbursement for GMA employees is up to \$1,000.00 per fiscal year. This may be used to cover the cost of tuition, books, fees, or other student expenses. Courses and reimbursement must be pre-approved to qualify under this program. Only job related and career development course will be approved for reimbursement. A grade of B or better is required for reimbursement.

This program is suspended for the time period of July 1, 2009 – June 30, 2010 in accordance with the attached concession agreement (Attachment “C”).

#### **Section E. Bi-lingual Pay:**

Employees in the classifications of Police Captain or Fire Division Chief who demonstrate the ability to communicate (as a result of a verbal skills test) effectively in both Spanish and English shall receive an additional five (5%) percent of their respective base salaries. employees receiving bi-lingual pay shall be required to recertify (test) every two years to demonstrate continued competency. This test shall be a verbal skills test.

### **ARTICLE VI. INSURANCE PROGRAMS**

#### **Section A. Medical Insurance:**

1. The City shall provide a cafeteria program dollar contribution for each GMA employee. The cafeteria plan contribution amount is established as of January 1, 2009 as the plan year for health plan coverage is the calendar year. The City cafeteria contribution amount shall increase by 5% each year using the January 1, 2009 amount as the baseline starting point. Any health plan rate increases in excess of the annual City contribution amount each year shall be paid by the employee.
2. The contribution amounts include any mandatory PERS PEMHCA contribution and the mandatory Dental Contribution.

3. The contribution amount that the employee qualifies to receive is based upon the number of individuals that the employee enrolls in a medical plan.
4. The employee may purchase other insurance benefits with any remaining contribution amount or through payroll deduction. Some of these benefits may be eligible for a pre-tax deduction. . If there is a surplus, the employee will receive a cash payment for 100% of the surplus contribution (this is taxable income). The employee may not waive dental insurance under this provision. The employee must enroll himself or herself, along with qualifying dependents, in the Dental plan.
5. The employee may waive medical coverage under this program and enroll in dental insurance provided they show proof of other medical insurance coverage. If the employee waives medical insurance then the employee is eligible to receive the employee only contribution in cash less the medical contribution required by CalPERS and less the dental premium.

#### **Section B. Life and AD&D Insurance:**

The CITY shall maintain in effect a life and AD&D insurance policy for unit members which equals 100% of annual salary. AD&D benefit increases the life insurance benefit paid to a Beneficiary if employee's death is the result of an accident.

#### **Section C. Long Term Disability Insurance:**

Non-Safety Employees: For the term of this Agreement the CITY shall maintain in effect the Long Term Disability Program providing for a ninety (90) day elimination period and payment of sixty (60%) percent of pre-disability earnings to a maximum of eight thousand five hundred (\$8,500) per month. Employees shall have the option of using accrued paid time to supplement LTD to bring gross wages to 100%.

Safety Employees (Police): For the term of this Agreement the CITY shall maintain in effect the Long Term Disability Program providing for a thirty (30) or sixty (60) day elimination period (depending upon the work relatedness of disability) and payment of sixty-six and two thirds (66 and 2/3 %) percent of the first \$7,500 of pre-disability earnings reduced by deductible income. The policy provides for a \$5,000 per month maximum before reduction by deductible income.

Safety Employees (Fire): For the term of this Agreement the CITY shall maintain in effect the Long Term Disability Program providing for 100% of wages for catastrophic disability for eighteen months then 75% of wages will be provided. 77% of wages shall be utilized for industrial causes, 75% of wages shall be utilized for non-industrial causes. \$7,650 is the maximum earnings that are categorized as non-taxable. The plan requires a thirty (30) day waiting period.

#### **Section D. Vision Plan:**

The City shall provide a vision plan for optional employee enrollment. Premiums for this plan shall be paid by the employee.

**Section E. Employee Assistance Program:**

The city shall provide an Employee Assistance Program for employees. The Employee Assistance Program shall provide for a maximum of ten (10) visits per plan year (calendar).

**ARTICLE VII. LEAVES**

**Section A Vacation Leave:**

<b>Years of Service</b>	<b>Mo. Hours Accrued</b>	<b>Yearly Accrual</b>
1 - 5	6.67 Hours	Ten (10) Days
6 - 15	10.00 Hours	Fifteen (15) Days
16 +	13.33 Hours	Twenty (20) Days

The maximum vacation balance that an employee can maintain is two times the annual accrual.

Employee may cash out up to eighty (80) hours of vacation time in a given fiscal year provided that the employee uses eighty (80) hours of vacation time in the same fiscal year. The vacation cashout program is suspended for the period of July 1, 2009 – June 30, 2010.

**Section B. Sick Leave:**

Employees shall accrue sick leave at the rate of one (1) 8-hour day per month. There is no limit on the amount of sick leave than an employee can accrue. For employees that retire directly from the City of Gilroy shall have their accumulated sick leave hours/days reported to CalPERS pursuant to the Credit for Unused Sick Leave Program identified above as part of the CalPERS contract. There is no cashout of sick leave hours upon separation/retirement from employment.

**Section C. Personal Leave:**

Employees shall be credited with forty-four (44) hours of personal leave time off on July 1 of each fiscal year. This leave is not pro-rated for new hires or separating employees.

**Section D. Administrative Leave:**

Employee shall be credited with fifty-six (56) hours of administrative leave time off on July 1 of each fiscal year. This leave is pro-rated (quarterly) for new hires, but is not pro-rated for separating employees.

**Section E. Bereavement Leave:**

Eligible employees may take paid Bereavement Leave when a death occurs in the employee's or the employee's spouse's immediate family. For the purpose of this section, immediate family is defined as: Parents, Brothers, Sisters, Spouses, Domestic Partners, Natural or Legally Adopted Children, or Grandparents. Up to three days (24 hours) of bereavement leave may be granted per occurrence if the death occurs within California and up to five days (40 hours) per occurrence may be granted if the death

occurs outside of California. Leave may also be granted in the case of the death of others with whom the employee has a significant relationship. Such leave shall be granted in the sole discretion of the City Administrator, without any right to appeal. Such leave shall not be cumulative.

#### **Section F. Holidays:**

GMA employees shall receive ten paid holidays as noted in Gilroy Human Resources Rules and Regulations. Holidays shall typically be taken on the day observed. However, safety employee may flex holidays based upon the needs of the department.

#### **Section G. Christmas Eve Mandatory Closure**

City offices and all non-essential operations shall be closed on the workday immediately preceding the Christmas Day Holiday. However, this is not a holiday and employees will be required to use either paid or unpaid leave to cover their absence on this day. Employees shall designate, at least two weeks prior to the mandatory closure, what leave time the employee will use to cover this day by completing the normal time off request form.

All City Hall employees shall participate in the mandatory closure as the City Hall building will be closed on this date. Safety employees, however, may flex this day off based upon the needs of the department.

#### **Section H. Catastrophic Leave Donation Program:**

Employees may donate vacation hours, personal leave hours, or administrative leave hours under the Catastrophic Leave Donation Program outlined in the Gilroy Human Resources Rules and Regulations.

### **ARTICLE VIII. MISCELLANEOUS**

#### **Section A. Uniforms:**

Police: A lump sum payment of \$1,200.00 will be paid by July 15<sup>th</sup> of each year.

Fire: A lump sum payment of \$670.00 will be paid by July 15<sup>th</sup> of each year.

Fleet Superintendent, Facilities Superintendent, and Manager assigned to Public Works Field Operations (streets, water, sewer, parks, etc.): Consistent with the maximum annual allowance for uniform purchases provided to line operations, fleet, and facilities employees, the management position noted above can purchase uniform items listed on the uniform allocation/ordering worksheet.

#### **Section B. DMV Pull Notice Program:**

Employees who have the opportunity to operate motorized vehicles on city business are required to be safe drivers and operate vehicles in a safe manner. Employees, who have the opportunity to operate

vehicles on city business, must possess and maintain a valid California driver's license appropriate for the job and vehicle(s) to be operated. Employees who have the opportunity to operate motorized vehicles while on duty must also either: (1) enroll in the City's department of motor vehicles employer pull-notice program, or (2) provide the city with periodic updates of his or her driving record.

1. If an employee enrolls in the DMV employer pull notice program, the employee must fill out a City-specified enrollment form directing the DMV to provide the City with periodic updates of the employee's driving record.
2. If an employee elects not to enroll in the DMV employer pull notice program, the employee is responsible for providing the City with periodic updates of the employee's driving record. These updates shall be provided annually during the month of January and every time the employee receives a citation or other entry on his or her driving record which impacts his or her ability to operate a motor vehicle while on duty, including but not limited to the revocation or temporary suspension of the employee's drivers' license.

### **Section C. Human Resources Rules and Regulations**

The parties acknowledge that the City duly adopted its Human Resources Rules and Regulations prior to recognizing the GMA as the exclusive representative of employees in the classifications in Attachment "A" and that those rules and regulations (including those covering layoffs) remain in full force and effect except where inconsistent with this agreement.

### **ARTICLE IX. PEACEFUL PERFORMANCE**

During the life of this Agreement, no work stoppages, strikes, slowdowns, or picketing shall be caused or sanctioned by the GMA, and no lockouts shall be made by the City of Gilroy.

In the event that any employees covered by this Agreement, individually or collectively, violate the provisions of this article and the GMA fails to exercise good faith in halting the work interruption, the GMA and the employees involved shall be deemed in violation of this article and the CITY shall be entitled to seek all remedies available to it under applicable law.

### **ARTICLE X. REOPENER**

Upon request by the City, the City and GMA will reopen negotiations on revised Human Resources Rules and Regulations to address any substantive changes to the Human Resources Rules and Regulations.

### **ARTICLE XI. FULL UNDERSTANDING**

This Memorandum of Understanding is the result of the parties' good faith meeting and conferring pursuant to the MMBA and sets forth the full and entire understanding of the parties regarding the matters set forth herein, and any other prior or existing understanding or agreements by the parties,

whether formal or informal, regarding any such matters are hereby superseded or terminated in their entirety.

It is agreed and understood that each party hereto voluntarily and unqualifiedly waives its rights to negotiate, and agrees that the other party shall not be required to negotiate with respect to any matter covered herein during the term of this Memorandum of Understanding. Nothing in this paragraph shall preclude the parties from jointly agreeing to meet and confer on any issue(s) within the scope of representation during the term of this agreement. Where this MOU conflicts with the Human Resources Rules and Regulations, the terms of this MOU shall control.

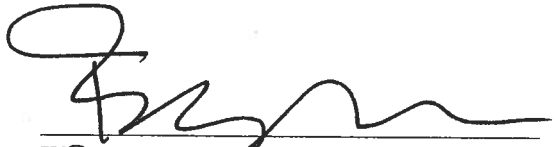
#### **ARTICLE XII. SAVINGS PROVISION**

If any provisions of this Memorandum of Understanding are held to be contrary to law by a court of competent jurisdiction, such provisions will not be deemed valid and subsisting except to the extent permitted by law, but all other provisions will continue in full force and effect. Should the State of California adopt legislation forbidding or economically penalizing the CITY for granting any compensation increases called for in this agreement, the compensation increase shall be suspended. The CITY and Association shall meet and confer regarding any suspended compensation increases.

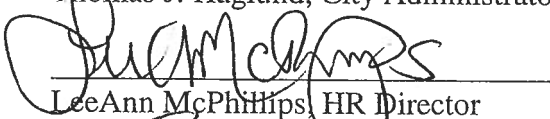
**ARTICLE XIII. TERM**

This Memorandum of Understanding represents the entire Agreement between the CITY and GMA on subjects contained herein and shall become in full force and effect on July 1, 2009 unless otherwise noted, and shall continue in full force and effect until Midnight June 30, 2010. The GMA shall provide the CITY with its proposals for the period beginning July 1, 2010 no later than April 1, 2010. The parties agree to begin the meet and confer process by April 30, 2010.

**FOR THE CITY OF GILROY**



Thomas J. Haglund, City Administrator

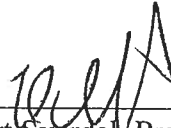


LeeAnn McPhillips, HR Director

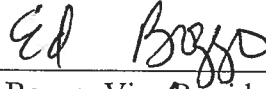


Charles Sakai, Labor Relations Counsel

**FOR THE GILROY MANAGEMENT ASSOCIATION**



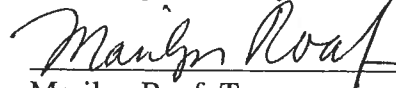
Kurt Svardal, President



Ed Bozzo, Vice President



Phil King, Secretary



Marilyn Roaf, Treasurer

DATED: 1/26/10

DATED: 1/19/10

GILROY MANAGEMENT ASSOCIATION (GMA)  
REPRESENTED CLASSIFICATIONS

Attachment "A"

CITY hereby recognizes GMA as the recognized employee organization of employees in the classifications listed below for purposes of Government Code 3500 et seq. and the Employer-Employee Relations Policy of CITY (City Council Resolution 85-25). Such recognition shall extend only to the representation of employees holding permanent positions in the classifications listed below:

- Building Field Services Manager
- Building Plan Check Engineer
- City Engineer
- Development Center Manager
- Environmental Programs Coordinator
- Facilities & Parks Project Manager
- Facilities Superintendent
- Financial Analyst - Finance
- Financial Analyst - Community Development
- Fire Battalion Chief
- Fire Division Chief
- Fire Marshal
- Fleet Superintendent
- HCD Grant Coordinator
- Information Technology Director
- Network Administrator
- Operations Services Manager
- Planning Division Manager
- Police Crime Analyst
- Police Captain
- Public Information Officer
- Public Safety Systems Administrator
- Recreation Manager
- Revenue Officer
- Senior Civil Engineer
- Senior Environmental Engineer
- Systems Administrator
- Web Developer

**GILROY MANAGEMENT ASSOCIATION  
TOTAL CASH COMPENSATION SALARY TABLE  
EFFECTIVE: JULY 1, 2007**

**DIVISION MANAGERS:**

<b>Job Code</b>	<b>Job Title</b>	<b>Monthly Minimum</b>	<b>Monthly Maximum</b>	<b>Annual Minimum</b>	<b>Annual Maximum</b>
107	City Engineer	\$9,142	\$12,190	\$109,707	\$146,281
127	Development Center Manager	\$9,142	\$12,190	\$109,707	\$146,281
131	Fire Battalion Chief	\$9,240	\$12,320	\$110,882	\$147,838
105	Fire Division Chief	\$9,757	\$13,009	\$117,086	\$156,107
124	Information Technology Director	\$8,877	\$11,836	\$106,518	\$142,029
114	Operations Services Manager	\$7,950	\$10,600	\$95,394	\$127,197
118	Planning Division Manager	\$9,142	\$12,190	\$109,707	\$146,281
110	Police Captain	\$9,757	\$13,009	\$117,086	\$156,107
129	Recreation Manager	\$6,335	\$8,446	\$76,014	\$101,352

**MIDDLE MANAGEMENT:**

<b>Job Code</b>	<b>Job Title</b>	<b>Monthly Minimum</b>	<b>Monthly Maximum</b>	<b>Annual Minimum</b>	<b>Annual Maximum</b>
126	Building Field Services Manager	\$7,950	\$10,600	\$95,394	\$127,197
125	Building Plan Check Engineer	\$7,950	\$10,600	\$95,394	\$127,197
203	Environmental Programs Coordinator	\$5,765	\$7,686	\$69,179	\$92,230
111	Facilities & Parks Project Manager	\$7,950	\$10,600	\$95,394	\$127,197
121	Fire Marshal	\$7,950	\$10,600	\$95,394	\$127,197
219	Facilities	\$5,765	\$7,686	\$69,179	\$92,230

Job Code	Job Title	Monthly Minimum	Monthly Maximum	Annual Minimum	Annual Maximum
	Superintendent				
220	Fleet Superintendent	\$5,765	\$7,686	\$69,179	\$92,230
207	HCD Grant Coordinator	\$5,765	\$7,686	\$69,179	\$92,230
213	Network Administrator	\$6,335	\$8,446	\$76,014	\$101,352
205	Public Information Officer	\$5,765	\$7,686	\$69,179	\$92,230
218	Public Safety Systems Administrator	\$6,335	\$8,446	\$76,014	\$101,352
209	Revenue Officer	\$5,765	\$7,686	\$69,179	\$92,230
117	Senior Civil Engineer	\$7,950	\$10,600	\$95,394	\$127,197
116	Senior Environmental Engineer	\$7,950	\$10,600	\$95,394	\$127,197
221	Senior Planner	\$7,950	\$10,600	\$95,394	\$127,197
217	Systems Administrator	\$6,335	\$8,446	\$76,014	\$101,352
215	Web Developer	\$5,401	\$7,202	\$64,816	\$86,421

**ANALYSTS:**

Job Code	Job Title	Monthly Minimum	Monthly Maximum	Annual Minimum	Annual Maximum
216	Financial Analyst (Community Development)	\$5,765	\$7,686	\$69,179	\$92,230
210	Financial Analyst (Finance)	\$5,765	\$7,686	\$69,179	\$92,230
208	Police Crime Analyst	\$5,765	\$7,686	\$69,179	\$92,230

**Notes:**

*Salary range minimums were established by taking approximately 75% of the range maximum.*

*Total Cash Compensation salary ranges include all forms of compensation including holiday compensation, EPMC, and other applicable forms of cash/cash equivalent compensation. Where approved, additional compensation may be made for bilingual pay, car allowance/car provided, uniform allowance, and other forms of Council approved compensation.*

*Per Council resolution, GMA employees that are part of the PERS Miscellaneous group have an 8% deduction under IRC 414(h)(2) for the employee contribution to the CalPERS 2.5% @ 55 retirement plan.*

*For GMA employees that are part of the PERS Safety group, from the salary range above the 9% EPMC compensation element shall be contributed to CalPERS; also included in the total cash compensation is the 9% that must be paid on the 9% EPMC that is reported to CalPERS (total of 9.81%). Per contract with PERS, the 9% EPMC is reported as special compensation. These positions do not participate in the IRC 414(h)(2).*

*Monthly figures are rounded to the nearest \$1.00*

***7/1/07 Implementation Note:*** *3% salary range adjustments were applied for all GMA classifications noted above. GMA employees who received 4.7% or less of an increase as a result of the 1/1/07 exempt class/comp study shall receive a 3% salary increase on 7/1/07. For those that received more than a 4.7% increase, the range for the position shall adjust up by 3%, but the specific employee shall not be able to receive an increase until their next regularly scheduled employee performance appraisal. Any increase at that time shall be based on the employee's job performance.*

**CITY OF GILROY  
AND  
GILROY MANAGEMENT ASSOCIATION**

**JUNE 2, 2009**

**SIDE LETTER AGREEMENT**

Over the last two months, the City has been meeting with the Gilroy Management Association on budget reductions. The City of Gilroy and the Gilroy Management Association (GMA) have agreed to the following:

**1. Furlough**

Twenty-four (24) days (192 hours) of furloughs in Fiscal Year 2009-2010.

Twenty-four (24) days (192 hours) of furloughs in Fiscal Year 2010-2011.

This is a total of 48 days over a two year period. City offices to be closed the 1st and 3<sup>rd</sup> Friday of every month to achieve a salary and salary related benefits savings of 9.23% for both Fiscal Year 2009-2010 and Fiscal Year 2010-2011.

Alternate furlough days may be approved in the same month at the discretion of the department head in order to achieve operational efficiencies. It is understood that the furlough days as described above will be implemented in such a manner so as to not impact the FLSA exempt status of the exempt GMA classifications. Further, it is understood by the City of Gilroy and GMA that detailed procedures will be developed for the implementation of the work furlough. The parties will work together to develop the procedures and communicate information to employees.

**2. Wage Freeze**

No negotiated wage increase for the period of July 1, 2009 – June 30, 2010.

**3. Merit Salary Increases**

Reinstate Merit Increases for the period of March 2009-June 2009. Eliminate Merit Increases for Fiscal Year 2009-2010 (July 1, 2009 – June 30, 2010).

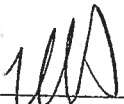
**4. Tuition Reimbursement**

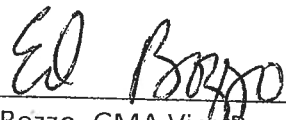
Eliminate Tuition Reimbursement (reimbursement of up to \$1,000 per employee) for Fiscal Year 2009-2010 (July 1, 2009 – June 30, 2010).


• 5. **MOU Establishment**

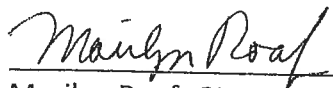
The parties agree to enter in to good faith negotiations to execute a minimum one-year status quo Memorandum of Understanding (MOU) by September 30, 2009 that sets forth the current compensation and benefits of GMA. GMA will not be requesting any new salary or benefits. The September 30, 2009 date for the execution of the MOU can be extended if mutually agreed upon by both parties if negotiations are progressing.

**For Gilroy Management Association (GMA):**

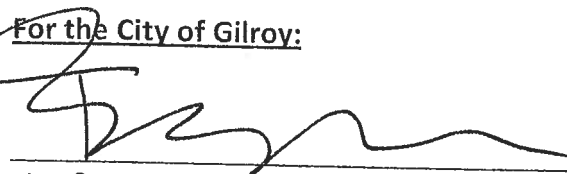
  
\_\_\_\_\_  
Kurt Svardal, GMA President

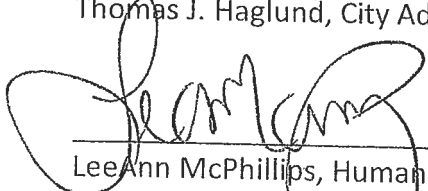
  
\_\_\_\_\_  
Ed Bozzo, GMA Vice President

  
\_\_\_\_\_  
Patricia Bentson, GMA Secretary

  
\_\_\_\_\_  
Marilyn Roaf, GMA Treasurer

**For the City of Gilroy:**

  
\_\_\_\_\_  
Thomas J. Haglund, City Administrator

  
\_\_\_\_\_  
Lee Ann McPhillips, Human Resources Director

  
\_\_\_\_\_  
Charles Sakai, Labor Negotiations Counsel

**RESOLUTION NO. 2009-22**

**RESOLUTION APPROVING A SIDE LETTER CONCESSION AGREEMENT  
BETWEEN THE CITY OF GILROY AND THE GILROY MANAGEMENT  
ASSOCIATION (GMA)**

The City Council of the City of Gilroy hereby resolves as follows:

**WHEREAS**, the City is experiencing revenue losses for a sustained period of multiple years, therefore, revenues are not keeping pace with expenditures; and

**WHEREAS**, the local, state, and national economy is seeing unprecedented economic losses, substantially declining property values, and declining sales tax revenue as consumers curtail spending. As a result, the City has experienced significant revenue losses and expects these losses to continue for multiple years; and

**WHEREAS**, the City has made over \$8.0 million in cuts through spending reductions, a hiring freeze, and layoffs; and

**WHEREAS**, the City requested to meet and confer with all bargaining units, including Gilroy Management Association, in an effort to find solutions to the City's financial situation; and

**WHEREAS**, Gilroy Management Association agreed to meet and confer and discuss possible cost saving measures; and

**WHEREAS**, Gilroy Management Association concluded their discussions with the City; and

**WHEREAS**, a Side Letter of Agreement outlining cost saving measures for Gilroy Management Association was ratified by the Gilroy Management Association membership; and

**WHEREAS**, Gilroy Management Association has made a contribution of approximately \$343,000 through concessions from the 23 Gilroy Management Association members; and

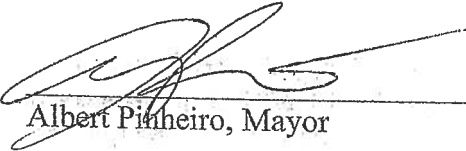
**WHEREAS**, details of the Side Letter Agreement between the City and Gilroy Management Association are included in Exhibit A to this resolution.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Gilroy approves the Side Letter of Agreement and agrees that the City Administrator has the authority to implement the Side Letter of Agreement and to create administrative procedures for the implementation of the agreed upon unpaid furloughs.


**PASSED AND ADOPTED** this 8<sup>th</sup> day of June, 2009 by the following vote:

AYES: COUNCILMEMBERS: ARELLANO, BRACCO, DILLON and  
PINHEIRO  
NOES: COUNCILMEMBERS: GARTMAN, TUCKER, WOODWARD  
ABSENT: COUNCILMEMBERS: NONE

APPROVED:

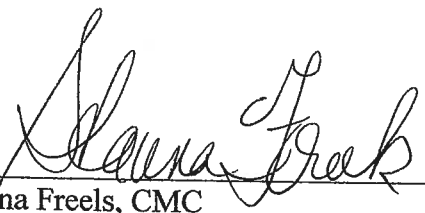
  
Albert Pinheiro, Mayor

ATTEST:

  
Shawna Freels, City Clerk

I, SHAWNA FREELS, City Clerk of the City of Gilroy, do hereby certify that the attached Resolution No. 2009-22 is an original resolution, or true and correct copy of a city resolution, duly adopted by the Council of the City of Gilroy at a regular meeting of said Council held on the 8<sup>th</sup> day of June, 2009, at which meeting a quorum was present.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of the City of Gilroy this 11<sup>th</sup> day of June, 2009.

  
\_\_\_\_\_  
Shawna Freels, CMC  
City Clerk of the City of Gilroy

(Seal)