

**SUPPLEMENTAL AGREEMENT
BETWEEN
THE CITY OF GILROY
AND
INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS, LOCAL 2805**

This Supplemental Agreement (“Agreement”) executed on June 22, 2009 is between and by the City of Gilroy (“City”) and the International Association of Fire Fighters, Local 2805 (“IAFF” or “Union”) for the purpose of modifying the Memorandum of Understanding (“MOU”) between the parties dated January 1, 2008 through December 31, 2011. This document is intended to supersede any inconsistent provisions of the original MOU, as well as any supplemental agreements, and any side letters to the MOU. All other terms and conditions in the existing MOU shall remain in full force and effect unless modified by this Supplement Agreement.

The City and IAFF agree to amend the MOU as follows:

1. **Furlough Days for Fiscal Year 2009-2010:** The parties agree to a pay rate reduction of 4.94% for fiscal year 2009-2010 [infra]. In exchange, employees will be provided with one hundred and forty-four (144) hours of furlough leave July 1, 2009, compensated at the employee’s normal (reduced) pay rate. Furlough leave shall be taken in the same manner as discretionary leave throughout fiscal year 2009-2010. All furlough time must be used during Fiscal Year 2009-10. Any unused furlough leave not taken by 7:59 a.m. on July 1, 2010 shall be forfeited.

The City and IAFF understand that in order to achieve the maximum fiscal savings from the furlough program, the City will not call-back or back-fill on overtime or other premium pay employees for those employees on furlough leave from November 1, 2009 through May 31, 2010. The City has notified IAFF that this will result in the brown-out of the Sunrise Station.

2. **Salaries:** The parties agree to eliminate salary increases for fiscal year 2009-2010. Article IV Salary and Other Compensation, Section A Salaries will be amended as follows:

Section A: Salaries: Salary schedules in effect on December 31, 2007 shall be increased by one and one half (1.5%) percent effective January 1, 2008 for all bargaining unit members. Salary schedules in effect June 30, 2008 shall be increased by one and one half (1.5%) effective July 1, 2008 for all bargaining unit members.

Salary schedules in effect on December 31, 2008 shall be increased by one and one half (1.5%) percent effective

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January 1, 2009 for all bargaining unit members. ~~Salary schedules in effect June 30, 2009 shall be increased by one and one half (1.5%) effective July 1, 2009 for all bargaining unit members.~~

Salary schedules in effect on January 1, 2009 shall remain in effect through June 30, 2009. To accommodate the furloughs for FY 2009-10, salary schedules in effect June 30, 2009 shall be temporarily reduced by four point nine four percent (4.94%) effective July 1, 2009 for all bargaining unit members.

~~Salary schedules in effect on December 31, 2009 shall be increased by one and one half (1.5%) percent effective January 1, 2010 for all bargaining unit members.~~ Salary schedules in effect June 30, 2010 shall be increased by ~~one and one half (1.5%)~~ six point four four percent (6.44%) effective July 1, 2010 for all bargaining unit members. The 6.44% increase includes both the restoration of the 4.94% reduction for Fiscal Year 2009-10 and the previously negotiated 1.5% increase.

Salary schedules in effect on December 31, 2010 shall be increased by one and one half (1.5%) percent effective January 1, 2011 for all bargaining unit members. Salary schedules in effect June 30, 2011 shall be increased by one and one half (1.5%) effective July 1, 2011 for all bargaining unit members. These increases are shown in the attached Salary Schedules, attached hereto as Exhibit "A."

3. **Personal Leave:** The parties agree to eliminate one Personal Leave day for fiscal year 2009-2010. Modify Article VI Leaves, Section E Personal Leave to read as follows:

Section E: Personal Leave: Each employee will be granted personal leave each fiscal year. This leave is credited and available to the employee on July 1 of each fiscal year and is not cumulative. Personal leave allotments are as follows:

- a. Either 8 or 16 hours, for forty (40) hour workweek employees, per fiscal year, based on the new hire start date and then 15 hours per fiscal year thereafter. In fiscal year 2009-2010, 40 hour work week employees shall only be granted 8 hours for personal leave.

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- b. 24 hours, for shift schedule employees, per fiscal year. **In fiscal year 2009-2010, shift schedule employees shall not be granted any personal leave.**
4. **Uniform Allowance:** The parties agree to suspend the uniform allowance for fiscal year 2009-2010. Modify Article VII Miscellaneous, Section A Uniform Allowance to read as follows:
 - b. Each employee will receive Six Hundred Seventy Dollars (\$670) uniform allowance per year paid in mid-July. Newly hired employees shall receive a prorated uniform allowance during the first year of their employment. **The City shall not pay uniform allowance in fiscal year 2009-2010. Uniform allowance shall resume in fiscal year 2010-2011.**
5. **Physical Fitness Testing:** The parties agree to suspend non-mandatory annual medical evaluations for fiscal year 2009-2010. Modify Article VII Miscellaneous, Section B Physical Examinations to read as follows:
 1. The City will provide members of Local 2805 with a periodic medical evaluation based on a mutually agreed upon frequency (some will be annual, others will be less frequent) (see attached protocol sheet for elements of the evaluation – attached as Exhibit C) from a doctor at a medical facility that is selected by the City after input from Local 2805 is considered. The City shall attempt to schedule evaluations when the employee is on duty. If the City is unable to schedule the evaluation when the employee is on duty, the employee will be paid overtime (1.5 times the regular rate) for completing the evaluation when off duty. The City shall work with the medical facility to schedule medical evaluations throughout the year with the goal of establishing an annual schedule for the evaluations. **The City shall not provide any non-mandatory medical evaluations in fiscal year 2009-2010.**
6. **Physical Fitness Incentive:** The parties agree to eliminate fitness testing for fiscal year 2009-2010. Modify Article VII Miscellaneous, Section C Physical Program to read as follows:

All points earned through the program will be paid as a financial incentive at the rate of twenty-five dollars (\$25.00) per point to a maximum of seven hundred and fifty dollars (\$750.00) bi-annually. The Physical Fitness Program information is attached as Exhibit E. **The City shall suspend the Physical Fitness Incentive program and the affiliated testing for fiscal year 2009-2010. The program shall resume in fiscal year 2010-2011.**
7. **Reopeners**
 - a. **Residency Requirement:** The parties agree to re-open negotiations for the purpose of modifying Article VII, Miscellaneous Section H, Residency

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Requirement in calendar year 2010. Changes to the residency requirement will be by mutual agreement only and are not subject to interest arbitration or unilateral implementation.

- b. Furloughs: The parties agree to re-open negotiations for the purpose of determining whether furlough leave/salary reductions shall continue through fiscal year 2010-11. Negotiations will occur prior to the adoption of the 2010-11 budget. Implementation of furloughs in Fiscal Year 2010-11 will be by mutual agreement only and is not subject to interest arbitration or unilateral implementation.

- 8. **Work Schedules:** The current Labor Management Committee shall develop a plan to implement a 48/96 work schedule for a trial period of one year beginning on or about January 15, 2010. After implementation, the Labor Management Committee will meet to assess the efficacy of the 48/96 work schedule and make adjustments needed to address operational issues that arise as a result of the 48/96 work schedule. The Labor Management Committee will meet in November 2010 to make a final assessment of the 48/96 work schedule.

After the Labor Management Committee's final assessment in November 2010, the City and IAFF may mutually agree to continue the 48/96 work schedule. The trial period will continue for another calendar year and include the same evaluation process by the Labor Management Committee.

If either party wishes to discontinue the 48/96 work schedule after the Labor Management Committee's final assessment in November 2010 or November 2011, the 48/96 work schedule shall expire the following January. The parties will return to the 3-4 schedule that is now in place.

- 9. **Merit Increases:** Merit Increases will be reinstated for the period from March, 2009 through June 2009. Merit Increases will be suspended for Fiscal Year 2009-10. The "Suspension" of step increases means that no bargaining unit member will receive a step increase in Fiscal Year 2009-10 and that any step increase due in Fiscal Year 2009-10 and any subsequent fiscal year will be delayed by twelve months.

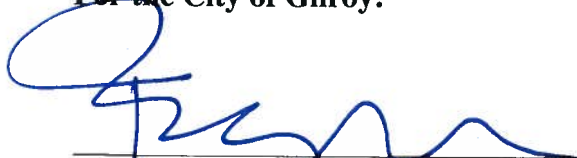
For example: An employee moves to "B" Step on January 15, 2009. The employee will receive no step increase in January of 2010 but, assuming the requirements for step increase are met, will move to "C" Step on January 15, 2011. Assuming the requirements for a further step increase are met, the employee will move to "D" step on January 15, 2012.

This agreement resolves all pending grievances, meet and confer requests, or other objections to the suspension of Merit Salary Increases in Fiscal Year 2008-

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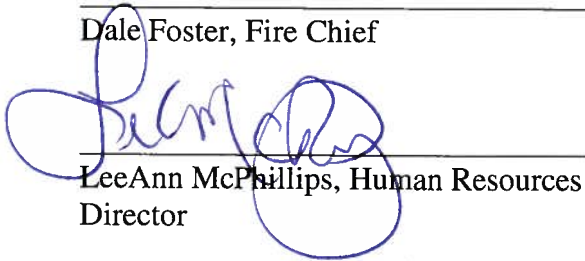
09. Any such grievances, requests, or objections are hereby withdrawn. Local 2805 agrees not to support any future grievance, complaint, or other objection to the suspension of Merit Salary Increases in Fiscal Year 2008-09.

For the City of Gilroy:



Thomas Haglund, City Administrator


Dale Foster, Fire Chief



LeeAnn McPhillips, Human Resources
Director

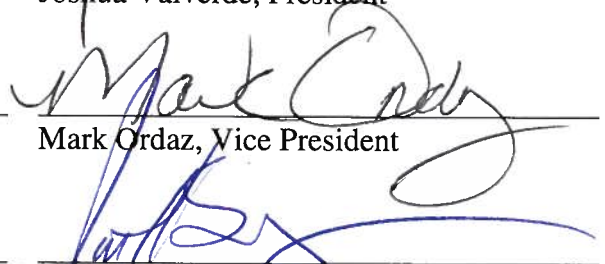
Charles Sakai, Negotiations Counsel

**For the Gilroy Fire Fighters IAFF, Local
2805:**



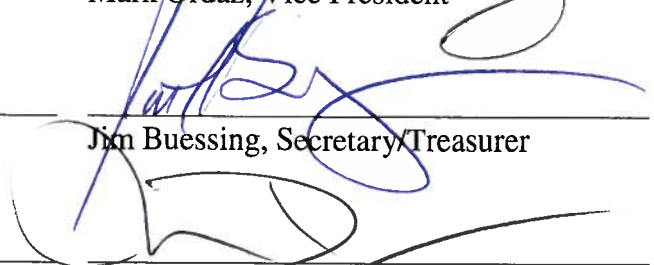
Joshua Valverde, President

Mark Ordaz, Vice President




Mark Ordaz, Vice President

Jim Buessing, Secretary/Treasurer

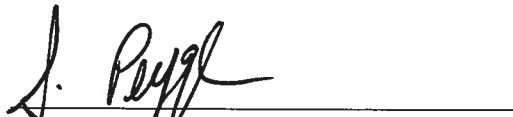


Jim Buessing, Secretary/Treasurer

Michael Botill, Executive Board Member



Scott MacDonald, Executive Board
Member



Shaun Peyghambar, Executive Board
Member



Cliff Colyer, Executive Board Member

Dated: July 7, 2009

Dated: June 25, 2009

RESOLUTION NO. 2009-24

**RESOLUTION APPROVING AN AGREEMENT BETWEEN THE CITY OF GILROY
AND THE GILROY FIREFIGHTERS ASSOCIATION, IAFF, LOCAL 2805,
CONTAINING AGREED UPON SALARY AND BENEFIT CONCESSIONS**

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 the Gilroy Firefighters Association, IAFF, Local 2805 in an effort to find solutions to the City's financial situation; and

WHEREAS, the Gilroy Firefighters Association, IAFF, Local 2805 agreed to meet and confer and discuss possible cost saving measures; and

WHEREAS, the Gilroy Firefighters Association, IAFF, Local 2805 concluded their discussions with the City; and

WHEREAS, an Agreement outlining cost saving measures for Gilroy Firefighters Association, IAFF, Local 2805 was ratified by the Local 2805 membership; and

WHEREAS, the Gilroy Firefighters Association, IAFF, Local 2805 has made a contribution of \$0.5M million through concessions from the 33 members; and

WHEREAS, details of the Agreement between the City and the Gilroy Firefighters Association, IAFF, Local 2805 are included in Exhibit A to this resolution.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Gilroy approves the Agreement and agrees that the City Administrator has the authority to implement the Agreement and create any necessary administrative procedures for the implementation of the agreed upon salary reduction and furlough time off.

PASSED AND ADOPTED this 6th day of July, 2009 by the following vote:

AYES: COUNCILMEMBERS: ARELLANO, BRACCO, DILLON,
TUCKER, WOODWARD and PINHEIRO

NOES: COUNCILMEMBERS: GARTMAN

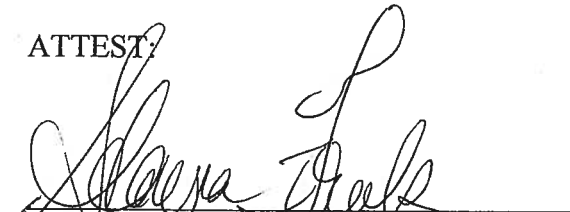
ABSENT: COUNCILMEMBERS: NONE

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. 2009-24 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 6th day of July, 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 8th day of July, 2009.



Shawna Freels, CMC
City Clerk of the City of Gilroy

(Seal)