

SIDE LETTER OF AGREEMENT

BETWEEN

THE CITY OF SAN BRUNO

AND

**THE SAN BRUNO PROFESSIONAL FIRE FIGHTERS ASSOCIATION
REPRESENTED BY THE TEAMSTERS LOCAL 856**

The representatives from the City of San Bruno and the representatives from the San Bruno Professional Fire Fighters Association represented by the Teamsters Local 856 have met and agreed to extend the current Memorandum of Understanding (dated July 1, 2006 through June 30, 2009) by one year to continue to be in effect from July 1, 2009 through June 30, 2010.

The parties agree to the following provisions:

Term:

Extend current Memorandum of Understanding from July 1, 2009 through June 30, 2010.

Salary:

2.3% General Salary Reduction equaling 6 days or 72 hours of furlough for the term of this agreement. According to CalPERS, a furlough does not impact pay rates for final compensation.

Health and Welfare:

Effective the first day of the month immediately following ratification of this agreement, the \$130.06 in excess medical contributions currently added to employees' salary will be applied to the current employee share of medical premium costs. The employee contribution to medical premiums shall change to no cost per month for an employee only and to \$29.13 per month for an employee + 1 and an employee + family. Effective October 1, 2009, the City will pay 90% of the medical premium increase for an employee only and 85% of the premium increase for an employee +1 and employee + family. For the medical plan year beginning October 1, 2009, the City will only contribute up to a maximum increase of \$60 per month for any employee. The Fire Bargaining Unit acknowledges that any increased City cost for their medical premiums will increase the City's General Fund deficit and that this deficit increase has been addressed in the City's comprehensive deficit reduction strategy.

2009-10 Overtime Budget Reduction:

The City Manager's Recommended 2009-10 budget is consistent with the City Council's policy guidance and priority for a balanced budget. The budget outlines a work and expenditure program that continues the community's basic services in the face of severely declining revenues.


Proposed overtime expenditures are reduced by \$125,000 in the Fire Department budget, one of many reductions that contribute to a balanced City budget.

The parties have discussed alternatives to achieve the savings that need to be realized in the Fire Department. An estimated \$80,000 of the savings will be accomplished through a 2.3% general salary reduction equal to 6 days or 72 hours of furlough. In addition the recommended reduction for the Fire Department will be revised as follows: The Fire Chief at his discretion will assign one fire captain in Fire Prevention to work in Fire Suppression on an as-needed basis. Therefore, the alternative approach using cross staffing will not be included as part of the recommended 2009-10 budget. Once approved by the City Council, it is the City's intent to adhere to this budget plan.

The City retains the right, if required based on further significant reductions in revenue, to amend the budget and implement any and all alternatives necessary to maintain a balanced budget subject to the terms and conditions of the MOU.

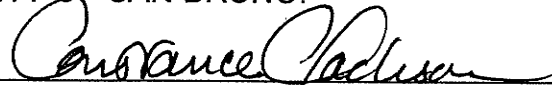
All other terms and conditions in the Memorandum of Understanding will remain the same.

**SAN BRUNO PROFESSIONAL FIREFIGHTERS ASSOCIATION
TEAMSTERS LOCAL 856**

By: 
Joseph Lanthier, Teamsters Local 856

Date: 07/17/09

CITY OF SAN BRUNO:

By: 
Connie Jackson, City Manager

Date: July 15, 2009