

**SIDE LETTER AGREEMENT  
BETWEEN  
THE CITY OF SAN BRUNO  
AND  
TEAMSTERS PUBLIC EMPLOYEES DIVISION LOCAL 350  
(MID-MANAGEMENT UNIT BARGAINING UNIT)**

**Duration of Agreement:** February 1, 2009 through January 31, 2010.

**Salary:** No change to the existing salary schedule.

**Management Leave:** Increase management leave from 60 hours per year to 80 hours per year. Eliminate 20 hours of management leave based on work performance (delete Section 17.4 .b). The parties agree that there will be no buy-out of management leave for the duration of this contract unless buy-out is granted to executive management.

**Binding Arbitration:** Same language as the Miscellaneous Unit, Section 25 M – S. Modify adjustment board language in Section 25 to include a neutral facilitator chair.

**Compaction:** When the City's financial condition improves, the parties agree that the salary schedule should recognize mid-management level of responsibility compared to subordinate job classifications.

**Salary Survey:** For information purposes, the City will perform a salary survey based on data effective July 1, 2009 and completed by September 30, 2009.

**Communication:** The parties agree to on-going communication and employee participation on mutually agreed upon critical issues.

**Health Benefits:** 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 an 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 Mid-Management Unit acknowledges that any increased City cost for their medical premiums will increase the City's General Fund deficit and that this deficit increase will need to be addressed in the City's comprehensive deficit reduction strategy.

In the event that another City bargaining unit negotiates a different health benefit program, the Mid-Management Unit will receive that benefit instead of that listed above.

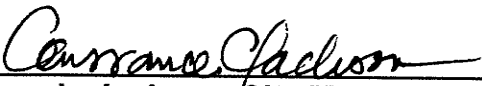
**Budget Reductions:**

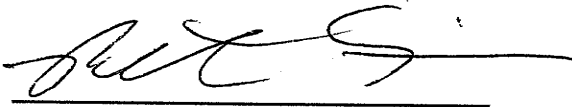
A 2.3% General Salary Reduction equaling 6 days or 48 hours of furlough will begin July 1, 2009 through June 30, 2010. Employees' biweekly salaries will be reduced to reflect the salary reduction beginning with the first full pay period after July 1, 2009. According to CalPERS, a furlough does not impact pay rates for final compensation.

Refusal of a Safety Bargaining Unit to accept furlough will not affect a non-safety Bargaining Unit.

City facilities and operations will be closed one Friday every other month beginning August 2009 through June 2010. The City will notify employees 30 days in advance of the beginning of the furlough schedule.

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.

  
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Connie Jackson, City Manager  
July 15, 2009

  
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Peter Finn, Teamsters 856  
7/17/09