

**LETTER OF UNDERSTANDING BETWEEN
THE CITY OF MILPITAS AND
INTERNATIONAL ASSOCIATION OF FIREFIGHTERS, LOCAL 1699**

Regarding Contract Extension

The City of Milpitas, hereby referred to as "City," and the International Association of Firefighters, Local 1699 hereby referred to as "Union" execute this Letter of Understanding ("LOU") regarding the extension of the existing Memorandum of Understanding ("MOU") by and between the City and the Union which is in effect until December 31, 2011.

The City and Union agree:

1. Except as modified herein, all terms of the MOU shall be extended from December 31, 2011 to December 31, 2012.
2. The three percent (3%) salary increase scheduled to be effective as of January 2011 shall be deferred for one calendar year until January 2012.
3. For fiscal year 2010-2011, the City shall maintain four (4) additional vacancy positions for a maximum total of twelve (12) vacancies below the staffing required for the three (3) shifts pursuant to Section 21.01. The City shall with all deliberate speed prepare an eligibility list for the appointment to the classification of firefighter for fiscal year 2010-2011.
4. Any dispute concerning the interpretation or application of this LOU shall constitute a "grievance" as defined by Section 8.01.1 of the MOU.
5. The City and the Union anticipate that the provisions of this LOU shall result in an approximate seven percent (7%) reduction in bargaining unit costs for fiscal year 2010-2011.
6. The provisions of this LOU shall expire effective December 30, 2012.

This LOU shall become effective upon ratification by the affected membership of the Union and by the Milpitas City Council.

Dated: April 21st, 2010 CITY OF MILPITAS

By: Robert Livengood, Mayor

Dated: April 21st, 2010 INTERNATIONAL ASSOCIATION OF
FIREFIGHTERS, LOCAL 1699



By: Steven King, Interim President

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SIDE LETTER AGREEMENT BETWEEN CITY OF MILPITAS AND MILPITAS EMPLOYEES ASSOCIATION

It is hereby agreed and stipulated by and between the City of Milpitas (City) and Milpitas Employees Association (MEA) that due to the severe budget constraints faced by the City for the fiscal year 2010/2011, the following concessions are agreed to by the City and MEA and by its membership employees which MEA hereby represents did approve by majority vote:

1. MEA covered employees shall accept a furlough program that will reduce payroll costs in an approximate amount of 7% and will constitute 145.5 hours of unpaid furlough time per 40 hour employee and 136.5 hours of unpaid furlough time per 37.5 hour employee for the fiscal year 2010/2011. Employees working less hours will receive a proportionate amount of furlough hours depending upon their work week. Employee paychecks shall reflect even distribution of furlough time throughout the fiscal year.
2. The parties understand from information provided by PERS that the furlough program at this rate will not affect MEA employees' PERS service credit or their rate of compensation used to determine highest and best year.
3. Furlough days shall be distributed evenly throughout the fiscal year. Schedules shall be set by each of the Department Heads for their supervised employees, although Department Heads shall consider substitution days based upon employee requests and the needs of the Department.
4. The City Manager agrees to make best efforts to avoid layoffs for employees in bargaining units that are participating in the furlough program in recognition of their efforts to assist the City with balancing the budget.
5. If layoffs are planned to be implemented within the UPEC represented or affiliated units within the fiscal year 2010/2011, then the parties agree to discuss amendments to this side letter.
6. The current MOU, now set to expire on June 30, 2010, is hereby extended until December 31, 2010, with all provisions in full force and effect except as otherwise dictated by this Side Letter.
7. In order that the furlough program has the effect of assisting in reducing and therefore balancing the City budget for fiscal year 2010/2011, all ability to sell back vacation time under section 23.09 of the current MOU is hereby suspended. Notwithstanding this provision, exceptions may be made for hardship on a case-by-case basis by the City Manager. The City Manager's decision shall be final on these matters and not subject to grievance or other review.

8. All of the provisions of this Side Letter shall take effect on July 1, 2010 and expire on June 30, 2011.

This Side Letter shall constitute a change in conditions from those set forth in the current MOU governing MEA and the City. To the extent this Side Letter is inconsistent with the current MOU, this Side Letter shall constitute the intent of and govern the rights of the parties.

By execution of this Side Letter, all parties agree that this matter has been fully discussed amongst the parties and that all meet and confer obligations of the law, including the Meyers Milias Brown Act, have been fully complied with.

Upon execution, this Agreement shall be a valid contract amongst the parties. Implementation of the terms of this Agreement is specifically conditioned upon City Council approval.

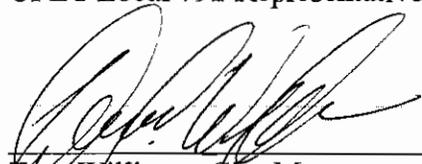
4-7-10
Dated


Paul Mullet, MEA President

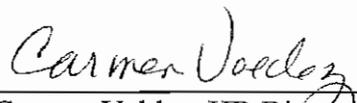
4/7/2010
Dated


UPEC Local 792 Representative

4/7/10
Dated

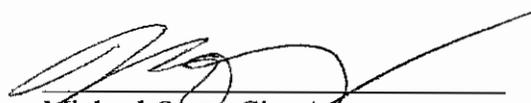

Tom Williams, City Manager

4/7/10
Dated


Carmen Valdez, HR Director

Approved as to Form:

4-7-10
Dated


Michael Ogaz, City Attorney

SIDE LETTER AGREEMENT BETWEEN CITY OF MILPITAS AND MID-MANAGEMENT AND CONFIDENTIAL UNIT (represented by UPEC LOCAL 792, AFL-CIO)

It is hereby agreed and stipulated by and between the City of Milpitas (City) and Milpitas Mid-Management and Confidential Unit represented by UPEC Local 792 AFL-CIO (MIDCON) that due to the severe budget constraints faced by the City for the fiscal year 2010/2011, the following concessions are agreed to by the City and MIDCON and by its membership employees which MIDCON hereby represents did approve by majority vote:

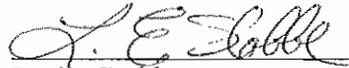
1. MIDCON covered employees shall accept a furlough program that will reduce payroll costs in an approximate amount of 7% and will constitute 145.5 hours of unpaid furlough time per 40 hour employee for the fiscal year 2010/2011. Employees working less hours will receive a proportionate amount of furlough hours depending upon their work week. Employee paychecks shall reflect even distribution of furlough time throughout the year.
2. The parties understand from information provided by PERS that the furlough program at this rate will not affect MIDCON employees' PERS service credit or their rate of compensation used to determine highest and best year.
3. Furlough days shall be distributed evenly throughout the fiscal year. Schedules shall be set by each of the Department Heads for their supervised employees, although Department Heads shall consider substitution days based upon employee requests and the needs of the Department.
4. The City Manager agrees to make best efforts to avoid layoffs for employees in bargaining units that are participating in the furlough program in recognition of their efforts to assist the City with balancing the budget.
5. If layoffs are planned to be implemented within the UPEC represented or affiliated units within the fiscal year 2010/2011, then the parties agree to discuss amendments to this side letter.
6. The current MOU, set to expire on December 31, 2011, shall remain in full force and effect except as otherwise dictated by this Side Letter.
7. In order that the furlough program has the effect of assisting in reducing and therefore balancing the City budget for fiscal year 2010/2011, all ability to sell back vacation time under section 8.08 of the current MOU is hereby suspended. Notwithstanding this provision, exceptions may be made for hardship on a case-by-case basis by the City Manager. The City Manager's decision shall be final on these matters and not subject to grievance or other review.
8. All of the provisions of this Side Letter shall take effect on July 1, 2010 and expire on June 30, 2011.

This Side Letter shall constitute a change in conditions from those set forth in the current MOU governing MIDCON and the City. To the extent this Side Letter is inconsistent with the current MOU, this Side Letter shall constitute the intent of and govern the rights of the parties.

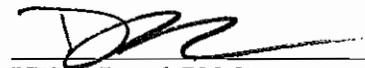
By execution of this Side Letter, all parties agree that this matter has been fully discussed amongst the parties and that all meet and confer obligations of the law, including the Meyers Milias Brown Act, have been fully complied with.

Upon execution, this Agreement shall be a valid contract amongst the parties. Implementation of the terms of this Agreement is specifically conditioned upon City Council approval.

4/07/10
Dated


Leslie Stobbe,
MIDCON authorized representative

4/7/2010
Dated


UPEC Local 792 Representative

4/7/10
Dated


Tom Williams, City Manager

4/7/10
Dated


Carmen Valdez, HR Director

Approved as to Form:

4-7-10
Dated


Michael Ogaz, City Attorney

SIDE LETTER AGREEMENT BETWEEN CITY OF MILPITAS AND MILPITAS SUPERVISORS ASSOCIATION

It is hereby agreed and stipulated by and between the City of Milpitas (City) and Milpitas Supervisors Association (MSA) that due to the severe budget constraints faced by the City for the fiscal year 2010/2011, the following concessions are agreed to by the City and MSA and by its membership employees which MSA hereby represents did approve by majority vote:

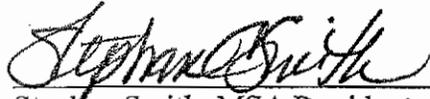
1. MSA covered employees shall accept a furlough program that will reduce payroll costs in an approximate amount of 7% and will constitute 145.5 hours of unpaid furlough time per 40 hour employee and 136.5 hours of unpaid furlough time per 37.5 hour employee for the fiscal year 2010/2011. Employees working less hours will receive a proportionate amount of furlough hours depending upon their work week. Employee paychecks shall reflect even distribution of furlough time throughout the fiscal year.
2. The parties understand from information provided by PERS that the furlough program at this rate will not affect MSA employees' PERS service credit or their rate of compensation used to determine highest and best year.
3. Furlough days shall be distributed evenly throughout the fiscal year. Schedules shall be set by each of the Department Heads for their supervised employees, although Department Heads shall consider substitution days based upon employee requests and the needs of the Department.
4. The City Manager agrees to make best efforts to avoid layoffs for employees in bargaining units that are participating in the furlough program in recognition of their efforts to assist the City with balancing the budget.
5. If layoffs are planned to be implemented within the UPEC represented or affiliated units within the fiscal year 2010/2011, then the parties agree to discuss amendments to this side letter.
6. The current MOU, set to expire on December 31, 2010, shall remain in full force and effect except as otherwise dictated by this Side Letter.
7. In order that the furlough program has the effect of assisting in reducing and therefore balancing the City budget for fiscal year 2010/2011, all ability to sell back vacation time under section 24.09 of the current MOU is hereby suspended. Notwithstanding this provision, exceptions may be made for hardship on a case-by-case basis by the City Manager. The City Manager's decision shall be final on these matters and not subject to grievance or other review.
8. All of the provisions of this Side Letter shall take effect on July 1, 2010 and expire on June 30, 2011.

This Side Letter shall constitute a change in conditions from those set forth in the current MOU governing MSA and the City. To the extent this Side Letter is inconsistent with the current MOU, this Side Letter shall constitute the intent of and govern the rights of the parties.

By execution of this Side Letter, all parties agree that this matter has been fully discussed amongst the parties and that all meet and confer obligations of the law, including the Meyers Miliias Brown Act, have been fully complied with.

Upon execution, this Agreement shall be a valid contract amongst the parties. Implementation of the terms of this Agreement is specifically conditioned upon City Council approval.

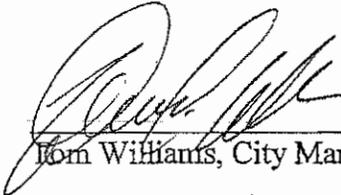
4/7/10
Dated


Stephan Smith, MSA President

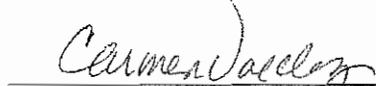
4/7/10
Dated


UPEC Local 792 Representative

4/7/10
Dated

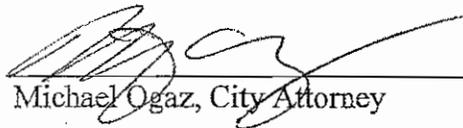

Tom Williams, City Manager

4/7/10
Dated


Carmen Valdez, HR Director

Approved as to Form:

4-7-10
Dated


Michael Ogaz, City Attorney

**MEMORANDUM OF UNDERSTANDING BETWEEN CITY OF MILPITAS AND
MILPITAS POLICE OFFICERS ASSOCIATION**

It is hereby agreed by and between the City of Milpitas and the Milpitas Police Officers Association:

1. Employees represented by the Milpitas Police Officers Association shall be subject to mandatory furloughs of 145.5 unpaid hours for fiscal year 2010/2011. Employees working different or less hours will be subject to a proportionate amount of mandatory furlough hours depending upon their workweek. Employee paychecks shall show 5.6 unpaid hours for each of the 26 pay periods from July 1, 2010 to June 30, 2011. Employee pay shall accordingly be reduced by 5.6 hours for each of the 26 pay periods from July 1, 2010 to June 30, 2011.
2. Furlough days may be distributed evenly throughout the fiscal year. Schedules shall be set by each of the Department Heads for their supervised employees, although Department Heads will consider substitution days based upon employee requests and the needs of the Department. Employees may pre-use furlough hours in lieu of pre-approved leave. Each employee shall have a time bank of 145.5 furlough hours established as of July 1, 2010. Each employee shall be allowed to substitute the required furlough hours in lieu of any paid leave. Approved furlough leave is not subject to FLSA back-fill agreements. Usage of such leave shall reduce the furlough time bank hours for that employee.
3. The City Manager agrees to make best efforts to avoid layoffs for employees in the Milpitas Police Officers Association bargaining unit for participating in the mandatory work furloughs.
4. The provisions of this Memorandum of Understanding shall take effect on July 1, 2010 and expire on June 30, 2011. The current MOU, set to expire on December 31, 2011, shall remain in full force and effect except as otherwise set forth in this Memorandum of Understanding.
5. If this Memorandum of Understanding is signed by the representatives of the City of Milpitas and the representatives of the Milpitas Police Officers Association, it shall not be binding but shall be presented to the Milpitas City Council for determination, pursuant to Calif. Govt. Code §3505.1.

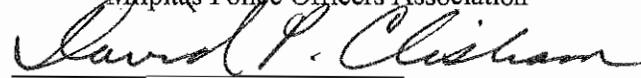
APRIL 15, 2010
Dated

April 14, 2010
Dated

Dated

Dated


Matthew Toffey, President
Milpitas Police Officers Association


David P. Clisham, Attorney
Milpitas Police Officers Association

Tom Williams, City Manager

Carmen Valdez, HR Director

SIDE LETTER AGREEMENT BETWEEN CITY OF MILPITAS AND MILPITAS PROFESSIONAL AND TECHNICAL GROUP

It is hereby agreed and stipulated by and between the City of Milpitas (City) and Milpitas Professional and Technical Group (PROTECH) that due to the severe budget constraints faced by the City for the fiscal year 2010/2011, the following concessions are agreed to by the City and PROTECH and by its membership employees which PROTECH hereby represents did approve by majority vote:

1. PROTECH covered employees shall accept a furlough program that will reduce payroll costs in an approximate amount of 7% and will constitute 145.5 hours of unpaid furlough time per 40 hour employee for the fiscal year 2010/2011. Employees working less hours will receive a proportionate amount of furlough hours depending upon their work week. Employee paychecks shall reflect even distribution of furlough time throughout the fiscal year.
2. The parties understand from information provided by PERS that the furlough program at this rate will not affect PROTECH employees' PERS service credit or their rate of compensation used to determine highest and best year.
3. Furlough days shall be distributed evenly throughout the fiscal year. Schedules shall be set by each of the Department Heads for their supervised employees, although Department Heads shall consider substitution days based upon employee requests and the needs of the Department.
4. The City Manager agrees to make best efforts to avoid layoffs for employees in bargaining units that are participating in the furlough program in recognition of their efforts to assist the City with balancing the budget.
5. If layoffs are planned to be implemented within the UPEC represented or affiliated units within the fiscal year 2010/2011, then the parties agree to discuss amendments to this side letter.
6. The current MOU, set to expire on June 30, 2011, shall remain in full force and effect except as otherwise dictated by this Side Letter.
7. In order that the furlough program has the effect of assisting in reducing and therefore balancing the City budget for fiscal year 2010/2011, all ability to sell back vacation time under section 9.09 of the current MOU is hereby suspended. Notwithstanding this provision, exceptions may be made for hardship on a case-by-case basis by the City Manager. The City Manager's decision shall be final on these matters and not subject to grievance or other review.

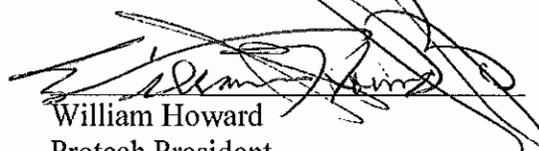
8. All of the provisions of this Side Letter shall take effect on July 1, 2010 and expire on June 30, 2011.

This Side Letter shall constitute a change in conditions from those set forth in the current MOU governing PROTECH and the City. To the extent this Side Letter is inconsistent with the current MOU, this Side Letter shall constitute the intent of and govern the rights of the parties.

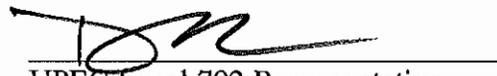
By execution of this Side Letter, all parties agree that this matter has been fully discussed amongst the parties and that all meet and confer obligations of the law, including the Meyers Milias Brown Act, have been fully complied with.

Upon execution, this Agreement shall be a valid contract amongst the parties. Implementation of the terms of this Agreement is specifically conditioned upon City Council approval.

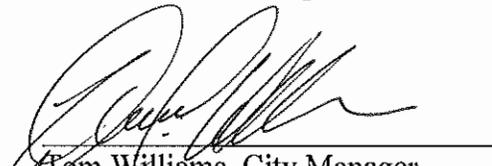
4/7/10
Dated


William Howard
Protech President

4/7/2010
Dated


UPEC Local 792 Representative

4/7/10
Dated

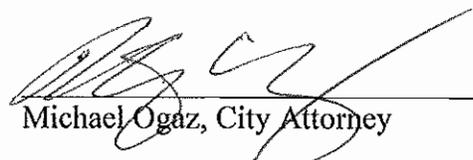

Tom Williams, City Manager

4/7/10
Dated


Carmen Valdez, HR Director

Approved as to Form:

4-7-10
Dated


Michael Ogaz, City Attorney

LETTER OF COMMITMENT TO BUDGET REDUCTION MEASURES BY UNREPRESENTED EMPLOYEES

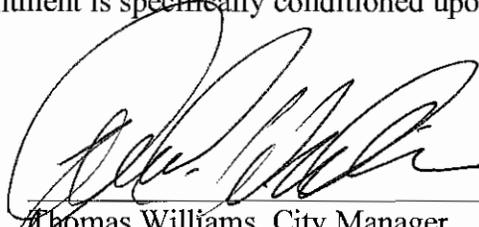
It is hereby agreed by the undersigned unrepresented employees that due to the severe budget constraints faced by the City for the fiscal year 2010/2011, the following concessions are agreed to as a result of a majority vote of the unrepresented employees:

1. Unrepresented employees shall accept a furlough program or a PERS payback program or a combination of the two that will reduce payroll costs in an approximate amount of 7%. Employees working different or less hours will receive a proportionate amount of furlough/payback depending upon their work week. Employee paychecks shall reflect even distribution of furlough time or PERS payback throughout the fiscal year.
2. The parties understand from information provided by PERS that the furlough program at this rate will not affect employees' PERS service credit or their rate of compensation used to determine highest and best year.
3. If applicable, furlough days shall be distributed evenly throughout the fiscal year. Schedules shall be set by each of the Department Heads for their supervised employees, although Department Heads shall consider substitution days based upon employee requests and the needs of the Department.
4. It is acknowledged that the City Manager agrees to make best efforts to avoid layoffs for unrepresented employees that are participating in the furlough program in recognition of their efforts to assist the City with balancing the budget.
5. In order that the furlough/payback program has the effect of assisting in reducing and therefore balancing the City budget for fiscal year 2010/2011, all ability to sell back vacation time is hereby suspended. Notwithstanding this provision, exceptions may be made for hardship on a case-by-case basis by the City Manager. The City Manager's decision shall be final on these matters and not subject to grievance or other review.
6. All of the provisions of this Letter of Commitment shall take effect on July 1, 2010 and expire on June 30, 2011.

Implementation of the terms of this Commitment is specifically conditioned upon City Council approval.

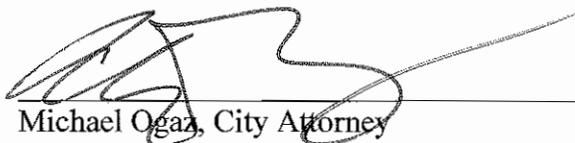
CITY MANAGER

4/12/10
Dated


Thomas Williams, City Manager

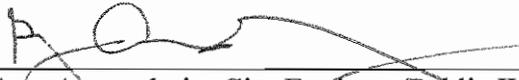
CITY ATTORNEY

4-12-10
Dated


Michael Ogaz, City Attorney

DEPARTMENT HEADS

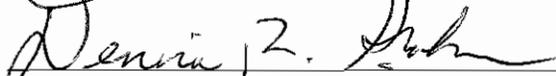
4/12/10
Dated


Greg Armendariz, City Engineer/Public Works Director

4/12/10
Dated


Diana Barnhart, Economic Development Manager

4-12-10
Dated


Dennis Graham, Chief of Police

4-12-10
Dated


Bonnie Greiner, Parks & Recreation Services Director

4-12-10
Dated


Keyvan Irannejad, Chief Building Official

4/12/10
Dated


Emma Karlen, Finance Director

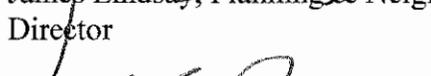
4/12/2010
Dated


Mary Lavelle, City Clerk

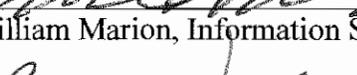
4/12/2010
Dated


James Lindsay, Planning & Neighborhood Services Director

4/12/2010
Dated


William Marion, Information Services Director

4/12/2010
Dated


Carmen Valdez - Human Resources Director

Dated

POLICE COMMANDERS

4/12/10
Dated


Armando Corpuz, Commander

4-12-10
Dated


Charlotte Pang, Commander

4-12-10
Dated


Steven Pangelman, Commander

Dated

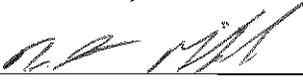
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FIRE BATALLION CHIEFS

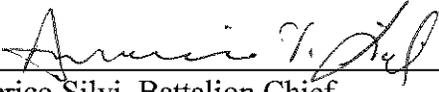
4/12/10
Dated


Scott Brown, Battalion Chief

4-12-10
Dated


Robert Mihovich, Battalion Chief

4/12/10
Dated


Americo Silvi, Battalion Chief

MISCELLANEOUS

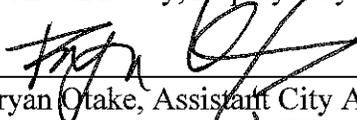
4-12-10
Dated


Steve Erickson, CIP Manager

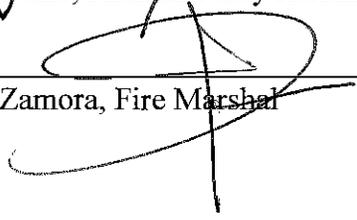
4/12-10
Dated


Bronwen Lacey, Deputy City Attorney

4-12-10
Dated


Bryan Otake, Assistant City Attorney

4/12/10
Dated


Albert Zamora, Fire Marshal