

**RESOLUTION NO. 14-007**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE  
APPROVING UNDERSTANDINGS WITH THE GENERAL EMPLOYEES  
ASSOCIATION (GEA) AND MANAGEMENT EMPLOYEES ASSOCIATION (MEA)**

**WHEREAS**, the City has an approved Memorandas of Understanding (MOU) with both the General Employees Association and the Management Employees Association; and

**WHEREAS**, the City and the GEA and MEA desire to amend each MOU by side letter;

**WHEREAS**, the City and the GEA and MEA met and conferred on each proposed side letter during an extensive and intensive series of contract negotiations;

**WHEREAS**, the City and the GEA and MEA have each reached tentative agreement to substantially amend the prior MOUs by side letter;

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE:**

SECTION 1. This Council approves each attached Side Letter with the General Employees Association (GEA) and Management Employees Association (MEA), respectively.

SECTION 2. The City Manager is directed to execute all documents and to perform all other necessary City acts to implement this Memorandum of Understanding.

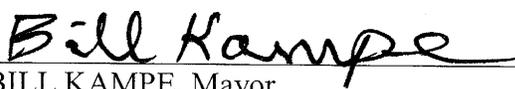
**PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE** this 19<sup>th</sup> day of February, 2014, by the following vote:

AYES: Motion made by Councilmember Cuneo and carried unanimously by Mayor Kampe, Councilmembers Cohen, Cuneo, Fischer, Huitt, Lucius, and Miller.

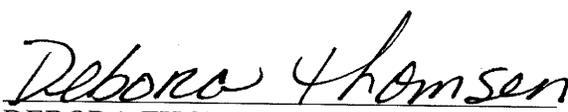
NOES: None.

ABSENT: None.

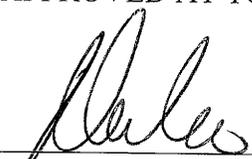
APPROVED:

  
BILL KAMPE, Mayor

ATTEST:

  
DEBORA THOMSEN, Interim City Clerk

APPROVED AT TO FORM:

  
DAVID C. LAREDO, City Attorney

Joint Proposal 2-13-14 @ 3:55 pm

**OVERALL TENTATIVE AGREEMENT  
PACIFIC GROVE GENERAL EMPLOYEE ASSOCIATION (GEA)  
SIDE LETTER**

1. Hourly Employees at CourseCo:
  - City to provide salary augmentation--including special, education, and certificate pays for nine months.
  - City to provide one year of retirement contribution equivalent to City share of PERS, based on last salary step with City, including special, education, and certificate pays.
  
2. Salaried Employees at CourseCo:
  - Confirm job offer at CourseCo to be at the regular step earned on or before May 1, 2014 (excluding longevity steps) and that salary offered is minimum for the 2-year transition period. City to provide one year of retirement contribution equivalent to City share of PERS, based on last salary step with City, including special, education, and certificate pays.
  
3. Any employee moving to CourseCo accrues seniority as if still at the City. Any employee who does not complete two full years of employment at CourseCo by reason of involuntary separation is eligible to return to City and displace another City worker in accordance with seniority or be placed on a reemployment list. (This paragraph shall not control seniority rights at CourseCo or other City contractor.)
  
4. In the event City golf links employees are not selected for all 4 initial CourseCo positions any employee displaced will be considered for CourseCo employment (in its independent exercise of discretion) and if selected will be offered the same initial salary augmentation and retirement calculation of one year compensation. During the initial 2 year transition period to CourseCo if a City employee replaces a CourseCo employee they shall be eligible for pro rata benefits, i.e., any remaining 9-month salary augmentation and any remaining 2 year reinstatement rights. (This paragraph shall not be construed to allow overlapping payment of these benefits.)
  
5. a. The City will contract with CalPERS to offer the PERS two-year service credit option benefit to employees in the Maintenance Worker classification series. This benefit shall be available for those employees choosing this option (Option 1) for the period from 90 days to 180 days following the first effective date that the credit is available. City shall not pay any increased costs for any employee who elects this benefit as it is understood that any increase in the City's PERS rate (Employer Contribution) for the two year service credit option will be passed on to active employees represented by UPEC/PGGEA until and unless changed through the bargaining process and approved by the City Council. Employees selecting Option 1 shall be placed on administrative leave, without pay, beginning May 1 and continuing until the effective date ("award") of the two-year service credit. City shall pay each employee who elects to take unpaid administrative leave the sum of \$350 per month during the unpaid administrative leave, as payment in lieu of any City

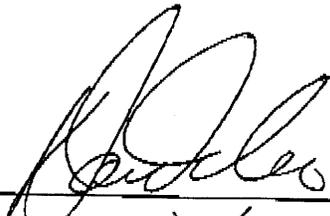
- contribution for medical insurance or cafeteria plan. An employee eligible to take unpaid administrative leave may instead opt to utilize their accrued paid leave (if any).
- b. As an alternative (Option 2), all employees choosing to separate or retire will have the option of the two-year service credit, if eligible, or City to provide 457 contribution (or cash, or health insurance contribution) of \$23,000. Employees electing to retire under either option above, shall irrevocably choose either Option 1 or Option 2 on or before February 26, 2014.
  - c. Any employee accepting CourseCo employment consistent with paragraphs #1 or #2 above, shall not be eligible for either Option 1 or Option 2, except as provided by Paragraph 7, below.
  - d. Any employee laid off during the initial two year period due to being displaced by a CourseCo employee who was involuntarily separated shall receive the pro-rated balance of the \$23,000 under Option 2, excluding those months prior to being bumped during which the employee actually worked for the City.
6. Should any City layoff occur, part-time employees in the same or a lower classification will be laid off prior to the layoff of a full-time employee.
  7.
    - a. Employees laid off shall be placed on a 3-year reemployment list and shall be offered future positions in reverse seniority order with full-time employees having preference. In addition, employees taking employment with CourseCo who separate employment with CourseCo in the initial 2-year period may exercise their bumping rights or be placed on the reemployment list. Eligibility for re-employment requires no incidence of criminal conduct or ethical violation since separation and requires the ability to perform job tasks in Minimum Qualifications of Job Description. Should an employee exercise their re-employment rights with the City, they shall reimburse their separation bonus to the City.
    - b. Any employee who takes employment with CourseCo and is later separated during the first 2 years from CourseCo employment, but who chooses to not exercise bumping rights, shall receive the pro-rated balance of the \$23,000 under Option 2, less any City payment made pursuant to Paragraph 1.
  8. The terms offered under this agreement do not establish a precedent in the event of any future outsourcing.
  9.
    - a. The City agrees to not implement a reduction in force (RIF) of more than 6 full time PGGEA-represented positions due to the contracting of golf, sewer maintenance, turf mowing, street striping, tree trimming, and janitorial services currently under consideration. This number is inclusive of any employee electing CourseCo employment under paragraphs 1 and 2 and any employee electing separation under paragraph 5.

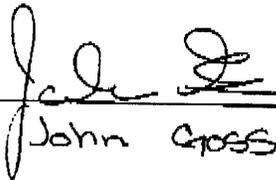
- b. Should the City seek to contract out any other City services in the future, in addition to those currently under consideration, City will meet and confer with Association no less than 60 days in advance.
- 10. Upon the parties signing an agreement to the foregoing that is ratified by the members and the City Council, UPEC/PGGEA will withdraw the current unfair Practice Charge regarding outsourcing.
- 11. A side letter implementing this agreement shall be presented to the City Council for approval at its February 19, 2014 regular meeting.
- 12. Discussion of the extension of the 2-year PERS service credit to other GEA employees or for a longer term shall be deferred to the successor MOU presently under negotiation.

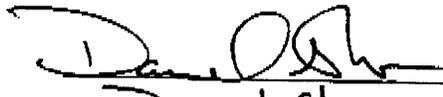
AGREE TO RECOMMEND

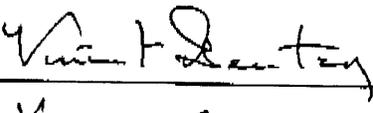
February 13, 2014

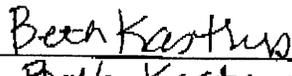
  
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 Steve Alla, UPEC

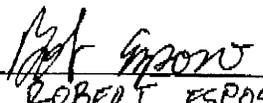
  
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 David Laredo

  
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 John Gross

  
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 Daniel Cho

  
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 VINCENT GENTILE

  
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 Beth Kastrop  
 City of Pacific Grove HR

  
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 ROBERT ESPOSITO

  
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 KING WAYMAN

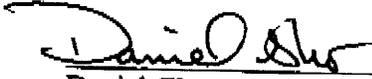
Management Employees Association and City of Pacific Grove  
Side Letter Agreement

This Side Letter pertains to the contracting the Pacific Grove Golf Links and impacts

For the affected employee, City to confirm job offer with CourseCo to be at the salary step earned on or before April 1, 2014.

City to provide to affected employee through the City's deferred compensation program (tax deferred retirement) the sum totaling 10% of annual regular salary as of April 1, 2014.

For the MEA

  
Daniel Gho  
Acting MEA President

Date: 2/14/14

For the City

  
Beth Kastrup  
Human Resources Analyst

Date: 2/14/14