

**City of Garden Grove**

**INTER-DEPARTMENT MEMORANDUM**

To:	Matthew J. Fertal	From:	John D.R. Clark
Dept:	City Manager	Dept:	Human Resources
Subject:	APPROVE RESOLUTION IMPLEMENTING MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY AND THE GARDEN GROVE CHAPTER OF THE ORANGE COUNTY EMPLOYEE'S ASSOCIATION	Date:	April 28, 2009

OBJECTIVE

This letter requests City Council approval for a resolution implementing a new three (3) year Memorandum of Understanding (MOU) with the Garden Grove Chapter of the Orange County Employee's Association ("Union"). The Union is considered the City's "general unit."

BACKGROUND

At the direction of the City Council, management and the Union bargained in February and March 2009, on wages, benefits and working conditions. Both sides recognized the difficult financial circumstances facing the City and worked diligently to arrive at affordable and responsible terms.

DISCUSSION

The new MOU provides for no (0%) salary increase throughout fiscal year 2009-10 and a salary adjustment of 2.0% in fiscal year 2010-11 and another 2% in fiscal year 2011-12. Veteran's Day is to be added as a holiday.

The Agreement also represents potential cost savings for the City. As with the City's other units, this MOU also provides for no (0%) increase in fringe benefit contribution, although there is a non-binding reopener in fiscal year 2010-11 and/or fiscal year 2011-12 if the PERS Health average rate increase is more than 5%.

The tentative agreement embodied in the attached MOU has been approved in a vote by Union members.

FISCAL IMPACT

The costs associated with the proposed MOU are within the limits set in the City's Three-Year Financial Plan as outlined in the Council Retreat of January, 2009.

RECOMMENDATION

It is recommended that the City Council adopt the attached resolution and memorandum of understanding with the Garden Grove Chapter of the Orange County Employee's Association for the term of October 1, 2009 through September 30, 2012.



JOHN D.R. CLARK  
Director of Human Resources

**Recommended for Approval**



Matthew Ferial  
City Manager

Attachments:      Resolution  
                            Memorandum of Understanding