

**Side Letter of Agreement
Between the
City of Petaluma and the American Federation of State, County, and Municipal Employees (AFSCME),
Local 675, for Employees of Unit 1 (Confidential), Unit 2 (Maintenance),
and Unit 3 (Clerical/Technical)**

**Six-Month Extension of the Units 1, 2 and 3 Memorandum of Understandings
and Side Letter dated June 25, 2009**

**Further Extension of the One-Year Deferred 2% Salary Adjustment Originally Due on June 29, 2009
and the 2% Salary Adjustment Originally Due on December 28, 2009**

Representatives of the City of Petaluma and AFSCME, Local 675 Unit 1 (Confidential), Unit 2 (Maintenance), and Unit 3 (Clerical/Technical) have met and conferred in good faith and have reached agreement on this Side Letter of Agreement.

The City of Petaluma and AFSCME Units 1, 2, and 3 had a 3-year Memoranda of Understanding ("MOUs") in place effective July 1, 2007 to June 30, 2010. The parties agreed to extend the MOUs in a Side Letter executed June 25, 2009 by one year through June 30, 2011. This was in exchange for a one-year deferral of a 2% salary adjustment that was originally due on June 29, 2009, and a one-year deferral of a 2% salary adjustment that was originally due on December 28, 2009. The parties further agreed to defer the previously extended 2% salary adjustments for an additional six months beyond their original extensions in another side letter executed on May 18, 2010.

The City of Petaluma continues to face serious financial challenges. In response to the continued financial and economic condition of the City, AFSCME Units 1, 2, and 3 have agreed to extend their MOUs, the June 25, 2009 Side letter and the May 18, 2010 Side Letter an additional six months and to defer the previously extended 2% salary adjustments an additional six months beyond the prior extensions.

The parties therefore agree:


1. That the 2% June 29, 2009 salary adjustment and the 2% December 28, 2009 salary adjustment are hereby deferred six additional months beyond their prior extensions to June 30, 2011.
2. That the current MOUs between the City and AFSCME Units 1, 2, and 3 and Side Letters dated June 25, 2009 and May 18, 2010 shall be extended through December 31, 2011.

This Side Letter of Agreement is executed the ^{2nd} 3rd day of February 2011, by the employer-employee relations representatives whose signature appears below for their respective organizations.

AMERICAN FEDERATION OF STATE, COUNTY, AND MUNICIPAL EMPLOYEES



George Popyack, Business Agent, AFSCME


Date



Deborah Padovan, President, AFSCME


Date

CITY OF PETALUMA


John C. Brown, City Manager


Date


Pamala Stephens, Human Resources Manager


Date