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FOR IMMEDIATE RELEASE

January 22, 2009

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GILROY CITY COUNCIL DECLINES FIRE UNION PROPOSAL AS INSUFFICIENT

The city council met in closed session on Wednesday, January 21, 2009, at 7:00 p.m. in the council chambers to discuss a proposal from International Association of Firefighters Local 2805 (Local 2805), representing the Gilroy Firefighters Association, consisting of the city's firefighters, fire paramedics, fire engineers and fire captains. City council member Peter Arellano was out of town and unable to attend the meeting.

While the council appreciated the fact that Local 2805 was willing to come to the bargaining table, the council was unanimous in not accepting the Local 2805 proposal because it failed to achieve ongoing cost savings from within the labor unit's agreement with the city equal or greater to the savings the city is to achieve as a result of firefighter layoffs.

The council set forth a united position by unanimously indicating that layoffs can only be avoided by realizing cost reductions from the unit's labor agreement. The council desires that Local 2805 make a proposal that would reduce salary, retirement or other benefit costs contained in the unit's memorandum of understanding with the city. The council also unanimously rejected the Local 2805 request of a promise by the council not to enact further layoffs in the fire unit through June 30, 2010. The city council stated that it needs to preserve its ability, across all bargaining units, including Local 2805, to react to changing conditions in the economy.

The city council was firm in its message that in the face of the city's financial condition and the fact that expenditure reductions have been deep thus far, *all* bargaining units will need to work with the council to create sustainable union agreements in the face of deteriorating economic conditions.

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