

**SIDE LETTER OF AGREEMENT  
BETWEEN THE CITY OF SOUTH GATE AND  
THE SOUTH GATE DIVISION MANAGEMENT ASSOCIATION  
REGARDING LEAVE BALANCES PURSUANT TO  
CALIFORNIA GOVERNMENT CODE SECTION 3505.1**

This Side Letter of Agreement (“Agreement”) is made and entered into on August 31, 2021, by and between the City of South Gate, a municipal corporation (“City”), and the South Gate Division Management Association, an employee organization (the “Association” or “SGDMA”). City and Association/SGDMA are sometimes hereinafter collectively referred to as the “Parties.”

**RECITALS**

**WHEREAS**, the City has recognized and continues to recognize the Association as the duly recognized employee organization for its members employed by the City in an employee unit as defined in Section 8.2.2 of the City’s Employer-Employee Relations Resolution (“Resolution No. 4508”) of the City Council as, all employees within the Pay Plan F (Unclassified Division Management Employees);

**WHEREAS**, the City and Association previously entered into a Memorandum of Understanding and an Amendment No. 1 thereto which both expired June 30, 2017 (collectively the ”SGDMA MOU 2014-17”), and which set forth the wages, hours and other terms and conditions of employment for employees represented by the Association;

**WHEREAS**, on December 19, 2017, the City and Association entered into a Tentative Agreement for a Successor Memorandum of Understanding (“TA”), approved by City Council on January 9, 2018, which provided that all terms and conditions of the SGPMA MOU 2014-17, including any amendments thereto, shall be maintained unless expressly modified or changed by the TA or until the successor SGDMA MOU 2017-20 is approved accepted and adopted by the City Council;

**WHEREAS**, as a result of the novel coronavirus (COVID-19) pandemic, the City allowed the Association represented employees to exceed certain paid leave caps established by the SGDMA MOU 2014-17 and subsequent labor contracts between the Parties;

**WHEREAS**, the City’s Representatives and the Association have successfully met and conferred in good faith to negotiate this Agreement, pursuant to both the Meyers-Milias-Brown Act (“MMBA”) (Government Code Sections 3500-3511) and Resolution No. 4508 and have jointly prepared and executed this Agreement;

**WHEREAS**, the Parties seek to have this Agreement memorialize their understanding regarding the equitable restoration of paid leave caps as set forth herein; and

**WHEREAS**, this Agreement shall not become effective until ratified by the Association and accepted, approved, and adopted by the South Gate City Council per California Government Code Section 3505.1.

**NOW, THEREFORE**, and in consideration for the promises, waivers and releases contained herein, the Parties agree as follows:

**TERMS**

1. All of the recitals listed above are material provisions of this Agreement and are deemed true and correct by the Parties and incorporated herein by this reference.
2. Association represented employees may use accrued unused vacation time to reduce the amount accrued to below three hundred (300) hours by September 30, 2021.
3. Any amount of accrued unused vacation time above three hundred (300) hours after September 30, 2021 shall be cashed out at the employee's regular rate of pay. Any possible raise that was or is negotiated or implemented as part of any successor MOU effective July 1, 2021 or later shall not apply to the cash-out amount or pay rate used for the cash-out amount. After September 30, 2021, no vacation leave shall accrue beyond the established three hundred (300) hour limit until the leave balance falls below that limit. DMA represented employees shall still retain the right to cash-out up to forty (40) hours vacation leave annually.
4. All accrued unused holiday leave that was not used by June 30, 2021 shall be cashed out at the employee's regular rate of pay and returned to zero consistent with prior years, so that on July 1st the new bank of one hundred thirty (130) hours is all that is carried forward. Any possible raise that was or is negotiated or implemented as part of any successor MOU shall not apply to the cash-out amount or pay rate used for the cash-out amount.
5. Association represented employees may use accrued unused administrative leave to reduce the amount accrued to below one hundred sixty (160) hours by September 30, 2021.
6. Any amount of accrued unused administrative leave above one hundred sixty (160) hours after September 30, 2021 shall be cashed out at the employee's regular rate of pay. Any possible raise that was or is negotiated or implemented as part of any successor MOU effective July 1, 2021 or later shall not apply to the cash-out amount or pay rate used for the cash-out amount. After September 30, 2021, no administrative leave shall accrue beyond the established one hundred sixty (160) limit until the leave balance falls below

that limit. DMA represented employees shall still retain the right to cash-out up to eighty (80) hours administrative leave annually.

7. Association represented employees may use accrued unused special administrative leave to reduce the amount accrued to below eighty (80) hours by September 30, 2021.
8. Any amount of accrued unused special administrative leave above eighty (80) hours after September 30, 2021 shall be cashed out at the employee's regular rate of pay. Any possible raise that was or is negotiated or implemented as part of any successor MOU effective July 1, 2021 or later shall not apply to the cash-out amount or pay rate used for the cash-out amount. After September 30, 2021, no special administrative leave shall accrue beyond the established eighty (80) limit until the leave balance falls below that limit and no leave shall carry-over from year to year such that no new leave accrues beyond the amount to bring the employee to eighty (80) hours.
9. This Side Letter Agreement supersedes any prior agreements between the City and the Association relative to bringing represented employees within the leave caps established by prior labor contracts.
10. This Side Letter Agreement is of no force or effect unless and until ratified by the Association and accepted, approved, and adopted by the South Gate City Council per California Government Code Section 3505.1.

**(Remainder of this page left blank intentionally)**

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested by their respective officers hereunto duly authorized.

**CITY OF SOUTH GATE:**

**SOUTH GATE DIVISION  
MANAGEMENT ASSOCIATION:**

By: Al Rios  
Al Rios, Mayor

By: Glenn Massey  
Glenn Massey, President

Dated: 09-20-21

Dated: 9/7/21

By: Kim Sao  
Kim Sao, Vice-President

Dated: 9/7/21

**ATTESTED:**

By: Carmen Avalos  
Carmen Avalos, City Clerk  
(SEAL)

**APPROVED AS TO FORM:**

By: Raul F. Salinas  
Raul F. Salinas, City Attorney