

From: [Steve Rymer](#)
To: [Michelle Wilson](#); [Angie Gonzalez](#)
Subject: FW: Tim Chiala's Comments regarding the minimum wage proposal
Date: Wednesday, August 24, 2016 5:02:23 PM

Steve Rymer

City Manager

CITY OF MORGAN HILL

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(E) steve.rymer@morganhill.ca.gov (W) www.morganhill.ca.gov

From: John Horner [<mailto:john@morganhill.org>]
Sent: Wednesday, August 24, 2016 5:01 PM
To: Steve Rymer; Steve Tate; Gordon Siebert; Rich Constantine; Marilyn Librers; Larry Carr; Edith Ramirez; John Lang
Subject: Tim Chiala's Comments regarding the minimum wage proposal

Please take Mr. Chiala's comments into consideration. He is not able to be at the meeting tonight, but agreed that I could share his email.

John Horner

From: Tim Chiala [<mailto:Tim.Chiala@gcfarms.com>]
Sent: Wednesday, August 24, 2016 3:15 PM
To: John Horner
Subject: RE: Time Sensitive: Morgan Hill City Council considering local minimum wage increases tonight

John,

Thank you for doing this. Gilroy has already rejected this Morgan Hill should do the same it's a completely ridiculous proposal and way out of the scope of any city council. It's bad enough that our state is doing this to us, for this city to even entertain the proposal is scary. This doesn't affect just minimum wage it affects every position above that, it is 36% increase to my payroll almost 3 million dollar hit...Crazy Thank you fight the fight my friend

Tim Chiala
VP of Operations
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From: John Horner [<mailto:john@morganhill.org>]
Sent: Wednesday, August 24, 2016 2:50 PM
To: Tim Chiala
Subject: Time Sensitive: Morgan Hill City Council considering local minimum wage increases tonight

Dear Chamber Members,

Many of you responded to our recent survey on this topic. 69% of the responding businesses do not support increasing the Morgan Hill minimum wage more rapidly than the State of California's schedule. Interestingly, only 40% of those same respondents disagree with the state's actions which says that a portion of our businesses believe they will be able to adapt to the wage increases as long as they have a longer time period in which to do so.

The Morgan Hill City Council will be considering this item tonight, and we strongly urge you to be there in person if this proposed change would have a significant impact on your business. If you cannot attend in person but would like to send your elected representatives your views, their email addresses are available on the city's website at: <http://www.morgan-hill.ca.gov/147/City-Council>

The Chamber's position letter and a summary of the survey results can be [downloaded by clicking here](#).

The City Council agenda for tonight is [available by clicking here](#). I look forward to seeing you there this evening if you are able to participate. The public session starts at 7:00 PM and the minimum wage item is #18 on the agenda.

Sincerely,
John Horner
President & CEO
Morgan Hill Chamber of Commerce



This email was sent on behalf of Morgan Hill Chamber of Commerce by ChamberMaster, 24400 Smiley RD Ste. 4, Nisswa, MN 56468. To unsubscribe [click here](#). If you have questions or comments concerning this email or ChamberMaster services in general, please contact us by email at support@chambermaster.com.

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From: [Steve Rymer](#)
To: [Michelle Wilson](#); [Angie Gonzalez](#)
Subject: FW: Andrew Firestone's opposition to a local minimum wage law
Date: Wednesday, August 24, 2016 5:03:15 PM

Steve Rymer

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From: John Horner [<mailto:john@morganhill.org>]
Sent: Wednesday, August 24, 2016 5:02 PM
To: Steve Rymer; Steve Tate; Gordon Siebert; Rich Constantine; Marilyn Librers; Larry Carr; Edith Ramirez; John Lang
Subject: Andrew Firestone's opposition to a local minimum wage law

Mr. Firestone is not able to attend the meeting tonight, but he asked me to send his input along.

From: Andrew Firestone [<mailto:andrew@stoneparkcapital.com>]
Sent: Wednesday, August 24, 2016 3:09 PM
To: John Horner
Subject: RE: Time Sensitive: Morgan Hill City Council considering local minimum wage increases tonight

Hi John,

Thanks for the note, and I hope that the Council does not adopt an arbitrary minimum wage increase. It would be devastating for many businesses that are labor heavy such as the hotel industry, and in turn devastating to the people who depend on this category of work. Why? Because businesses such as ours already have the ability to pivot towards a smaller labor force using existing technologies, therefore phasing out front desk and guest service positions. We have resisted due to our desire to have personal interaction with our guests, but if the economics are to change dramatically then we would have no choice.

I think the reason you are seeing the statistic saying that 40% of respondents will be able to adapt over a longer period of time is due to the fact that they will have more time to implement labor cutting initiatives. Sad, but true. Though well intentioned, the impact of this decision will end up costing jobs for the same people it is intended to help.

My two cents...

Andrew Firestone
Principal

StonePark Capital

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From: [Steve Rymer](#)
To: [Angie Gonzalez](#); [Michelle Wilson](#)
Subject: FW: Wes Terrell's opposition to the minimum wage proposal
Date: Wednesday, August 24, 2016 5:18:10 PM

Steve Rymer

City Manager

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From: John Horner [mailto:john@morganhill.org]
Sent: Wednesday, August 24, 2016 5:05 PM
To: Steve Rymer; Steve Tate; Gordon Siebert; Rich Constantine; Marilyn Librers; Larry Carr; Edith Ramirez; John Lang
Subject: Wes Terrell's opposition to the minimum wage proposal

Wes is the owner and operator of 9 Rounds fitness in Morgan Hill. He may or may not be available to attend tonight, but did want his views considered.

From: wwterrell@9round.com [mailto:wwterrell@9round.com]
Sent: Thursday, August 18, 2016 5:29 PM
To: John Horner
Subject: Minimum Wage Survey Feedback...

Hello John,

I trust that this message finds you in the best of health & spirits today!

I recently filled out the minimum wage survey that you distributed to me & per the instructions just wanted to pass along some personal thoughts about the proposal for Morgan Hill to increase the minimum wage more aggressively than the state of CA...

As the owner of a specialty fitness boutique, labor/payroll is by the biggest expense that I incur on a monthly basis operating my business. For every dollar that our gym grosses, \$0.40 of that dollar is allocated to headcount. At the current moment, I have 8 trainers on staff & out of that figure 6 of them are under the age of 20 & this represents their 1st real job. They are learning valuable job skills from marketing & sales not too mention soft skills from punctuality, working with others, & customer service...

The 6 young trainers on my staff are all members of the Morgan Hill community as some of them attend Live Oak/Sobrato, one from Teen Force, while others just graduated & this part time employment helps them pay for their desires of getting a degree in higher education...

I believe that we offer a competitive wage now as many of my trainers chose to work for my gym over other employers such as Chili's, Hawaiian BBQ, & the various supermarkets around. There is a career development path at my gym where a trainer can move up from floor trainer to assistant general manager & finally to general manager. If they are ambitious enough, I'm mentoring them to perhaps become an entrepreneur & own their own business one day. My assistant managers make \$2 an hr. more than the

proposed \$15 minimum wage so if it rises that high I would have to pay an entry level trainer as much as I do the most accomplished person (other than myself) in the gym. Quite frankly an entry level floor trainer doesn't have the skills commensurate with that higher wage...

I simply would reduce staffing to par levels & would only hire a higher skilled trainer, so in my opinion I hope that Morgan Hill follows suit with Gilroy by not adopting a more aggressive approach to the CA minimum wage as it would have disastrous effects on my bottom line & rob the community's young people from potential life learning experiences...

Thank you for giving me this opportunity to share my views on the CA/MH minimum wage proposals...

~Highest Regards, WWT



Wesley W. Terrell

Owner/ 9Round Morgan Hill

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