

**NOVEMBER 13, 2013 THIRD CITY OF COSTA MESA PROPOSAL TO THE CMCEA FOR CHANGES IN WAGES, HOURS, AND TERMS AND CONDITIONS OF EMPLOYMENT**

By means of a comprehensive AUGUST 6, 2013 INITIAL 2013-2015 CITY PROPOSAL FOR A SUCCESSOR MOU, the City of Costa Mesa submitted a detailed redline/strikeout proposal for a successor to the 2004-2009 MOU and the subsequent amendments/side letters. The AUGUST 6, 2013 INITIAL CITY PROPOSAL consists of submitting the entire preexisting Memorandum of Understanding, with redline/strikeout changes as indicated.

A SEPTEMBER 30, 2013 SECOND CITY PROPOSAL was presented to the CMCEA and consisted of *changes* that the City is made to the AUGUST 6, 2013 INITIAL PROPOSAL. The SEPTEMBER 30, 2013 proposal remains in effect and is detailed below.

If not addressed herein, each and every proposal (including preamble language) set forth in the AUGUST 6, 2013 INITIAL CITY PROPOSAL, remains unchanged.

1. THE SEPTEMBER 30, 2013 CITY PROPOSAL CONSISTS OF:

Article 3.1 COMPENSATION - Employees covered by this MOU shall be compensated at the monthly base salary rates established for their classification under the Basic Pay Schedule per City Council resolution. The Basic Pay Schedule shall reflect that each classification in the unit represented by the CMCEA shall be designated as consisting of two (2) separate and distinct pay schedules which shall be determined by reference to initial hire date by the City. For example, the Basic Pay Schedule will be reflected as ACCOUNTANT (INITIALLY HIRED PRIOR TO ADOPTION OF A 2013 MOU or resolution of any meet and confer-related impasse,) and ACCOUNTANT(INITIALLY HIRED ON OR AFTER ADOPTION OF A 2013 MOU or resolution of any meet and confer-related impasse.)

Effective the first payroll period commencing on or after City Council adoption of a 2013 MOU or City Council resolution of any meet and confer-related impasse, the Basic Pay Schedule regarding those unit members initially employed by the City prior to the 2013 MOU adoption or resolution of any meet and confer impasse, shall reflect as to each range and step, a 2.5% reduction from the compensation existing immediately prior to adoption of a 2013 MOU or resolution of impasse.

After the above reductions are made to the Basic Pay Schedule for those unit members hired prior to adoption of the 2013 MOU or resolution of impasse, the Basic Pay Schedule for those unit members initially hired on or after the 2013 MOU adoption or resolution of impasse, shall reflect each range and step being 5% less than the range and step applicable to the 2.5% reduced Basic Pay Schedule applicable to the above unit members hired prior to the 2013 MOU.

An employee occupying a position in the classified service shall be compensated within the range established for his or her position as provided in Rule 6 of the Personnel Rules and Regulations. The minimum rate for the class generally shall apply to an employee

upon his or her original appointment. Employees who are re-employed shall receive a rate within the range established for the class and agreed upon by the appointing authority and the employee prior to appointment.

**NOW, THE SEPTEMBER 30, 2013 CITY PROPOSAL IS SUPPLEMENTED BY THIS NOVEMBER 13, 2013 THIRD CITY PROPOSAL.**

**2. THE SUPPLEMENTAL NOVEMBER 13, 2013 CITY PROPOSAL CONSISTS OF:**

- a. Article 4.5 Call Back Duty - restoration of status quo (including restoration of minimum 2.0 hours overtime pay) and elimination of proposal to provide a minimum 15 minute compensation for call back duty that is responded to by telephone or other electronic means.
- b. Article 4.6 Call Response During Lunch Periods - restoration of the status quo (employees shall be compensated whenever they respond to a service call during their lunch period.)
- c. Article 5.2 Matron Pay - restoration of the status quo (including 5% base salary payment for the performance of matron duty.)
- d. Article 5.3 "EMD" Certification Pay - restoration of status quo (5% payment.)
- e. Article 5.4 Standby Pay - partial restoration of the status quo. Instead of thirteen (13) straight time hours at the regular rate of compensation for each week assigned to standby duty, there shall be payment of 6.5 hours of straight time.  
  
Further, if a holiday falls within the assigned standby week, an additional two (2.0,) instead of four (4) hours, shall be provided at the employee's regular rate.
- f. Article 8.12 Jury Duty - restoration of the status quo, resulting in compensation for any regularly scheduled working hours spent in the actual performance of jury duty (as opposed to the initial proposal of an 80 hour limitation on such payment.)
- g. Article 17 Labor Management Discussions - restoration of the status quo (not more than twice each calendar year discussion of issues of mutual interest.)

**NOVEMBER 13, 2013 CITY OF COSTA MESA RESPONSE TO OCTOBER 28, 2013 CMCEA BARGAINING PROPOSAL NO. 2**

Proposal No. 1 Term - the City rejects a term ending October 4, 2014.

Proposal No. 2 Step Increases - the City rejects a proposal that step increases be frozen *during the term of the agreement*.

Proposal No. 3(a) Retirement Contributions by Employees - the City rejects proposal 3(a) and counters with a proposal that *all employees* individually fund 10.469% of compensation as and

for CalPERS contributions and in addition, fund all employer contribution rate increases. (See 08/06/13 City Proposal -Article 3.5.)

Proposal No. 3(b) - before specifically responding to the October 28, 2013 CMCEA proposal for additional payment by employees of 50% of any increase in employer contribution rate for the CalPERS miscellaneous plan, using fiscal year 2012-2013 as the baseline year, *it is necessary for this CMCEA to clarify its proposal as to whether or not the proposal has a sunset date.*

Proposal No. 3(c) - the CMCEA has proposed that the City take "all necessary steps" to ensure that employee retirement contributions, if legally permissible, will be treated as pre-tax contributions by employees. In reply, the City will take all "reasonable" steps to provide for said contributions being considered pre-tax.

Proposal No. 4 Sick Leave - Reject.

Proposal No. 5 LEAN - the City is unable to provide a substantive response to this CMCEA proposal because the proposal sets forth absolutely no details as to what a City wide LEAN program would or could consist of. Upon a concrete exemplar being provided as to how the CMCEA defines a LEAN program, further assessment of the CMCEA proposal can be made.

Proposal No. 6 Health Care, Wellness and the Affordable Care Act - agreed.

Proposal No. 7 Alternate Work Schedules - rejected.

Proposal No. 8 Retiree Medical Program - rejected. (See 08/06/13 City Proposal, Article 7.6.)

Proposal No. 9 Holiday Closure - the CMCEA holiday closure proposal, as written, is rejected. However, the City counterproposal is that unit members deemed non-essential by written designation of both the employee's supervisor and Department Head, shall be authorized to be absent from duty December 24, 2013 through January 1, 2014. During said absence, employees may elect to be compensated for this period of absence by means of use of earned and accrued: compensatory time off, floating holidays and/or vacation time. Sick leave shall not be subject to use during this period of absence. In other words, if during the period of absence an employee is ill and if working, would be eligible to utilize earned and accrued sick leave, there shall be no such use available during the period of absence.

Proposal No. 10 Transparency and Disclosure - the City rejects the CMCEA proposal for adding a transparency-related section to the MOU because the issue is outside of the scope of representation. This being said, the City is a strong advocate of transparency, disclosure and accountability and will be pleased to discuss with the CMCEA, the addressing of this issue, but separate and distinct from the meet and confer process.

Proposal No. 11 Compliance with Material Terms and Conditions of Previous MOUs - rejected.

**Any and all remaining proposals, including but not limited to those in the October 28,2013 proposal no. 2, and not addressed above, are deemed rejected.**

**END**