Side Letter of Agreement Regarding the Implementation and On-going Review and Management of a 3 day/12 hour Schedule for Communications Officers in the Telecommunication's Division of the Administrative Services Department

---

This Letter of Agreement has been prepared to address the terms and conditions for implementing a **3-day/12-hour work schedule plus one 8-hour shift** ("**3/12 schedule**") for the Communications Officers, Senior Communications Officers, and Communications Supervisors ("Communications Officers") in the Telecommunication Division of the Administrative Services Department of the City of Costa Mesa.

In response to a request from the Communications Officers of the Costa Mesa City Employees Association (CMCEA), management participated in a series of meetings with the Communications Officers and representatives of the CMCEA. The request from the Communications Officers was for the City of Costa Mesa ("City") to consider the implementation of a 3-day/12-hour work schedule plus one 8-hour shift during the pay period for the Communications Officers.

The Administrative Services Director met with both the Supervisory Officers and then with all of the full-time Communications Officers to discuss the proposed work schedule. Operational issues surrounding the implementation of a 3-day/12-hour work schedule were then evaluated and an implementation plan was developed. Based on these meetings and discussions, the terms and conditions for the implementation of the 3-day/12-hour work schedule plus one 8-hour shift during the pay period were developed.

Based upon the presentations made and the information developed by the Communications Officers, certain operational benefits are expected to be achieved with the implementation of the 3/12 schedule. The Communications Officers have agreed to a number of provisions and modifications to implement the 3/12 schedule. These provisions and modifications, as detailed in this Letter of Agreement, will be monitored throughout the 18-month trial period. Negative impacts at any time during the trial period could necessitate reverting to the 5-day/8-hour work schedule prior to the end of the 18-months.

Term and Conditions for Implementation

The Communications Officers, as members of CMCEA, and management agree on the following terms and conditions for implementing the 3/12 schedule. These terms and conditions will be monitored throughout the 18-month trial period. Negative impacts to the operations of the Communications Center and/or service to the public at any time during the trial period could necessitate reverting to the 5-day/8-hour work schedule prior to the end of the 18-months. Per this Letter of Agreement, the following terms and conditions are agreed to as follows:

1. Implementation and Sunset Date

The 3/12 schedule will commence with the new pay period that begins at 12:00 a.m. on Sunday, January 8, 2006.

The 3/12 schedule is a new undertaking within the City. As such, it will be evaluated under a "sunset" date of eighteen (18) months from the inception of the new schedule. The sunset date will be Saturday, July 7, 2007 at 11:59 p.m. Throughout the trial period and prior to the sunset date, the 3/12 schedule will be evaluated for continuation based upon the impacts to the community and operations. Any negative impacts that are identified at that time or prior to the sunset date may necessitate reverting to the 5-day/8-hour work schedule prior to the end of the 18-months. On or before June 15, 2007, the 3/12 schedule will be evaluated by management for continuation beyond the sunset date.

2. Shift Differential Pay

Implementation of the 3/12 schedule will have the Communications Officers working one of two different 12-hour schedules (4am-4pm or 4pm-4am) plus one 8-hour shift (8am-4pm or 4pm-midnight) scheduled during the pay period. The shift differential provisions provided for in the 2004-2007 CMCEA Memorandum of Understanding will be rescinded to the Communications Officers who work under the 3/12 schedule. With the implementation of the 3/12 schedule, the shift differential period will be from 6:00 p.m. to 6:00 a.m. All Communications Officers shall receive a shift differential of **7.5%** for those actual hours worked between the hours of 6:00 p.m. to 6:00 a.m. only.

3. Shift Coverage

Under the 3/12 schedule staff will not fall below the minimum staffing of 4 persons at any time. The increased coverage with the 3/12 schedule is due to the scheduling of the 8-hour shift each employee will work during the 80-hour pay period.

4. Part-time as First Fill for Vacancies

Part-time personnel are given and will continue to be given the first opportunity to fill all vacancies (scheduled or unscheduled). The division has formalized this management practice in the following procedure that is agreed to and followed by all of the Telecommunication Division staff:

PART-TIME PERSONNEL
VACANCY FILL PROCEDURES

Filling Vacancies:
Part-time personnel are to be given the first opportunity to fill all vacancies, scheduled or unscheduled, including vacation extensions and sick leave. The only exception to this will be that of the 2 week, scheduled vacation periods filled by the Vacation Relief Officer.

Time-Off Requests:
Before submitting a time-off request, the person requesting time-off will contact all part-time Communications Officers to obtain a definite "yes" or 'no" answer regarding his/her ability to work during the requested time off. If part-time Communications Officers are not available to work, the time-off request will be submitted to the Senior Supervisor who will then evaluate the request and determine if full-time personnel will be allowed to work overtime to fill the time-off.

Minimum Hours:
All part-time Communications Officers shall work a minimum of 16 hours per month. All part-time Communications Officers shall work a minimum of 8 hours per month on each of the 2 defined shifts, if the opportunity exists.

Shift Assignments:
All part-time Communications Officers shall be capable of working any shift without restriction. The Division may assign specific working hours to part-time Communications Officers based on the needs of the Division.

5. Time-off Requests

A written request for compensatory time off shall be made and approved no later than 24 hours prior to the requested time off. Exceptions to this time limit may be allowed on a case-by-case basis. The Senior Communications Supervisor or the Senior Communications Supervisor's designee shall approve or deny any request for time off.

All Communications Officers, on a first come first served basis, who submit a request for time off may utililize accrued compensatory time off (CTO), holiday time or vacation time off provided an approved fill is obtained from the Senior Communications Supervisor and/or their vacancy does not result in less than minimum staffing and does not negatively impact dispatch operations. This policy is subject to suspension in emergency situations at the discretion of the Department Director or his/her designee.

Communications Officers may submit a request for time off (CTO, holiday or vacation) only if the individual requesting such time off has that time available on record at the time of the request.

With regard to the practice of shift trades, Communications Officers will continue to follow the division's Standard operation Procedures as outlined in Telecommunications Division DSOP Section 62.

6. Comp Time & Overtime Accrual

Due to the Communications Officer vacancies that have existed over the past months, overtime and comp time accrual has increased due to the need to backfill these vacancies. Due to the additional days off provided by the 3/12 schedule and the prospect of filling the existing vacancies, it is expected that overtime and comp time accrual will be reduced. To what level it will be reduced is uncertain because many factors outside of the 3/12 schedule (i.e., a long-term absence, unplanned absences, vacancies) can impact the need for overtime. Still, this will be an area that will be monitored for fiscal impacts to the City over the 18-month trial period.

7. Holiday Time: Time Off Bank and Cash Out Option

Prior to the beginning of each calendar year, employees will have a choice to make an irrevocable election for the upcoming payroll year to either (a) take time off for the holidays or (b) cash out holiday pay

Section 8.11 of the 2004-2007 Memorandum of Understanding with CMCEA provides for the cash out and/or banking of annual holiday time for civilians who work without regard to Holidays. The leave bank hours provided for in Section 8.11 of the CMCEA MOU are as follows: 8hr shift = 96 hrs; 9hr shift = 108 hrs; and 10hr shift = 120 hrs. Under the terms and conditions of the 3/12 schedule, it is agreed that Communications Officers working a 3/12 schedule will receive a holiday hours' bank of ten (10) hours for each holiday in the payroll year should the employee choose a bank of time rather than cashing out of the holiday hours.

a. Time Off Bank

Those employees who choose to take time off in lieu of the holidays will receive a bank of ten (10) hours for each holiday that occurs in the payroll year. These employees will be required to record on their timesheets the hours that correspond with their regular workday shift and schedule. The hours will be available the first pay period of the new payroll year. The Senior Communications Supervisor shall approve or deny the time off request and approval will be based upon available staffing needs and the needs of the employee. At the end of the payroll year, any remaining hours will be carried over to the next payroll year (however, the subsequent year's bank, shall be reduced by the number of hours carried over).

For purposes of further clarification regarding the payroll year, if the employee chooses the "Time Off", the employee will receive, as stated above, 10 hours for each holiday in the upcoming payroll year. Due to the fact that payroll calendar year will vary, in some years the employee might receive 110 hours of Holiday Time off (11 holidays actually occurring in the payroll year). In another payroll year the amount could be a maximum of 130 hours (13 holidays actually occurring in the payroll year).

b. Cash-out Option

Employees who choose the cash out option will receive the holiday pay bank of 96 hours (8 hours for each holiday occurring in the payroll year) beginning the first pay period for the new payroll year. The holiday pay bank may be cashed out at anytime during the year. At the end of the payroll year, any remaining holiday pay will be cashed out unless he employee previously elects to have it applied as accrued vacation. Throughout the payroll year, if an employee, who has selected this option, decides to take a holiday off, they must use either vacation or comp time, not holiday time.

For clarification purposes, due to the fact that payroll year will vary from the calendar year, in some years the employee will receive 88 hours of Holiday time for cash-out (11 holidays actually occurring in the payroll year at 8 hours each) and in some years it will be 104 hours for cash-out (13 holidays actually occurring in the payroll year at 8 hours each).

8. Employees' Well Being

The City is concerned about the possible impacts of the on-going 3/12 schedule on the employees and the well being of the Communications Officers is of foremost concern. Should the 3/12 schedule result in any negative impacts to the employees or the employees' health, the trial period may be shortened or terminated. Such concerns and matters will be evaluated by monitoring sick leave usage and workers' compensation claims as well as other relevant factors.

9. Work Schedule Form – Designation of FLSA Work Period

To comply with the Fair Labor Standards Act (FLSA), each non-exempt employee, both full time and part-time, must complete a "Notification of Work Schedule & FLSA Work Period" form before implementation of the 3-12 Schedule and also before each permanent shift change. This is necessary because each Communications Officer may have an FLSA work period that differs from their payroll pay period.

10. Final Pay Check Calculations at Termination of Employment and the FLSA Work Period Schedule

Due to the various beginning and ending dates of the differing FLSA work periods under the 3/12 schedule, the calculations of an employee's final paycheck may not equate to a full 80 hours. While all hours worked will always be accounted for, the final day worked may not always be the final day of the FLSA work period.

At the time of separation from the City, the employee's final paycheck will include compensation for actual hours worked plus all accrued leave time "pay offs" as stated in MOU. If for any reason the employee at the time of separation works over the 80 regular hours during pay period, all the time above 80 hrs will be paid as overtime.

At the time of separation, any **Unused Holiday Time Off** that has been banked will be pro-rated for those holidays that have actually occurred and converted to the cash out option, at 8 hours for each pro-rated holiday up the employee's date of separation, and paid to the employee as a cash value.

If the employee **Used Holiday Time Off**, and the holiday(s) for that "time off" have not yet occurred as of the separation date, the value of 10 hours for that holiday time used will be deducted from the final paycheck. This deduction will be calculated based upon the hourly rate that was in effect when the employee took the time off.

If the employee **Cashed-out Holiday Time** at the beginning of the payroll year, and the holiday(s) for that "cash-out" have not yet occurred as of the separation date, the value of 8 hours for each holiday cashed-out will be deducted from the final paycheck. This deduction will be calculated based upon the hourly rate that was in effect when the employee took the cash-out.

11. On-going Review and evaluation - Reverting to 5-Day/8-Hour Work Schedule

The Communications Officers and the City understand and agree that if the modified schedule negatively impacts operations of the Telecommunications Center, as determined by management, the Communications Officers will revert to the previous 5-day/8-hour work schedule. The 3/12 schedule will be evaluated from the date of implementation, January 8, 2006, through its sunset date of July 7, 2007.

During this evaluation period, there will be on-going review and assessment by the Administrative Services Director and the Telecommunications Manager. Information from these evaluations and assessments will be communicated to the City Manager for his review. At the end of the 18 months, the 3/12 schedule will be evaluated for continuation based upon the positive and any negative impacts to the community and operations. However, negative

impacts can necessitate reverting to the 5-day/8-hour work schedule prior to the end of the 18-months. While every effort has been made to identify the full impact, both negative and positive, of this work schedule, the City reserves the right to modify terms and conditions should the safety of the community or the operations of the City be adversely affected.

Now therefore, the parties below, representing CMCEA and the City, agree to the implementation of the 3/12 schedule based on the terms and conditions provided for in this Letter of Agreement:

1/6/06
Cherie Pittington — Date
Communications Supervisor

1-6-06
Stephen N. Mandoki — Date
Administrative Service Director

1-6-06
Jana Cacho — Date
Senior Communications Officer

1/9/06
Terri Cassidy — Date
Human Resources Manger

1/6/06
Denise Armijo — Date
Communications Officer

1/6/06
Anna Tellez — Date
Telecommunications Manager

1-10-06
Kelly Vucinic — Date
President CMCEA

1-6-06
Olivia Ramirez — Date
Senior Communications Supervisor

1-10-06
Larry Lykins — Date
CMCEA Representative