



**Side Letter of Agreement
September 1, 2007 – August 31, 2010
Memorandum of Understanding
Between the
Costa Mesa Police Association (CMPA)
and the City of Costa Mesa**

This side Letter of Agreement (“Agreement”) is entered into by and between the City of Costa Mesa (“City”) and the Costa Mesa Police Association (“CMPA”). As part of the City’s Budget Development Strategies to balance the City’s current 2010-2011 Operating Budget and future fiscal year budgets, CMPA and the City conducted numerous meet & confer meetings to reach concurrence on the items presented in the Letter of Agreement. The City and CMPA have met and conferred in good faith and agree that the September 1, 2007 – August 31, 2010 CMPA Memorandum of Understanding (“MOU”) shall be continued and supplemented with the following amendments:

I. Article 2 – Term of Agreement:

The City and CMPA agree to extend the September 1, 2007 – August 31, 2010 MOU for an additional four (4) years with the additional and modified terms and conditions contained in this Agreement. The new expiration date of the MOU as supplemented by this Agreement will be June 30, 2014.

II. Article 5 – Retirement Contribution:

Employees covered by this Agreement shall contribute 5% of the employee’s PERSable earnings towards the employee retirement contribution for a period of one-hundred and four (104) consecutive pay periods. The expected date for commencement of the employee contribution will be the first pay period following the effective date of the contract amendment. To the extent permitted by CalPERS and the IRS regulations, this 5% contribution shall be implemented through payroll deduction on a pre-tax basis. The contribution will be enacted by using Section 20516 as stated by PERS to be “Cost Sharing.”

III. Article 7 – Retiree Medical Programs

- a. CMPA agrees to suspend the Retirement Health Savings (RHS) Plan for 52 pay periods.
- b. CMPA agrees to a reopener regarding continuation of the RHS Plan suspension if any other employee associations agree to a suspension of the RHS Plan beyond 52 pay periods.

IV. Article 12 – Overtime

The current Compensation Time Bank maximum accrual of 80 hours shall be increased to a maximum of 120 hours for the term of the Agreement.

V. Articles 12-Overtime/14-Vacation Leave/23-Holiday Pay

CMPA agrees to suspend the cashing out of Holiday Bank hours, Compensatory Time Off, and Vacation Time for the calendar years of 2011 and 2012 (effective the start of each payroll calendar year for 2011 and 2012).

VI. Article 22 – Senior Police Officer and Corporal Classifications

As a result of the salary range for the CMPA positions of Senior Police Officer and Corporal, promotions to the position of Sergeant are made at Step 6 of the Police Sergeant salary range. The City agrees for the term of this contract that newly promoted Police Sergeants will be placed at Step 6 of the Police Sergeant salary range in order to maintain the current separation in salaries. *This is not a change to the current practice – this Article clarifies that this will continue for the term of the Agreement.*

VII. Article 3 – Basic Salaries and Wages:**1. Salary Adjustment – Year 3 (effective the pay period that includes July 1, 2013)**

- a. If the combined revenues totals for Sales Tax, Property Tax, and Transient Occupancy Tax increase and return to 07/08 revenues (\$72,499,107), then a 2% COLA adjustment will be implemented, **or**
- b. If the combined revenue totals for Sales Tax, Property Tax and Transient Occupancy Tax increase to 5% or more above 07/08 revenues (\$76,124, 063), then the higher of:
 - i. A 4% COLA adjustment will be implemented, **or**
 - ii. A CPI* adjustment will be implemented up to a maximum of 6%
**CPI = The change in the Department of Labor's actual April Consumer Price Index, All Items (CPI-W) for Urban Wage Earners and Clerical Workers for the Los Angeles-Riverside-Orange Co. region for the period of April 2012 to April 2013.*

2. Salary Adjustment – Year 4 (effective the pay period that includes July 1, 2014)

- a. If the combined revenue totals for Sales Tax, Property Tax, and Transient Occupancy Tax increase to 3% above 07/08 revenues (\$74,674,080), then a 2% COLA adjustment will be implemented, **or**
- b. If the combined revenue totals for Sales Tax, Property Tax and Transient Occupancy Tax increase to 5% or more above 07/08 revenues (\$76,124,063), then the higher of:
 - i. A 4% COLA adjustment will be implemented, **or**

- ii. A CPI* adjustment will be implemented up to a maximum of 6%
**CPI = The change in the Department of Labor's actual April Consumer Price Index, All Items (CPI-W) for Urban Wage Earners and Clerical Workers for the Los Angeles-Riverside-Orange Co. region for the period of April 2013 to April 2014.*

VIII. - MOU Provisions:

Except as provided herein, all remaining terms and provisions of the aforementioned MOU shall remain in full force and effect through the term of this Letter of Agreement.

**REPRESENTATIVES OF THE
COSTA MESA POLICE ASSOCIATION**

ALLEN RIECKHOF
CMPA President

DANA POTTS
CMPA Vice-President

DAMIAN STAFFORD
CMPA Negotiations Team Member

JASON CHAMNESS
CMPA Negotiations Team Member

**REPRESENTATIVES OF THE
CITY OF COSTA MESA**

STEPHEN N. MANDOKI
Administrative Services Director

BOBBY YOUNG
Budget & Research Officer

LANCE M. NAKAMOTO
Human Resources Administrator

KASAMA LEE
Principal Human Resources Analyst

JULIE SCHALL
Human Resources Analyst