



CITY COUNCIL AGENDA REPORT

MEETING DATE: July 7TH, 2015

ITEM NUMBER: PH-1

SUBJECT: CIVIC OPENNESS IN NEGOTIATIONS (COIN) ORDINANCE SECOND PUBLIC HEARING OF THE APPROVAL AND ADOPTION OF THE SIDE LETTER AGREEMENT (Attachment I) TO THE 2013-2016 MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE CITY OF COSTA MESA AND THE COSTA MESA CITY EMPLOYEES ASSOCIATION (CMCEA), THE ADOPTION OF THE ACCOMPANYING SALARY RESOLUTION AND ADOPTION OF THE CONFIDENTIAL SALARY RESOLUTION.

DATE: June 17th, 2015

FROM: CHIEF EXECUTIVE'S OFFICE/HUMAN RESOURCES DIVISION

PRESENTATION BY: LAURA KALTY, CHIEF NEGOTIATOR
LANCE M. NAKAMOTO, HUMAN RESOURCES MANAGER

FOR FURTHER INFORMATION CONTACT: LANCE NAKAMOTO (714) 754-5172

RECOMMENDATION:

1. Hold the second Public Hearing as required by COIN.
2. Approve and adopt the Side Letter Agreement to the 2013-2016 Memorandum of Understanding between the City of Costa Mesa and CMCEA effective June 28th, 2015.
3. Adopt Resolution Number 15- ____ (Attachment II), which implements a four percent (4%) cost of living adjustment for all CMCEA represented classifications.
4. Adopt Resolution Number 15- ____ (Attachment III), which implements a four percent (4%) cost of living adjustment for all unrepresented Confidential classifications.

ANALYSIS:

The current Memorandum of Understanding between the City and CMCEA specifies a "singular reopener." The negotiations shall be limited to base salary only, *Article 3 – Salaries and Wages, 3.1* states:

"...Therefore, on or about June 1, 2015, the parties shall convene the meet and confer process in this singular regard."

At the March 17th, 2015 City Council Meeting, the City Council formally approved Assistant Chief Executive Officer Tamara S. Letourneau and Laura Kalty, Partner, Liebert Cassidy Whitmore to represent the City in negotiations with the CMCEA in accordance with the COIN Ordinance. The City Council also approved and directed staff to have the independent fiscal analysis completed of the current CMCEA MOU.

Subsequently, as the result of a legal Settlement Agreement (Attachment II) reached by representatives from the City and CMCEA, the Parties agreed upon a wage increase for CMCEA represented classifications.

The following are the relevant COIN provisions of the Side Letter Agreement:

- Wage Increase. The CMCEA members shall be provided with a four percent (4%) base wage inclusive of the pay period of July 1, 2015. This wage increase is expressly conditioned upon the City's compliance with the COIN process required by the City's Municipal Code prior to implementation of the wage increase.
- Unfreezing of Merit Increases. The City will unfreeze merit increases effective June 28th, 2015, and this provision shall be set forth in the new MOU between the City and CMCEA.

This agreement is presented to the City Council for final approval and adoption and is included herein as Attachment I. The above mentioned provisions will also apply to Confidential employees. The CMCEA Salary Resolution also includes a salary equity adjustment for the Senior Communications Supervisor position. The salary range will be equivalent to the Police Records Bureau Supervisor, Property and Evidence Supervisor and Crime Scene Investigation Supervisor. As a result of the studied incumbent's comparable span of control, independent judgment and discretion exercised, this recommended corrects a salary inequity that has existed since the studied position was assigned to the Police Department's Support Services Division.

ALTERNATIVES CONSIDERED:

The parties through a legal Settlement Agreement have mutually agreed to the terms stipulated in the Side Letter and appropriate alternatives need not be considered as a result..

FISCAL REVIEW:

The Fiscal Impact Analysis (Attachment IV) prepared and posted in compliance with the COIN Ordinance recognizes City costs of approximately \$1,154,297 for the current Fiscal Year 2015-2016.

LEGAL REVIEW:

The City Attorney has reviewed the documents and approved them as to form.

CONCLUSION:

The July 7th Public Hearing is the second and final of the two mandated City Council Meetings conducted pursuant to the COIN Ordinance. In conjunction with the Public Hearing, Staff recommends that the City Council approve and adopt the CMCEA Side Letter and corresponding CMCEA salary resolution as well as the Confidential salary resolution.

LANCE M. NAKAMOTO
Human Resources Manager

TAMARA S. LETOURNEAU
Assistant Chief Executive Officer

STEPHEN DUNIVENT
Interim Finance Director

THOMAS DUARTE
City Attorney

DISTRIBUTION: Chief Executive Officer
City Clerk

ATTACHMENTS: I [CMCEA Side Letter Agreement](#)
II [CMCEA Salary Resolution 15-](#)
III [Confidential Salary Resolution 15-](#)
IV [COIN Fiscal Impact Analysis](#)