

SIDE LETTER

CITY OF COSTA MESA

AND

THE COSTA MESA DIVISION MANAGERS ASSOCIATION

This Side Letter between the City of Costa Mesa (City) and the Costa Mesa Division Managers Association (Association) (collectively "Parties") is entered into with respect to the following:

WHEREAS, the Compensation Plan and Salary Ranges for classifications represented by the Association as set forth in Resolution 17-26; and

WHEREAS, as a result of the impacts of COVID-19 on the City, the Parties have met for the purpose of achieving cost savings. This has resulted in the Parties agreeing to some modifications to Resolution 17-26; and

WHEREAS, the following memorializes the parties' agreement.

The Parties agree to the following modifications to Resolution 17-26 effective the pay period including July 1, 2020 (i.e., June 21, 2020), as set forth below:

1. This Side Letter is effective at 12:00 a.m. on June 21, 2020 (the first day of the pay period including July 1, 2020) and sunsets at 11:59 p.m. on June 19, 2021. When this Side Letter sunsets, all of its terms end unless the Parties modify their agreement, with the exception of item 6 below.

~~During the term of this Side Letter, employees in the Association will be subject to a five percent (5%) furlough. This means that they will be scheduled to work five percent (5%) less hours and will receive five percent (5%) less pay during the term of this Side Letter. If a future decision is made to close City Hall on Fridays, there will be an alternative reduction in pay or benefits equivalent to a 5% furlough. The manner and method by which the reduction in pay (equivalent to the dollar savings of a 5% furlough will be accomplished will be subject to a mutual agreement of the Parties.~~

2. During the term of this Side Letter, employees in the Association will be subject to a five percent (5%) furlough. This means that they will be scheduled to work five percent (5%) less hours and will receive five percent (5%) less pay during the term of this Side Letter. If a future decision is made to close City Hall on Fridays, there will be an alternative reduction in pay or benefits equivalent to a 5% furlough. In exchange for the reduction in pay or benefits, an additional one-time 104 hours of Executive Furlough Leave will be provided to each member for the side letter period. This Executive Furlough Leave may be used at any time without expiration, has no cash value and cannot be cashed out upon separation from the City.

2.

3. During the term of this Side Letter, the City agrees that employees in the Association cannot be subject to layoff from City employment.
4. Section 6 of Resolution # 17-26 is set forth below. For calendar year 2021, the City shall grant Executive Leave to management personnel not to exceed one-hundred (100) hours. Section 6, as set forth below will continue to apply in calendar year 2020. Unless changed by a future modification, current Section 6 will apply in 2022. The increase to one hundred (100) hours is just for calendar year 2021. Between January 1 and June 19, 2021, only 40 hours of Executive Leave may be used. From June 20, 2021 through December 31, 2021, employees may use the entire 100 hours provided to them for calendar year 2021.

SECTION 6. Effective December 24, 2017, the City shall grant Executive Leave to management personnel not to exceed forty (40) hours per year. The City Manager may grant an additional ~~forty-sixty~~ (60) hours of Executive Leave.

5. During the term of this Side Letter, employees in the Association are not permitted to cash out any of their vacation leave.

5.6. In exchange for not taking a cash out, the vacation accrual limits for all members of the association shall be removed.

6.7. If the City receives financial relief from the County of Orange, State of California, or the Federal Government for any issues related to the impact of COVID-19 in excess of \$40.5 million for Fiscal Year 2020/2021, each member of the Association will receive a one-time bonus equivalent to furlough hours (base rate x furlough hours) or other reduction already taken.

REPRESENTATIVES OF THE COSTA MESA
DIVISION MANAGERS ASSOCIATION

DANE BORA
CMDMA President

CMDMA Team Member

CMDMA Team Member

REPRESENTATIVES OF THE CITY OF
COSTA MESA

LORI ANN FARRELL HARRISON
City Manager

SUSAN PRICE
Assistant City Manager

KASAMA LEE
Acting Human Resources Manager

ITZIA CARVAJAL
Acting Human Resources Administrator